



ASIAMEDIC LIMITED

ASIAMEDIC LIMITED

(Incorporated in the Republic of Singapore)
(Registration No. 197401556E)

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

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A CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Note | Group | | Increase/(Decrease) | |
|--|------|---|---|---------------------|--------------|
| | | 6 months ended 30 June 2021 (Unaudited) \$ | 6 months ended 30 June 2020 (Unaudited) \$ | \$ | % |
| Revenue | N4 | 9,166,117 | 6,116,849 | 3,049,268 | 49.9% |
| Other income | | 478,333 | 930,517 | (452,184) | (48.6)% |
| Items of expense | | | | | |
| Consumables used | | (674,785) | (565,990) | 108,795 | 19.2% |
| Personnel expenses | | (4,950,847) | (4,952,727) | (1,880) | 0.0% |
| Depreciation and amortisation of non-current assets | | (525,105) | (1,249,684) | (724,579) | (58.0)% |
| Operating lease expenses | | (80,359) | (86,182) | (5,823) | (6.8)% |
| Maintenance of equipment | | (481,319) | (477,501) | 3,818 | 0.8% |
| Laboratory and consultancy fees | | (936,507) | (467,710) | 468,797 | 100.2% |
| Finance costs | | (70,638) | (97,752) | (27,114) | (27.7)% |
| Other operating expenses | | (1,152,502) | (992,147) | 160,355 | 16.2% |
| Share of results of associate | | 190,952 | 163,446 | 27,506 | 16.8% |
| Profit/(loss) before tax | N5 | 963,340 | (1,678,881) | 2,642,221 | NM |
| Income tax expense | N6 | – | – | – | – |
| Profit/(loss) for the period, representing total comprehensive income for the period, attributable to owners of the Company | | 963,340 | (1,678,881) | 2,642,221 | NM |
| Earnings/(loss) per share for profit for the period attributable to the owners of the Company | | | | | |
| Basic (SGD in cent) | N7 | 0.086 | (0.15) | | |
| Diluted (SGD in cent) | N7 | 0.086 | (0.15) | | |

NM: Not meaningful.

B CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

| | Note | Group | | Company | |
|---|------|--------------------------------------|--|--------------------------------------|--|
| | | 30 June 2021 (Unaudited) \$ | 31 December 2020 (Audited) \$ | 30 June 2021 (Unaudited) \$ | 31 December 2020 (Audited) \$ |
| Non-current assets | | | | | |
| Property, plant and equipment | N8 | 507,541 | 514,674 | 23,378 | 26,761 |
| Right-of-use assets | N8 | 4,717,620 | 1,878,785 | 4,717,620 | 1,878,785 |
| Investment in subsidiaries | N9 | – | – | 965,230 | 965,230 |
| Investment in associate | | 2,124,008 | 1,933,056 | 181,500 | 181,500 |
| Goodwill | N10 | 523,864 | 523,864 | – | – |
| | | 7,873,033 | 4,850,379 | 5,887,728 | 3,052,276 |
| Current assets | | | | | |
| Inventories | | 260,541 | 269,411 | – | – |
| Trade receivables | | 3,221,072 | 2,448,711 | – | – |
| Other receivables and deposits | | 492,038 | 590,402 | 611,553 | 1,312,522 |
| Prepayments | | 256,126 | 167,831 | 45,121 | 22,767 |
| Cash pledged as security | | 818,100 | 818,100 | – | – |
| Cash and cash equivalents | | 7,537,613 | 7,657,029 | 5,331,097 | 5,315,998 |
| | | 12,585,490 | 11,951,484 | 5,987,771 | 6,651,287 |
| Current liabilities | | | | | |
| Trade payables | | 1,186,853 | 1,052,147 | – | – |
| Other payables and accruals | | 1,699,182 | 1,538,999 | 556,754 | 562,078 |
| Deferred income | | 1,112,513 | 1,357,081 | – | – |
| Lease liabilities | N11 | 1,275,373 | 1,370,835 | 1,275,373 | 1,370,835 |
| Provision for reinstatement | | 170,000 | 170,000 | 170,000 | 170,000 |
| | | 5,443,921 | 5,489,062 | 2,002,127 | 2,102,913 |
| Net current assets | | 7,141,569 | 6,462,422 | 3,985,644 | 4,548,374 |
| Non-current liabilities | | | | | |
| Provision for reinstatement | | 587,321 | 585,980 | 277,000 | 277,000 |
| Lease liabilities | N11 | 5,401,255 | 2,664,135 | 5,401,255 | 2,664,135 |
| Deferred tax liabilities | | 22,568 | 22,568 | – | – |
| | | 6,011,144 | 3,272,683 | 5,678,255 | 2,941,135 |
| Net assets | | 9,003,458 | 8,040,118 | 4,195,117 | 4,659,515 |
| Equity attributable to owners of the Company | | | | | |
| Share capital | N12 | 33,284,437 | 33,284,437 | 33,284,437 | 33,284,437 |
| Treasury shares | N13 | (2,866) | (2,866) | (2,866) | (2,866) |
| Other reserves | | (562,921) | (562,921) | 97,812 | 97,812 |
| Accumulated losses | | (23,715,192) | (24,678,532) | (29,184,266) | (28,719,868) |
| | | 9,003,458 | 8,040,118 | 4,195,117 | 4,659,515 |

C CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

| Group | Attributable to owners of the Company | | | | Total |
|---|---------------------------------------|-----------------------|------------------------|---------------------------|--------------------|
| | Share capital | Other reserves | Treasury shares | Accumulated losses | |
| | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 January 2021 | 33,284,437 | (562,921) | (2,866) | (24,678,532) | 8,040,118 |
| Profit for the period, representing total comprehensive income for the period | – | – | – | 963,340 | 963,340 |
| Balance at 30 June 2021 | 33,284,437 | (562,921) | (2,866) | (23,715,192) | 9,003,458 |
| Balance at 1 January 2020 | 24,761,027 | (561,121) | (2,866) | (20,383,366) | 3,813,674 |
| Loss for the period, representing total comprehensive income for the period | – | – | – | (1,678,881) | (1,678,881) |
| Grant of equity-settled share options to employees | – | 12,606 | – | – | 12,606 |
| Net proceeds from Rights Issue | 8,523,410 | – | – | – | 8,523,410 |
| Balance at 30 June 2020 | 33,284,437 | (548,515) | (2,866) | (22,062,247) | 10,670,809 |
| Company | Share capital | Other reserves | Treasury shares | Accumulated losses | Total |
| | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 January 2021 | 33,284,437 | 97,812 | (2,866) | (28,719,868) | 4,659,515 |
| Loss for the period, representing total comprehensive income for the period | – | – | – | (464,398) | (464,398) |
| Balance at 30 June 2021 | 33,284,437 | 97,812 | (2,866) | (29,184,266) | 4,195,117 |
| Balance at 1 January 2020 | 24,761,027 | 99,612 | (2,866) | (25,331,192) | (473,419) |
| Profit for the period, representing total comprehensive income for the period | – | – | – | 170,590 | 170,590 |
| Grant of equity-settled share options to employees | – | 12,606 | – | – | 12,606 |
| Net proceeds from Rights Issue | 8,523,410 | – | – | – | 8,523,410 |
| Balance at 30 June 2020 | 33,284,437 | 112,218 | (2,866) | (25,160,602) | 8,233,187 |

D CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

| | 6 months ended 30 June 2021 (Unaudited) \$ | 6 months ended 30 June 2020 (Unaudited) \$ |
|---|---|---|
| Cash flows from operating activities | | |
| Profit/(loss) before tax | 963,340 | (1,678,881) |
| Adjustments: | | |
| Depreciation and amortisation of non-current assets | 86,723 | 517,576 |
| Depreciation of right-of-use assets | 438,382 | 732,108 |
| Adjustment on lease modification | 98,888 | – |
| Property, plant and equipment written off | 4,168 | – |
| Finance costs | 70,638 | 97,752 |
| Interest income | (12,292) | (20,610) |
| Grant of equity-settled share options to employees | – | 12,606 |
| Share of results of associate | (190,952) | (163,447) |
| Operating cash flows before changes in working capital | 1,458,895 | (502,896) |
| Changes in working capital | | |
| Decrease/(increase) in inventories | 8,868 | (21,541) |
| (Increase)/decrease in trade receivables, other receivables and deposits, and prepayments | (762,291) | 1,659,361 |
| Increase/(decrease) in trade and other payables | 322,602 | (84,620) |
| Decrease in deferred income | (244,568) | (64,890) |
| Net cash flows from operating activities | 783,506 | 985,414 |
| Cash flows from investing activities | | |
| Interest received | 12,292 | 20,610 |
| Purchase of property, plant and equipment | (111,470) | (286,477) |
| Net cash flows used in investing activities | (99,178) | (265,867) |
| Cash flows from financing activities | | |
| Increase in cash pledged as security | – | (202,500) |
| Interest paid | (69,297) | (96,435) |
| Payment of principal portion of lease liabilities and finance lease rental payments | (734,447) | (707,619) |
| Repayment of loans and borrowings | – | (91,316) |
| Net proceeds from Rights Issue | – | 3,523,410 |
| Net cash flows (used in)/from financing activities | (803,744) | 2,425,540 |
| Net (decrease)/increase in cash and cash equivalents | (119,416) | 3,145,087 |
| Cash and cash equivalents at beginning of period | 7,657,029 | 2,889,527 |
| Cash and cash equivalents at end of period | 7,537,613 | 6,034,614 |

