ASIAN
HEALTHCARE
SPECIALISTS

2021 ANNUAL REPORT

DIVERSIFIED **HEALTHCARE SPECIALIST** AND **PROVIDER**

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PROXY FORM

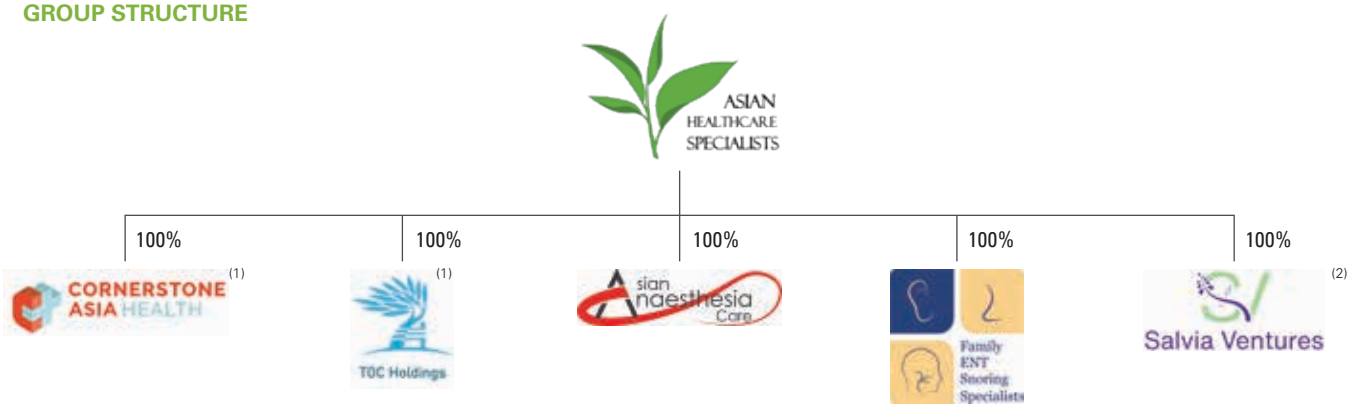
This annual report has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this annual report. This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made, or reports contained in this annual report. The contact person for the Sponsor is Mr Mah How Soon – Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com

CORPORATE PROFILE

Listed on the Catalist Board of Singapore Stock Exchange on 20 April 2018, Asian Healthcare Specialists Limited (the "**Company**" or "**AHS**", together with its subsidiaries, collectively the "**Group**") is a multidisciplinary medical services group that provides an extended range of medical services such as anaesthesia, dermatology, family medicine, gastroenterology, ophthalmology, orthopaedics, otorhinolaryngology, rehabilitation and urology. The Group currently has 13 medical specialists in different divisions, 1 family physician and 1 physiotherapist; conveniently located at 12 clinics in Singapore.

The Group aims to provide a more comprehensive suite of in-house services to patients who have more complex medical issues requiring input from various specialities. Leveraging on the Singapore healthcare branding, the Group has an investment arm, Salvia Ventures Pte. Ltd. which aims to set up satellite centres of healthcare excellence in the South-East Asia region.

GROUP STRUCTURE



Location/Specialties	Orthopaedic	Urology	Gastroenterology	Ophthalmology	Dermatology	Otorhinolaryngology/ ENT	Family Medicine	Rehabilitation
Mount Elizabeth Novena Specialist Centre	The Orthopaedic Centre (Novena)	S H Ho Urology and Laparoscopy Centre						
Gleneagles Medical Centre	The Orthopaedic Centre (Gleneagles)	S H Ho Urology and Laparoscopy Centre	Ng Tay Meng Gastrointestinal and Liver Clinic					
Farrer Park Medical Centre	The Orthopaedic Centre (Farrer)	CAH Specialists @ Farrer	CAH Specialists @ Farrer	Bobby Cheng Eye & Retina Centre	Dermatology Associates (Connexion)	Adult & Child ENT Specialists		The Orthopaedic Centre (Farrer)
Mount Alvernia Medical Centre		CAH Specialists @ Mount Alvernia	CAH Specialists @ Mount Alvernia					
Great World City							Twin City Medical Centre	

(1) Please refer to pages 119 to 120 of this annual report for list of subsidiaries held by Cornerstone Asia Health Pte. Ltd. and TOC Holdings Pte. Ltd.

(2) Please refer to page 121 of this annual report for associate held by Salvia Ventures Pte. Ltd.

MESSAGE TO SHAREHOLDERS

2021 has proved to be yet another year full of adversity as new strains of COVID-19 sweep across the globe. The Group strives to help society recover from the devastating impacts of the pandemic and adapt to the new normal as soon as possible.

DR CHIN PAK LIN
Chief Executive Officer

MR LEOW CHUNG CHONG YAM SOON
Non-Executive Chairman

DEAR SHAREHOLDERS,

In 2021, the spectre of the COVID-19 pandemic has caused an unprecedented global crisis, including millions of lives lost, health systems in shock and severe disruption to the global economy and people's livelihoods, affecting the most vulnerable. Due to the successive waves of infections and emergence of more virulent strains worldwide over the course of the year, international air travel and borders remain largely restricted. This has in turn led to a drop in foreign patients. In addition, it has also led to a renewed focus on the way society interacts with the natural world. However, the prospect of vaccines and treatments offers a light at the end of the tunnel.

DIVIDEND

The COVID-19 pandemic has locked humanity in an ongoing war against the ever-changing, ever-mutating coronavirus. We are humbled by every healthcare worker for their immense sacrifices, invaluable dedication and commitment to make sure that our patients, COVID-19 or otherwise, are well taken care of. In view of rewarding shareholders for their support to us, a healthcare service provider, the Board of Directors is pleased to propose a final one-tier exempt dividend of $0.0028 per ordinary share in respect of FY2021, subject to the shareholders' approval at the upcoming Annual General Meeting.

SUSTAINABILITY

The challenges of the year highlighted the importance of a robust governance framework and implementation that directly impacts an organisation's success from a corporate standpoint; and is imperative that it works in concert with clinical governance to ensure safe delivery of high quality patient care. The road to recovery from COVID-19 will be filled with challenges where environmental, social and governance factors are critical in the new normal.

MESSAGE TO SHAREHOLDERS

The resilience and agility of our people meant that we were able to step up to assist Singapore with the national response to the crisis. Our focus on quality and patient safety meant that we were able to continue to deliver high-quality clinical care and protect staff and visitors to our facilities. Indeed, during this difficult time, our employees have shown resilience and that they are all able to dispense comfort, compassion and care to one another and their patients.

COVID-19 has caused healthcare systems and organisations around the world to rapidly adopt digital healthcare solutions. In many countries, the 'digital front door' has become the 'only front door' for patients to access clinical services. Similarly, we have adopted telemedicine for our patients both locally and internationally who seek medical help.

MOVING ON TO THE NEW NORMAL

We will continue to step up in other areas, to respect nature, power lives and livelihoods through our activities and by supporting a more inclusive society. Our employees will continue to show absolute integrity everyday by meeting the ethical standards that AHS and society expects. We must remain true to our core values and sustain a relentless focus on safety for the people. By doing this, we can deliver positive change for our customers, our communities, our investors and for society.

APPRECIATION

"Being a medical professional myself, I understand the pressures and challenges of the profession and I would therefore like to extend my personal heartfelt thanks to each and every colleague for the unselfish dedication, commitment and courage in going beyond the call of duty", comments Dr Chin Pak Lin, Chief Executive Officer.

On behalf of the Board of Directors, we would like to extend our sincere appreciation to our shareholders, business partners and all our stakeholders for their dedication and unwavering support over the past years and look towards the years ahead as we continue to be at the frontline of positive change and being a leading provider of holistic medical care with a focus on medical excellence and ethics.

Dr Chin Pak Lin
Chief Executive Officer

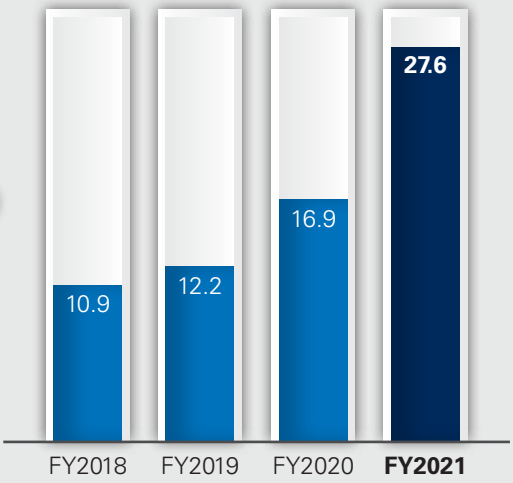
Mr Leow Chung Chong Yam Soon
Non-Executive Chairman

FINANCIAL HIGHLIGHTS

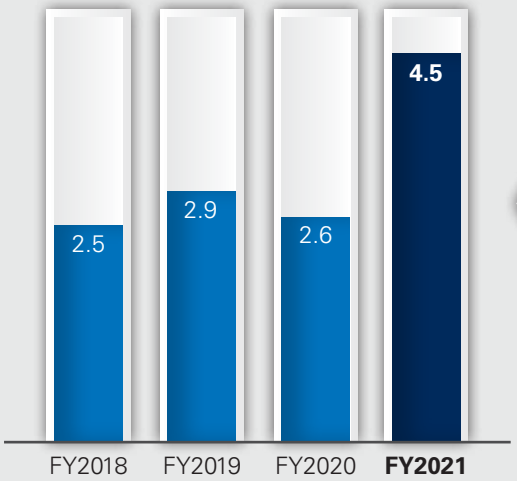
TOTAL REVENUE
$27.6M

For FY2021, revenue increased by $10.7 million or 62.8%, from $16.9 million to $27.6 million. The increase was mainly due to the consolidation of the results of Cornerstone Asia Health Pte. Ltd.("CAH"), pursuant to the Company's acquisition of 51.0% of CAH in February 2020. In FY2021, CAH contributed $13.7 million (FY2020: $6.7 million) to the Group's revenue; an increase in the number of patient visits as compared to last year pursuant to the recovery from COVID-19 pandemic; and the commencement of operation of ENT clinic in November 2020.

TOTAL REVENUE
(IN $ MILLION)



PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY
(IN $ MILLION)



PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY
$4.5M

In tandem with the revenue growth, the net profit attributable to owners of the Company increased by $1.9 million or 73.1%, from $2.6 million to $4.5 million. The decrease in profit attributable to owners of the Company in FY2020 was mainly due to the outbreak of COVID-19 pandemic in FY2020.

FINANCIAL REVIEW

REVIEW OF THE GROUP'S PERFORMANCE

REVENUE

For FY2021, revenue increased by $10.7 million or 62.8%, from $16.9 million to $27.6 million. The increase was mainly due to the consolidation of the results of Cornerstone Asia Health Pte. Ltd. ("**CAH**"), pursuant to the Company's acquisition of 51.0% of CAH in February 2020. In FY2021, CAH contributed $13.7 million (FY2020: $6.7 million) to the Group's revenue; an increase in the number of patient visits as compared to last year pursuant to the recovery from COVID-19 pandemic; and the commencement of operation of ENT clinic in November 2020.

OTHER INCOME

The Group's other income for FY2021 decreased by $0.5 million or 38.3%, from $1.1 million to $0.6 million. The decrease was mainly due to decrease in government grants and other reliefs of $0.4 million.

SUPPLIES AND CONSUMABLES USED

Supplies and consumables used comprise mainly expenses incurred to purchase implants, braces and drugs and medical consumables required for the provision of medical services. For FY2021, expense arising from supplies and consumables increased by $1.4 million or 62.5%, from $2.3 million to $3.7 million. The increase was in tandem with the increase in revenue.

PURCHASED AND CONTRACTED SERVICES

For FY2021, purchased and contracted services increased by $0.4 million or 141.7%, from $0.3 million to $0.7 million. The increase mainly arose from CAH's medical practices, comprising of dermatology, family medicine, gastroenterology, ophthalmology and urology services, which required relatively more laboratory tests. For FY2021, purchased and contracted services arising from CAH's medical practices was $0.6 million (FY2020: $0.2 million).

STAFF COSTS

For FY2021, staff costs increased by $3.7 million or 49.0%, from $7.5 million to $11.2 million. The increase was generally in tandem with the increase in revenue and the increase in headcounts from the acquisition of CAH.

DEPRECIATION

For FY2021, depreciation increased by $0.3 million or 30.5%, from $0.9 million to $1.2 million. The increase was mainly due to the Group operating more medical clinics as a result of the acquisition of CAH and the commencement of operations of ENT clinic in November 2020, resulting in an increase in depreciation of plant and equipment by $0.1 million and an increase in depreciation of right-of-use assets by $0.2 million.

OTHER OPERATING EXPENSES

For FY2021, other operating expenses increased by $0.8 million or 36.8%, from $2.2 million to $3.0 million. The increase in other operating expenses was in tandem to the increase in revenue.

FINANCE COSTS

For FY2021, finance costs decreased by $0.1 million or 42.0%, from $0.3 million to $0.2 million. The decrease in finance costs was mainly due to the redemption and conversion of the convertible bonds in FY2020, resulting in a decrease in interest on the convertible bonds by $0.2 million; and partially offset by increase in interest expense on bank loan by $0.1 million.

SHARE OF RESULTS OF ASSOCIATE

For FY2021, the Group recorded $0.4 million share of loss of associate, which was pertaining to losses incurred by an associated company, Fansipan 2 Holdings Pte. Ltd. ("**Fansipan 2**"). The Group holds approximately 23.8% of the total number of shares in Fansipan 2, and Fansipan 2 had an interest of approximately 99.9% of a medical group comprising two private hospitals located in Central Vietnam. The losses incurred by Fansipan 2 were primarily due to the COVID-19 outbreak in Vietnam during the year.

PROFIT BEFORE TAX

For FY2021, the Group recorded an increase in profit before tax of $3.4 million or 75.2%, from $4.6 million to $8.0 million. The increase was in tandem with the increase in revenue. As mentioned above, as the Company acquired 51.0% of CAH in February 2020, the profit before tax reported includes non-controlling interests share of profit in a subsidiary of the Company for the periods under review.

TAX EXPENSE

For FY2021, income tax expense increased by $0.7 million or 121.0%, to $1.2 million. The increase was in tandem with the increase in profit before tax and the effect of corporate income tax rebates in FY2020.

FINANCIAL REVIEW

REVIEW OF THE GROUP'S FINANCIAL POSITION

NON-CURRENT ASSETS

Non-current assets amounted to $45.3 million or 73.4% of the Group's total assets. Non-current assets mainly consist of goodwill of $35.1 million or 77.4% of the Group's non-current assets, arising from the acquisition of subsidiaries; investment in associate of $7.7 million or 17.1% of the Group's non-current assets; right-of-use assets of $1.9 million or 4.2% of the Group's non-current assets, mainly pertaining to leases of clinic premises; and plant and equipment of $0.6 million or 1.3% of the Group's non-current assets, comprising medical equipment, furniture, fittings, and office equipment, renovations and computers.

CURRENT ASSETS

Current assets increased by $2.9 million or 21.6%, from $13.5 million to $16.4 million, mainly due to increase in cash and cash equivalents of $2.6 million or 26.1%; and increase in trade and other receivables by $0.3 million or 8.1% which was in tandem with the increase in revenue.

Current assets amounted to $16.4 million or 26.6% of the Group's total assets. Current assets mainly consist of cash and cash equivalents of $12.5 million or 76.3% of the Group's current assets; and trade and other receivables (comprising of trade receivables, deposits, prepayments and other receivables) of $3.5 million or 21.2% of the Group's current assets.

NON-CURRENT LIABILITIES

Non-current liabilities decreased by $0.9 million or 14.9%, from $5.8 million to $4.9 million, mainly due to $1.2 million of the non-current bank loan as of 30 September 2020 turned current; and offset by increase in non-current lease liabilities of $0.4 million.

Non-current liabilities amounted to $4.9 million or 44.2% of the Group's total liabilities, consisting mainly non-current portion of the bank loan, amounting to $3.7 million or 75.2% of the Group's non-current liabilities; and lease liabilities of $1.2 million or 24.2% of the Group's non-current liabilities.

CURRENT LIABILITIES

Current liabilities increased by $1.0 million or 20.1%, to $6.2 million, mainly due to $1.2 million of the non-current bank loan as of 30 September 2020 turned current, resulting in an increase in current bank loan by $1.1 million.

Current liabilities amounted to $6.2 million or 55.8% of the Group's total liabilities. Current liabilities mainly consist of trade and other payables of $2.9 million or 46.6% of the Group's total current liabilities; current tax payable of $1.3 million or 20.7% of the Group's total current liabilities; current portion of the bank loan, amounting to $1.2 million or 19.7% of the Group's total current liabilities; and lease liabilities of $0.7 million or 12.0% of the Group's total current liabilities.

EQUITY

As at 30 September 2021, equity attributable to owners of the Company of $50.7 million, comprised of issued and fully paid share capital of $61.9 million, retained earnings of $4.6 million, net of reserves of $15.9 million.

REVIEW OF THE GROUP'S CASH FLOWS STATEMENT

OPERATING ACTIVITIES

In FY2021, net cash generated from operating activities amounted to $8.7 million. This comprised operating cash flows before changes in working capital of $9.7 million and net working capital inflows of $0.3 million; offset by income tax paid of $1.3 million. The net working capital inflows were due to the increase in trade and other payables of $0.6 million and contract liabilities of $19,000, partially offset by the increase in trade and other receivables of $0.3 million; contract assets of $49,000; and inventory of $10,000.

INVESTING ACTIVITIES

In FY2021, net cash used in investing activities amounting to $0.2 million was attributed to the purchase of plant and equipment of $0.2 million, mainly pertaining to purchase of medical equipment for the ENT clinic and anaesthesia services.

FINANCING ACTIVITIES

In FY2021, net cash used in financing activities amounted to $5.9 million, was due to dividends paid to owners of the Company of $2.7 million; dividends paid to non-controlling interests of $2.5 million; cash consideration paid for the acquisition of remaining 49.0% equity interests in the Company's subsidiary, CAH amounted to $2.5 million; payment of lease liabilities including interests on lease liabilities of $1.0 million; repayment of bank loan principal and interest of $0.2 million; and partially offset by $3.0 million proceeds from issuance of new shares.

BOARD OF DIRECTORS

DR CHIN PAK LIN

Executive Director/Chief Executive Officer
Medical Specialist: Orthopaedic Surgery
Special Interest: Hip and Knee

Dr Chin Pak Lin is the Executive Director and Chief Executive Officer ("**CEO**"). Dr Chin was one of the founding members of The Orthopaedic Centre and has been a medical specialist with the Group since 2013. In addition to his role as a medical specialist, Dr Chin has been actively managing the Group as the CEO and making executive decisions at the Group level in relation to the operations and business direction of the Group.

Dr Chin graduated from National University of Singapore ("**NUS**") with a Bachelor of Medicine and Bachelor of Surgery in 1998 and subsequently obtained his Masters of Medicine in Orthopaedic Surgery in 2003 from the Graduate School of Medical Studies, NUS. In 2007, Dr Chin qualified for his fellowship in Orthopaedic Surgery with the Royal College of Surgeons of Edinburgh, United Kingdom and in 2008, Dr Chin received the Health Manpower Development Programme scholarship from MOH to pursue advance training in joint replacement at the Manchester Royal Infirmary, United Kingdom.

Dr Chin has previously held various appointments such as, *inter alia,* a Director of the Musculoskeletal Bone Bank, an Adjunct Assistant Professor at Duke-NUS Graduate Medical School and a consultant to the Stryker Knee Navigations, Zimmer Knee Arthroplasty and to the Department of Orthopaedic Surgery, Singapore General Hospital ("**SGH**").

As an active volunteer in medical missions, Dr Chin has participated in the Pakistan Earthquake Medical Mission Trip under SingHealth and Cambodia Medical Mission Specialist Programme in Calmette Hospital in Phnom Penh under Singapore International Foundation.

BOARD OF DIRECTORS

DR YUE WAI MUN

Executive Director/Chief Medical Officer
Medical Specialist: Orthopaedic Surgery
Special Interest: Spine

Dr Yue Wai Mun is an Executive Director and the Chief Medical Officer ("**CMO**") of the Group. Dr Yue joined the Group as a medical specialist with a special interest in spine and scoliosis surgery in 2015 and is presently an Adjunct Associate Professor at the Duke-NUS Graduate Medical School and Clinical Senior Lecturer at NUS.

Dr Yue graduated with a Bachelor of Medicine and Bachelor of Surgery in 1992 from NUS and was admitted as a Fellow of the Royal College of Surgeons of Edinburgh in 1998. He became a Fellow of the Academy of Medicine (Orthopaedic Surgery) in 2004.

From 2009 to 2015, Dr Yue was a Senior Consultant in the Spine Service of the Department of Orthopaedic Surgery, SGH. He held a concurrent post as the Director of the Spine Fellowship Programme and Director of Quality Assurance and Clinical Governance. Further, Dr Yue was on the Master of Medicine (Orthopaedic) Committee and remains an examiner for the Joint Specialty Fellowship Examination in Orthopaedic Surgery, Master of Medicine Examination in both Orthopaedic Surgery and Family Medicine and the Bachelor of Medicine and Bachelor of Surgery Examination in NUS.

DR CHENG CHING LI, BOBBY

Executive Director
Medical Specialist: Ophthalmology
Special Interest: Vitreoretinal Medicine

Dr Cheng Ching Li, Bobby is an Executive Director of the Group. Dr Cheng joined the Group as a medical specialist and head of the Group's Ophthalmology division. He is a senior ophthalmic surgeon in Cataract and Comprehensive Ophthalmology, with special interest in the fields of vitreoretinal medicine and surgery as well as uveitis.

Prior to joining, Dr Cheng was one of the founding members of Cornerstone Asia Health Pte. Ltd. ("**CAH**"), since 2017. Prior to CAH, Dr Cheng started private medical specialist practice in 2008 specialising in Ophthalmology. He graduated from the National University of Singapore with a Bachelor of Medicine, Bachelor of Surgery in 1993 before going on to specialise in the field of Ophthalmology. He was also admitted as a Fellow of the Royal College of Surgeons of Edinburgh in 2000 and a fellow of the Academy of Medicine (Singapore) in 2008.

BOARD OF DIRECTORS

MR LEOW CHUNG CHONG YAM SOON

Non-Executive Chairman/Independent Director

Mr Leow Chung Chong Yam Soon is a Non-Executive Chairman and Independent Director of the Company. Mr Leow is presently a partner in Ecovis Assurance LLP as well as a Director of Ecovis Advisory Pte. Ltd. and Spring & Associates PAC. Prior to that he was an audit partner with Deloitte & Touche LLP. Mr Leow has more than 20 years of accounting and financial audit experience.

He is a practicing member of the Institute of Singapore Chartered Accountants (ISCA). He is also a Fellow Chartered Association of Certified Accountants, UK and Certified Public Accountants, USA.

MR SIEK WEI TING, RYAN

Independent Director

Mr Siek Wei Ting, Ryan is an Independent Director of the Company. Mr Siek is presently the Finance Director of V3 Brands Pte. Ltd.

Prior to that, he was the Chief Financial Officer of China Minzhong Food Corporation Pte Ltd, a company formerly listed on the Main Board of the SGX-ST from 2004 to 2018. Mr Siek was the Head of Operations Group, Southern Bank Berhad from 2002 to 2004 and a Director and Chief Executive Officer of EBBiS Pte Ltd from 1999 to 2001.

Mr Siek worked as an audit supervisor for Ernst & Young LLP from 2001 to 2002 and for Deloitte & Touche LLP from 1996 to 1999. He graduated with a Bachelor of Accountancy from the Nanyang Technological University in 1996.

BOARD OF DIRECTORS

MR VIKRAM NAIR

Independent Director

Mr Vikram Nair is an Independent Director of the Company. He is presently a partner at Rajah & Tann Singapore LLP and is also a Member of Parliament for the Sembawang Group Representation Constituency.

Mr Nair is qualified in both Singapore and English law and has more than 13 years of experience as a practicing lawyer specializing in international arbitration and commercial and corporate litigation, with particular experience in handling complex, multi-jurisdictional disputes in services such as banking, finance, oil & gas, manufacturing, mining, construction and property development.

Prior to commencing legal practice, Mr Nair was a management consultant at McKinsey & Company from 2002 to 2004.

Mr Nair graduated with a Bachelor of Arts with Honours in law from the University of Cambridge.

MR YEO WEE KIONG

Non-Executive and Non-Independent Director

Mr Yeo Wee Kiong is a Non-Executive and Non-Independent Director of the Company. He has had more than 22 years of practice experience as a corporate finance lawyer and has retired since 2012. Prior to that, he was an investment banker with a Singapore-based UK merchant bank and a senior industry officer with a government statutory board.

Mr Yeo holds a Bachelor of Engineering (First Class Honours) degree from the University of Singapore, a Bachelor of Laws (Honours) degree from the University of London, and a Master of Business Administration degree from the National University of Singapore.

EXECUTIVE OFFICERS

MR TRAVIS SEET KAH WAI

Chief Financial Officer (CFO)

Mr Travis Seet Kah Wai was appointed as CFO of the Group in July 2017. He is responsible for overseeing the Group's financial, taxation, and regulatory compliance functions.

Mr Travis Seet has over 15 years of experience in audit, corporate finance, accounting and financial management. Prior to joining the Group, he was the Group Financial Controller from 2008 to 2013 and thereafter the Group Deputy Chief Financial Officer from 2013 to 2017 of China Minzhong Food Corporation Limited, a company listed on the Main Board of the SGX-ST until 2017. From 2004 to 2008, he worked as an auditor with PricewaterhouseCoopers, Singapore.

Mr Travis Seet graduated with a Bachelor of Accountancy (Honours) degree from the Nanyang Technological University in 2004 and is qualified as a Chartered Accountant in Singapore.

MS KWEK JIN MEI VIOLET

Chief Operating Officer (COO)

Ms Kwek Jin Mei Violet is the Group's COO who has been with the Group since its inception in 2013. She is a registered nurse who occasionally assists the medical specialists in complex surgeries.

Prior to joining the Group, Ms Violet Kwek worked as a senior staff nurse at SGH. Her dedication to her profession and her patients has been recognised in several awards which include, *inter alia*, 100% work attendance for numerous years, the Excellent Service (Silver) Award and the Singapore Health Quality Service Award (Silver).

Ms Violet Kwek graduated from the Faculty of Nursing and Midwifery, University of Sydney with a Bachelor of Nursing in 2013 and is a registered nurse under the Singapore Nursing Board. Prior to that, she pursued a Diploma in Nursing as well as an Advanced Diploma in Nursing (Perioperative) at the Nanyang Polytechnic.

MEDICAL SPECIALISTS

DR LIM TIAN JIN
MBBS (SINGAPORE), MMED (ANAESTHESIA),
FANZCA (AUSTRALIA & NEW ZEALAND)
SURGICAL INTENSIVE CARE,
NEUROANAESTHESIA

DR LIM TET CHEN ROY
MBBS, MMED (ANAESTHESIA) SINGAPORE
ADULT AND PAEDIATRIC CARDIOTHORACIC
ANAESTHESIA

DR CHIN PAK LIN
MBBS (SINGAPORE), MRCS (EDINBURGH),
MMED (ORTHO), FRCS (EDINBURGH)
ORTHOPAEDIC (HIP AND KNEE
RECONSTRUCTION)

DR DAVID SU HSIEN CHING
MBBS (SINGAPORE), MRCS (EDINBURGH),
MMED (ORTHO), FRCS (EDINBURGH)
ORTHOPAEDIC (FOOT AND ANKLE)

DR DENNIS NG ZHAOWEN
MBBS (SINGAPORE), MRCS (EDINBURGH),
MMED (ORTHO), FRCS (EDINBURGH)
ORTHOPAEDIC (SHOULDER, KNEE AND ELBOW)

DR MOHD MASHFIQUL ARAFIN SIDDIQUI
MBBS (SINGAPORE), MRCS (EDINBURGH),
MMED (ORTHO), FRCS (EDINBURGH),
FAMS (ORTHOPAEDIC SURGERY)
ORTHOPAEDIC (SPINE SURGERY)

DR TAN CHYN HONG
MBBS (SINGAPORE), MRCS (EDINBURGH),
MMED (ORTHO), FRCS (EDINBURGH)
ORTHOPAEDIC (SHOULDER, KNEE & ELBOW)

DR YUE WAI MUN
MBBS (SINGAPORE), MRCS (EDINBURGH),
FAMS (ORTHOPAEDIC SURGERY)
ORTHOPAEDIC (SPINE SURGERY)

MEDICAL SPECIALISTS

MISS CINDY CHAN YIEN SAN
DIPLOMA IN PHYSIOTHERAPY,
MASTER IN MUSCULOSKELETAL AND
SPORTS PHYSIOTHERAPY

DR GEOFFRY SEAH SHENG HEANG
MBBS (SINGAPORE), GRAD DIP (OCCUPATIONAL
MEDICINE), MMED (FAMILY MEDICINE),
DFD (SINGAPORE) GENERAL PRACTITIONER
(OCCUPATIONAL MEDICINE)

DR LAWRENCE KHOO SHIH WEE
MBBS (SINGAPORE), MRCS (UK), FAMS
(DERMATOLOGY) DERMATOLOGY (MEDICAL
AND AESTHETICS)

DR HO SIEW HONG
MBBS (SINGAPORE), FRCS (EDINBURGH AND
GLASGOW), FAMS (UROLOGY), FICS UROLOGY
(LAPAROSCOPY & ROBOTIC)

DR CHENG CHING LI, BOBBY
MBBS (SINGAPORE), FRCS (EDINBURGH), MMED
(OPHTHALMOLOGY, GOLD MEDAL), FAMS
OPHTHALMOLOGY (VITREORETINAL)

DR NG TAY MENG
MBBS (SINGAPORE), MMED (SINGAPORE)
MRCP (UK), FAMS, FRCS (EDINBURGH)
GASTROENTEROLOGY (ENDOSCOPY)

DR SOON SUE RENE
MBBS (SINGAPORE), MRCS (EDINBURGH),
MMED (ORL), FRCS (ORL)
OTORHINOLARYNGOLOGY
(ADULT AND PAEDIATRIC ENT)

KEY DEVELOPMENTS

APR

26 April 2021

17.7 million ordinary shares were issued pursuant to a private placement

JUL

30 July 2021

Completed acquisition of remaining 49% equity interests in the Company's subsidiary, CAH

OCT

12 October 2021

Runner-Up for Most Transparent Company Award (Healthcare Category) Securities Investors Association (Singapore)

Towards Excellence in Corporate Governance

NOV

30 November 2021

Continuance on the SGX Fast Track, a recognition of efforts and achievements in upholding high standards of corporate governance and maintained a good compliance track record

DEC

21 December 2021

30.9 million ordinary shares were issued pursuant to a private placement to Sian Chay Medical Institution

SUSTAINABILITY REPORT

BOARD STATEMENT

In line with SGX reporting requirements, the Board strongly holds sustainability with paramount importance and as an underlying consideration in our decision-making process for the best interests of our patients and stakeholders. This is the fourth Sustainability Report published by Asian Healthcare Specialists Limited and its subsidiaries. Since 2019, we have been reviewing our environmental, social and governance topics across all levels of the organisation. We recognise the role we play in sustainable development and are committed to disclosing our sustainability information in a transparent and open manner.

ABOUT ASIAN HEALTHCARE SPECIALISTS LIMITED

Based in Singapore and listed on the Catalist of the SGX-ST on 20 April 2018, the Group provides a wide spectrum of general and specialised healthcare services. In our group, we comprise of anaesthesia, dermatology, family medicine, gastroenterology, orthopaedics, ophthalmology, otorhinolaryngology (ENT), urology, and rehabilitative services.

The Group comprises of 13 medical specialists, 1 family physician and 1 physiotherapist operating at 12 clinics situated in accessible locations across Singapore.

As our clinics are located in the medical centres within the hospitals, part of the maintenance and facility fee covers the energy and waste disposal.

Our supply chain consists of medical supplies and consumables, medical equipments, doctors and nurses.

ABOUT THIS REPORT

This report presents information for the financial year ended 30 September 2021 and covers our sustainability policies and performances as well as our strategy for the future. It has been prepared in accordance with the Global Reporting Initiative ("**GRI**") Standards: Core Option. Our GRI Content index is located on pages 46 to 47, summarises the GRI Standards selected for reporting. Data and information from the past financial years have been included, where available. Our report is published on an annual basis, with our last report published in January 2021.

SUSTAINABILITY REPORT

In line with the United Nations Sustainable Development Goals ("**SDGs**"), AHS has given priority on SDGs 3, 4, 5, 8, 10, 11, 12, 13 and 16. Contributions to the SDGs has been mapped throughout this report through our sustainability topics. The following diagram indicates the icons that we have used throughout our report when a topic is aligned with a SDG.

This report will focus on our Singapore-based operating clinics where the majority of our work is carried out.

Company	Description of Services	Coverage in this SR
Asian Anaesthesia Care	Asian Anaesthesia Care, which is managed by a group of anaesthetists that engages in the business of providing anaesthetic and intensive care unit services.	✔
Cornerstone Asia Health	Cornerstone Asia Health is a medical group that provides multidisciplinary healthcare services across different specialisations such as gastroenterology, urology, ophthalmology, dermatology and family medicine. • Bobby Cheng Eye & Retina Centre (Connexion) • CAH Specialists @ Farrer • CAH Specialists @ Mt Alvernia • Dermatology Associates (Connexion) • Ng Tay Meng Gastrointestinal and Liver Clinic (Gleneagles Medical Centre) • S H Ho Urology and Laparoscopy Centre (Gleneagles Medical Centre) • S H Ho Urology and Laparoscopy Centre (Mount Elizabeth Novena Specialist Centre) • Twin City Medical Centre (Great World City)	✔
Family ENT Snoring Specialists	Family ENT Snoring Specialists provides services for the treatment of ear, nose and throat ("**ENT**") conditions such as sleep apnoea, hearing loss and head and neck conditions. • Adult & Child ENT Specialists (Connexion)	✔
Salvia Ventures	Salvia Ventures is an investment arm for healthcare-related investments in South-East-Asia.	✘
TOC Holdings	TOC Holdings is a group practice that provides a wide spectrum of general and subspecialised orthopaedic services. • The Orthopaedic Centre (Farrer) • The Orthopaedic Centre (Gleneagles) • The Orthopaedic Centre (Novena)	✔

✔ In Scope ✘ Not In Scope

SUSTAINABILITY REPORT

While we have opted not to obtain external assurance for this report, we will strive to continue improving our reporting processes and quality, and may consider external assurance for future reports. If you have any comments on our sustainability report, please feel free to reach us at the following address: enquiry@asianhealthcare.com.sg.

SUSTAINABILITY REPORT

Ethical medicine is the foundation of our practice. Our vision is to be a leading provider of holistic medical care with a focus on excellence and ethics. We believe in creating our policies and deliver our services based on our six core values: service, team, responsibility, integrity, values and excellence. Each of the clinic managers and Doctors is responsible for keeping track of the sustainability performance of their clinic. These information are then passed on to the senior management who in turn reports our sustainability performance to the Board. The Board has ultimate oversight over our sustainability strategy, and works closely with senior management to continue to deliver safe and quality care to our patients.

MATERIALITY ASSESSMENT

Based on the materiality workshop done in 2018 with the help of an external consultant, followed by a continuous peer-benchmarking exercise, we have identified the following list of issues that our management felt have the greatest impact on our stakeholders. The completed list is as shown:

ENVIRONMENTAL

- Medical and Biohazardous waste

SOCIAL

- Employee Welfare and Retention
- Workplace Health and Safety
- Corporate Social Responsibility

GOVERNANCE

- Patient Satisfaction and Quality of care
- Regulatory and Legal Compliance
- Fair Pricing and Billing Transparency
- Personal Data Protection

SUSTAINABILITY REPORT

STAKEHOLDERS ENGAGEMENT

AHS understands that stakeholder engagement is critical to our success. As such, we value all of our stakeholders. However, due to the COVID-19 pandemic, there have been limitations in the physical meet-ups that we used to hold in the past years.

Stakeholder	Frequency	Method	Topics Raised	Our Response
Employees	Half Yearly	Staff Meetings (Online – Zoom)	Welfare and well-being Training and Development	Gathering of feedback and growth of knowledge
	Employee 360 review done once a year	Feedback Form Performance Appraisals	Career progression and self-development opportunities	Ensures employees' feedback are heard and processes can be improved
	Ad hoc	Email Teleconference	Business Development COVID-19 Updates Dissemination of internal information	Review of company's internal policies and procedures to be aligned with Ministry of Health guidelines
Investors	Annual	Annual General Meeting Annual Reports	Performance review	Provision of half yearly announcements on investor relations website
	Half Yearly	SGX Financial Results	Legal and regulatory compliance	Updates on business developments via SGXNet
	Ad hoc	Announcements Emails Teleconferences	Investor relations	
Patients and their families	Ad hoc	In-person informal feedback Calls	Patient care and customer service satisfaction	Open communication with patients to ensure repeat business and patient's well-being and satisfaction
		Public forum/ webinars organised by external sponsors	Medical conditions and treatments	Relevant information and explanation of the medical conditions, providing both conservative and surgical treatment options
Regulators/ Government	Ad hoc	Physical and Online Meetings and Conferences	Legal and Regulatory Compliance SGX Listing Requirements	Frequent meetings with various regulatory bodies to ensure up-to-date compliance Regular attendance of medical conferences
Suppliers	Ad hoc	Teleconference Meetings	Product quality Health and safety	Ensure high quality by screening suppliers through partner hospitals

SUSTAINABILITY REPORT

AHS FY2021 CORPORATE SOCIAL RESPONSIBILITY PRIORITIES AND GOALS

This table summarises progress through FY2021 goals which were introduced in FY2020 sustainability report.

Priorities	FY2021 Goals	Performance
Medical and Biohazardous Waste	✓ To continue to achieve full compliance with the rules and regulations from MOH and NEA.	Achieved
Employee Welfare and Retention	✓ To continue to assess specific training needs for all employees and improve the training programme for FY2021. ✓ To continue to maintain a turnover rate of 15% or less (excluding employee joined and left during the same FY). ✓ To continue to provide further training opportunities or award sponsorships to secure high quality fresh talents to join the Company.	Achieved Achieved Achieved
Workplace Health and Safety	✓ To maintain zero incidents of work related ill health. ✓ To continue to identify and investigate safety hazards for employees to improve safe practices. ✓ To continue to improve the safety training and advocate of employees on safe best practices in FY2021.	Achieved Achieved Achieved
Corporate Social Responsibility	✓ To continue encouraging our employees to provide volunteer hours for community services in FY2021 and consistently demonstrate our commitments in corporate social responsibility.	Achieved
Regulatory and Legal Compliance, Fair Pricing and Billing Transparency, Patient Satisfaction and Quality of Care	✓ Implement patient satisfaction survey after treatment in FY2021 to receive patient feedback.	The COVID-19 pandemic has increased the administrative procedures for patients to visit the Group's clinics. In consideration of patient experience, the Group has postponed the implementation of patient satisfaction survey
Personal Data Protection	✓ To maintain zero complaints of breach of Personal Data Protection Act. ✓ To continue to provide training to all employees on patient data protection.	Achieved Achieved

SUSTAINABILITY REPORT

ENVIRONMENT

Biomedical waste is a threat to the global environmental health. Considering the transmission of COVID-19 globally, improper handling of the biomedical waste might aggravate the spread of COVID-19 to medical staff and people who handle the waste.

MEDICAL AND BIOHAZARDOUS WASTES MANAGEMENT APPROACH

At AHS, we put in considerable efforts to the proper segregation of wastes into three main different disposal bins: sharps, biohazardous and non-hazardous. This is essential as it not only helps to provide a safe and sustainable environment for the public but also in passing on available solutions and best practices to other hospitals on healthcare waste management.

As our clinics are located in the medical centres within the private hospitals, we will place our respective wastes in the shared bins which are then collected by the contractors chosen by the hospital.

Within our biohazardous wastes, we produce five types of wastes:

- Infectious;
- Chemical;
- Sharps;
- Pathological; and
- Pharmaceutical.

Of these, we are independently responsible for the purchase of the "Sharps Container" to dispose of our sharps wastes. Sharps wastes refers to any device or object that is used to puncture to lacerate the skin such as hypodermic needles, disposable scalpels and blades.

Although we do not measure the amount of sharps wastes we dispose, we estimate our total sharps wastes based on how frequently we empty the 6L and 10L bins we keep in the clinics. All medical and biohazardous wastes are properly managed by our clinics in accordance with the rules and regulations from MOH and NEA.

In FY2021, there were no incidents of non-compliance with the rules and regulations from MOH and NEA.

TARGETS

✓ To continue to achieve full compliance with the rules and regulations from MOH and NEA.

SOCIAL

AHS recognises that people are at the heart of our business from our patients, doctors, employees and community. We are committed to fostering a caring and inclusive culture, and supporting key areas such as development and training, safety, wellbeing and most importantly mental health.

EMPLOYEE WELFARE AND RETENTION EQUALITY AND DIVERSITY

We value and respect the diversity and inclusivity of our employees. As at 30 September 2021, our total number of employees are 68, of which 61 are full-time and 7 are part-time employees.

We firmly believe that a workforce consisting of individuals with different strengths, interests, ideas and cultural backgrounds is a prerequisite for success. We aim to provide an environment in which people with fresh and diverse perspectives have every opportunity they need to make a difference.

Approximately 31% of our staff have been with the Group for more than 5 years. Although most of our employees are in the age range of 30 to 50 years old, we value our matured workers who are in administration or medical specialists for their experience, knowledge and skills.

The ethnic composition of our workforce is 78% Chinese, 15% Malays, 3% Indians and 4% Others. While this overall distribution is relatively equal in both non-executive and executive categories, the proportion of ethnic Chinese personnel is higher. For gender diversity, 79% of our employees are made up of females and they are holding positions in all departments.

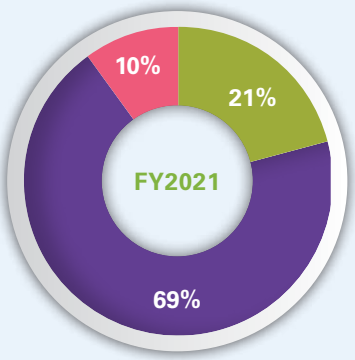
AHS has established that our hiring policies ensure equal employment opportunities for all. All new hires are selected based on individual competencies, merit, regardless of age, gender or race. Opportunities for advancement, promotion, training and other conditions of employment are based on merit. Annually, our employees go through a performance appraisal where it is transparent and allows a 360 degree feedback of their respective managers. This process allows Management to gain a better understanding of each employee's strengths and weaknesses as well as assess their fit within their respective departments.

All employees are provided with a comprehensive range of benefits such as paid vacation leave, family and childcare leave, medical benefits and group insurance plans. In Singapore, in accordance with the Ministry of Manpower's legislation, eligible female employees are entitled to eight weeks of paid maternity leave and up to additional eight weeks. Of the employees who went on maternity leave, 100% remained in employment as at end 2021.

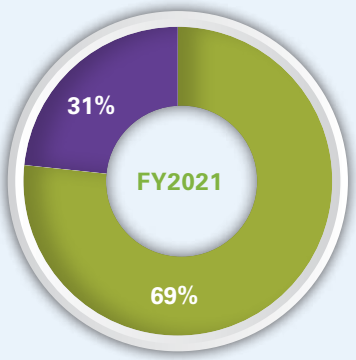
SUSTAINABILITY REPORT

AHS EMPLOYMENT STATISTICS

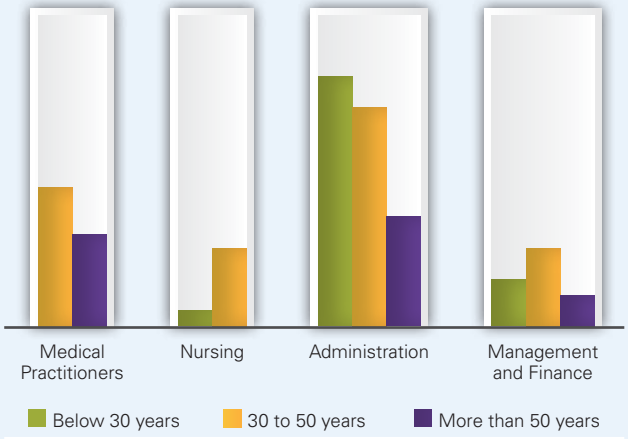
Type of Employment



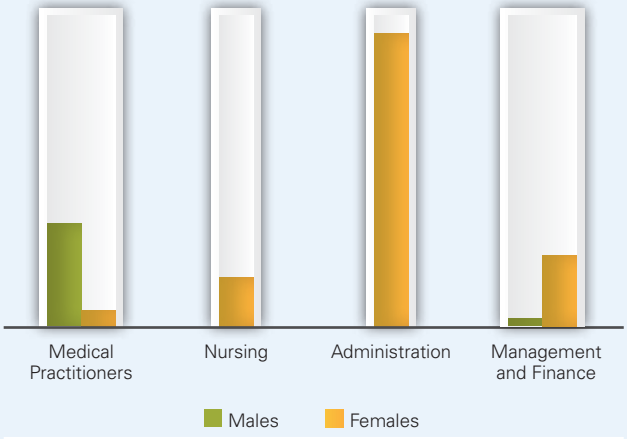
Length of Service



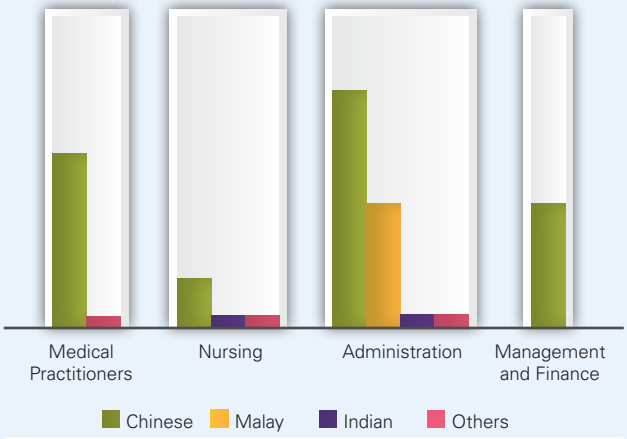
Age Groups of Employees FY2021



Gender Diversity FY2021



Ethnic Diversity FY2021



SUSTAINABILITY REPORT

EMPLOYEE PROFILE

Number of Headcount	Medical Practitioners	Nursing	Administration	Management and Finance	Total
As at 30 September 2018	5	3	6	3	17
As at 30 September 2019	8	3	11	5	27
As at 30 September 2020	16	5	32	9	62
As at 30 September 2021	15	6	37	10	68

As at 30 September 2021	Male	%	Female	%	Total	%
Full-Time	14	21%	47	69%	61	90%
Part-Time	0	0%	7	10%	7	10%
Total	**14**	**21%**	**54**	**79%**	**68**	**100%**

LENGTH OF SERVICE

Number of Years	As at 30 September 2021	%
< 5 years	47	69%
> 5 years	21	31%

DIVERSITY

As at 30 September 2021	Medical Practitioners	Nursing	Administration	Management and Finance	Total
Gender					
Male	13	0	0	1	14
Female	2	6	37	9	54
Total	**15**	**6**	**37**	**10**	**68**
Age Groups					
< 30 years	0	1	16	3	20
30 to 50 years	9	5	14	5	33
> 50 years	6	0	7	2	15
Total	**15**	**6**	**37**	**10**	**68**
Ethnic Groups					
Chinese	14	4	25	10	53
Malay	0	0	10	0	10
Indians	0	1	1	0	2
Others	1	1	1	0	3
Total	**15**	**6**	**37**	**10**	**68**

SUSTAINABILITY REPORT

TRAINING

AHS empowers employees through learning and development programmes and encourages them to reach their maximum potential. Knowledge is key as we transcend into a technologically advanced era to battle against the pandemic. Due to the COVID-19 situation, our doctors regularly attend peer review learning through webinars organised by the private hospitals of Singapore which is mandatory by the Singapore Medical Council for Doctors to maintain their practicing licenses. Our nurses also attended courses through webinars held by the various sales representatives to keep abreast with the current medical knowledge. The Group encourages its employees to attend trainings and lectures to continue to stay ahead of the competition.

The table below shows the courses that have been attended by our employees or talks that our Doctors have given.

LIST OF TALKS THAT DOCTORS HAVE GIVEN

Date	Content	Speaker
8 January 2021	Neuroscience Advanced Diploma – Nanyang Polytechnic	A/Prof Yue Wai Mun
21 January 2021	Perioperative Advanced Diploma – Nanyang Polytechnic	A/Prof Yue Wai Mun
24 April 2021	Surgical Option of Snoring and Sleep Apnoea (Continuous Medical Education)	Dr Soon Sue Rene
26 April 2021	Minimally Invasive Surgery Soft Tissue Surgical Options in Snoring and Sleep Apnoea (Surgical Residency)	Dr Soon Sue Rene
12 June 2021	13th Asia Pacific Spine Society & Asia Pacific Paediatric Orthopaedic Society Conference in Kobe, Japan Application of Minimally Invasive Transforaminal Lumbar Interbody Fusion (MIS-TLIF) in Spinal Deformities	A/Prof Yue Wai Mun
8 July 2021	Prostate Cancer Education Virtual Webinar	Dr Ho Siew Hong
30 July 2021	Wellness Talk: Back & Knee Pain	Dr Mohammad Mashfiqul Arafin Siddiqui Dr Ng Zhaowen Dennis
19 August 2021	Snoring and Sleep Apnoea – What You Should Know	Dr Soon Sue Rene
25 August 2021	Advanced Coblation Master Class	Dr Soon Sue Rene
18 September 2021	Re-combinant hCG Management of Fertility – Improving Sperm Quality, a Urologist Perspective	Dr Ho Siew Hong
7 December 2021	Knowledge, Action & Accountability Common Causes & Treatments for Knee Pain Pay More Attention to Our Back	Dr Ng Zhaowen Dennis Dr Mohammad Mashfiqul Arafin Siddiqui

LIST OF TRAINING COURSES ATTENDED BY EMPLOYEES

Date	Content	Organiser
August to October 2020	Wound Care Excellence Course Module 1 to 3	Smith & Nephew
12 October 2021	Virtual Symposium: Infection Prevention and You	Smith & Nephew
30 October 2021	APAC Trauma Masters E-Forum Cases in Focus Part 1: Lower Extremities	Smith & Nephew
17 November 2021	APAC Trauma Webinar E-Series Part 1: Unstable Osteoporotic Intertrochanteric Hip Fractures	Smith & Nephew
4 December 2021	Virtual Symposium: Stop Pressure Injury Day	Smith & Nephew

SUSTAINABILITY REPORT

In addition, Dr Chin Pak Lin together with the rest of the authors published a research paper titled "Mid-term functional outcomes of patient-specific versus conventional instrumentation total knee arthroplasty: a prospective study" which was accepted by Arch. Ortho Trauma Journal for publication.