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2021

N1. Corporate information

AsiaMedic Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Company are those relating to investment holding and the provision of management services.

The principal activities of the Group are:

- (a) Provision of diagnostic imaging and radiology services.
- (b) Provision of medical wellness and health screening services.
- (c) Provision of primary healthcare services.
- (d) Provision of medical aesthetic services.

N2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with 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 31 December 2020.

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 N2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

The financial statements have been prepared on a going concern basis as the management is reasonably confident that the Group will be able to pay its debts as and when they fall due as the Group is expected to be able to generate sufficient operating cash flows and will have sufficient funds for its operations.

N2.1 New and amended standards adopted by the Group

No new or amendment to the Singapore Financial Reporting Standards (International) has become applicable to the Group for the current reporting period.

N2.2 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 31 December 2020.

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

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

Note N8 – Impairment of property, plant and equipment and right-of-use assets: key assumptions underlying recoverable amounts.

Note N9 – Impairment of investment in subsidiaries and amounts due from subsidiaries: key assumptions underlying recoverable amounts.

Note N10 – Impairment test of goodwill: key assumptions underlying recoverable amounts.

N3. Segment and revenue information

For management purposes, the Group regards the rendering of medical wellness and health screening services, diagnostic imaging and radiology services, primary healthcare services and medical aesthetic services as a single segment. Management has not identified any business or operating units separately for purpose of making decisions about resource allocation and performance assessment.

The Group's revenue is derived from operations located in Singapore.

N4. Disaggregation of revenue

| | Group | |
|---|--|--|
| | 6 months ended 30 June 2021 | 6 months ended 30 June 2020 |
| | \$ | \$ |
| Major service lines: | | |
| Medical wellness and health screening services | 4,977,004 | 3,151,782 |
| Diagnostic imaging and radiology services | 2,967,354 | 2,092,704 |
| Primary healthcare services | 895,218 | 601,710 |
| Medical aesthetic services | 813,891 | 523,797 |
| | <u>9,653,467</u> | <u>6,369,993</u> |
| Less: Elimination of intercompany transactions | (487,350) | (253,144) |
| | <u>9,166,117</u> | <u>6,116,849</u> |
| Timing of transfer of goods or services: | | |
| At a point in time | 8,453,861 | 5,671,634 |
| Over time | 712,256 | 445,215 |
| | <u>9,166,117</u> | <u>6,116,849</u> |

N5. Profit/(loss) before tax**N5.1 Significant items**

| | Group | |
|---|--|--|
| | 6 months ended 30 June 2021 | 6 months ended 30 June 2020 |
| | \$ | \$ |
| Income: | | |
| Job Support Scheme grant income | 281,014 | 762,526 |
| Other grant income | 76,204 | 83,295 |
| Sub-lease income | 64,086 | 64,086 |
| Interest income | 12,292 | 20,610 |
| Expenses: | | |
| Adjustment on lease modification | 98,888 | – |
| Property, plant and equipment written off | 4,168 | – |
| Interest on borrowings | – | 311 |
| Interest on lease liabilities | 69,297 | 96,125 |
| Interest on reinstatement asset | 1,341 | 1,317 |

N5.2 Related party transactions

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

| | Group | |
|--|--|--|
| | 6 months ended 30 June 2021 | 6 months ended 30 June 2020 |
| | \$ | \$ |
| Sale and purchase of goods and services: | | |
| Purchase of consumables from an associate | 210,900 | 210,900 |
| Medical services rendered to subsidiaries of controlling shareholder | 51,770 | 76,200 |

N6. Income tax expense

There is no income tax expense for the six months ended 30 June 2021 due to the availability of tax losses to offset the current period's taxable profit.