In FY2021, AHS had approximately 10% turnover rate, excluding employees who joined and left during the same financial year.

TARGETS

- ✓ To continue to assess specific training needs for all employees and improve the training programme for FY2022.
- ✓ To continue to maintain a turnover rate of 15% or less (excluding employees who joined and left during the same financial year).
- ✓ To continue to provide further training opportunities or award sponsorships to secure high quality fresh talents to join the company.

WORKPLACE HEALTH AND SAFETY

At AHS, workplace health and safety of our employees is an integral part of our business and a key focus area of our board of directors and senior management. In this crucial period of dealing with a pandemic, it is even more important that we uphold hygiene standards and comply with the safe management measures. According to the directives from MOH, we have implemented the following measures:

- Daily temperature screening of visitors;
- Regular disinfection of common places and equipment;
- Provision of hand sanitisers;
- Safe distancing measures;
- Contact tracing for visitors and employees;
- Personal Protective Equipment supplied to the various speciality in accordance to MOH guidelines;
- Vaccination for all healthcare workers were completed;
- Mandatory routine rostered testing of PCR or ART performed and supervised by the managers.

All the clinics and corporate office are issued with Fire Safety Certificates before the commencement of operations. In addition, there is a fixed schedule to clean and sanitise the premises to minimise any potential health hazards.

All medical equipments are properly certified with the relevant authorities such as Health Sciences Authority or Ministry of Manpower. A preventive maintenance contract is signed for each of the equipment with the supplier to ensure safe and optimal functioning. Only qualified and trained personnel are allowed to operate the equipment and perform the relevant duties.

When new employees join the team, basic medical knowledge and emergency preparedness training is imparted to them during their probation. During their training, they are provided with our safety protocols such as basic handwashing, handling of sharps, biomedical wastes and medical equipments. At the end of their probation, they will be assessed by the clinic managers and Doctors on their ability to handle the various administrative or clinical procedures.

In FY2021, there were no incidents of work-related ill-health.

TARGETS

- ✓ To maintain zero incidents of work-related ill health.
- ✓ To continue to identify and investigate safety hazards for employees to improve safety practices.
- ✓ To continue to improve the safety training and advocate of employees on safety best practices in FY2022.

CORPORATE SOCIAL RESPONSIBILITY

In response to the COVID-19 pandemic outbreak, our General Practitioner clinic, Twin City Medical Centre, enrolled and was activated since 2020 as a Public Health Preparedness Clinic ("**PHPC**") to serve the primary healthcare needs of Singaporeans during this crucial period. It is still continuing to serve the nation's needs.

TARGETS

- ✓ To continue encouraging our employees to provide volunteer hours for community services in FY2022, and consistently demonstrate our commitments in corporate social responsibility.

SUSTAINABILITY REPORT

GOVERNANCE

AHS is committed to enhancing long-term value for our stakeholders by maintaining high standards of governance across all levels of our organisation. The management believes that both clinical and corporate governance systems are intrinsically linked, working in concert to ensure that we achieve our business goals, ensure quality of services and manage our resources well. This responsibility stretches beyond our medical work and includes regulatory compliance of fair pricing, billing transparency, legal compliance and personal data protection. Indeed, we are proud to be recognised by SGX for upholding high standards of corporate governance and a good compliance record and continue to be on the list of SGX FAST TRACK until the next review cycle in 2023.

As a responsible corporate citizen, the table below illustrates the relevant governing bodies of which the management team makes decisions and designs protocols on:

Governing Body	Material Matters of Policies and Procedures
Accounting and Corporate Regulatory Authority ("**ACRA**")	Accounting Matters
Allied Health Professions Council ("**AHPC**")	Licensing for Physiotherapy
Central Provident Fund Board ("**CPFB**")	CPF Contributions of Employees Medisave and E-Filing Submissions for Patients
Health Services Authority ("**HSA**")	Purchase and use of medical consumables, equipment and drugs
Inland Revenue Authority of Singapore ("**IRAS**")	Corporate Tax GST Filing
Listing Rules of SGX-ST	Compliance Matters
Ministry of Health ("**MOH**")	Clinic Licensing
Ministry of Manpower ("**MOM**")	Welfare of Employees Workmen's Compensation
Ministry of Trade and Industry ("**MTI**")	Compliance Matters
National Environment Agency ("**NEA**")	Licensing of use of medical equipment
Optometrists & Opticians Board ("**OOB**")	Licensing and practice of optometrists and opticians
Personal Data Protection Act ("**PDPA**")	Collection, use, disclosure and care of personal data Information technology, access rights to data
Securities and Future Act	Compliance Matters
Singapore Companies Act	Compliance Matters
Singapore Medical Council ("**SMC**")	Licensing and practice of doctors
Singapore Nursing Board ("**SNB**")	Licensing and practice of nurses

SUSTAINABILITY REPORT

CORPORATE GOVERNANCE

We have attempted to perform a self-assessment on the Company's corporate governance disclosure and practices, as well as the timeliness, accessibility and transparency of our financial results announcement using the Singapore Governance and Transparency Index ("**SGTI**").

Section	Question	Assessment	Guidelines	Remarks
A.	**Board Responsibilities – 35%**			
	Board Size			
1.	Number of Directors on Board	1	Max: 1 point If the board comprises of at least 6 members, but not more than 11.	
	Board Independence			
2.	Proportion of independent directors on board	1	3 points, if proportion of independent directors on board is more than 50%. 2 points, if proportion of independent directors on board is equal to 50%.	The Company has 7 directors, out of which 3 are executive directors, 3 are independent directors and 1 non-executive and non-independent director. The Company's chairman is an independent director.
3.	Number of directors on board			
4.	Number of independent directors on Board			
	CEO – Chairman Separation			
5.	Is the Chairman an independent director?	3	3 points, if chairman is independent director. 2 points, if chairman is Non-independent and lead independent director is appointed. 1 point, if Chairman is executive and lead independent director is appointed.	
6.	If the answer to the above is N, is the chairman a non-executive director and not related to the CEO?			
7.	If the chairman is the CEO, is related to the CEO, is a controlling shareholder or is an executive director, does the company have a lead independent director?			
	Board Competencies			
8.	Does at least one of the independent directors have experience in the industry the company is in?	0	Max: 1 point	As all the Executive Directors are all practicing Doctors, the independent directors bring with themselves a wide range of core competencies such as accounting and finance, legal knowledge, business and management experience, strategic planning experience and customer-based experience and knowledge.

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
9.	Does the company disclose a board diversity policy?	1	Max: 1 point	Yes, the Company has disclosed the policy in the Annual Corporate Governance Report, page 54.
10.	Does the company disclose the orientation programmes for new directors?	1	Max: 1 point	
	Board duties and responsibilities			
11.	Does the company clearly state the roles and responsibilities of the board of directors?	1	Max: 1 point	Yes, the Company has stated the roles and responsibilities of the board of directors in the Annual Corporate Governance Report, pages 49-50.
	Board and committee meetings			
12.	How many times did the board meet during the year?	0	1 point, if the board meets at least 6 times during the year	In FY2021, the Board has 2 formal meetings.
13.	How many times did the remuneration and nomination committee meet during the year?	0	If the remuneration and nominating committee each meets at least 2 time during the year.	In FY2021, the Remuneration and Nominating Committee each met once during the year. During the year, the committees have conducted at least 2 informal meetings.
14.	How many times did the audit committee meet during the year?	0	1 point, if the audit committee meets at least 4 times during the year.	In FY2021, the Audit and Risk Management Committee met twice. During the year, the committees have conducted at least 2 informal meetings.
15.	Is individual director attendance at board and committee meetings given?	1	Max: 1 point	
	Nominating Committee			
16.	Number of members in the committee	1	Max: 1 point	The Nominating Committee had 3 members, including the Chairman who are all independent directors.
17.	Number of independent members in the committee			
18.	Is the chairman independent?			
19.	Does the company set limits on the number of directorships that can be held?	0	Max: 1 point	While the Company does not have a policy to limit on the number of directorships that can be held, the Nominating Committee is tasked with ensuring that the Directors have given sufficient time and attention to the affairs of the Group.

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
	Selection of Directors			
20.	Is the skills/experience sought disclosed?	1	Max: 1 point	The resume of the candidates were circulated to the Nominating Committee and the Board for review.
21.	Is the process followed disclosed?	1	Max: 1 point	Yes, the process is disclosed in the Annual Corporate Governance report, page 58.
	Board and individual director appraisal			
22.	For board appraisal, is the criteria disclosed in detail?	1	Max: 1 point	Yes, the process is disclosed in the Annual Corporate Governance report, page 60.
23.	For individual director appraisal, is the process disclosed in detail?	1	Both the questions should be "Y", in order to get 1 point.	Yes, the criteria is disclosed in the peer and self-evaluation questionnaire that is to be completed by each Director at the end of each financial year.
24.	For individual director appraisal, is the criteria disclosed?			
25.	Does the company conduct an annual performance assessment of the board committees?	1	Max: 1 point	Yes, the board evaluation process involves having the Directors complete a questionaire seeking their views on the various aspects of the performance of the Board. A consolidated report will be tabled at the Nominating Committee meeting and shared with the Board for review and discussion.
	Remuneration Committee			
26.	Number of members in the committee	1	Max: 1 point	The Remuneration Committee had 3 members, including the Chairman who are all independent directors.
27.	Number of independent members in the committee			
28.	Is the chairman independent?			
	Executive director/Top 5 executives' remuneration			
29.	Is the remuneration of executive directors disclosed? (E = Exact, B1 = Bands of S$100k or less with upper limit, B2 = Bands of between S$100k – S$250k with upper limit, B3 = Bands of S$250k with upper limit, ND = Not Disclosed)	2	2 points, if exact remuneration of executive directors is disclosed. 1 point, if the disclosure is in 250k bands, and the total remuneration of executive directors and executive directors' names are provided.	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
30.	Is the remuneration of CEO disclosed? (E = Exact, B1 = Bands of S$100k or less with upper limit, B2 = Bands of between S$100k – S$250k with upper limit, B3 = Bands of S$250k with upper limit, ND = Not Disclosed)	1	Max: 1 point	
31.	Is the remuneration of top 5 executives disclosed? (E = Exact, B1 = Bands of S$100k or less with upper limit, B2 = Bands of between S$100k – S$250k with upper limit, B3 = Bands of S$250k with upper limit, ND = Not Disclosed)	1	2 points, if exact remuneration of key executives is disclosed. 1 point, if the disclosure is in 250k bands, and the total remuneration of key executives and key executives' names are provided.	The total remuneration of key executives and key executives' names are disclosed in band of S$250,000.
32.	Are the names of the top 5 executives given?			
33.	Is the aggregate remuneration paid to the top five key management personnel disclosed?			
34.	Are short-term incentives used?	1	Max: 1 point	
35.	Are long-term incentives used?	0	Max: 1 point	
36.	Does the company disclose information on the link between remuneration paid to the executive directors and key management personnel, and performance?	0	Max: 1 point	
37.	Does the Remuneration Committee periodically seek remuneration consultants' advice on remuneration matters for directors?	0	Max: 1 point	
	Non-Executive director fees			
38.	Is the fees of non-executive directors disclosed? (E = Exact, ND = Not disclosed)	1	Max: 1 point	
39.	Is the fee structure disclosed?	0	Max: 1 point	
	Total: Section A	**22**	**Max: 35 points**	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
B.	Rights of Shareholders – 20%			
	Fundamental shareholder right			
40.	Does the company pay dividend (final/annual/ interim/special dividends) to all its shareholders within 30 days after the declaration of dividends and/or after shareholders' approval of final dividends at shareholder general meetings?	1	Max Point: 1 In case of scrip dividend scheme, dividend where a share alternative is offered, the dividend payment date must be not less than 30 market days, but not more than 35 market days, after the book closure date.	
	Right to participate effectively and vote in general shareholder meetings			
41.	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors?	1	Max: 1 point	
42.	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	1	Max: 1 point	
43.	Do shareholders have opportunities to ask questions in the latest AGM, and does the meeting minutes record details of shareholders' questions and answers?	1	Max: 1 point	
44.	Does the company disclose the appointment of an independent party (scrutineers/inspectors) to count and validate the votes at the AGM?	2	Max: 2 point	
45.	Does the company disclose the attendance of the chairman of the Board at the latest AGM?	1	Max: 1 point Both the questions should be "Y", in order to get 1 point.	
46.	Does the company disclose the attendance of the CEO/Managing Director at the latest AGM?			

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
47.	Is poll voting used, instead of show of hands, for all resolutions at the latest AGM?	2	Max: 2 point	
	Conduct of interested person transactions (IPTs) and management of conflicts of interest			
48.	Does the company disclose policy that requires directors of the board to refrain from participation in board discussions and decision making process on a particular agenda when they have conflicts of interest?	1	Max: 1 point	
49.	Does the company ensure that IPTs are conducted fairly and on arm length's basis?	2	Max: 2 point	
	Institutional investors			
50.	Does the share ownership of institutional investors, other than controlling shareholders, exceed 5%?	1	Max: 1 point	
	Shareholder participation			
51.	Does the company disclose that it allows shareholders who hold shares through nominees to appoint more than two proxies or to attend AGMs as observers without being constrained by the two-proxy rule?	1	Max: 1 point	
52.	Does the company disclose detailed information on each agenda item for the AGM in the Notice?	1	Max: 1 point	
53.	Does the company publish detailed information of the vote results?	1	Max: 1 point	
54.	Are all the directors required to stand for re-election at least once every three years?	1	Max: 1 point	
55.	Do shareholders or the board of directors approve the remuneration of the executive directors and/or the senior executives?	1	Max: 1 point	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
	Dividend Payment			
56.	If the dividends are paid, is there disclosure of company's policy on payment of dividends?	2	Max Point: 2	
57.	If dividends are not paid, is there disclosure of reasons for not paying out dividends during the financial year?			
	Total: Section B	**20**	**Max: 20 points**	
C.	**Engagement of Stakeholders – 10%**			
	Rights of stakeholders established through law and mutual agreements upheld			
58.	Does the company disclose a policy and its relevant activities that:			
(a)	Specify company's efforts to ensure customers' health and safety	0	Max: 1 point	
(b)	Demonstrate the company's attempts to employ eco-friendly and sustainable value chain processes?	0	Max: 1 point	
(c)	Describe the company's interaction and cooperation with the relevant communities?	0	Max: 1 point	
(d)	Describe the company's anti-corruption programmes and procedures.	0	Max: 1 point	
(e)	Explain how the company protects creditors' rights?	0	Max: 1 point	
	Stakeholders' avenue for redress for violation of rights			
59.	Performance enhancing mechanisms for employee participation			
(a)	Does the company disclose relevant policy to ensure the health, safety and welfare of its employees?	1	Max: 1 point	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
(b)	Does the company provide training and development programmes for its employees?	1	Max Point: 1 Company should disclose both the details of the training and development programmes and relevant data on training and development programmes undergone by its employees.	
(c)	Does the company publish relevant results of such training and development programmes that its employees participated in?			
	Stock Options			
60.	Is the vesting period for stock options/PSP (Performance Share Plans) 3 years or more?	0	Max: 1 point	
	Whistleblowing policy			
61.	Does the company have a whistleblowing policy?	1	Max: 1 point	The company has a whistleblowing policy which is disclosed in the Annual Corporate Governance report, pages 69-70.
62.	If the answer to the above is yes, are key details of the policy disclosed and is anonymous reporting allowed?	1	Max: 1 point	
	Total: Section C	**4**	**Max: 10 points**	
D.	**Accountability and Audit – 10%**			
	Composition of the audit committee			
63.	Are all the audit committee members independent?	2	2 points, if all the members are independent. 1 point, if all the audit committee members are non-executive with an independent chairman.	The Audit and Risk Management Committee had 3 members, including the Chairman who are all Independent Directors.
64.	If the answer to the above is N, are all the audit committee members non-executive with an independent chairman?			
65.	Does the majority of the audit committee members have an accounting or finance background?	1	Max: 1 point	
66.	Does the audit committee chairman have an accounting or finance background?	1	Max: 1 point	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
	Risk management and Internal control systems			
67.	Is there disclosure of the process and framework used to assess the adequacy of risk management and internal control systems?	1	Max: 1 point	
68.	Is there disclosure that the internal auditor meets or exceeds Institute of Internal Auditor standards?	1	Max: 1 point	
69.	Does the annual report have a statement by the board or audit committee on the adequacy of the risk management and internal control systems (including operational, financial compliance, and information technology)?	1	Max: 1 point	
70.	Does the company identify the in-house head/team of internal audit or the name of external firm that conducts its internal audit?	1	Max: 1 point	Internal audit has been outsourced to a reputable firm.
71.	Is there a CEO/CFO certification of financial statements?	1	Both the questions should be "Y", in order to get 1 point.	
72.	Is there an assurance from the CEO and the CFO regarding the effectiveness of the company's risk management and internal control systems?			
	External auditor and auditor report			
73.	Is the Audit Committee primarily responsible for proposing the appointment and removal of the external auditor?	1	Max: 1 point	
	Total: Section D	**10**	**Max: 10 points**	
E.	**Disclosure and Transparency – 25%**			
	Transparent and ownership structure			
74.	Does the company disclose the direct and indirect (deemed) shareholdings of directors?	1	Max: 1 point	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
	Quality of Annual Report			
75.	Does the company's annual report disclose the following items:			
(a)	Corporate objectives	1	Max: 1 point	
(b)	Financial performance indicators	1	Max: 1 point	
(c)	Non-financial performance indicators	1	Max: 1 point	
(d)	Key risks (including operational risks) and how these risks are assessed and managed	0	Max: 1 point	
	Disclosure of related party transactions (RPTs) and interested person transactions (IPTs)			
76.	Does the company disclose a detailed policy that sets out procedures for the review and approval of material/significant IPTs?	1	Max: 1 point	
77.	For each material/significant IPT, does the company identify all related parties and its relationship with each party?	1	Both the questions should be "Y", in order to get 1 point.	
78.	For each material/significant IPT, does the company disclose the nature and value of each transaction?			
79.	Does the company disclose the type of material transactions that require board approval?	1	Max: 1 point	
	Directorships/Chairmanships in listed companies			
80.	Is there disclosure of all the directorships and chairmanships held by its directors at present and over the past 3 years?	2	Disclosure of 3 years = 2 points Disclosure of only current year = 1 point	
81.	Is there disclosure of only the current directorships and chairmanships held by its directors?			

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
	Timeliness of release of results			
82.	Financial year end	2	3 points, if released with 30 days 2 points, if financial statements released within 31-60 days	The Group released its financial results within 31 to 60 days.
83.	Results release date			
84.	Number of days taken to release the results			
85.	Does the company release its audited annual/financial report no later than 60 days from the company's financial year end?	0	Max: 1 point	
	Medium of communication			
86.	Does the company use the following modes of communication?			
(a)	Analyst's briefing	0	At least either of the questions should be "Y" to get 1 point.	
(b)	Media briefings/press conferences			
	Corporate website			
87.	Are details of its code of conduct or ethics disclosed?	0	Max: 1 point	
88.	Is the link provided on the SGX website and/or annual report?	1	Max: 1 point	
89.	Does the website have a clearly dedicated IR link instead of providing the financial information under links such as "News" or "Announcements"?	1	Max: 1 point	
90.	Are the latest financial results available on the website?	1	Both the questions should be "Y", in order to get 1 point.	
91.	Is the latest annual report available on the website?			
92.	Is the IR contact given on the website/annual report?	1	Max: 1 point	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
	Does the company have a website disclosing up-to-date information on the following:			
93.	Group corporate structure	0	Max: 1 point	
94.	Clear vision and mission statements	1	Max: 1 point	
95.	Does the company demonstrate email responsiveness to investor relations function promptly and effectively (i.e. within a week)?	0	Max: 1 point	
	Results briefings			
96.	In the company's annual report, are there commentaries of the board on steps and measures being taken to understand shareholders' viewpoints and concerns, e.g. through analyst briefings, investor roadshows or Investors' Day briefings?	1	Max: 1 point	
97.	Does the company carry out an adequate investor relations policy in order to ensure regular and effective convey of pertinent information to shareholders?	1	Max: 1 point	
	Total: Section E	**18**	**Max: 25 points**	
	Total: Base Score	**74**	**Max: 100 points**	
ADD	**BONUSES**			
98.	Have a positive corporate governance confirmation	3	Max: 3 points	
99.	Disclosing information on the succession planning for the board and senior management	0	Max: 3 points	
100.	Having a board-level risk committee comprising independent directors	3	Max: 3 points	The Audit and Risk Management Committee, who are all independent directors, oversees the risk management framework of the Company.

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
101.	Having a comprehensive description of how the company assesses the independence of its directors and independent director should be independent from major shareholders	3	Max: 3 points	
102.	Having a policy which prevents non-executive directors from selling stock prior to leaving the company	0	Max: 3 points	
103.	Publishing an annual sustainability report	3	Max: 3 points	Since the Company was listed in 2018, the Group has published an annual sustainability report together with the annual report.
104.	Having a share trading policy which requires board approval for trading by directors and disclosing the policy	0	Max: 3 points	
105.	Setting the risk tolerance, or having a risk management policy describing the tolerance for various classes of risk by the Board	0	Max: 4 points	
106.	All directors attended the last AGM	0	Max: 3 points	
107.	External search done when appointing new directors	0	Max: 2 points	
108.	Disclosing detailed information on director training	0	Max: 2 points	
109.	Publishing its notice of AGM (with detailed agendas and explanatory circulars) at least 28 days before the meeting	0	Max: 3 points	
110.	Adopting integrated reporting in its Annual Reports	0	Max: 2 points	
111.	Having assurance from Board and/or the Remuneration Committee that the level and structure of remuneration align with the long-term interests and risk management policies of the company	0	Max: 3 points	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
112.	Disclosing the names, remuneration (in bands no wider than S$100,000) and employee's relationship in the Annual Report for employees who are substantial shareholders of the company or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year?	0	1 point if remuneration was disclosed in bands of S$100,000 and under; 3 points if exact remuneration was disclosed.	
	Total: Bonus Section	**12**	**Max: 43 Points**	
LESS	**PENALTIES**			
113.	Non-disclosure of director information (academic and professional qualifications, date of first appointment as a director or date of last re-election as a director, etc)	N/A	Max: 2 points	
114.	Tenure of independent directors (more than 9 years)	N/A	Max: 3 points for two of more independent directors	
115.	Independent directors concurrently hold multiple directorships	N/A	Max: 3 points for each director	
116.	Total number of external directorships concurrently held by Executive Directors	N/A	Max: 3 points if more than two directorships	
117.	Presence of board interlocks	N/A	Max: 5 points	
118.	Same independent directors sitting on the nominating, remuneration and audit committees	3	Max: 3 points	
119.	CEO/MD/ED not subject to re-election	N/A	Max: 3 points	
120.	The Lead Independent Director ("LID") if any, is not on the Nominating Committee or the LID failed to meet other independent directors separately	N/A	Max: 2 points	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
121.	Issuance of a profit warning within 30 days after the IPO or after a results announcement	N/A	Max: 5 points	
122.	Earnings restatements	N/A	5 points deducted if earnings for one year are to be restated 8 points deducted if earnings of more than one year are to be restated	
123.	Frequent turnover of senior management (Executive Directors & CFO)	N/A	If more than one instance of the appointment and resignation being within the same financial year	
124.	Resignation of senior management (Executive Directors & CFO) without adequate disclosure of information regarding the circumstances, search for replacement and expected time frame for appointing a new person	N/A	Max: 3 points for each person Penalty is capped at 9 points	
125.	Other directors resigning without adequate disclosure of reasons	N/A	3 points for each director	
126.	Appointments or resignations of independent directors which are closely linked to controlling shareholders	N/A	3 points for each issue	
127.	Directors or senior management resigning and raising corporate governance-related concerns	N/A	10 points deducted if one issue 15 points deducted if two or more issues	
128.	External auditors unable to issue an opinion or raises red flag, allegations of fraud reported, unauthorised trading	N/A	For each issue: 10 points deducted 15 points deducted if allegation involves directors/senior management/controlling shareholders	
129.	Breach of listing rules	N/A	3 points deducted if one issue 5 points deducted if two or more issues	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
130.	Retention of appointment of directors or senior management who have been subjected to regulatory actions	N/A	For each person: 3 points deducted if the person is being investigated 5 points deducted if the person is charged 10 points deducted if the person is convicted and continues to stay on the board	
131.	Significant interested party transactions involving major shareholders, directors or senior management or evidence of serious conflicts of interest	N/A	Max: 3 points	
132.	Issue of share options to independent directors	N/A	Max: 3 points	
133.	Issue of share options when stock prices are at or near year end lows	N/A	Max: 3 points	
134.	Late announcement of stock option grants	N/A	3 points deducted if one late announcement is made 5 points deducted if two or more late announcements are made	
135.	Investor relations issues	N/A	3 points deducted if one issue 5 points deducted if two or more issues Points are deducted for issues such as errors in the annual report, errors and corrigendum in announcements that are not rectified immediately	
136.	Appointment of alternate IDs, insufficient disclosure of nominating process	N/A	Max: 3 points	
137.	Poor director attendance at board and committee meetings	N/A	3 points deducted if one director has poor attendance 5 points deducted if two or more director has poor attendance	
138.	Query on trading activity	N/A	Max: 3 points	

SUSTAINABILITY REPORT

Section	Question	Assessment	Guidelines	Remarks
139.	Non-audit fees exceed the audit fees if the company engages the same audit firm	N/A	If the non-audit fees exceed audit-fees consecutively for last 2 years	
140.	Chairman has also been the CEO in the last three years	N/A	Max: 3 points Points are not deducted if Chairman is interim CEO	
141.	Presence of a pyramid and/or cross holding ownership structure	N/A	Max: 3 points	
142.	Legal violations pertaining to labour/employment/consumer/ insolvency/commercial/ competition/environmental issues	N/A	Max: 5 points	
143.	Directors or senior managers have an employment relationship with the current external auditor in the past 2 years	N/A		
	Total Maximum (Base + Adjustments for Bonuses/ Penalties)	**74 + 9 = 83**	**Max: 143 Points**	

SUSTAINABILITY REPORT

REGULATORY AND LEGAL COMPLIANCE, FAIR PRICING AND BILLING TRANSPARENCY, AND PATIENT SATISFACTION AND QUALITY OF CARE

At AHS, we place great emphasis on the health and safety of our employees. In this crucial period of dealing with a pandemic, it is even more important.

Supporting the SDGs

All the clinics and corporate office are issued with Fire Safety Certificates before the commencement of operations. In addition, there is a fixed schedule to clean and sanitise the premises to minimise any potential health hazards.

All medical equipment are properly certified with the relevant authorities such as Health Sciences Authority or Ministry of Manpower. A preventive maintenance contract is signed for each of the equipment with the supplier to ensure safe and optimal functioning. Only qualified and trained personnel are allowed to operate the equipment and perform the relevant duties.

In FY2021, there were no incidents of non-compliance with regards to the health and safety impacts of services; regulations concerning product and service information and labelling, laws and regulations in the social and economic areas.

TARGETS

✓ To implement patient satisfaction survey after treatment in FY2022 to receive patient feedback.

PERSONAL DATA PROTECTION

Safeguarding our patients, employees and shareholders' data is of paramount importance to the Group and we are committed to maintaining the utmost privacy and security of their personal data. AHS has established data protection policies in compliance with the requirements of the PDPA, which governs the collection, use, disclosure and care of personal data.

The following protocols were implemented across all the subsidiaries:

- All patients registering at the counter will have to fill up a PDPA form;
- Shredding of all documents that contain personal information, medical records, and/or private and confidential data;
- Standard of Protocol for IT Cybersecurity is in place;
- Alert management to any risks that might arise concerning personal data; and
- Report any data protection matters to the Personal Data Protection Commission, where necessary.

All employees are aware of ensuring all data and business related information remain confidential. The Group has policies in place that limits the data access rights of all employees commensurating to their scope of work as a measure to manage data privacy risk. Access to sensitive data is allocated in accordance to levels of responsibilities. AHS also appoints a third-party service provider for the proper disposal of physical documents.

In FY2021, there were no complaints received concerning breaches of PDPA.

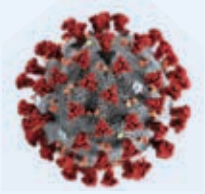
TARGETS

✓ To maintain zero complaints of breach of PDPA

✓ To continue to provide training to employees on patient data protection

SUSTAINABILITY REPORT

OUR RESPONSE TO COVID-19



In response to the impact of the COVID-19 outbreak, Management had designed a Business Continuity Plan with an appropriate response guide in accordance to the Disease Outbreak Response System Condition ("**DORSCON**"). The DORSCON framework enabled the Company to respond immediately to any outbreak and serves as the nucleus to ramp up for a higher level of response during a pandemic. The matrix approach further provides for the flexibility to adopt responses as building blocks that can be tailored to each unique scenario. Despite the uncertainty, the Company will stay firmly grounded to our values and medical ethos for all our stakeholders.

OPERATIONS

To ensure the safety of our employees and the patients that we serve, we introduced health and safety measures to make adjustments to our daily operations based on the evolving situation. Compliance, instructed to work with COVID-19 restrictions were strictly adhered to. The measures taken were made on the basis to strike a balance with the restrictions set by MTI and MOH. As of the latest practicable date, the Group has not been in any breach in compliance with any of the regulatory bodies.

All Employees	• Temperature screening was compulsory for every employee in AHS.
Clinic Premises	• All patients and visitors to the clinics have to ensure that they have completed the Safe Entry and are not issued any form of Quarantine or Isolation Order prior to their medical appointment. • All frontline workers are placed on mandatory routine swab in accordance to MOH latest protocols.
Corporate Office	• Employees had a schedule when they were allowed to come back to the office and they were also encouraged to work from home where possible. • All employees and auditors are to perform the Antigen Rapid Test.

SUSTAINABILITY REPORT

Disinfection and Sanitisation	• Regardless of the clinics or the corporate office, appropriate disinfectants with indication of effectiveness against coronaviruses were used for disinfection of all common surfaces and equipments on a regular basis. • Stringent protocols were also set up and disseminated to all employees if they may be and/or exposed to a confirmed case of COVID-19.
Personal Protective Equipment ("**PPE**")	• Our supply chains for medical equipment such as PPE were not disrupted as the Company had a backup supply in readiness for such a pandemic. • MOH had also provided a channel for regular supply and top up of medical supplies.
Public Health Preparedness Clinic ("**PHPC**")	• Since February 2020, Twin City Medical Centre was enrolled and activated as a PHPC to care for patients with respiratory symptoms. • All healthcare workers were supplied with necessary PPE and familiarisation with appropriate care protocols according to the assessed risk and diagnosis of each patient. • AHS recognises that PHPCs are an important line of defence during public health outbreaks, thus it provided subsidised treatment and medications to the patients and referred them to a hospital if they are suspected to have pneumonia.
Travel Restrictions	• All corporate travel are still currently placed on hold. • All employees who intend to travel overseas has to declare their travel plans to their supervisors, subjected to approval from Management. • Telemedicine was introduced to provide local patients on Stay Home Notice and foreign patients to have follow-up care with their practitioners.

GRI INDEX TABLE

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102-4	Location of operations	16
102-5	Ownership and legal form	15-16
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102-7	Scale of the organisation	21-22, 85-86
102-8	Information on employees and other workers	21-22
102-9	Supply chain	15
102-10	Significant changes to the organisation and its supply chain	No significant changes during FY2021
102-11	Precautionary Principle or approach	20
102-12	External initiatives/charters	25
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102-14	Statement from senior decision-maker	15
102-16	Values, principles, standards, and norms of behaviour	15, 17
102-18	Governance structure	17
102-40	List of stakeholder groups	18
102-41	Collective bargaining agreements	The Group does not have any collective bargaining agreement
102-42	Identifying and selecting stakeholders	18
102-43	Approach to stakeholder engagement	18
102-44	Key topics and concerns raised	18
102-45	Entities included in the consolidated financial statements	119-120
102-46	Defining report content and topic boundaries	16
102-47	List of material topics	17, 19
102-48	Restatements of information	No restatements of information
102-49	Changes in reporting	No significant changes in reporting
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306-2	Waste by type and disposal method	
Employee Welfare and Retention (Employment 2016)		
103-1/2/3	Management Approach	20-23
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Worker Health and Safety (Occupational Health and Safety 2018)		
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416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	
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103-1/2/3	Management Approach	43
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	
Regulatory and Legal Compliance (Socioeconomic Compliance 2016)		
103-1/2/3	Management Approach	25
419-1	Non-Compliance with Laws and Regulations in the Social and Economic Area	

CORPORATE **INFORMATION**

BOARD OF DIRECTORS

Executive:
Chin Pak Lin
(Chief Executive Officer)
Yue Wai Mun
(Chief Medical Officer)
Cheng Ching Li

Non-Executive:
Leow Chung Chong Yam Soon
(Independent Director and Chairman of the Board)
Siek Wei Ting (Xie Weiting)
(Independent Director)
Vikram Nair
(Independent Director)
Yeo Wee Kiong
(Non-Independent Director)

AUDIT AND RISK MANAGEMENT COMMITTEE
Leow Chung Chong Yam Soon (Chairman)
Siek Wei Ting (Xie Weiting)
Vikram Nair

NOMINATING COMMITTEE
Siek Wei Ting (Xie Weiting) (Chairman)
Leow Chung Chong Yam Soon
Vikram Nair

REMUNERATION COMMITTEE
Vikram Nair (Chairman)
Leow Chung Chong Yam Soon
Siek Wei Ting (Xie Weiting)

COMPANY SECRETARY
Ngiam May Ling

REGISTERED OFFICE
38 Irrawaddy Road #09-42
Singapore 329563

BANKERS
DBS Bank Ltd
Standard Chartered Bank (Singapore) Limited
Overseas-Chinese Banking Corporation Limited
United Overseas Bank Limited

SHARE REGISTRAR
Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

CONTINUING SPONSOR
RHT Capital Pte. Ltd.
6 Raffles Quay #24-02
Singapore 048580
Registered Professional: Mr Mah How Soon

EXTERNAL AUDITORS
KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
Partner-in-Charge: Mr Lim Jek
(a member of the Institute of Singapore Chartered Accountants)
Appointed w.e.f. financial year ended 30 September 2018

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of Asian Healthcare Specialists Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") are committed to high standards of corporate governance as a fundamental part of its responsibilities to ensure greater transparency and protection of shareholders' interest. The Board is responsible for the Group's corporate governance standards and policies, and stresses their importance across the Group.

For the financial year ended 30 September 2021 ("**FY2021**"), the Company had complied in all material respects with the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**") which forms part of the continuing obligations of the Rules of Catalist of the SGX-ST (the "**Catalist Rules**"), to the extent possible. This report sets out the Group's key corporate governance practices with reference to the Code, where appropriate. Where there were deviations from the Code, appropriate explanations have been provided.

BOARD MATTERS

The Board's Conduct of its Affairs

Principle 1 – The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Role of the Board

The Board is collectively responsible for the long-term success of the Group. Each Director exercises his independent judgement to act in good faith and discharge their duties and in the best interests of the Group for the creation of long-term value for shareholders.

The principal duties and responsibilities of the Board include:

- providing entrepreneurial leadership and guidance to the management ("**Management**") in setting the Group's overall long-term strategies and financial objectives, and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives;
- reviewing the financial results of the Group and financial reporting;
- monitoring the implementation of strategies and the business performance and Management performance;
- setting the Group's values and ethical standards in which it conducts businesses and ensuring that these are adhered to and ensuring that obligations to shareholders are understood and met;
- considering sustainability issues such as environmental and social factors, as part of its strategy formulation, including identifying key stakeholder groups and ensuring that obligations to other stakeholders are understood and met as their perceptions affect the Group's reputation;
- approving the appointment of Directors and other key management personnel (as defined in the Code wherever it appears in this report);
- approving the remuneration packages for the Executive Directors and key management personnel;

CORPORATE GOVERNANCE REPORT

- establishing a framework of prudent and effective internal controls and evaluating the adequacy of internal controls and risk management, including safeguarding of shareholders' interests and the Group's assets;

- approving material acquisitions and disposals of assets, mergers and acquisitions, major corporate policies in key areas of operations, annual budgets, major funding, investment proposals, divestments (if any), issuance of shares, dividends and proposals relating to shareholder returns, the Group's half-yearly and full-year results and material interested person transactions ("**IPT**"); and

- ensuring the Group's compliance with laws, regulations, policies, directives, guidelines and internal code of conduct.

The Board believes that when making decisions, all Directors discharge their duties and responsibilities at all times as fiduciaries and act objectively in the interests of the Company.

The matters which specifically require the Board's approval or guidance are those involving:

a. Strategies and objectives of the Group, including the annual budget and forecasts;

b. Delegation of authority matrix (if any);

c. Announcements on financial results;

d. Directors' Statement and Audited Financial Statements;

e. Annual Report and Sustainability Report;

f. IPT;

g. Declaration of interim dividends and proposal of final dividends to shareholders;

h. Corporate action/exercises, including issuance of new shares in the capital of the Company; and

i. Material acquisition and disposal of assets/investments, including material financial/funding arrangements and capital expenditures.

Board Committees

To assist the Board in the efficient discharge of its responsibilities and provide independent oversight of Management, the Board has established the following committees (collectively, the "**Board Committees**") with written terms of reference, whose actions are reported to and monitored by the Board:

- Audit and Risk Management Committee ("**ARMC**")

- Nominating Committee ("**NC**")

- Remuneration Committee ("**RC**")

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The written terms of reference clearly set out the authority delegated by the Board to make decisions. These terms of reference also set out the conduct of meetings including quorum, voting requirements and qualifications for Board Committee membership. The Board Committees review their terms of reference from time to time to ensure relevance. Any changes to the terms of reference for any Board Committee require the Board's approval.

The Board accepts that while these Board Committees have the authority to examine issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility for all matters lies with the Board. The effectiveness of each Board Committee is also constantly monitored by the Board.

The ARMC, NC and RC comprise all Independent Directors, and the composition of the Board and Board Committees are as follows:

Board composition/Name of Director	ARMC	NC	RC
Dr Chin Pak Lin (Executive Director and Chief Executive Officer ("**CEO**"))	–	–	–
Dr Yue Wai Mun (Executive Director and Chief Medical Officer ("**CMO**"))	–	–	–
Mr Leow Chung Chong Yam Soon ("**Paul Leow**") (Non-Executive Chairman and Independent Director)	Chairman	Member	Member
Mr Siek Wei Ting (Xie Weiting) ("**Ryan Siek**") (Independent Director)	Member	Chairman	Member
Mr Vikram Nair (Independent Director)	Member	Member	Chairman
Dr Cheng Ching Li ("**Bobby Cheng**") (Executive Director)	–	–	–
Mr Yeo Wee Kiong (Non-Executive and Non-Independent Director)	–	–	–

The appointment of Board Committee members, which requires the approval of the Board, is carried out carefully to ensure the Board Committees comprise Directors with the appropriate qualifications and skills to maximise the effectiveness of the Board.

Board Meetings and Attendance

The Board and Board Committees meet regularly to discuss strategy, operational matters and governance issues. All Board and Board Committees' meetings for the calendar year 2022 have been scheduled in advance in consultation with the Directors to ensure maximum attendance.

The Non-Executive Directors of the Company, who are majority Independent Directors, constructively challenge and help develop proposals on strategy, review the performance of Management and monitor the reporting of performance. At every scheduled meeting, the Board sets aside time for the Independent Directors to meet without the presence of Management. In addition, the Directors are in frequent contact with one another outside the Board and Board Committees' meetings and hold constant informal discussions amongst themselves.

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Attendance via telephone or video conference, if required, at Board or Board Committees' meetings is permitted by the Company's Constitution and/or the written terms of reference of the Board Committees, as the case may be. Ad hoc meetings will be convened as and when circumstances require. The attendance record of all Directors at the Annual General Meeting ("**AGM**") held on 28 January 2021 for FY2020, Extraordinary General Meeting ("**EGM**") held on 21 July 2021 and Board and Board Committees' meetings for FY2021 is disclosed below:

Number of meetings held in FY2021	**AGM**	**EGM**	**Board**	**ARMC**	**NC**	**RC**
	1	1	2	2	1	1
Name of Director	**Number of meetings attended in FY2021**					
Dr Chin Pak Lin	1	1	2	2^	1^	1^
Dr Yue Wai Mun	1	1	2	2^	1^	1^
Mr Paul Leow	1	1	2	2	1	1
Mr Ryan Siek	1	1	2	2	1	1
Mr Vikram Nair	1	1	2	2	1	1
Dr Bobby Cheng	1	1	2	2^	1^	1^
Mr Yeo Wee Kiong	0	0	2	2^	1^	1^

Note:
^ Attendance by invitation

With the number of meetings attended by all the Directors and reviewed by the NC, the Board is satisfied that the Directors with multiple board representations and other principal commitments, have been able to devote sufficient time and attention to the affairs of the Company to adequately and satisfactorily discharge his duties as a director of the Company, notwithstanding their multiple appointments and commitments in FY2021.

In order to ensure that the Board is able to discharge its responsibilities effectively, Management provides the Directors with regular updates on the operational and financial performance of the Group, and furnishes the Directors with complete and adequate information on matters that require their consideration in a timely manner. Board papers with the relevant background and financial information are circulated at least three working days prior to the scheduled meetings. However, to maintain confidentiality, sensitive matters may occasionally only be tabled at the meeting itself or discussed without papers being distributed. The notice(s) of additional meetings, if any, with the relevant board papers, will be circulated prior to the meetings, as and when these meetings are required to be convened.

Directors are also encouraged to seek additional information from Management as and when needed to make informed decisions. Management does its best to meet such requests in a timely manner.

At Board meetings, the CEO, Executive Directors and CFO also provide the Board with operational updates on significant events relating to the Group and information concerning industry-related developments.

Between Board meetings, the Board and Board Committees may also make decisions through circular resolutions in writing.

All Directors have separate, unrestricted and independent access to key management personnel and the Company Secretary.

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In situations where the Directors, whether individually or as a group, in the furtherance of their duties, need to seek independent professional advice, they can select the professional advisor to be engaged by the Company. The cost of such professional advice will be borne by the Company.

Role of Company Secretary

The Company Secretary attends all Board and Board Committees' meetings and is accountable directly to the Board, through the Non-Executive Chairman and CEO, on all matters to do with the proper functioning of the Board, including compliance with the Company's Constitution, the Companies Act, Chapter 50 of Singapore, the Securities and Futures Act, Chapter 289 of Singapore and the Catalist Rules. She assists the Board in implementing and strengthening corporate governance policies and processes. The Company Secretary is the primary point of contact between the Company and, when required, the Sponsor and/or the SGX-ST.

Under the Company's Constitution, the appointment and removal of the Company Secretary is subject to the approval of the Board.

Board Induction and Training

The Board values ongoing professional development and recognises that it is important that all Directors receive regular training so as to be able to serve effectively on, and contribute to, the Board.

Upon appointment to the Board, a formal letter will be provided to each newly appointed Non-Executive Director (including Independent Director), setting out his duties and obligations whereas each of the Executive Directors will enter into a Service Agreement with the Company, which sets out their terms of office and terms and conditions of appointment. The Company had issued a letter of appointment to each of the Independent Directors and entered into a Service Agreement with each of the Executive Directors upon their respective appointments.

All newly appointed Directors will undergo comprehensive orientation programmes which cover the business activities of the Group, its strategic direction and corporate governance practices. Arrangements will also be made for Directors to meet key management personnel for a better understanding of the Group's businesses and operations. The Directors have an open invitation to visit the Group's operating facilities to enable them to obtain a better perspective of the business and to enhance their understanding of the Group's operations.

As part of the training and professional development for the Board, the Company ensures that Directors are briefed from time to time on changes to regulations, guidelines and accounting standards, as well as other relevant trends or issues. In addition, the Company's external auditors, KPMG LLP ("**External Auditors**") and/or the CFO update the Board on the changes to accounting standards and issues which have a direct impact on financial statements from time to time. The CEO also provides the Board with regular updates on the Group's operations and any changes to commercial risks.

These are done either during Board meetings, at Board dinners or at specially convened sessions, including training sessions and seminars conducted by external professionals at the Company's expense. Directors are also encouraged to request further explanations, briefings or informal discussions on any aspect of the Group's operations or business issues from Management.

Directors are encouraged to attend seminars, workshops and receive training in areas such as directors' duties and responsibilities, changes in regulations and regulatory framework (including financial reporting standards and the Catalist Rules) which are relevant to the Group's business and operations, so as to enable them to perform effectively as Directors. The Company arranges and funds the training of Directors.

CORPORATE GOVERNANCE REPORT

Board Composition and Guidance

Principle 2 – The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Board Composition

As at 30 September 2021, the Board comprises seven Directors, of whom three are Executive Directors, three are Independent Directors and one is a Non-Executive and Non-Independent Director. None of the Directors are related to one another. Other than Dr Chin Pak Lin, Dr Yue Wai Mun and Dr Bobby Cheng, none of the Directors is a former or current employee of the Company or any of its subsidiaries.

None of the Directors have an alternate Director.

The size and composition of the Board are reviewed from time to time by the NC to ensure that the size of the Board is appropriate and conducive for effective discussion and decision-making, with a strong element of independence. The Board is not required to comprise a majority of Independent Directors as the Chairman is independent. There is a strong and independent element on the Board and the Company is in compliance with Provisions 2.1 and 2.3 of the Code.

The NC, with the concurrence of the Board, is of the view that the current Board size is adequate, taking into account the nature and scope of the Group's operations, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees.

Board Diversity

The NC also aims to maintain a diversity of expertise, skills and attributes among the Directors, which the Group may tap on for assistance in furthering its business objectives and shaping its business strategies. Any potential conflicts of interest are taken into consideration.

In reviewing Board composition and succession planning, the NC will consider the benefits of all aspects of diversity, including diversity of skills, experience, background, gender, age, ethnicity and other relevant factors and knowledge of the Company. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.

The Board comprises Directors with a broad range of commercial experience including expertise in the medical industry. Together, the Board and Board Committees comprise Directors, who as a group, provide an appropriate balance and diversity of skills, experience and knowledge of the Group. They also bring with themselves a wide range of core competencies such as accounting and finance, legal knowledge, business and management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge. The diversity of the Directors' background allows for the useful exchange of ideas and views.

All Board appointments are made based on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

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Review of Directors' Independence

The NC evaluates on an annual basis whether or not a Director is independent in accordance with Rule 406(3)(d) of the Catalist Rules and Provision 2.1 of the Code bearing in mind the Code's definition of an "Independent Director" and guidance as to the relationships, the existence of which would deem a Director not to be independent.

Under Provision 2.1 of the Code, an Independent Director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers, that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

Under Rule 406(3) of the Catalist Rules, a Director will not be deemed independent if he is employed by the Company or its related corporations for the current or any of the past three financial years, or if he has an immediate family member who is employed or has been employed by the Company or its related corporations for the past three financial years, and whose remuneration is determined by the Company's Remuneration Committee.

In addition, the NC requires each Independent Director to assess his own independence by completing a Confirmation of Independence form ("**Declaration Form**") which is drawn up in accordance with the above requirements and state whether he considers himself independent despite having any of the relationships identified in the Code which would deem him not to be independent, if any.

The Board reviews and determines whether each Director is independent, taking into account the views of the NC and any existence of relationships or circumstances, including those identified by the Code, that are relevant in its determination as to whether a Director is independent.

The Directors are required to avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of the Group. Where a Director has a conflict of interest, or it appears that he might have a conflict of interest, in relation to any matter, he should immediately declare his interest at a meeting of the Directors or send a written notice to the Company containing details of his interest and the conflict, and recuse himself from participating in any discussion and decision on the matter. Where relevant, the Directors have complied with such requirement, and such compliance has been duly recorded in the minutes of meeting and/or Directors' Resolutions in writing.

For FY2021, the NC and the Board had assessed the independence of each of the Independent Directors.

Mr Vikram Nair, an Independent Director of the Company, is a partner of Rajah & Tann Singapore LLP ("**R&T**"), which is one of the law firms which had provided legal services to the Group in FY2021. Mr Vikram Nair had declared to the NC that he did not have a 5% or more stake in R&T, that he did not involve himself in the selection and appointment of legal advisors for the Group. Mr Vikram Nair was not involved in the provision of legal services by R&T to the Group and was not involved in the negotiations, deliberations and the delivery of services by R&T to the Group. Fees charged by R&T to the Group were on an arm's length basis and based on normal commercial terms. Mr Vikram Nair had not previously provided any legal services to the Group. Mr Vikram Nair had abstained and will abstain from, and will not be involved in any discussions, deliberations or decisions of the Board in relation to any transactions or dealings with R&T.

The NC also took into account Mr Vikram Nair's actual performance and valuable contributions on the Board and Board Committees and the outcome of the recent assessment of the performance of the individual Directors.

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Based on the foregoing, the Board (except Mr Vikram Nair who had recused himself from such discussions) believed that the engagement of R&T for the provision of legal services would not interfere, or be reasonably perceived to interfere, with the exercise of Mr Vikram Nair's independent business judgement as an Independent Director with a view to the best interests of the Group, and that Mr Vikram Nair had at all times discharged his duties with professionalism and objectivity. In reviewing the independence of Mr Vikram Nair, in particular, the NC also had regard to the monetary value of the transactions between R&T and the Group.

Based on the Declarations Forms provided by these Directors and taking into account the provisions in the Code and the considerations set out above, the Board had determined that save for Dr Chin Pak Lin, Dr Yue Wai Mun and Dr Bobby Cheng who are Executive Directors, Mr Paul Leow, Mr Ryan Siek and Mr Vikram Nair were considered to be Independent Directors, whereas Mr Yeo Wee Kiong was considered to be a Non-Executive and Non-Independent Director.

No Director has served on the Board for more than nine years.

Each of Mr Ryan Siek, Mr Paul Leow and Mr Vikram Nair had recused himself from the NC's and the Board's deliberations respectively on his own independence.

Chairman & Chief Executive Officer ("CEO")

Principle 3 – There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Role of Chairman

The principal duties and responsibilities of the Non-Executive Chairman include:

- Leading the Board to ensure its effectiveness in all aspects of its roles;
- Scheduling meetings for the Board to discharge its duties, including setting the agendas in consultation with the CFO, Company Secretary and the Chairman of the respective Board Committees, and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- Promoting a culture of openness and debate at the Board level;
- Coordinating activities of the Independent Directors and facilitating the effective contribution of the Independent Directors;
- Exercising control over quality, quantity and timeliness of the flow of information between Management and the Board to ensure that the Directors receive complete, adequate and timely information;
- Encouraging constructive relations within the Board and between the Board and Management;
- Ensuring effective communication with shareholders; and
- Assisting in ensuring the Company's compliance with corporate governance guidelines and promoting high standards of corporate governance.

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Mr Paul Leow is the Non-Executive Chairman and an Independent Director. As one of the key contacts listed in the Company's Whistleblowing Policy, Mr Paul Leow will be available to shareholders and any other persons if they have concerns relating to matters which contact through the normal channels of the CEO or CFO has failed to resolve, or where such contact is inappropriate.