N7. Earnings/(Loss) per share

Basic earnings/(loss) per share amounts are calculated by dividing earnings/(loss) for the period, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

There were no potential dilutive ordinary shares. Share options are not included in the calculation of the diluted loss per share because they are anti-dilutive.

The following table reflects the share data used in the computation of earnings per share:

| | Group | |
|---|--|--|
| | 6 months ended 30 June 2021 | 6 months ended 30 June 2020 |
| | Number of shares | Number of shares |
| Weighted average number of ordinary shares for basic and diluted loss per share computation | 1,119,522,270 | 1,067,448,403 |

N8. Property, plant and equipment and right-of-use assets

N8.1 Impairment test

The recoverable amount of the property, plant and equipment and right-of-use assets is based on the value in use of a cash generating unit ("CGU"). Value in use was determined by discounting the future cash flows to be generated from the continuing use of the CGU. Value in use as at 30 June 2021 was determined similarly to the 31 December 2020 impairment test, and was based on the following key assumptions:

- Projection period of 5 years (2020: 4 years).
- Pre-tax discount rate of 10.5% (2020: 10.5%).

Following management's impairment assessment, no impairment was recognised during the interim period. Any adverse change in a key assumption may result in an impairment.

N8.2 Purchase of property, plant and equipment

During the period, acquisitions of property, plant and equipment with a total cost of \$83,758 were made by cash. During the period, payments by cash for property, plant and equipment acquired in prior years amounted to \$27,712. As at 30 June 2021, the amount owing to a vendor for acquisitions of property, plant and equipment amounted to \$69,255.

N8.3 Right-of-use assets

| | Office and clinic premises \$ |
|--|--|
| Cost: | |
| As at 1 January 2021 and 30 June 2021 | 6,810,044 |
| Accumulated depreciation and impairment loss: | |
| As at 1 January 2021 | 4,931,259 |
| Depreciation charge | 438,382 |
| Adjustment on lease modification | <u>(3,277,217)</u> |
| As at 30 June 2021 | <u>2,092,424</u> |
| Net book value: | |
| At 30 June 2021 | <u>4,717,620</u> |
| At 31 December 2020 | <u>1,878,785</u> |

N9. Investment in subsidiaries and amounts due from subsidiaries

The recoverable amount of the investment in subsidiaries was based on their value in use. Value in use was determined by discounting the future cash flows to be generated from the subsidiaries. Value in use as at 30 June 2021 was determined similarly to the 31 December 2020 impairment test, and was based on the following key assumptions:

- Projection period of 5 years (2020: 4 years).
- Pre-tax discount rate of 10.5% (2020: 10.5%).

The recoverable amount of the amounts due from subsidiaries was based on the expected credit loss model. The provision rates are based on factors that affect the collectability of the amounts including the subsidiaries' current financial position as well as the projected cash flows of the subsidiaries.

Following management's impairment assessment, impairments were recognised for the amounts owing by AsiaMedic PET/CT Centre Pte Ltd of \$230,109 (2020: \$1,023,061) and AsiaMedic Heart & Vascular Centre Ptd Ltd of \$198,582 (2020: \$241,045).

N10. Goodwill

| | Group |
|------------------------------------|----------------|
| | \$ |
| Cost: | |
| At 1 January 2021 and 30 June 2021 | 523,864 |
| Accumulated impairment: | |
| At 1 January 2021 and 30 June 2021 | – |
| Net book value: | |
| At 1 January 2021 and 30 June 2021 | <u>523,864</u> |

Goodwill impairment test

Goodwill relates to the business combination of the CGU of AsiaMedic Astique The Aesthetic Clinic Pte Ltd.

The recoverable amount of the CGU was based on its value in use. Value in use was determined by discounting the future cash flows to be generated from the continuing use of the CGU. Value in use as at 30 June 2021 was determined similarly to the 31 December 2020 impairment test, and was based on the following key assumptions:

- Projection period of 5 years (2020: 4 years).
- Pre-tax discount rate of 11% (2020: 11%)

Following management's impairment assessment, no impairment was recognised during the interim period. Any adverse change in a key assumption may result in an impairment.