Role of CEO

The CEO is responsible for making strategic proposals to the Board, implementing the Group's strategies and policies as well as the Board's decisions and assumes the executive responsibility for the day-to-day management of the Group, with the support of key management personnel.

As recommended by Provision 3.1 of the Code, the roles of the Chairman and CEO are separate persons to ensure a clear division of their responsibilities, increased accountability and greater capacity of the Board for independent decision-making. The Chairman is not related to the CEO.

Mr Paul Leow serves as the Non-Executive Independent Chairman whereas Dr Chin Pak Lin serves as the CEO.

Board Membership

Principle 4 – The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The Company has established a NC to, among other things, make recommendations to the Board on all Board appointments, re-election of Directors and oversee the Board and key management personnel's succession and leadership development plan.

The terms of reference of the NC provides that the NC shall comprise at least three Directors, the majority of whom including the NC Chairman, shall be Independent Directors. The NC comprises all Independent Directors with Mr Ryan Siek as the Chairman, and Mr Paul Leow and Mr Vikram Nair as members.

Based on the written terms of reference approved by the Board, the principal duties and responsibilities of the NC include:

- making recommendations to the Board on relevant matters relating to (i) the review of board succession plans for directors, in particular, the Non-Executive Chairman and CEO, (ii) the development of a process of evaluation of the performance of the Board, the Board Committees and Directors, (iii) the review of training and professional development programs for the Board, and (iv) the appointment and re-election of the Directors (including alternate Directors, if applicable) (including appointments and re-appointments to Board Committees);

- reviewing and determining annually, and as and when circumstances require, if a Director is independent, in accordance with the Code (as may from time to time be amended, modified or supplemented) and any other salient factors;

- reviewing the composition of the Board annually to ensure that the Board and Board Committees comprise Directors who as a group provide an appropriate balance and diversity of skills, expertise, gender and knowledge of the Group and provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge;

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- implementing a process for assessing the effectiveness of the Board as a whole and the Board Committees and for assessing the contribution of each individual Director to the effectiveness of the Board and each Board Committee on which he sits;

- reviewing and approval of any employment of all managerial staff and employees who are related to any of the Directors, Substantial Shareholders or the CEO and the proposed terms of their employment; and

- where a Director has multiple board representations, deciding whether the Director is able to and has been adequately carrying out his duties as a Director, taking into consideration the Director's number of listed company board representation and other principal commitments. If necessary, to set up internal guidelines to address the competing time commitments that is faced when Directors serve on multiple boards.

Succession Planning and Nomination Process

The NC has the responsibility of establishing a formal and transparent search and nomination process for the selection and re-election of Directors and there is a policy in place that governs the nomination process.

When an existing Director chooses to retire or is required to retire from office by rotation, or the need for a new Director arises, the NC reviews the range of expertise, skills and attributes of the Board and the composition of the Board.

The Board considers the benefits of all aspects of diversity, including diversity of skills, experience, background, gender, age, ethnicity and other relevant factors. New Directors, if any, will continue to be selected based on objective criteria set as part of the process for appointment of new Directors and the NC will, in consultation with the Board, evaluate and determine the selection criteria with due consideration to the mix of skills, knowledge and experience of the existing Board. The NC will evaluate potential candidates by undertaking background checks, assessing individual competency, knowledge, management skills, financial literacy, experience and qualifications, thereby ensuring the fulfilment of every requirement which the Board as a whole requires to be effective. The NC will seek candidates from a wide pool of individuals not limited to persons known to the Directors directly and is empowered to engage professional search firms to aid in this process. Short-listed candidates will be invited to meet the Independent Directors separately and may also be invited to meet the Board as a whole to discuss the duties of a Director. This is to ensure that there are no misunderstandings or a mismatch of expectations.

Directors' Time Commitment

The NC is tasked with ensuring that the Directors have given sufficient time and attention to the affairs of the Group and to decide if a Director has been adequately carrying out and is able to continue carrying out the duties of a Director of the Company.

In determining if a Director is able to and has been adequately carrying out his duties, the Board, with the concurrence of the NC, has taken into consideration the Director's number of listed company board representations and other principal commitments.

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The profiles of the Directors, including listed company directorships and principal commitments, are set out under the section "Board of Directors" in the Annual Report. Additional information on the Board members is set out below:

Name of Director	Date of first appointment	Date of last re-election	Directorships in other listed companies	
			Current	Past 3 Years
Dr Chin Pak Lin	27 September 2017	28 January 2021	–	–
Dr Yue Wai Mun	27 September 2017	23 January 2020	Please refer to page 153 of this annual report	Please refer to page 153 of this annual report
Mr Paul Leow	28 March 2018	28 January 2021	–	• Fragrance Group Limited • No Signboard Holdings Ltd.
Mr Ryan Siek	28 March 2018	28 January 2019	Please refer to page 153 of this annual report	Please refer to page 153 of this annual report
Mr Vikram Nair	28 March 2018	23 January 2020	Please refer to page 153 of this annual report	Please refer to page 153 of this annual report
Dr Bobby Cheng	19 February 2020	28 January 2021	–	–
Mr Yeo Wee Kiong	3 September 2020	28 January 2021	• Pacific Century Regional Developments Limited • Roxy-Pacific Holdings Limited • AF Global Limited • SUTL Enterprise Limited	• Bonvests Holdings Limited

As such, no maximum number of listed company board representations has been fixed as time requirements are subjective and the NC recognises that its assessment of each Director's ability to discharge his duties adequately should not be confined to the sole criterion of the number of his board representations. Thus, in assessing each Director's ability to discharge his duties adequately, the Board will also consider, amongst other factors, contributions by Directors during Board and Board Committees' meetings, and their attendance at such meetings, in addition to each of their principal commitments.

Annual Determination of Directors' Independence

The NC has the responsibility to determine on an annual basis whether each Director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement. As reported earlier in the section on the Review of Directors' Independence, the NC had determined and made its recommendations on the independence of the Independent Directors to the Board.

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Rotation and Re-election of Directors

The Board subscribes to the principle that as a matter of corporate governance, all Directors should stand for re-election at regular intervals and at least once every three years. In accordance with the Company's Constitution, all Directors are required to retire from office at least once every three years and submit themselves for re-election at the next AGM, if eligible. A new Director appointed in between the AGM must also submit himself for re-election at the AGM following his appointment.

The NC, having considered the attendance and participation of the following Directors at Board and Board Committees' meetings, in particular, their contributions to the business and operations of the Group as well as Board processes, had recommended to the Board the re-election of Mr Ryan Siek, Dr Yue Wai Mun and Mr Vikram Nair who will be retiring pursuant to Regulation 110 of the Company's Constitution at the forthcoming AGM.

All Directors retiring by rotation have consented to continue in office and the Board had accepted the recommendation of the NC and accordingly, the above Directors will be offering themselves for re-election.

Each member of the NC had abstained from voting on any resolution and making any recommendation and/or participated in respect of his own re-election, if any, as Director of the Company.

The information on each Director's academic and professional qualifications are presented in the "Board of Directors" section of this Annual Report and their shareholdings in the company and its related corporations, relationships (if any) are presented in the "Directors' Statement" section of this annual report.

Board Performance

Principle 5 – The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC reviews the performance of the Board, Board Committees and individual Directors on an annual basis, based on performance criteria as agreed by the Board, and decides how this may be evaluated.

The Board has a process for assessing the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by the Chairman and individual Directors to the effectiveness of the Board.

Board Evaluation Process

The Board evaluation process involves having Directors complete a Questionnaire which seeks their views on various aspects of the performance of the Board and Board Committees, such as Board composition, information, process and accountability. The Company Secretary compiles Directors' responses to the Questionnaire into a consolidated report. The report is discussed at the NC meeting and also shared with the Board. The NC assesses the performance of the Board as a whole, based on performance criteria (determined by the NC and approved by the Board), such as the Board's composition and size, the Board's access to information, Board processes, Board accountability, standard of conduct and performance of the Board's principal functions and fiduciary duties, and guidance to and communication with Management and stakeholders. The performance criteria do not change from year to year, unless the NC is of the view that it is necessary to change the performance criteria, for example, in order to align with any changes to the Code.

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Individual Director Evaluation

The Company also conducts a peer and self-evaluation to assess the performance of individual Directors. Performance criteria include factors such as the Director's attendance, preparedness, candour, participation and contribution at Board meetings, industry and business knowledge, functional expertise, and commitment and dedication. The results of the peer and self-evaluation are compiled by the Company Secretary and given to the Board Chairman, who assesses the performance of the individual Directors, and will discuss with each individual Director if necessary.

For FY2021, based on the completed Questionnaire submitted by all Directors and in consultation with the NC, the Board was of the view that the Board, the Board Committees and each individual Directors had fared well against the performance criteria and satisfied with the performance of the Board and Board Committees and each Director had contributed to the overall effectiveness of the Board. No external facilitator was involved in the performance evaluation process in FY2021.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6 – The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The terms of reference of the RC provides that the RC shall comprise at least three Directors, of whom all shall be Non-Executive Directors and the majority of whom, including the RC Chairman, shall be Independent Directors. The RC comprises all Independent Directors with Mr Vikram Nair as Chairman and Mr Paul Leow and Mr Ryan Siek as members. The RC Chairman is not associated in any way with any 10% shareholders of the Company.

Based on the written terms of reference approved by the Board, the principal duties and responsibilities of the RC include:

- reviewing and recommending to the Board of Directors, in consultation with the Chairman of the Board of Directors, for endorsement, a comprehensive remuneration policy framework and guidelines for remuneration of the Directors and key management personnel;

- reviewing and recommending to the Board of Directors, for endorsement, the specific remuneration packages for each of the Directors and key management personnel;

- reviewing and approving the design of all share option plans, performance share plans and/or other equity based-plans and benefits-in-kind;

- in the case of service contracts and employment contracts, reviewing the Company's obligations arising in the event of termination of the Executive Directors' or key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with a view to being fair and avoiding the reward of poor performance; and

- approving performance targets for assessing the performance of each of key management personnel and recommend such targets as well as employee specific remuneration packages for each of such key management personnel, for endorsement by the Board of Directors.

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Each member of the RC will abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the RC in respect of his own remuneration.

For FY2021, the Company had in place a Service Agreement for each Executive Director which sets out their remuneration framework. Such Service Agreements are for an initial period of seven years. The Company may, at its discretion, extend the initial term by a further period of three years, by providing notice of not less than six months to the Executive Directors prior to the scheduled expiry of the initial seven years period.

The Company is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of the Executive Directors' remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company, as the Executive Directors owe fiduciary duties to the Company and the Company should be able to avail itself of remedies against the Executive Directors in the event of such breach of fiduciary duties.

The Company is of the view that the variable component of the remuneration packages of the Executive Officers is moderate and not at risk of jeopardising good stewardship. At present, there is no necessity for the Company to institute contractual provisions in the service agreements to reclaim incentive components of remuneration paid in prior years from the Executive Officers in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company.

For FY2021, there were no termination, retirement and post-employment benefits granted to the Executive Directors and key management personnel.

The RC, if required, will seek expert advice, both within and outside the Company on the remuneration of the Directors. No remuneration consultant was engaged in FY2021.

Level and Mix of Remuneration

Principle 7 – The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The level and structure of remuneration is designed to be aligned with the long-term interest and risk policies of the Company, and is sufficiently competitive to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company. In determining the remuneration packages of the Executive Directors and key management personnel, the RC takes into consideration their performance, as well as the financial, commercial and business outlook of the Company.

The Group's remuneration policy is to provide compensation packages at market rates to reward successful performance and attract, retain and motivate key management personnel and Executive Directors. Benefits provided are consistent with market practice and include medical benefits and transport allowances. Eligibility to enjoy these benefits will depend on individual salary grade and length of service.

Only Non-Executive Directors receive directors' fees for their services. Directors' fees are set in accordance with a remuneration framework comprising basic fees and committee fees. In determining the quantum of such fees, factors such as frequency of meetings, time spent, responsibilities of Non-Executive Directors, and the need to be competitive in order to attract, motivate and retain these Directors are taken into account. Comparisons are made periodically against directors' fees of other listed companies with similar market capitalisation as the Company to ensure that the Directors' fees are within market norms and commensurate with responsibilities of the Non-Executive Directors. No Director is involved in deciding his own remuneration package. The Directors'

CORPORATE GOVERNANCE REPORT

fees will only be paid upon approval by the shareholders at the AGM. These measures serve to assure that the independence of the Non-Executive Directors is not compromised by their compensation.

The remuneration structure for the CEO, Executive Director and CMO and key management personnel consists of Fixed Component, Variable Component, Provident Fund, Benefits and AHS Performance Share Plan ("**AHS PSP**").

Notes:
Fixed Component
Fixed pay comprises basic salary and Annual Wage Supplement.

Variable Component
This component refers to the variable bonus and contractual payments that are paid based on the Group's and individual's performance.

Provident Fund
This component is made up of statutory contribution to post-employment benefits plans such as the Singapore Central Provident Fund.

Benefits
Benefits provided are consistent with market practice. To be eligible for these benefits, it will depend on the individual job grade and scheme of service.

Share Plan

The Company had adopted a performance share plan known as the AHS PSP on 22 March 2018. The AHS PSP aims to motivate, recognise and reward contributions made by employees.

As at 30 September 2021, details of the awards under the AHS PSP ("**Awards**") on the issued ordinary shares of the Company are as follows:

Table 8.1 – Movement of AHS PSP

Date of grant of Awards	Number of shares which are the subject of Awards granted as at 1 October 2020	Number of shares which are the subject of Awards granted during FY2021	Number of shares which are the subject of Awards which had lapsed/were cancelled during FY2021	Number of shares which are the subject of Awards as at 30 September 2021	Number of holders
19 February 2020	900,000	–	–	900,000	5

Rules of the AHS PSP are set out in the Offer Document dated 12 April 2018 and are administered by the RC.

The Independent Directors receive fees which are reviewed by the RC to ensure commensuration with the contributors, responsibilities and the efforts spent by such individuals. Directors' fees are recommended by the RC and submitted to the Board for endorsement, subject to the approval of shareholders at the AGM.

The level and structure of remuneration of the Directors, Chairman, and CEO are disclosed under Principle 8.

CORPORATE GOVERNANCE REPORT

Disclosure on Remuneration

Principle 8 – The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Directors' Remuneration/Fees

The Directors' compensation for FY2021 is set out below:

	Salary/Directors' fees %	Bonus %	AHS Performance Share Plan %	Total Compensation ($'000)
Executive Directors				
Dr Chin Pak Lin	99.3%	0.7%	–	564
Dr Yue Wai Mn	98.3%	1.7%	–	547
Dr Bobby Cheng	82.9%	17.1%	–	756
Independent Directors				
Mr Paul Leow	100%	–	–	48
Mr Ryan Siek	100%	–	–	38
Mr Vikram Nair	100%	–	–	38
Non-Executive and Non-Independent Director				
Mr Yeo Wee Kiong	100%	–	–	28

The remuneration bands of the key management personnel of the Group (who are not Directors or the CEO) for FY2021 is set out below:

	Salary and Bonus %	AHS Performance Share Plan %
Above $500,000 but below $750,000		
Dr Tan Chyn Hong	100%	–
Dr David Su Hsien Ching	100%	–
Dr Ho Siew Hong	100%	–
Above $250,000 but below $500,000		
Dr Lim Tet Chen Roy	100%	–
Dr Khoo Shih Wee @ Lawrence Khoo	100%	–
Dr Ng Tay Meng	100%	–
Below $250,000		
Mr Seet Kah Wai	100%	–
Ms Kwek Jin Mei Violet	100%	–
Dr Seah Sheng Heang Geoffry	100%	–

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The aggregate remuneration paid to the above key management personnel (who are not Directors or the CEO) for FY2021 is $3.56 million. Due to the confidentiality and commercial sensitivity attached to remuneration matters in particular of the key management personnel given the highly competitive environment the Group operates in, the Company does not fully disclose the remuneration of the key management personnel. Instead, the disclosures had been provided in applicable bands of $250,000 as above, with a breakdown in percentage of the remuneration earned through salary and bonus and/or AHS PSP. Dr Ho Siew Hong, Dr Khoo Shih Wee @ Lawrence Khoo and Dr Ng Tay Meng are also substantial shareholders of the Company during FY2021.

The remuneration of the immediate family members of Director or substantial shareholders of the Company for FY2021 is set out below:

	Salary and Bonus %	AHS Performance Share Plan %
Below $250,000		
Ms Lau Hui Ming Winnie[1]	100%	–
Ms Chong Mei Ling Carol[2]	100%	–

Notes:

(1) Ms Lau Hui Ming Winnie is one of the Group's clinic managers and also the wife of a substantial shareholder and Executive Director of the Company, Dr Bobby Cheng.

(2) Ms Chong Mei Ling Carol is one of the Group's clinic managers and also the wife of a substantial shareholder of the Company, Dr Ho Siew Hong.

Save as disclosed, no other employee of the Group were substantial shareholders of the Company or were immediate family members of a Director or the CEO or a substantial shareholder of the Company for FY2021.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9 – The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board is responsible for the governance of risk and sets the tone and direction for the Group in the way risks are managed in the Group's businesses. The Board has the ultimate responsibility for approving the strategy of the Group in a manner which addresses stakeholders' expectations and does not expose the Group to an unacceptable level of risk. The ARMC has been established by the Board to assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies.

The Board recognises its responsibility to ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and will also determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

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The Enterprise Risk Management framework which the Board had adopted in FY2019 strengthens the Group's capability to recognise and capitalise on new challenges and opportunities so as to add value to Management's decision-making, business planning, resource allocation and operational management. The ARMC reviews the Group's risk appetite framework and risk tolerance for the enterprise risks. Using qualitative and quantitative measures, risks are calibrated so that balanced control processes are matched against the strategic objectives of each business unit.

The Board, with the assistance of the ARMC, undertakes periodic reviews and a formal annual assessment on the adequacy and effectiveness of the Group's risk management and internal control systems. The assessment for FY2021 considered issues dealt with in reports reviewed by the Board during the year, together with any additional information necessary to ensure that the Board had taken into account all significant aspects of risks and internal controls for the Group for FY2021.

At the Board meeting held on 25 November 2021, the Board had received written confirmation from the CEO and the CFO that as at FY2021, to the best of their knowledge:

(a) the financial records of the Group have been properly maintained and the financial statements for the FY2021 give a true and fair view of the Group's operations and finances; and

(b) the internal controls (including financial, operational, compliance and information technology controls) and risk management systems established by the Group were adequate and effective as at FY2021.

Based on the internal control policies and procedures established and maintained by the Group, work performed by the Internal Auditors and External Auditors, and reviews undertaken by Management, the Board, with the concurrence of the ARMC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective as at FY2021 to meet the needs of the Group, taking into account the nature and scope of its operations.

For FY2021, both the Board and the ARMC had not identified any material weaknesses in the internal controls and risk managements systems of the Group.

The internal controls and risk management systems established by the Group provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

AUDIT COMMITTEE

Principle 10 – The Board has an Audit Committee which discharges its duties objectively.

The terms of reference of the ARMC provides that the ARMC shall comprise at least three Directors, all of whom shall be Non-Executive Directors and the majority of whom, including the ARMC Chairman, shall be Independent Directors. The ARMC comprises all Independent Directors with Mr Paul Leow as the Chairman and Mr Ryan Siek and Mr Vikram Nair as members.

CORPORATE GOVERNANCE REPORT

The ARMC Chairman and Mr Ryan Siek have recent and relevant accounting or related financial management expertise and experience. In addition, the Board is satisfied that the ARMC members are appropriately qualified to discharge the ARMC's responsibilities. None of the members nor the ARMC Chairman are former partners or directors of the Group's auditing firm within the previous two years nor does any of them have any financial interests in the said auditing firm.

Based on the written terms of reference approved by the Board, the principal duties and responsibilities of the ARMC include:

- assisting the Board of Directors in discharging its statutory responsibilities on financing and accounting matters;
- reviewing significant financial reporting issues and judgements to ensure the integrity of the financial statements and any formal announcements relating to financial performance;
- reviewing the scope and results of the audit and its cost-effectiveness, and the independence and objectivity of the External Auditors;
- reviewing the external auditors' audit plan and audit report, and the external auditors' evaluation of the system of internal accounting controls, including financial, operational, compliance and information technology controls;
- reviewing the key financial risk areas, the risk management structure and any oversight of the risk management process and activities to mitigate and manage risk at acceptable levels determined by the Board of Directors;
- reviewing the statements to be included in the annual report concerning the adequacy and effectiveness of the risk management and internal controls systems, including financial, operational, compliance controls, and information technology controls;
- reviewing any interested person transactions and monitoring the procedures established to regulate interested person transactions, including ensuring compliance with the Company's internal control system and the relevant provisions of the Catalist Rules, as well as all conflicts of interests to ensure that proper measures to mitigate such conflicts of interests have been put in place;
- reviewing the scope and results of the internal audit procedures, and at least annually, the adequacy and effectiveness of the internal audit function;
- approving the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;
- appraising and reporting to the Board of Directors on the audits undertaken by the external auditors and internal auditors and the adequacy of disclosure of information;
- making recommendations to the Board of Directors on the proposals to Shareholders on the appointment, reappointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- undertaking such other reviews and projects as may be requested by the Board of Directors, and reporting its finding to the Board from time to time on matters arising and requiring the attention of the ARMC; and

CORPORATE GOVERNANCE REPORT

- undertaking generally such other functions and duties as may be required by law or the Catalist Rules, and by amendments made thereto from time to time.

The ARMC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management, full discretion to invite any Executive Director or Executive Officer (as defined in the Catalist Rules) to attend its meetings, and reasonable resources to enable it to discharge its functions properly. In addition, the ARMC has been given full access to the external auditors of the Company, KPMG LLP (the "**External Auditors**"), and the internal auditors of the Company, PricewaterhouseCoopers Risk Services Pte. Ltd. (the "**Internal Auditors**"). Both the External Auditors and Internal Auditors report directly to the ARMC. If required, the ARMC has the authority to seek external resources to enable it to discharge its functions properly, including obtaining legal and other professional advice and services, at the Company's expense.

The members of the ARMC also take measures to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements as and when the ARMC, or the Board, or the Company, deems necessary and appropriate. Changes to the various accounting standards are monitored closely by Management. Where these changes have an important bearing on the Company's disclosure obligations, the Directors (including members of the ARMC) are kept informed of such changes from time to time through circulation of the relevant changes which are also tabled during Board meetings.

The Internal Auditors have adopted the Standards of Professional Practice of Internal Auditing set by the Institute of Internal Auditors and is independent and adequately resourced when performing their audits. The Internal Auditors periodically review the adequacy of and compliance with group policies, procedures and internal controls which are designed to manage risk and safeguard the Group's assets. The Internal Auditors have unrestricted access to all the Company's documents, records, properties and personnel, including access to the ARMC.

The Internal Auditors perform detailed work to assist the ARMC in developing and maintaining an effective system of internal controls of the Group. The External Auditors also review the Group's material internal controls to the extent of their scope as laid in their audit plans during the course of their normal audit procedures on the statutory financial statements of the Group.

The ARMC meets with the Group's Internal Auditors, External Auditors, and Management to review accounting, auditing and financial reporting matters so as to ensure that an effective system of control is maintained in the Group. For FY2021, the ARMC had met twice with the External Auditors and once with the Internal Auditors and:

(i) met up with the Internal and External Auditors, without the presence of Management, to discuss their findings set out in their respective reports to the ARMC. Both the Internal and External Auditors confirmed that they received the full co-operation of Management and no restrictions were placed on the scope of the respective audits;

(ii) conducted a review of the non-audit services provided by the External Auditors to satisfy itself that the nature and extent of such services will not prejudice the independence and objectivity of the External Auditors as well as the cost-effectiveness of the audit before confirming their re-nomination. The following fees for FY2021, amounting to $208,500 were approved:

Audit fees	$208,500
Non-Audit fees	Nil

The External Auditors had also confirmed their independence in this respect;

CORPORATE GOVERNANCE REPORT

(iii) confirmed that Company had complied with Rule 712 of the Catalist Rules in relation to the appointment of a suitable auditing firm to meet its audit obligations. Messrs KPMG LLP, the appointed external auditors of the Group, is registered with the Accounting and Corporate Regulatory Authority in Singapore.

Together with the audit engagement partner and his team assigned to the audit of the Group, the ARMC was satisfied that the resources and experience of Messrs KPMG LLP, the Audit Engagement Partner and his team assigned to the audit were adequate to meet their audit obligations, given the size, nature, operations and complexity of the Group.

(iv) confirmed that the Company had complied with Rule 715 of the Catalist Rules in relation to the appointment of the same auditing firm based in Singapore to audit its accounts, and its foreign-incorporated subsidiaries. The Group's subsidiaries are disclosed under Note 7 of the Notes to the Financial Statements on pages 119 to 120 of this annual report.

The ARMC, with the concurrence of the Board, had recommended the re-appointment of Messrs KPMG LLP as External Auditors for FY2021 at the forthcoming AGM, based on their performance and quality of their audit.

The External Auditors and/or the CFO will update the ARMC on the changes to accounting standards and issues which have a direct impact on financial statements from time to time. In addition, the ARMC is entitled to seek clarification from Management, the External Auditors and/or the Internal Auditors or independent professional advice, or attend relevant seminars, informative talks at the Company's expense from time to time to apprise themselves of accounting standards/financial updates.