N11. Lease liabilities

The lease liabilities represent finance leases for office and clinic premises as at 30 June 2021.

| | Office and clinic premises |
|--|-----------------------------------|
| | \$ |
| Carrying amount at 1 January 2021 | 4,034,970 |
| Lease extension recognised during the period | 3,277,217 |
| Accretion of interest recognised during the period | 69,297 |
| Adjustment on lease modification | 98,888 |
| Payments during the period | <u>(803,744)</u> |
| Carrying amount at 30 June 2021 | <u>6,676,628</u> |
| Analysed into: | |
| Current portion (repayable within a year) | 1,275,373 |
| Non-current portion (repayable after one year) | <u>5,401,255</u> |
| | <u>6,676,628</u> |

Details of any collateral:

Nil.

N12. Share capital

| | Group and Company | | | |
|--------------------------------|--------------------------|-------------------|-------------------------|-------------------|
| | 30 June 2021 | | 31 December 2020 | |
| | No. of shares | \$ | No. of shares | \$ |
| Beginning of interim period | 1,119,622,270 | 33,284,437 | 1,119,622,270 | 33,284,437 |
| Movement during interim period | – | – | – | – |
| End of interim period | <u>1,119,622,270</u> | <u>33,284,437</u> | <u>1,119,622,270</u> | <u>33,284,437</u> |

As at 30 June 2021, the number of ordinary shares in issue was 1,119,522,270 excluding 100,000 treasury shares (31 December 2020: 1,119,522,270 ordinary shares excluding 100,000 treasury shares).

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2021 and 31 December 2020.

N13. Treasury shares

| | Group and Company | | | |
|--------------------------------|--------------------------|--------------|-------------------------|--------------|
| | 30 June 2021 | | 31 December 2020 | |
| | No. of shares | \$ | No. of shares | \$ |
| Beginning of interim period | 100,000 | 2,866 | 100,000 | 2,866 |
| Movement during interim period | – | – | – | – |
| End of interim period | <u>100,000</u> | <u>2,866</u> | <u>100,000</u> | <u>2,866</u> |

F INFORMATION REQUIRED UNDER APPENDIX 7C OF THE CATALIST RULES

The following disclosures are in accordance with Appendix 7C Financial Statements and Dividend Announcement of the Listing Manual Section B: Rules of Catalist (the “Catalist Rules”) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and do not form part of the condensed interim financial statements set out on pages 1 to 10 of this announcement.

1. (a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Please refer to paragraph A.

- (a)(ii) Significant items

Please refer to Note N5.1.

- (b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Please refer to paragraph B.

- (b)(ii) Aggregate amount of group's borrowings and debt securities.

Please refer to Note N11.

- (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Please refer to paragraph D.

- (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Please refer to paragraph C.

- (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

As at 30 June 2021, the number of ordinary shares in issue was 1,119,522,270 excluding 100,000 treasury shares (31 December 2020: 1,119,522,270 ordinary shares excluding 100,000 treasury shares). The issued share capital as at 30 June 2021 was \$33,284,437 (31 December 2020: \$33,284,437).

There were no additional share options granted under the AsiaMedic Employees Share Option Scheme 2016 since the end of the previous period reported on. As at 30 June 2021, there were outstanding options for conversion into 1,171,935 (30 June 2020: 1,720,645) ordinary shares. The options were granted on 15 June 2016 and are subject to a vesting schedule and are exercisable in tranches from 15 June 2018.

The 100,000 treasury shares represent 0.009% of the total number of ordinary shares in issue as at 30 June 2021 and 30 June 2020.

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

As at 30 June 2020, the number of ordinary shares in issue was 1,119,522,270 excluding 100,000 treasury shares (31 December 2020: 1,119,522,270 ordinary shares excluding 100,000 treasury shares).

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

| | As at 1 January 2021 | Share buyback | Sales | Transfers | Disposal | Cancellation or use | As at 30 June 2021 |
|---------------------------------|----------------------------|------------------|-------|-----------|----------|------------------------|-----------------------|
| Number of treasury shares | 100,000 | – | – | – | – | – | 100,000 |

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

Not applicable. The Company does not have subsidiary holdings during and as at the end of the current financial period report on.

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

The figures have not been audited nor reviewed by the Company's auditor.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Please refer to Note N2.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to Note N2.1.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Please refer to consolidated statement of profit or loss and Note N7.