Key Audit Matters

The External Auditors have set out the key audit matters in respect of FY2021 in the Independent Auditors' Report on page 81 of this annual report. The ARMC concurs with the bases and conclusions included in the Independent Auditors' Report with respect to the key audit matters.

Following the review and discussions, the ARMC was satisfied with the approach and appropriateness of methodologies used by Management, as adopted and disclosed in the financial statements, and recommendation was made by the ARMC to the Board to approve the financial statements.

Whistleblowing Policy

The Group is committed to a high standard of ethical conduct and adopts a zero-tolerance approach towards fraud. Since 1 October 2017, the Company has put in place a whistleblowing policy and procedures duly endorsed by the ARMC, where employees of the Group and any other persons may, in confidence, raise concerns about possible corporate improprieties in matters of financial reporting or other matters such as suspected fraud, corruption, dishonest practices etc. All reports, including anonymous reports, reports that are lacking in detail and verbal reports, will be thoroughly investigated. All complaints will be treated as confidential and will be brought to the attention of the ARMC.

Assessment, investigation and evaluation of complaints are conducted by or, at the direction of the ARMC if it deems appropriate, independent advisors engaged at the Group's expense. Following the investigation and evaluation of a complaint, the ARMC will then decide on recommended disciplinary or remedial actions, if any. Appropriate actions that are determined by the ARMC shall then be brought to the Board or to the appropriate senior executive of the Group for authorisation or implementation respectively.

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In the event that the report is about a Director, that Director will not be involved in the review and any decision making with respect to that report. The policy aims to encourage reporting of such matters in good faith, with the confidence that any employees and any other persons making such reports will be treated fairly and be protected from reprisals. Details of the whistleblowing policy have been made available to all employees.

The whistleblowers' identities will not be disclosed without prior consent (except where disclosure obligations are required under law and regulations). Where concerns are unable to be resolved without revealing the identity of the whistleblower (e.g., if their evidence is required in court), a dialogue will be entered into with the whistleblower as to whether and how to proceed.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11 – The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Engagement with Shareholders

Principle 12 – The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

MANAGING STAKEHOLDERS' RELATIONSHIPS

Engagement with Stakeholders

Principle 13 – The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company is mindful of its obligations to provide material information in a fair and organised manner and on a timely basis to its shareholders. The Company strives to ensure regular, effective and fair communication with its shareholders, and be as descriptive, detailed and forthcoming as possible in disclosing the information and to inform shareholders of changes in the Company or its business which would be likely to materially affect the price or value of the Company's shares.

The Board treats all shareholders fairly and equitably and seeks to protect and facilitate exercise of shareholder's rights. The Company publicly releases all material information prior to any meetings. Price-sensitive information, half-yearly and full-year results announcements and presentation slides are always released through the SGXNet on a timely basis for dissemination to shareholders and the public in accordance with the requirements of the SGX-ST.

Information is communicated to shareholders on a timely basis. Communication is made through annual reports or circulars that are prepared and issued to all shareholders as well as half-yearly and full-year result announcements, containing a summary of the financial information and affairs of the Group for the period, notices and explanatory notes of AGM and Extraordinary General Meetings, other announcements and press releases that are issued via SGXNet. Shareholders can also access the Group's website at https://investor.asianhealthcare.com.sg for the aforementioned information on the Group.

CORPORATE GOVERNANCE REPORT

Due to the current COVID-19 restriction orders that are in place, annual reports, circulars and notices in respect of all general meetings are released via SGXNet and on the Company's website at least 14 days before the meeting for ordinary resolutions and 21 days before the meeting for special resolutions.

The AGM is the principal forum for dialogue with shareholders. The Board welcomes questions and comments relating to the Group's business and performance from shareholders at AGMs. Shareholders are given an opportunity to air their views and direct questions to the Board and Management on matters affecting the Group. The Chairman facilitates constructive dialogue between shareholders and the Board, Management, the External Auditors and other relevant professionals and from time to time, directs other Directors to answer queries on matters related to their roles.

Shareholders are also given the opportunity to participate effectively in and vote at all general meetings of the Company. The Company informs shareholders of the rules, including voting procedures that govern general meetings of shareholders. The Constitution allows a shareholder to appoint a proxy to attend and vote in his place at general meetings. Nominee companies and relevant intermediaries, as defined in Section 181 of the Companies Act, Chapter 50 of Singapore, may appoint more than two proxies to speak, attend and vote at general meetings.

According to the Constitution, all resolutions at general meetings shall be voted by poll. With poll voting, shareholders present in person or represented by proxy at general meetings will be entitled to vote on a 'one-share, one-vote' basis. The detailed procedures for poll voting will be explained at the general meetings. Detailed results showing the number of votes cast for and against each resolution and the respective percentages are announced via SGXNet and made available on the Company's website after the conclusion of the general meetings. The Company relies on the advice of the independent scrutineers to determine the need for electronic voting, taking into consideration the logistics involved, costs, and number of shareholders, amongst other factors.

The Board, Management and the External Auditors (if required) will also be present at general meetings to address any relevant queries the shareholders may have. The Company Secretary will prepare the minutes of general meetings which would include substantial or relevant comments from shareholders and the minutes of general meetings will be published on SGXNet and Company's website within one month after a general meeting.

Due to the current COVID-19 restriction orders in Singapore, shareholders will not be able to attend the Company's AGM 2022 in person and can only participate in the AGM via electronic means. Shareholders may appoint the Chairman of the AGM or an individual as their proxy to attend and vote electronically on their behalf at the AGM. Shareholders may also submit questions to the Chairman of the AGM in advance or during the AGM via an online chat box. Please refer to the Notice of AGM and announcement dated 13 January 2022 for further information.

The Board has also taken steps to solicit and understand the views of the shareholders through results briefings from time to time. In addition, shareholders are invited and encouraged to attend the general meetings of shareholders to have the opportunity to participate effectively in and vote, to ensure a high level of accountability and to stay informed of the Group's strategy and goals. Shareholders may vote in person or in absentia by way of proxy forms deposited, in person or by mail, at the office address of the Share Registrar at least 72 hours before the meetings.

A member, who is not a relevant intermediary (the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore), is entitled to appoint one or two proxies to attend and vote at the AGM. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member.

CORPORATE GOVERNANCE REPORT

The Company employs electronic polling at its general meetings. The voting procedures are carefully explained to the shareholders at the start of the meeting. All resolutions are put to vote by poll and the detailed results showing the number of votes cast for and against each resolution and the respective percentages will be made available through SGXNET. Every matter requiring shareholders' approval will be proposed as a separate resolution. Each item of special business included in the meeting notice will be accompanied by, where appropriate, an explanation for the proposed resolution. Separate resolutions are proposed for substantially separate issues at the meeting.

The Company maintains its corporate website www.asianhealthcare.com.sg providing information about the Company such as the Board of Directors, services provided by the Group, as well as all announcements of the Company submitted via the SGXNET. Stakeholders can also contact the Company through phone or via the enquiry form, details of which can be found on the Company's website.

Dividend Policy

The Group does not have a fixed dividend policy at present. The form, frequency and amount of dividends declared will take into consideration the Group's profit growth, cash position, cash flow generated from operations, projected capital requirement for business growth and other factors as the Board may deem appropriate.

The Board has recommended a final dividend of $0.0028 per ordinary share for FY2021, which is subject to the approval of the shareholders at the forthcoming AGM.

Sustainability Reporting

Stakeholder engagement forms an integral part of the Company's sustainability approach. The Company's stakeholders have an interest in the Company's business and influences the Company's operations, products and services, business approach and strategies. The Company's stakeholders have been identified as its customers, business partners and suppliers, shareholders, employees, government/regulatory agencies and the community.

The Company proactively engages with its stakeholders on a regular, continuing basis through various channels and means to gain insights to their expectations and concerns and use these learnings to make informed management decisions in shaping the Company's business policies and strategies, so as to create sustainable business growth and value for all stakeholders.

How the Company engages with its diverse stakeholders, their expectations and concerns, and how the Company responds to them are disclosed in the Company's Sustainability Report found on pages 15 to 47 of this annual report.

DEALINGS IN SECURITIES

In line with Rule 1204(19) of the Catalist Rules, the Company has adopted a compliance code to issue a notification to all Directors, key executives of the Group and their officers that they are not allowed to deal in the Company's securities during the "black-out" period, being one month before the announcement of the Company's half-yearly and full-year results respectively, or if they are in possession of unpublished price-sensitive information of the Group.

CORPORATE GOVERNANCE REPORT

In addition, Directors, key executives and officers are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. They are also discouraged from dealing in the Company's securities on short-term considerations.

The Board confirms that for FY2021, the Company had complied with Rule 1204(19) of the Catalist Rules.

INTERESTED PERSON TRANSACTIONS ("IPTS")

All IPTs proposed to be entered into by the Company will be reviewed by the ARMC to ensure that the terms are fair and reasonable prior to recommending them to the Board for approval.

When a potential conflict of interest arises, the Director concerned will not participate in the discussion and will refrain from exercising any influence over other members of the Board.

As a listed company on the SGX-ST, the Company is required to comply with Chapter 9 of the Catalist Rules on IPTs. To ensure compliance with Chapter 9, the following practices have been implemented:

- The ARMC meets once every six months to review if the Company will be entering into any IPTs. If the Company intends to do so, the ARMC will ensure that the Company complies with the relevant rules under Chapter 9 of the Catalist Rules; and

- The ARMC will then recommend the approval of the IPTs, if any, to the Board for review and approval. The Board will review and ensure that the Company complies with the relevant rules under Chapter 9 of the Catalist Rules before such approval.

The Company had on 30 June 2021 entered into a sale and purchase agreement with the other shareholders of the Company's subsidiary, Cornerstone Asia Health Pte. Ltd. ("**CAH**") in relation to the proposed acquisition by the Company of 33,495,379 issued and fully paid ordinary shares representing the remaining 49.0% of the issued and paid-up share capital in CAH ("**Proposed Acquisition**"). Dr Cheng Ching Li is a Director of the Company and a substantial shareholder of the Company. Dr Cheng also had a direct interest representing 14.81% to the total issued and paid-up share capital of CAH and was one of the Vendors.

Pursuant to Chapter 9 of the Catalist Rules, the Proposed Acquisition, insofar as it relates to Dr Cheng, was an interested person transaction. The Company had on 21 July 2021 obtained the shareholders' approval for the Proposed Acquisition. Please refer to the announcements made by the Company on 9 April 2021, 30 June 2021, 6 July 2021, 14 July 2021, 21 July 2021 and 30 July 2021 for further details.

Save for the above, it was noted that the IPTs that were transacted during the year under review were below the threshold limits as set out under Chapter 9 of the Catalist Rules and no announcements or shareholders' approval were, therefore, required.

CORPORATE GOVERNANCE REPORT

In the spirit of disclosure and transparency, the IPTs entered into by the Group were as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review including transactions less than $100,000 $'000
Transactions less than $100,000	
CTS Holding Pte. Ltd. Rental of 1 Farrer Park Station Road, Unit #14-05, Connexion, Singapore 217562 by The Orthopaedic Centre (Farrer) Pte. Ltd. from CTS Holding Pte. Ltd.	96
Retina Services International Pte. Ltd. Rental of 1 Farrer Park Station Road, Unit #12-01, Connexion, Singapore 217562 by RSI Medical Pte. Ltd. from Retina Services International Pte. Ltd.	44
Medical Web Pte. Ltd. Rental of 1 Farrer Park Station Road, Unit #12-02, Connexion, Singapore 217562 by Skin Consultancy Pte. Ltd. from Medical Web Pte. Ltd.	48

MATERIAL CONTRACTS

The Deed of Restructuring dated 11 October 2017, not being a contract entered into in the ordinary course of business, has been entered into by the Company within the two (2) years preceding the date of lodgement. Please refer to the Offer Document dated 12 April 2018 for further details.

Save as disclosed above, since the end of the previous financial year, no material contract involving the interest of any Director or controlling shareholder of the Company was entered into by the Company or its subsidiaries, and no such contract subsisted as at 30 September 2021.

USE OF PROCEEDS

INITIAL PUBLIC OFFERING ("IPO")

Pursuant to the Company's IPO, the Company received net proceeds of approximately $9.5 million (the "**Net Proceeds**"). Please refer to the Offer Document dated 12 April 2018 for further details. As at the date of this annual report, the Net Proceeds have been utilised as follows:

Use of proceeds	Allocation of Net Proceeds (as disclosed in the Offer Document) $'000	Net Proceeds utilised as at the date of this annual report $'000	Balance of Net Proceeds as at the date of this annual report $'000
Business expansion (including organic expansion and mergers and acquisition)	8,500	8,500[1]	–
Working capital	1,017	(1,017)[2]	–
Total	**9,517**	**(9,517)**	**–**

CORPORATE GOVERNANCE REPORT

Notes:

(1) $1,000,000 cash consideration was paid on 28 November 2018 in connection with the acquisition of Asian Anaesthesia Care Pte. Ltd., $5,000,000 cash consideration was paid on 19 February 2020 in connection with the acquisition of Cornerstone Asia Health Pte. Ltd. and $2,125,000 cash consideration was paid on 21 August 2020 in connection with the investment in an associate, Fansipan 2 Holdings Pte. Ltd. In addition, $375,000 was paid on expenses related to the foregoing transactions.

(2) The Group had utilised the net proceeds allocated to working capital for Group's monthly staff costs.

CONVERTIBLE BONDS

Pursuant to the aggregated proceeds of $8.0 million received by the Company from the issuance of convertible bonds, $4.0 million was paid on 21 August 2020 in connection with the investment in an associate, Fansipan 2 Holdings Pte. Ltd., and the Company had on 22 September 2020 redeemed the remaining $4.0 million in aggregate principal amount of a convertible bond. For more information, please refer to the announcements dated 22 July 2020, 29 July 2020, 3 August 2020, 21 August 2020, 27 August 2020 and 3 September 2020.

PRIVATE PLACEMENTS

On 26 April 2021, pursuant to a subscription agreement, the Company issued and allotted 17,700,000 new ordinary shares to various subscribers at an issue price of $0.17 for each new ordinary shares. The Company had received an aggregated gross consideration of $3.0 million. The Company had utilised $2.7 million, out of which $2.5 million cash consideration was paid on 30 July 2021 in connection with the acquisition of the remaining 49.0% of the issued and paid-up share capital in the Company's subsidiary, Cornerstone Asia Health Pte. Ltd., and $0.2 million was paid on expenses related to the foregoing transactions. The Company has yet to utilise the balance of $0.3 million as at the date of this Annual Report.

On 21 December 2021, pursuant to a subscription agreement entered between the Company and Sian Chay Medical Institution, 30,864,197 new ordinary shares were issued and allotted to Sian Chay Medical Institution for cash Consideration of $5.0 million. As at the date of this Annual Report, the Company had utilised $127,000 on expenses related to this private placement.

Management has confirmed that the above use of proceeds was in line with the Company's planned utilisation of funds.

NON-SPONSOR FEES

With reference to Rule 1204(21) of the Catalist Rules, there was no non-sponsor services rendered by the Company's continuing sponsor, RHT Capital Pte. Ltd. to the Group in FY2021.

DIRECTORS' STATEMENT

YEAR ENDED 30 SEPTEMBER 2021

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 30 September 2021.

In our opinion,

(a) the financial statements of Asian Healthcare Specialists Limited (the "**Company**") and its subsidiaries (the "**Group**") set out on pages 85 to 148 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 30 September 2021 and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Chin Pak Lin
Yue Wai Mun
Vikram Nair
Siek Wei Ting
Leow Chung Chong Yam Soon
Cheng Ching Li
Yeo Wee Kiong

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the Act), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Chin Pak Lin		
AHS Investments Holdings Pte. Ltd.		
– ordinary shares	2	2
Asian Healthcare Specialist Limited		
– deemed interests	243,100,000	243,100,000
Cornerstone Asia Health Pte. Ltd.		
– deemed interests	34,862,538	68,357,917

DIRECTORS' STATEMENT

YEAR ENDED 30 SEPTEMBER 2021

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Yue Wai Mun		
AHS Investments Holdings Pte. Ltd.		
– ordinary shares	2	2
Asian Healthcare Specialist Limited		
– deemed interests	243,100,000	243,100,000
Cornerstone Asia Health Pte. Ltd.		
– deemed interests	34,862,538	68,357,917
Cheng Ching Li		
Asian Healthcare Specialist Limited		
– ordinary share	27,360,838	49,310,528
Cornerstone Asia Health Pte. Ltd.		
– ordinary share	10,125,772	–
– deemed interests	34,862,538	68,357,917

By virtue of Section 7 of the Act, Chin Pak Lin, Yue Wai Mun and Cheng Ching Li are deemed to have interests in the other subsidiaries of the Company, all of which are wholly-owned, at the beginning and at the end of the financial year.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning or at the end of the financial year.

There were no changes in any of the above-mentioned interests in the Company between the end of the financial year and 21 October 2021 (21 days after period end).

Except as disclosed under the "**Share Options**" sections of this statement, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Share options

Performance shares

The Company has a performance share plan known as AHS Performance Share Plan (the "**Scheme**") adopted on 22 March 2018.

At every annual general meeting, shareholders approve that the Directors be authorised and empowered to offer and grant performance shares under the Scheme and to issue from time to time such number of shares as may be required to be issued pursuant to the performance shares granted by the Company under the Scheme. On 19 February 2020, the Company granted share awards to certain employees of the Group pursuant to the Scheme. Pursuant to the grant, 900,000 new ordinary shares were issued and allotted in the capital of the Company to the eligible employees.

There were no new share awards granted nor cancelled during the financial year.

DIRECTORS' STATEMENT

YEAR ENDED 30 SEPTEMBER 2021

Convertible shares

The Company had, on 15 October 2018 entered into an investment agreement with Vanda 1 Investments Pte. Ltd., in relation to:

(a) the proposed issue by the Company of one (1) zero-coupon convertible bond to the Investor in the aggregate principal amount of $5,000,000 due in 2021 ("**2018 Convertible Bonds**"), convertible in whole or in part into fully-paid ordinary shares in the capital of the Company at a conversion price of $0.25 per Conversion Share, which is subject to adjustments in accordance with the provisions of the Investment Agreement ("**Adjustment Events**"); and

(b) the proposed grant by the Company of one (1) non-listed share option ("**Option**") to be exercised in whole or in part, carrying the right to subscribe for such number of ordinary shares in the capital of the Company ("**Option Shares**") for an aggregate consideration of $5,000,000 at the exercise price of $0.325 per Option Share, which is subject to the Adjustment Events.

On 31 October 2018, the Company completed the issuance.

On 22 July 2020, the Company entered into investment agreements with investors to issue zero-coupon convertible bonds in the aggregate principal amount of $4,000,000 due in 2021 ("**2020 Convertible Bonds**") and an agreement with Vanda 1 Investments Pte. Ltd. to terminate the Option.

On 3 August 2020, the Company completed the 2020 Convertible Bonds issuance and redeemed $1,000,000 of the 2018 Convertible Bonds.

On 3 September 2020, the investors had converted $4,000,000 of the 2020 Convertible Bonds into fully-paid ordinary shares in the capital of the Company ("**Conversion Shares**"), and the Company had issued and allotted 24,968,788 Conversion Shares to the investors.

On 22 September 2020, the Company had redeemed the remaining $4,000,000 in aggregate principal amount of the 2018 Convertible Bonds at the redemption price amount of the convertible bonds.

Audit and Risk Management Committee

The members of the Audit and Risk Management Committee during the year and at the date of this statement are:

Vikram Nair
Siek Wei Ting
Leow Chung Chong Yam Soon

The Audit and Risk Management Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit and Risk Management Committee has held two meetings since the last directors' statement. In performing its functions, the Audit and Risk Management Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

DIRECTORS' STATEMENT

YEAR ENDED 30 SEPTEMBER 2021

The Audit and Risk Management Committee also reviewed the following:

- assistance provided by the Company's officers to the external auditors;
- half-yearly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit and Risk Management Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit and Risk Management Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit and Risk Management Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company, subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manual Section B: Rules of Catalist.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Dr Chin Pak Lin
Director

Dr Yue Wai Mun
Director

14 December 2021

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2021

Members of the Company
Asian Healthcare Specialists Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Asian Healthcare Specialists Limited (the "**Company**") and its subsidiaries (the "**Group**"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2021, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 85 to 148.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2021

Goodwill impairment assessment ($35.1 million)

Refer to Note 3.4 & 3.8 (accounting policy) and Note 6 (financial disclosures)

The key audit matter

The Group has goodwill with a carrying value of $35.1 million (2020: $35.1 million) as at 30 September 2021.

The goodwill is impaired when the carrying values of the cash generating units ("**CGUs**") to which the goodwill was allocated, exceed their recoverable amounts.

The determination of recoverable values of goodwill involves significant estimation uncertainties, which includes developing key assumptions on discount rates, revenue growth rates and terminal growth rates.

These assumptions are key inputs used in the cash flow model prepared by the management to assess the recoverable amounts of goodwill and whether an impairment charge is required.

Management engaged an external independent valuer to assist them with the goodwill impairment assessment arising from the acquisition of Cornerstone Asia Health Pte. Ltd. ("**CAH**").

How the matter was addressed in our audit

We evaluated the competency, capabilities and objectivity of the independent valuer;

We involved our valuation specialist to challenge the discount rates used;

We assessed the appropriateness of management's determination of the CGUs;

Our work focused on challenging the key assumptions developed by management which were used in determining the recoverable amount of goodwill.

Our procedures for challenging management's key assumptions included:

- developing independent expectations for key assumptions such as discount rates and comparing them to those used by management;
- challenging key assumptions for revenue growth rates and terminal growth rates with reference to available economic and industry forecasts; and
- assessing the historical performance against budgets.

We have also considered the disclosures in describing the inherent degree of estimation uncertainty and key assumptions applied.

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2021

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report except for the Statistics of Shareholdings which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Statistics of Shareholdings, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2021

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2021

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Lim Jek.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
14 December 2021

STATEMENTS OF **FINANCIAL POSITION**

AS AT 30 SEPTEMBER 2021

	Note	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
ASSETS					
Non-current assets					
Plant and equipment	4	579	608	18	147
Right-of-use assets	5	1,903	1,542	51	107
Goodwill	6	35,100	35,100	–	–
Subsidiaries	7	–	–	61,051	37,972
Associate	8	7,731	8,048	–	–
Deferred tax assets	16	11	6	–	–
Total non-current assets		45,324	45,304	61,120	38,226
Current assets					
Contract assets	18	221	172	–	–
Trade and other receivables	9	3,477	3,217	5,872	11,820
Cash and cash equivalents		12,524	9,928	3,523	3,577
Inventories	10	185	175	–	–
Total current assets		16,407	13,492	9,395	15,397
Total assets		61,731	58,796	70,515	53,623
EQUITY					
Share capital	11	61,918	46,431	61,918	46,431
Reserves	12	(15,902)	(2,084)	357	357
Retained earnings		4,639	2,836	2,901	1,309
Total equity attributable to owners of the Company		50,655	47,183	65,176	48,097
Non-controlling interests	13	–	711	–	–
Total equity		50,655	47,894	65,176	48,097
LIABILITIES					
Non-current liabilities					
Lease liabilities	14	1,185	824	–	54
Loans and borrowings	15	3,685	4,900	3,685	4,900
Deferred tax liabilities	16	30	35	–	–
Total non-current liabilities		4,900	5,759	3,685	4,954
Current liabilities					
Trade and other payables	17	2,878	2,964	385	399
Current tax payable		1,279	1,300	–	17
Contract liabilities	18	62	43	–	–
Lease liabilities	14	742	736	54	56
Loans and borrowings	15	1,215	100	1,215	100
Total current liabilities		6,176	5,143	1,654	572
Total liabilities		11,076	10,902	5,339	5,526
Total equity and liabilities		61,731	58,796	70,515	53,623

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF **PROFIT OR LOSS**

YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 $'000	2020 $'000
Revenue	18	27,563	16,934
Other income	19	648	1,051
Items of expense			
Supplies and consumables used		(3,662)	(2,253)
Purchased and contracted services		(667)	(276)
Staff costs		(11,166)	(7,492)
Depreciation		(1,152)	(883)
Other operating expenses		(3,012)	(2,201)
Impairment loss on trade receivables	26	(23)	(42)
Finance costs	20	(171)	(295)
Share of (loss)/profit of associate	8	(359)	22
Profit before tax		7,999	4,565
Tax expense	21	(1,220)	(552)
Profit for the year	22	6,779	4,013
Profit attributable to:			
Owners of the Company		4,476	2,585
Non-controlling interests	13	2,303	1,428
Profit for the year		6,779	4,013
Earnings per share			
Basic and diluted (cents)	23	0.94	0.66

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME**

YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 $'000	2020 $'000
Profit for the year		6,779	4,013
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Share of foreign currency translation differences of associate	8	42	(10)
Other comprehensive income for the year, net of tax		42	(10)
Total comprehensive income for the year		6,821	4,003
Total comprehensive income attributable to:			
Owners of the Company		4,518	2,575
Non-controlling interests		2,303	1,428
Total comprehensive income for the year		6,821	4,003