7. **Net asset value (for the issuer and Group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the:**
 (a) **current financial period reported on; and**
 (b) **immediately preceding financial year**

| | Group | | Company | |
|------------------------------------|-------------------------|-----------------------------|-------------------------|-----------------------------|
| | 30 June 2021 cent | 31 December 2020 cent | 30 June 2021 cent | 31 December 2020 cent |
| Net asset value per ordinary share | 0.80 | 0.72 | 0.37 | 0.42 |

The total number of shares used for the computation of net asset value per share is 1,119,522,270 excluding 100,000 treasury shares (31 December 2020: 1,119,522,270 ordinary shares excluding 100,000 treasury shares).

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

Review of Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

The Group's revenue increased by \$3.0 million or 49.9% to \$9.2 million for the half year ended 30 June 2021 ("HY2021") from \$6.1 million for the half year ended 30 June 2020 ("HY2020"). The Group's financial performance for HY2020 was adversely impacted by the Covid-19 pandemic as the Group's businesses were either not permitted to operate or have had their activities suspended during the circuit breaker implemented by the Singapore Government in HY2020 to curb the spread of Covid-19. With the absence of the circuit breaker measures in HY2021, our patient loads for HY2021 improved as compared to HY2020, and as a result, the Group reported higher revenue for HY2021 as compared to HY2020.

Other income decreased to \$478,000 in HY2021 from \$931,000 in HY2020 due mainly to the decrease in grants received under the Job Support Scheme introduced by the Singapore Government in 2020 to help companies affected by the Covid-19 pandemic.

Consumables used increased by \$109,000 or 19.2% due to the increase in revenue. Depreciation and amortisation expense decreased by \$725,000 or 58.0% due to impairment already made for the right-of-use assets and property, plant and equipment of the imaging business in the second half of 2020. Laboratory and consultancy fees increased by \$469,000 or 100.2% due mainly to the increase in revenue and the outsourcing of certain imaging reporting to external consultants. Finance costs decreased by \$27,000 or 27.7% due to settlement of lease liabilities during HY2021. Other operating expenses increased by \$160,000 or 16.2% due to the increase in revenue. Share of results of associate increased by \$28,000 or 16.8% as a result of improvement in sales of the associate in HY2021 as compared to HY2020.

As a result, the Group recorded a profit attributable to shareholders of \$963,000 in HY2021 compared to a loss of \$1.7 million in HY2020.

Review of Condensed Interim Statements of Financial Position

Non-Current Assets

Non-Current assets increased from \$4.9 million as at 31 December 2020 to \$7.9 million as at 30 June 2021 due principally to increase in right-of-use assets. Right-of-use assets increased to \$4.7 million as at 30 June 2021 from \$1.9 million as at 31 December 2020 due mainly to lease of premises extended in June 2021.

Current Assets

Current assets increased from \$12.0 million as at 31 December 2020 to \$12.6 million as at 30 June 2021 due principally to the increase in trade receivables. Trade receivables increased to \$3.2 million as at 30 June 2021 from \$2.4 million as at 31 December 2020 due mainly to health screening projects with government agencies.

Current Liabilities

Current liabilities decreased slightly from \$5.5 million as at 31 December 2020 and \$5.4 million as at 30 June 2021. Trade payables, and other payables and accruals increased from \$1.1 million and \$1.5 million as at 31 December 2020 respectively to S\$1.2 million and S\$1.7 million as at 30 June 2021 in line with the higher consumables used and laboratory and consultancy fees incurred in HY2021. These increases were partially offsetted by the decrease in deferred income. Deferred income decreased to \$1.1 million as at 30 June 2021 from \$1.4 million as at 31 December 2020 due to the high level of prepayment for health screening packages at the end of last year as compared to 30 June 2021.

Net Current Assets

As a result of the increase in current assets and a slight decrease in current liabilities, the Group's net current assets increased to \$7.1 million as at 30 June 2021 from \$6.5 million as at 31 December 2020.

Non-Current Liabilities

Lease liabilities increased to \$5.4 million as at 30 June 2021 from \$2.7 million as at 31 December 2020 due to lease of premises extended during HY2021.

Review of Condensed Interim Consolidated Statement of Cash Flows

Operating cash flows before changes in working capital amounted to an inflow of \$1.5 million in HY2021 as compared to an outflow of \$0.5 million in HY2020 due to the improvement in profit before tax for HY2021. Net cash flows from operating activities amounted to \$0.8 million in HY2021 compared to \$1 million in HY2020 as the Group's cash inflow before changes in working capital were substantially offsetted by cash outflow of S\$0.7 million in HY2021 due to higher trade receivables as at 30 June 2021 brought about by the higher revenue in HY2021. Cash flows used in investing activities were \$99,000 in HY2021 compared to \$266,000 in HY2020 due mainly to lower capital expenditure in HY2021 as compared to HY2020. Cash flows used in financing activities were \$0.8 million in HY2021 compared to an inflow of \$2.4 million in HY2020 due mainly to the net proceeds from the Rights Issue of \$3.5 million in HY2020.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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

The Group made good progress in the first four months of 2021 as a result of higher patient load in the period. However, from 16 May 2021, the Singapore Government implemented tightened pandemic restrictions which had a negative impact on our operations, in particular our onsite health screening business. Our visual screening project for children in pre-schools has been terminated due to pre-schools' restrictions on visitor entry. The volume of various community health screening and related services has also been deferred or scaled down due to social distancing measures. The Covid-19 situation is still evolving and business conditions will continue to be challenging amid the uncertainties. The level of demand for our other businesses will depend on the public health measures and business conditions. Notwithstanding the improved financial performance in HY2021, the Group does not expect such results to continue in the second half of 2021 and the next 12 months, having considered factors, among others, the Phase 2 (Heightened Alert) restrictions which were recently relaxed on 10 August 2021, and the termination and scaling down of screening and related services. The management is closely monitoring the situation and will continue to optimize the utilization of our facilities, resources and staff during this period, and operate in compliance with the regulations.

11. Dividend information.

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

Nil

b) (1) Amount per share: Nil cents

(2) Previous corresponding period: Nil cents

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).

N/A

d) The date the dividend is payable: N/A

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

N/A

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

No dividend has been declared to conserve cash for operational purposes.

13. If the group has obtained 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.

| Name of interested person | Nature of relationship | Aggregate value of all interested person transactions during HY2021 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 during HY2021 (excluding transactions less than S\$100,000) |
|-----------------------------|--------------------------------------|---|--|
| Brookline Medical Pte. Ltd. | Associate of controlling shareholder | – ⁽¹⁾ | – ⁽¹⁾ (Provision of imaging services under a general mandate) |

Note (1): All transactions were less than S\$100,000.

14. Use of proceeds from Rights Issue.

The Company issued 729,034,145 new ordinary shares on 14 January 2020 in connection with its Rights Issue. The net proceeds have been utilised as follows:

| Use of proceeds | Net proceeds \$'000 | Amount utilised as at the date of this announcement \$'000 | Balance \$'000 |
|--|---------------------|--|----------------|
| Reducing indebtedness of the Group ⁽¹⁾ | 5,000 | 5,000 | – |
| For general corporate and working capital purposes including but not limited to operating costs, capital expenditure and making strategic investments and/or acquisitions if opportunities arise | 3,523 | – | 3,523 |
| Total | 8,523 | 5,000 | 3,523 |

Note:

- (1) Reducing indebtedness of the Group in relation to the Offsetting Arrangement (as defined in the Company's circular to shareholders dated 14 November 2019).

Under the Offsetting Arrangement, the Company and Luye Medical Group Pte Ltd (the "Undertaking Shareholder") have mutually agreed that the subscription monies due from the Undertaking Shareholder to the Company for the subscription by the Undertaking Shareholder of 381,725,584 rights shares and 34,941,082 excess rights shares will be offset entirely against the aggregate outstanding loan amount owing by the Company to the Undertaking Shareholder of S\$5 million.

15. 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.

The Company has received undertaking from all its Directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules of the SGX-ST.

16. Negative confirmation pursuant to Rule 705(5).

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Charles Wang Chong Guang

Joelle Lee Siew Hong

BY ORDER OF THE BOARD

**Foo Soon Soo (Ms)
Company Secretary**

Singapore
12 August 2021

This announcement has been reviewed by the Company's Sponsor, Xandar Capital Pte Ltd, in compliance with Rule 226 of the Rules of Catalist. It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("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 Ms Pauline Sim (Registered Professional) at 3 Shenton Way, #24-02 Shenton House, Singapore 068805. Telephone number: (65) 6319 4954.