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

YEAR ENDED 30 SEPTEMBER 2021

		Attributable to owners of the Company						
Group	**Note**	**Share capital $'000**	**Other reserves $'000**	**Translation reserve $'000**	**Retained earnings $'000**	**Total $'000**	**Non-controlling interests $'000**	**Total equity $'000**
At 1 October 2019		22,047	(1,876)	–	3,184	23,355	–	23,355
Profit for the year		–	–	–	2,585	2,585	1,428	4,013
Other comprehensive income								
Share of foreign currency translation differences of associate		–	–	(10)	–	(10)	–	(10)
Total other comprehensive income		–	–	(10)	–	(10)	–	(10)
Total comprehensive income for the year		–	–	(10)	2,585	2,575	1,428	4,003
Contributions by and distributions to owners								
Issuance of new shares pursuant to the acquisition of a subsidiary	25	20,209	–	–	–	20,209	–	20,209
Issuance of new shares pursuant to the performance share plan	11	175	–	–	–	175	–	175
Issuance of new shares pursuant to the conversion of convertible bonds	11	4,000	–	–	–	4,000	–	4,000
Conversion and redemption of convertible bonds		–	(198)	–	–	(198)	–	(198)
Dividend declared	11	–	–	–	(2,933)	(2,933)	(961)	(3,894)
Total contributions by and distributions to owners		24,384	(198)	–	(2,933)	21,253	(961)	20,292
Changes in ownership interest in subsidiary								
Acquisition of subsidiary with non-controlling interests	25	–	–	–	–	–	244	244
Total changes in ownership interests in subsidiary		–	–	–	–	–	244	244
Total transactions with owners		24,384	(198)	–	(2,933)	21,253	(717)	20,536
At 30 September 2020		46,431	(2,074)	(10)	2,836	47,183	711	47,894

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

YEAR ENDED 30 SEPTEMBER 2021

		Attributable to owners of the Company						
Group	**Note**	**Share capital $'000**	**Other reserves $'000**	**Translation reserve $'000**	**Retained earnings $'000**	**Total $'000**	**Non-controlling interests $'000**	**Total equity $'000**
At 1 October 2020		46,431	(2,074)	(10)	2,836	47,183	711	47,894
Profit for the year		–	–	–	4,476	4,476	2,303	6,779
Other comprehensive income								
Share of foreign currency translation differences of associate		–	–	42	–	42	–	42
Total other comprehensive income		–	–	42	–	42	–	42
Total comprehensive income for the year		–	–	42	4,476	4,518	2,303	6,821
Contributions by and distributions to owners								
Issuance of new shares pursuant to the acquisition of non-controlling interests	25	12,478	–	–	–	12,478	–	12,478
Issuance of new shares	11	3,009	–	–	–	3,009	–	3,009
Dividend declared	11	–	–	–	(2,673)	(2,673)	(1,896)	(4,569)
Total contributions by and distributions to owners		15,487	–	–	(2,673)	12,814	(1,896)	10,918
Changes in ownership interest in subsidiary								
Acquisition of non-controlling interests without a change in control	25	–	(13,860)	–	–	(13,860)	(1,118)	(14,978)
Total changes in ownership interests in subsidiary		–	(13,860)	–	–	(13,860)	(1,118)	(14,978)
Total transactions with owners		15,487	(13,860)	–	(2,673)	(1,046)	(3,014)	(4,060)
At 30 September 2021		61,918	(15,934)	32	4,639	50,655	–	50,655

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 $'000	2020 $'000
Cash flows from operating activities			
Profit before tax		7,999	4,565
Adjustments for:			
Finance costs		171	295
Gain on termination of lease		(29)	(1)
Amortisation of transaction costs capitalised in relation to issuance of convertible bonds		–	13
Depreciation of plant and equipment	4	187	115
Depreciation of right-of-use assets	5	965	768
Plant and equipment written off		3	–
Issuance of new shares pursuant to performance share plan		–	175
Share of loss/(profit) of associate	8	359	(22)
Interest income		–	(79)
		9,655	5,829
Changes in:			
– trade and other receivables		(260)	179
– trade and other payables		556	(182)
– contract assets		(49)	100
– contract liabilities		19	(75)
– inventories		(10)	14
Cash generated from operations		9,911	5,865
Interest received		–	84
Tax paid		(1,251)	(771)
Net cash from operating activities		8,660	5,178
Cash flows from investing activities			
Purchase of plant and equipment	4	(161)	(384)
Payment for acquisition of subsidiary, net of cash acquired		–	(4,092)
Investment in an associate	8	–	(8,036)
Net cash used in investing activities		(161)	(12,512)
Cash flows from financing activities			
Payment of lease liabilities	15	(930)	(745)
Dividends paid to owners of the Company		(2,673)	(2,933)
Dividends paid to non-controlling interests		(2,538)	–
Acquisition of non-controlling interests	25	(2,500)	–
Proceeds from issuance of convertible bonds	15	–	3,000
Proceeds from issuance of new shares		3,009	–
Interest paid	15	(171)	(83)
Proceeds from bank loan	15	–	5,000
Repayment of bank loan	15	(100)	–
Redemption of convertible bonds	15	–	(4,000)
Net cash (used in)/from financing activities		(5,903)	239
Net increase/(decrease) in cash and cash equivalents		2,596	(7,095)
Cash and cash equivalents at 1 October		9,928	17,023
Cash and cash equivalents at 30 September		12,524	9,928

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 14 December 2021.

1 DOMICILE AND ACTIVITIES

The Company was incorporated in the Republic of Singapore on 27 September 2017 under the Singapore Companies Act as a private company limited by shares under the name of Asian Healthcare Specialists Pte. Ltd. and has its registered address at 38 Irrawaddy Road #09-42 Singapore 329563. On 21 March 2018, the Company was converted to a public limited company and changed its name to Asian Healthcare Specialists Limited.

The principal activities of the Company are those of an investment holding company and management consultancy services. The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

The financial statements of the Group as at and for the year ended 30 September 2021 comprise the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interest in its associate.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)s**"). The changes to significant accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the accounting policies below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars ("**$**"), which is the Company's functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

2 BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

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 material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in Note 6 – impairment test of goodwill: key assumptions underlying recoverable amounts.

2.5 Changes in accounting policies

New standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I)s for the first time for the annual period beginning on 1 October 2020:

- *Amendments to References to Conceptual Framework in SFRS(I) Standards*
- *Definition of a Business* (Amendments to SFRS(I) 3)
- *Definition of Material* (Amendments to SFRS(I) 1-1 and SFRS(I) 1- 8)

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see note ii). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply 'a concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(i) Business combinations (Continued)

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("**NCI**") in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognised directly in equity.

(iv) Investments in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investments in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("**OCI**") of associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its investment in an associate, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Group entities at exchange rate at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that their fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

NOTES TO THE **FINANCIAL STATEMENTS**

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Foreign currency (Continued)

(ii) Foreign operations (Continued)

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the group disposes of only part of its investments in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3.3 Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of plant and equipment is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Plant and equipment (Continued)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Furniture, fittings and office equipment	3 years
Medical equipment	3 to 8 years
Renovations	3 to 5 years
Computers	3 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.4 Goodwill

Goodwill arises upon acquisition of subsidiaries. For the measurement of goodwill at initial recognition, see note 3.1 (i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associates.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("**FVTPL**"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("**FVOCI**") – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Financial instruments (Continued)

(ii) Classification and subsequent measurement (Continued)

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Financial instruments (Continued)

(ii) Classification and subsequent measurement (Continued)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (Continued)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Financial instruments (Continued)

(ii) Classification and subsequent measurement (Continued)

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Financial instruments (Continued)

(iii) Derecognition (Continued)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(vi) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Financial instruments (Continued)

(vii) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes denominated in Singapore dollars that can be converted to ordinary shares at the option of the holder, where the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transactions costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

3.6 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

NOTES TO THE **FINANCIAL STATEMENTS**

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Leases (Continued)

As a lessee (Continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Leases (Continued)

As a lessee (Continued)

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

COVID-19-related rent concessions

The Group has applied COVID-19-Related Rent Concessions – Amendment to SFRS(I) 16. The Group applies the practical expedient allowing it not to access whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

3.7 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

3.8 Impairment

(i) Non-derivative financial assets and contract assets

The Group recognises loss allowances for expected credit losses ("**ECLs**") on financial assets measured at amortised costs and contract assets.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment (Continued)

(i) Non-derivative financial assets and contract assets (Continued)

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

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

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 2 years past due.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment (Continued)

(i) Non-derivative financial assets and contract assets (Continued)

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 2 years past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTES TO THE **FINANCIAL STATEMENTS**

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment (Continued)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("**CGU**") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(iii) Share-based payment transactions

The grant date fair value of equity-settled share-based payment awards granted to employee is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up differences between expected and actual outcomes.

3.10 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. Performance obligation is satisfied at a point in time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Rendering of services

Revenue from the provision of consultations and operations are recognised upon the completion of the services rendered.

NOTES TO THE **FINANCIAL STATEMENTS**

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Government grants

An unconditional government grant is recognised in profit or loss as 'other income' when the grant becomes receivable.

Other government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. These grants are then recognised in profit or loss as 'other income' on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other income' on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3.12 Finance costs

The Group's finance costs include interest expense on borrowings and lease liabilities that are recognised in profit or loss.

Interest expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.13 Taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.13 Taxes (Continued)

Current tax is the expected tax payable or receivables on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire plant and equipment, and intangible assets other than goodwill.

3.16 New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 October 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new SFRS(I)s, interpretations and amendments to SFRS(I)s are not expected to have a significant impact on the Group's financial statements and the Company's statement of financial position.

- SFRS(I) 17 *Insurance Contracts*
- *Classification of Liabilities as Current or Non-current* (Amendments to SFRS(I) 1-1)
- *Definition of Accounting Estimates* (Amendments to SFRS(I) 1-8)
- *Disclosure of Accounting Policies* (Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.16 New standards and interpretations not yet adopted (Continued)

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to SFRS(I) 10 and SFRS(I) 1-28)
- *Reference to the Conceptual Framework* (Amendments to SFRS(I) 3)
- *Property, Plant and Equipment – Proceeds before Intended Use* (Amendments to SFRS(I) 1-16)
- *Onerous Contracts – Costs of Fulfilling a Contract* (Amendments to SFRS(I) 1-37)
- *Annual Improvements to SFRS(I)s 2018 – 2020*

4 PLANT AND EQUIPMENT

	Note	Furniture, fittings and office equipment $'000	Medical equipment $'000	Renovations $'000	Computers $'000	Total $'000
Group						
Cost						
At 1 October 2019		18	31	348	113	510
Additions		3	240	113	28	384
Additions pursuant to the acquisition of a subsidiary	25	19	223	11	2	255
Write-off		(10)	–	–	–	(10)
At 30 September 2020		30	494	472	143	1,139
Additions		31	94	10	26	161
Write-off		–	(2)	(38)	(22)	(62)
At 30 September 2021		61	586	444	147	1,238
Accumulated depreciation						
At 1 October 2019		13	12	299	102	426
Depreciation for the year		12	62	28	13	115
Write-off		(10)	–	–	–	(10)
At 30 September 2020		15	74	327	115	531
Depreciation for the year		15	108	45	19	187
Write-off		–	–	(37)	(22)	(59)
At 30 September 2021		30	182	335	112	659
Carrying amounts						
At 1 October 2019		5	19	49	11	84
At 30 September 2020		15	420	145	28	608
At 30 September 2021		31	404	109	35	579

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

4 PLANT AND EQUIPMENT (CONTINUED)

	Medical equipment $'000	Renovations $'000	Computers $'000	Total $'000
Company				
Cost				
At 1 October 2019	–	23	–	23
Additions	129	2	2	133
At 30 September 2020	129	25	2	156
Additions	15	2	10	27
Disposals	(144)	–	–	(144)
At 30 September 2021	–	27	12	39
Accumulated depreciation				
At 1 October 2019	–	–*	–	–*
Depreciation for the year	–	9	–*	9
At 30 September 2020	–	9	–*	9
Depreciation for the year	–	9	3	12
At 30 September 2021	–	18	3	21
Carrying amounts				
At 1 October 2019	–	23	–	23
At 30 September 2020	129	16	2	147
At 30 September 2021	–	9	9	18

* *Less than 1,000*

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

5 RIGHT-OF-USE ASSETS

	Note	Leased offices, clinics and equipment $'000
Group		
Cost		
At 1 October 2019		–
Recognition of right-of-use assets on initial application of SFRS(I) 16		1,494
Adjusted balance at 1 October 2019		1,494
Additions pursuant to the acquisition of a subsidiary	25	757
Additions		185
Derecognition of right-of-use assets		(173)
At 30 September 2020		2,263
Additions		1,745
Derecognition of right-of-use assets		(686)
At 30 September 2021		3,322
Accumulated depreciation		
At 1 October 2019		–
Depreciation for the year		768
Derecognition of right-of-use assets		(47)
At 30 September 2020		721
Depreciation for the year		965
Derecognition of right-of-use assets		(267)
At 30 September 2021		1,419
Carrying amounts		
At 1 October 2019		–
At 30 September 2020		1,542
At 30 September 2021		1,903

NOTES TO THE **FINANCIAL STATEMENTS**

YEAR ENDED 30 SEPTEMBER 2021

5 RIGHT-OF-USE ASSETS (CONTINUED)

	Leased office $'000
Company	
Cost	
At 1 October 2019	–
Recognition of right-of-use asset on initial application of SFRS(I) 16	163
Adjusted balance at 1 October 2019/At 30 September 2020/30 September 2021	163
Accumulated depreciation	
At 1 October 2019	–
Depreciation for the year	56
At 30 September 2020	56
Depreciation for the year	56
At 30 September 2021	112
Carrying amounts	
At 1 October 2019	–
At 30 September 2020	107
At 30 September 2021	51

6 GOODWILL

	Note	Group $'000
Cost		
At 1 October 2019		10,144
Addition pursuant to the acquisition of a subsidiary	25	24,956
At 30 September 2020/30 September 2021		35,100
Carrying amounts		
At 1 October 2019		10,144
At 30 September 2020		35,100
At 30 September 2021		35,100

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

6 GOODWILL (CONTINUED)

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been wholly allocated to the Group's respective CGUs as follows:

	2021 $'000	2020 $'000
Group		
Asian Anaesthesia Care Pte. Ltd. ("**AAC**")	10,144	10,144
Gastroenterology ("**GASTRO**")	4,557	4,557
General Practitioner ("**FAMILY**")	2,559	2,559
Urology ("**URO**")	3,822	3,822
Dermatology ("**DERM**")	5,372	5,372
Ophthalmology and Optometry ("**OPTHA**")	8,646	8,646
	35,100	35,100

The recoverable amounts of CGUs were based on its value in use, determined by discounting the post-tax future cash flows to be generated from the continuing use of the CGUs.

The key assumptions used in the estimation of value in use are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	Pre-tax discount rate %	Terminal value growth rate %	Revenue growth rate %
30 September 2021			
AAC	11.6	1.5	1.5
GASTRO	12.4	1.5	1.5
FAMILY	12.4	1.5	1.5
URO	12.4	1.5	1.5
DERM	12.4	1.5	1.5
OPTHA	12.4	1.5	1.5
30 September 2020			
AAC	10.9	1.5	0 – 1.5
GASTRO	11.5	1.2	2.0
FAMILY	11.5	1.2	2.0
URO	11.5	1.2	2.0
DERM	11.5	1.2	2.0
OPTHA	11.5	1.2	2.0

The discount rate is a post-tax measure estimated based on 10-year government bonds issued in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the CGUs.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

6 GOODWILL (CONTINUED)

Impairment testing for CGUs containing goodwill (Continued)

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual revenue growth rate, consistent with the assumptions that a market participant would make.

Revenue growth was projected taking into account the historical growth levels and the estimated sales volume and price growth for the next five years. It was assumed that the sales price would increase in line with forecast inflation over the next five years.

Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal the recoverable amount	
	Pre-tax discount rate %	Terminal value growth rate %
30 September 2021		
AAC	1.9	(2.3)
GASTRO	7.7	(11.1)
FAMILY	5.4	(7.2)
URO	15.7	(34.0)
DERM	8.9	(13.2)
OPTHA	9.0	(13.7)
30 September 2020		
AAC	0.9	(1.1)
GASTRO	3.5	(4.3)
FAMILY	1.6	(1.8)
URO	4.9	(6.2)
DERM	1.3	(1.8)
OPTHA	1.0	(1.1)

7 SUBSIDIARIES

	Company	
	2021 $'000	2020 $'000
Equity investments at cost	61,051	37,972

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

7 SUBSIDIARIES (CONTINUED)

As at 30 September 2020 and 2021, the subsidiaries of the Group are as follows:

Name of subsidiaries	Countries of incorporation	Principal activities	Effective ownership interest	
			2021 %	2020 %
Held by the Company				
TOC Holdings Pte. Ltd. ("**TOCH**")	Singapore	Investment holding and management consultancy services	100	100
Asian Anaesthesia Care Pte. Ltd.	Singapore	Provision of anaesthesia services	100	100
Cornerstone Asia Health Pte. Ltd. ("**CAH**") (Note 25)	Singapore	Investment holding and management consultancy services	100	51
Family ENT Snoring Specialists Pte. Ltd.	Singapore	Provision of otorhinolaryngology services	100	100
Salvia Ventures Pte. Ltd.	Singapore	Investment holding and management consultancy services	100	100
Held by TOCH				
The Orthopaedic Centre (Farrer) Pte. Ltd.	Singapore	Provision of orthopaedic services	100	100
The Orthopaedic Centre (Gleneagles) Pte. Ltd.	Singapore	Provision of orthopaedic services	100	100
The Orthopaedic Centre (Novena) Pte. Ltd.	Singapore	Provision of orthopaedic services	100	100
The Orthopaedic Centre (Orchard) Pte. Ltd.	Singapore	Provision of orthopaedic services	100	100
The Orthopaedic Centre (International) Pte. Ltd.	Singapore	Provision of orthopaedic services	100	100

NOTES TO THE **FINANCIAL STATEMENTS**

YEAR ENDED 30 SEPTEMBER 2021

7 SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Countries of incorporation	Principal activities	Effective ownership interest	
			2021 %	2020 %
Held by CAH				
Ng Tay Meng Gastrointestinal and Liver Clinic Pte. Ltd. (Note 25)	Singapore	Provision of gastroenterology services	100	51
Ng Tay Meng G.I. HEP. Services Pte. Ltd. (Note 25)	Singapore	Provision of gastroenterology services	100	51
GS Medic Pte. Ltd. (Note 25)	Singapore	Provision of general practitioner services	100	51
Urology Novena Pte. Ltd. (Note 25)	Singapore	Provision of urology services	100	51
URO Centre Pte. Ltd. (Note 25)	Singapore	Provision of urology services	100	51
Urology Surgery Pte. Ltd (Note 25)	Singapore	Provision of urology services	100	51
Skin Consultancy Pte. Ltd. (Note 25)	Singapore	Provision of dermatology services	100	51
Bobcheng Pte. Ltd. (Note 25)	Singapore	Provision of ophthalmology and optometry consultancy services	100	51
RSI Medical Pte. Ltd. (Note 25)	Singapore	Provision of ophthalmology and optometry services	100	51

KPMG LLP is the auditor of all significant subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

8 ASSOCIATE

	Group	
	2021	2020
	$'000	$'000
Interest in associate	7,731	8,048

An associated company is considered significant as defined under the Singapore Exchange Limited Listing Manual if the Group's share of its net tangible assets represents 20% or more of the Group's consolidated net tangible assets, or if the Group's share of its pre-tax profits accounts for 20% or more of the Group's consolidated pre-tax profits.

As at 30 September 2021, the Group has one material associate. The Group had determined that it has significant influence on 21 August 2020. The associate is equity accounted.

	Fansipan 2 Holdings Pte. Ltd. ("Fansipan2")
Nature of business	Healthcare investments
Principal place of business/Country of incorporation	Singapore
Ownership interest/Voting rights held	23.81% (2020: 23.81%)

The following summarises the financial information of the Group's material associate, based on its consolidated financial statements prepared in accordance with SFRS(I)s, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Fansipan2 $'000
2021	
Revenue	6,953
Loss for the year	(1,508)
Other comprehensive income	176
Total comprehensive income	(1,332)
Non-current assets	31,924
Current assets	6,695
Non-current liabilities	(1,344)
Current liabilities	(4,804)
Net assets	32,471
Group's interest in net assets of investee at beginning of the year	8,048
Group's share of:	
– loss for the year	(359)
– other comprehensive income	42
– total comprehensive income	(317)
Carrying amount of interest in investee at end of the year	7,731

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

8 ASSOCIATE (CONTINUED)

The following table summarises the carrying amount and share of profit and other comprehensive income of the associate that is accounted for using the equity method in 2020:

	Fansipan2 $'000
2020	
Group's interest in net assets of investee during the year	8,036
Group's share of:	
– profit for the year	22
– other comprehensive income	(10)
– total comprehensive income	12
Carrying amount of interest in investee at end of the year	8,048

9 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade				
Trade receivables	2,973	2,623	1,074	487
Less: Impairment losses	(154)	(230)	–	–
	2,819	2,393	1,074	487
Amounts due from subsidiaries (non-trade)	–	–	4,759	11,155
Other receivables	4	374	–	155
Deposits	174	253	16	16
Prepayments	480	197	23	7
	3,477	3,217	5,872	11,820

The Company's trade receivables comprise management fee receivables, due from the Company's subsidiaries.

Amounts due from subsidiaries (non-trade) are unsecured, interest free and repayable on demand. Included in the amount is dividend receivable from its subsidiaries amounting to $1,906,000 (2020: $1,001,000).

The Group and the Company's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in Note 26.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

10 INVENTORIES

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
At cost				
Pharmacy supplies	185	175	–	–

Pharmacy supplies recognised as "supplies and consumables used" in statement of profit or loss amounted to $1,871,000 (2020: $899,000).

There was no write-down in value of inventories during the current financial year and prior financial year.

11 SHARE CAPITAL

	Ordinary shares	
	2021	2020
	No. of shares	
Company	'000	'000
In issue at 1 October	455,933	325,893
New shares issued pursuant to acquisition of a subsidiary[1]	–	104,171
New shares issued pursuant to performance share plan[2]	–	900
New shares issued pursuant to conversion of convertible bonds[3]	–	24,969
New shares issued pursuant to a private placement[4]	17,700	–
New shares issued pursuant to acquisition of non-controlling interests[5]	72,973	–
In issue at 30 September	546,606	455,933

All shares rank equally with regard to the Company's residual assets.

All issued shares are fully paid, with no par value.

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

Issuance of ordinary shares

(1) On 19 February 2020, a total of 104,171,380 ordinary shares were issued pursuant to the acquisition of 51.0% issued and paid up shares in the share capital of CAH.

(2) On 19 February 2020, the Company granted share awards to certain employees of the Group pursuant to the Scheme. Pursuant to the grant, 900,000 new ordinary shares were issued and allotted in the capital of the Company to the eligible employees.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

11 SHARE CAPITAL (CONTINUED)

Ordinary shares (Continued)

Issuance of ordinary shares (Continued)

(3) On 3 September 2020, the investors had converted S$4,000,000 convertible bonds into 24,968,788 Conversion Shares.

(4) On 26 April 2021, a total of 17,700,000 ordinary shares were issued pursuant to a private placement.

(5) On 30 July 2021, a total of 72,972,973 ordinary shares were issued pursuant to the acquisition of 49.0% issued and paid up shares in the share capital of CAH.

Dividends

The following exempt (one-tier) dividends were declared and paid by the Group and Company:

For the year ended 30 September	**2021**	**2020**
	$'000	**$'000**
Paid by the Company to owners of the Company		
Final dividend of $0.0090 per ordinary share for financial year ended 30 September 2019 declared on 23 January 2020	–	2,933
Final dividend of $0.0015 per ordinary share for financial year ended 30 September 2020 declared on 28 January 2021	684	–
Interim dividend of $0.0042 per ordinary share for financial year ended 30 September 2021 declared on 14 May 2021	1,989	–
	2,673	2,933
Payable by a subsidiary to NCI		
Interim dividend of $0.0287 per ordinary share for financial year ended 30 September 2020 declared on 29 September 2020	–	961
Interim dividend of $0.0390 per ordinary share for financial year ended 30 September 2021 declared on 31 March 2021	1,306	–
Interim dividend of $0.0176 per ordinary share for financial year ended 30 September 2021 declared on 30 June 2021	590	–
	1,896	961

After the respective reporting dates, the following exempt (one-tier) dividends were proposed by the directors. These exempt (one-tier) dividends have not been provided for.

	Group and Company	
	2021	**2020**
	$'000	**$'000**
Final dividend of $0.0028 (2020: $0.0015) per ordinary share for the financial year ended	1,530	684

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

12 RESERVES

The reserves of the Group and the Company comprise the following balances:

	Note	Group		Company	
		2021	2020	2021	2020
		$'000	$'000	$'000	$'000
Other reserves					
– Merger reserve		(2,431)	(2,431)	–	–
– Equity component of convertible bonds		357	357	357	357
– Acquisition of non-controlling interests	25	(13,860)	–	–	–
		(15,934)	(2,074)	357	357
Translation reserve		32	(10)	–	–
		(15,902)	(2,084)	357	357

Merger reserve

Merger reserve arose from the restructuring exercise in 2018 which involved related parties under common control, represents the difference between the consideration paid and the issued share capital of subsidiaries under common control that are accounted for by applying the "pooling-of-interest" method.

Equity component of convertible bonds

The reserve comprises the equity component of the convertible bonds, which have been fully redeemed by September 2020.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

13 NON-CONTROLLING INTERESTS

On 19 February 2020, the Group acquired 51% issued and paid up shares in the share capital of CAH. On 30 July 2021, the Group's equity interest in CAH increased from 51% to 100% (see Note 25). Accordingly, the information below is only for period from 20 February 2020 to 30 September 2020.

The following subsidiary has material non-controlling interest:

Name of subsidiary	Country of incorporation	Operating segment	Ownership interest held by non-controlling interest	
			2021	2020
			%	%
CAH and its subsidiaries	Singapore	Other medical services	–	49

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

13 NON-CONTROLLING INTERESTS (CONTINUED)

The following summarises the consolidated financial results and financial position of the above subsidiary, prepared in accordance with SFRS(I)s. The financial information disclosed below represents the amounts before any inter-company transactions elimination with other companies in the Group.

	CAH and its subsidiaries $'000
2020	
Revenue	6,736
Profit and total comprehensive income for the period	2,915
Profit and total comprehensive income attributable to non-controlling interests	1,428
Non-current assets	640
Current assets	5,176
Non-current liabilities	(172)
Current liabilities	(4,194)
Net assets	1,450
Net assets attributable to NCI	711
Cash flows from operating activities	3,158
Cash flows used in investing activities	(4)
Cash flows used in financing activities	(248)
Net increase in cash and cash equivalents	2,906

14 LEASE LIABILITIES

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Non-current	1,185	824	–	54
Current	742	736	54	56
	1,927	1,560	54	110

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2021

14 LEASE LIABILITIES (CONTINUED)

Terms and debt repayment schedule

Terms and conditions of outstanding lease liabilities are as follow:

	Currency	Nominal interest rate	Year of maturity	2021 Face value $'000	2021 Carrying amount $'000	2020 Face value $'000	2020 Carrying amount $'000
Group							
Lease liabilities	SGD	1.1% – 5%	2021-2027	2,085	1,927	1,650	1,560
Company							
Lease liabilities	SGD	5%	2022	55	54	115	110

Leases as lessee

The Group leases offices, clinics and equipment. The leases typically run for a period of 1 to 6 years, with an option to renew the lease after that date. The Group is entitled to rental reliefs under the Rental Relief Framework. The Group applied practical expedient for COVID-19-related rent concessions consistently to eligible rent concessions relating to its clinics and offices leases. The amount recognised in profit or loss for the reporting period to reflect changes in lease payments arising from rent concessions to which the Group has applied practical expedient for COVID-19-related concessions is $68,000 (2020: $230,000).

In addition to right-of-use assets disclosed under Note 5, information about leases for which the Group is a lessee is presented below.

Amounts recognised in profit or loss

	2021 $'000	2020 $'000
Interest on lease liabilities	71	74

Amounts recognised in statement of cash flows

	2021 $'000	2020 $'000
Total cash outflow for leases (Note 15)	1,001	819

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

14 LEASE LIABILITIES (CONTINUED)

Extension options

Some property leases contain extension options exercisable by the Group up to one month to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of $1,236,000 (2020: $1,636,000).

15 LOANS AND BORROWINGS

	Group and Company	
	2021	2020
	$'000	$'000
Non-current liabilities		
– Unsecured bank loan	3,685	4,900
Current liability		
– Unsecured bank loan	1,215	100
	4,900	5,000

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follow:

				2021		2020	
	Currency	Nominal interest rate	Year of maturity	Face value $'000	Carrying amount $'000	Face value $'000	Carrying amount $'000
Group and Company							
Unsecured bank loan	SGD	2%	2025	5,099	4,900	5,298	5,000

The unsecured bank loan of the Group is guaranteed by corporate guarantees from The Orthopaedic Centre (Farrer) Pte. Ltd., The Orthopaedic Centre (Gleneagles) Pte. Ltd. and The Orthopaedic Centre (Novena) Pte. Ltd.

Market and liquidity risks

Information about the Group's and the Company's exposure to interest rate and liquidity risks are disclosed in Note 26.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

15 LOANS AND BORROWINGS (CONTINUED)

Reconciliation of movements of liability to cash flows arising from financing activities

Group	Lease liabilities (Note 14) $'000	Unsecured bank loan $'000	Convertible bonds $'000	Total $'000
Balance as at 1 October 2019	–	–	4,577	4,577
Recognition of lease liabilities on initial application of SFRS(I) 16	1,494	–	–	1,494
Adjusted balance at 1 October 2019	1,494	–	4,577	6,071
Changes from financing cash flows				
Proceeds from issuance of convertible bonds	–	–	3,000	3,000
Redemption of convertible bonds	–	–	(4,000)	(4,000)
Proceeds from bank loan	–	5,000	–	5,000
Payment of lease liabilities	(745)	–	–	(745)
Interest paid	(74)	(9)	–	(83)
Total changes from financing cash flows	(819)	4,991	(1,000)	3,172
Other changes				
Liability-related				
Amortisation of transaction costs related to loans and borrowings	–	–	13	13
Interest expense	74	9	212	295
Derecognition of lease liabilities	(127)	–	–	(127)
New leases pursuant to the acquisition of a subsidiary	754	–	–	754
New leases	184	–	–	184
Total liability-related other changes	885	9	225	1,119
Total equity-related changes	–	–	(3,802)	(3,802)
Balance as at 30 September 2020	1,560	5,000	–	6,560
Balance as at 1 October 2020	1,560	5,000	–	6,560
Changes from financing cash flows				
Repayment of bank loan	–	(100)	–	(100)
Payment of lease liabilities	(930)	–	–	(930)
Interest paid	(71)	(100)	–	(171)
Total changes from financing cash flows	(1,001)	(200)	–	(1,201)
Other changes				
Liability-related				
Interest expense	71	100	–	171
Derecognition of lease liabilities	(449)	–	–	(449)
New leases	1,746	–	–	1,746
Total liability-related other changes	1,368	100	–	1,468
Balance as at 30 September 2021	1,927	4,900	–	6,827

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

16 DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets/(liabilities)

Deferred tax assets/(liabilities) are attributable to the following:

	Assets		Liabilities		Net	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Group						
Plant and equipment	–	–	(30)	(35)	(30)	(35)
Right-of-use assets and lease liabilities	2	–	–	–	2	–
Trade and other payables	9	6	–	–	9	6
Tax assets/(liabilities)	11	6	(30)	(35)	(19)	(29)

Movements in temporary differences during the year

	At 30/9/2019 $'000	Acquired in business combination $'000 (Note 25)	Recognised in profit or loss $'000 (Note 21)	At 30/9/2020 $'000	Recognised in profit or loss $'000 (Note 21)	At 30/9/2021 $'000
Plant and equipment	(11)	(34)	10	(35)	5	(30)
Right-of-use assets and lease liabilities	–	–	–	–	2	2
Trade and other payables	–	1	5	6	3	9
	(11)	(33)	15	(29)	10	(19)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group and the Company can use the benefits therefrom.

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Deductible temporary differences	46	14	15	–
Tax credits	2,418	1,157	2,418	1,157
Tax losses	504	28	27	–
	2,968	1,199	2,460	1,157

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

17 TRADE AND OTHER PAYABLES

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade payables	820	949	109	177
Other payables	333	1,020	–	–
Amounts due to related parties (trade)	–	21	–	–
Amounts due to subsidiaries (non-trade)	–	–	66	–
Accrued expenses	1,725	816	210	200
Deferred income – government grants	–	158	–	22
	2,878	2,964	385	399

The Group and the Company's exposure to liquidity risk related to trade and other payables are disclosed in Note 26.

The Group has received government grants during the year – Job Support Schemes ("**JSS**") that meant to provide wage support to employees to help them retain their local employees and rental reliefs to recover from the impact of COVID 19 pandemic. These grants were recognised in profit or loss and presented in 'other income' when it became receivable (see Note 19). JSS and rental reliefs recognised in profit and loss during the year amounted to $286,000 (2020: $513,000) and $68,000 (2020: $230,000) respectively.

18 REVENUE

	Group	
	2021 $'000	2020 $'000
Medical consultancy and services	27,563	16,934

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Medical consultancy and services

Nature of goods or services	The Group provides multi-disciplinary medical services, comprising of anaesthesia, dermatology, family medicine, gastroenterology, orthopaedics, ophthalmology, urology and rehabilitative services.
When revenue is recognised	Revenue is recognised when the service has been rendered.
Significant payment terms	Invoices are issued upon completion of services and upon discharge of patients from the hospital. Payment is due upon completion of service.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

18 REVENUE (CONTINUED)

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	Note	Group 2021 $'000	Group 2020 $'000
Trade receivables	9	2,819	2,393
Contract assets		221	172
Contract liabilities		(62)	(43)

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date on medical consultancy and services. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to advance consideration received from customers for medical consultancy and services provided.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows:

	Contract assets 2021 $'000	Contract assets 2020 $'000	Contract liabilities 2021 $'000	Contract liabilities 2020 $'000
Increases in contract liabilities due to cash received, excluding amounts recognised as revenue during the year	–	–	(62)	(43)
Revenue recognised that was included in the contract liabilities at the beginning of the year	–	–	43	102
Contract asset reclassified to trade receivables	172	244	–	–

19 OTHER INCOME

	Group 2021 $'000	Group 2020 $'000
Government grants and other reliefs	584	950
Bad debts recovered	8	–
Others	56	101
	648	1,051

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

20 FINANCE COSTS

	Group	
	2021 $'000	2020 $'000
Interest on lease liabilities	71	74
Interest on unsecured bank loan	100	9
Interest on convertible bonds	–	212
	171	295

21 TAX EXPENSE

	Group	
	2021 $'000	2020 $'000
Current tax expense	71	74
Current year	1,279	647
Changes in estimates related to prior years	(49)	(80)
	1,230	567
Deferred tax credit		
Origination and reversal of temporary differences	(9)	(14)
Change in unrecognised deductible temporary differences	(1)	(1)
	(10)	(15)
Total tax expense	1,220	552
Reconciliation of effective tax rate		
Profit before tax	7,999	4,565
Tax using the Singapore tax rate of 17% (2020: 17%)	1,360	776
Non-deductible expenses	112	111
Tax-exempt income	(289)	(260)
Tax incentives	(214)	–
Deferred tax assets not recognised	301	5
Changes in estimates related to prior years	(49)	(80)
Change in unrecognised deductible temporary differences	(1)	(1)
Others	–	1
	1,220	552

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

22 PROFIT FOR THE YEAR

The following items have been included in arriving at profit for the year:

	Note	Group 2021 $'000	2020 $'000
Audit fees paid to:			
– auditors of the Company		209	189
Non-audit fees paid to:			
– other auditors		–	70
Government grants and other reliefs		(584)	(950)
Interest income		–	(79)
Contribution to defined contribution plan included in staff costs		623	410
Equity-settled shared-based payment transactions		–	175
Depreciation of plant and equipment	4	187	115
Depreciation of right-of-use assets	5	965	768
Expenses for corporate exercise		203	365
Impairment loss:			
– Trade receivables	26	23	42

23 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share at 30 September 2021 and 2020 was based on the profit attributable to ordinary shareholders and a weighted-average number of ordinary shares outstanding, calculated as follows:

Profit attributable to ordinary shareholders

	Group 2021 $'000	2020 $'000
Profit for the year	4,476	2,585

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

23 EARNINGS PER SHARE (CONTINUED)

Weighted-average number of ordinary shares

	Group	
	2021	2020
	$'000	$'000
Issued ordinary shares at 1 October	455,933	325,893
Effect of shares issued on 19 February 2020	–	64,482
Effect of shares issued on 3 September 2020	–	1,847
Effect of shares issued on 26 April 2021	7,614	–
Effect of shares issued on 30 July 2021	12,395	–
Weighted-average number of ordinary shares during the year	475,942	392,222

There were no potential dilutive ordinary shares for the years ended 30 September 2021 and 2020. As such, the profit attributable to ordinary shareholders and the number of ordinary shares used in the calculation of diluted earnings per share are the same as those used in the calculation of basic earnings per share.

24 OPERATING SEGMENTS

The Group has the following four operating segments, which are its reportable segments. These segments offer different services and are managed separately because they require different technology and marketing strategies. The Group's CEO reviews internal management reports of each segments regularly. The following summary describes the operations in each of the Group's reportable segments:

- Providing medical consultancy and services in the field of orthopaedic medicine ("**Orthopaedic**")
- Providing anaesthesia services ("**Anaesthesia**")
- Providing otorhinolaryngology services ("**Ent**")
- Providing dermatology, family medicine, gastroenterology, ophthalmology, and urology services ("**Other medical services**")

Major customers

Revenue are mainly derived from walk-in patients which are members of the public. Due to the diverse base of customers to whom the Group renders services in each of the reporting periods, the Group is not reliant on any customers for its revenue and no one single customer accounted for 5% or more of the Group's total revenue.

NOTES TO THE **FINANCIAL STATEMENTS**

YEAR ENDED 30 SEPTEMBER 2021

24 OPERATING SEGMENTS (CONTINUED)

Information about reportable segments

Group	Orthopaedic		Anaesthesia		Ent		Other medical services		Total	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000	2021 $'000	2020 $'000	2021 $'000	2020 $'000	2021 $'000	2020 $'000
External revenue	11,410	8,732	1,951	1,466	507	–	13,695	6,736	27,563	16,934
Interest expense	45	54	–	–	1	–	21	13	67	67
Depreciation	476	487	19	7	102	8	487	316	1,084	818
Segment profit/(loss) before tax	3,113	1,749	908	868	(296)	(28)	6,103	3,341	9,828	5,930
Unallocated amounts										
Corporate expenses									(1,470)	(1,387)
Share of (loss)/profit of associate									(359)	22
Profit before tax									7,999	4,565
Tax expense									(1,220)	(552)
Profit for the year									6,779	4,013
Reportable segment assets	6,917	4,573	1,409	762	676	490	6,259	5,810	15,261	11,635
Associate	–	–	–	–	–	–	–	–	7,731	8,048
Reportable segment liabilities	5,452	3,539	809	256	998	519	3,066	3,350	10,325	7,664

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

24 OPERATING SEGMENTS (CONTINUED)

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities:

	2021 $'000	2020 $'000
Revenues		
Total revenue for reportable segments	27,563	16,934
Profit before tax		
Total profit before tax for reportable segments	9,828	5,930
Unallocated amounts:		
– Corporate expenses	(1,470)	(1,387)
– Share of (loss)/profit of associate	(359)	22
Consolidated profit before tax	7,999	4,565
Assets		
Total assets for reportable segments	15,261	11,635
Investment in associate	7,731	8,048
Unallocated assets	44,564	53,623
Elimination of inter-segment assets	(5,836)	(14,516)
Deferred tax assets	11	6
Consolidated total assets	61,731	58,796
Liabilities		
Total liabilities for reportable segments	10,325	7,664
Unallocated liabilities	5,339	13,545
Elimination of inter-segment liabilities	(5,897)	(11,642)
Current tax liabilities	1,279	1,300
Deferred tax liabilities	30	35
Consolidated total liabilities	11,076	10,902

25 ACQUISITIONS OF SUBSIDIARY AND NON-CONTROLLING INTERESTS

Acquisition of subsidiary in 2020

On 19 February 2020, the Group acquired 51% of issued and paid up shares in the share capital of CAH.

Taking control of CAH will provide the Group the opportunity to acquire several established healthcare assets in variety of medical specialisations and diversify the Group's current portfolio and strengthen the Group's existing business.

From the date of acquisition to 30 September 2020, CAH contributed revenue of $6,736,000 and profit before tax of $3,342,000 to the Group's results. Had the acquisition occurred on 1 October 2019, management estimates that consolidated revenue would have been $11,333,000 and consolidated profit before tax for the year ended 30 September 2020 would have been $5,352,000.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

25 ACQUISITIONS OF SUBSIDIARY AND NON-CONTROLLING INTERESTS (CONTINUED)

Acquisition of subsidiary in 2020 (Continued)

Consideration transferred

The following table summarises the acquisition-date fair value of each major class of consideration transferred:

	Note	$'000
Cash		5,000
Equity instruments issued (104,171,380 ordinary shares)	11	20,209
Total consideration transferred		25,209

Equity instruments issued

The fair value of the ordinary shares issued was based on the listed share price of the Company at 19 February 2020 of $0.194 per share.

Acquisition-related costs

In year 2020, the Group incurred acquisition-related costs of $308,000 on professional fees, stamp duty and processing fees. These costs have been included in 'Other operating expenses'.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	Note	$'000
Plant and equipment	4	255
Right-of-use assets	5	757
Deferred tax assets	16	1
Cash and cash equivalents		908
Contract assets		28
Trade and other receivables		1,241
Inventories		189
Lease liabilities		(754)
Deferred tax liabilities	16	(34)
Current tax liabilities		(952)
Contract liabilities		(16)
Trade and other payables		(1,126)
Total identifiable net assets		497

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

25 ACQUISITIONS OF SUBSIDIARY AND NON-CONTROLLING INTERESTS (CONTINUED)

Acquisition of subsidiary in 2020 (Continued)

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets required	Valuation technique
Plant and equipment	Market comparison technique and cost technique: The valuation model considers market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	Note	$'000
Total consideration transferred		25,209
NCI, based on proportionate interest in the recognised amounts of the assets and liabilities of the acquiree		244
Fair value of identifiable net assets		(497)
Goodwill	6	24,956

Goodwill comprises of expected synergies from integrating the operations of the Group and the acquiree. None of the goodwill recognised is expected to be deductible for tax purposes.

Acquisition of non-controlling interests in 2021

On 30 July 2021, the Group acquired an additional 49% interest in CAH, increasing its ownership from 51% to 100%. The carrying amount of CAH's net assets in the Group's consolidated financial statements on the date of the acquisition was $2,281,000.

	Note	$'000
Carrying amount of NCI acquired ($2,281,000 x 49%)		1,118
Consideration paid to NCI:		
– equity instruments issued (72,972,973 ordinary shares)	11	(12,478)
– cash consideration		(2,500)
		(14,978)
Decrease in equity attributable to owners of the Company	12	(13,860)

The decrease in equity attributable to owners of the Company is recorded in other reserves.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

26 FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Audit & Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit & Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit & Risk Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit & Risk Committee.

Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets and contract assets in the statements of financial position represents the Group's respective maximum exposure to credit risk, before taking into account any collateral held. The Group does not hold any collateral in respect of its financial assets.

Trade receivables and contract assets

Risk management policy

Management monitors exposure to credit risk on an ongoing basis. To minimise the risk of bad debts, customers are generally requested to place an initial deposit or obtain a letter of guarantee at the time of admission to the hospitals. Additional deposit is requested from the customer when the hospital charges exceed a certain level.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2021

26 FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

Trade receivables and contract assets *(Continued)*

Exposure to credit risk, credit quality and collateral

The Group's primary exposure to credit risk arises through its cash and cash equivalents, trade and other receivables and contract assets. Concentration of credit risk relating to trade receivables and contract assets are limited due to the Group's many varied customers. The Group does not require collateral in respect of trade receivables. The Group does not have trade receivables and contract assets for which no loss allowance is recognised because of collateral.

Expected credit loss assessment for trade receivables and contract assets

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers which comprise a very large number of small balances. As the Group's past default experiences do not show significantly different loss patterns from different customers, the allowance matrix is not further distinguished between the different customer bases.

Allowance for impairment losses are made based on the historical trend of incurred losses.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and contract assets as at end of the reporting period:

	Weighted average loss rate %	Gross $'000	Impairment losses $'000
2021			
Not past due	–	221	–
Past due 1 – 60 days	2.0	1,951	39
Past due 61 – 120 days	8.9	654	58
Past due 121 – 365 days	13.7	322	44
Past due more than 365 days	28.3	46	13
		3,194	154
2020			
Not past due	–	172	–
Past due 1 – 60 days	1.4	1,774	24
Past due 61 – 120 days	5.0	417	21
Past due 121 – 365 days	20.5	176	36
Past due more than 365 days	58.2	256	149
		2,795	230

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

26 FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

Trade receivables and contract assets *(Continued)*

Expected credit loss assessment for trade receivables and contract assets (Continued)

Loss rates are based on actual credit loss experience over the past three years. These rates are adjusted by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. These scalar factors are calculated using statistical models that determine numeric co-relation of loss rates with relevant economic variables.

Movements in allowance for impairment in respect of trade receivables and contract assets

The movements in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows:

	Group	
	2021	**2020**
	$'000	**$'000**
At 1 October	(230)	(217)
Additions pursuant to acquisition of subsidiary	–	(39)
Impairment loss recognised	(23)	(42)
Write-off	99	68
At 30 September	(154)	(230)

Other receivables

Group

Impairment on deposits has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. Other receivables are considered to have low credit risks as they are not due for payment at the end of reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. The amount of the allowance on other receivables is negligible.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

26 FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

Amounts due from subsidiaries

Company

Impairment on the amounts due from subsidiaries has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant as none of the amounts due from subsidiaries at the end of the reporting period is past due and there has been no significant increase in the risk of default on these balances since initial recognition.

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of $12,524,000 and $3,523,000 respectively at 30 September 2021 (2020: $9,928,000 and $3,577,000 respectively). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated A to AA-, based on S&P Global Ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under normal and stressed conditions without incurring unacceptable losses or risking damage to the Group's reputation.

The Group maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

26 FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (Continued)

Exposure to liquidity risk

The table below summarises the maturity profile of the Group's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Note	Carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	After 1 year but within 5 years $'000
30 September 2021					
Non-derivative financial liabilities					
Trade and other payables	17	2,878	(2,878)	(2,878)	–
Unsecured bank loan	15	4,900	(5,099)	(1,302)	(3,797)
Lease liabilities	14	1,927	(2,085)	(806)	(1,279)
		9,705	(10,062)	(4,986)	(5,076)
30 September 2020					
Non-derivative financial liabilities					
Trade and other payables	17	2,964	(2,964)	(2,964)	–
Unsecured bank loan	15	5,000	(5,298)	(200)	(5,098)
Lease liabilities	14	1,560	(1,650)	(785)	(865)
		9,524	(9,912)	(3,949)	(5,963)
Company					
30 September 2021					
Non-derivative financial liabilities					
Trade and other payables	17	385	(385)	(385)	–
Unsecured bank loan	15	4,900	(5,099)	(1,302)	(3,797)
Lease liabilities	14	54	(55)	(55)	–
		5,339	(5,539)	(1,742)	(3,797)
30 September 2020					
Non-derivative financial liabilities					
Trade and other payables	17	399	(399)	(399)	–
Unsecured bank loan	15	5,000	(5,298)	(200)	(5,098)
Lease liabilities	14	110	(115)	(60)	(55)
		5,509	(5,812)	(659)	(5,153)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

26 FINANCIAL INSTRUMENTS (CONTINUED)

Market risk

The Group's exposure to market risk (i.e. market prices, such as foreign exchange rates and equity prices, and interest rates) is minimal. The Group does not have any of its borrowings in variable rate instruments. Accordingly, the exposure to interest rate risk is minimum and no sensitivity analysis is performed.

Accounting classifications and fair values

Categories of financial instruments

The carrying amounts of financial assets and financial liabilities are as follows. The fair value hierarchy is not included as the carrying amounts of financial assets and liabilities is a reasonable approximation of fair value.

	Amortised cost $'000	Other financial liabilities $'000	Total $'000
Group			
30 September 2021			
Financial assets not measured at fair value			
Trade and other receivables*	2,997	–	2,997
Cash and cash equivalents	12,524	–	12,524
	15,521	–	15,521
Financial liabilities not measured at fair value			
Trade and other payables	–	(2,878)	(2,878)
Unsecured bank loan	–	(4,900)	(4,900)
	–	(7,778)	(7,778)
30 September 2020			
Financial assets not measured at fair value			
Trade and other receivables*	3,020	–	3,020
Cash and cash equivalents	9,928	–	9,928
	12,948	–	12,948
Financial liabilities not measured at fair value			
Trade and other payables	–	(2,964)	(2,964)
Unsecured bank loan	–	(5,000)	(5,000)
	–	(7,964)	(7,964)

* *Excluding prepayments*

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

26 FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classifications and fair values (Continued)

Categories of financial instruments *(Continued)*

	Amortised cost $'000	Other financial liabilities $'000	Total $'000
Company			
30 September 2021			
Financial assets not measured at fair value			
Trade and other receivables*	5,849	–	5,849
Cash and cash equivalents	3,523	–	3,523
	9,372	–	9,372
Financial liabilities not measured at fair value			
Trade and other payables	–	(385)	(385)
Unsecured bank loan	–	(4,900)	(4,900)
	–	(5,285)	(5,285)
30 September 2020			
Financial assets not measured at fair value			
Trade and other receivables*	11,813	–	11,813
Cash and cash equivalents	3,577	–	3,577
	15,390	–	15,390
Financial liabilities not measured at fair value			
Trade and other payables	–	(399)	(399)
Unsecured bank loan	–	(5,000)	(5,000)
	–	(5,399)	(5,399)

* *Excluding prepayments*

Measurement of fair values

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including cash and cash equivalents, trade and other receivables, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. The carrying amount of secured bank loan approximates its fair value as the effective interest rate is comparable to the movements in the market interest rate. Furthermore, the fair value disclosure of lease liabilities is also not required.

27 CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern and to sustain future development of the business. In order to maintain or achieve optimal capital structure, the Group may adjust the amount of dividend payment. There were no changes in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

28 RELATED PARTIES

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

Key management personnel and director transactions

Key management personnel compensation comprised:

	Group	
	2021	**2020**
	$'000	**$'000**
Short-term employee benefits (including director fees)	5,577	3,888
Post-employment benefits (including CPF)	200	139
Equity-settled shared-based payment transactions	–	155
	5,777	4,182

Directors of the Company control 52.2% of the voting shares of the Company.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or joint control were as follows:

	Transaction value for the year ended 30 September		**Balance outstanding as at 30 September**	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Rental of premises	188	153	–	21

The Group entered into a three-year tenancy contract with CTS Holding Pte. Ltd., a company controlled by the key management personnel, for the premise situated at 1 Farrer Park Station Road, Unit #14-05, Connexion, Singapore 217562, for operation purposes. The monthly rental is $8,000. The contract terms are based on market rates for these types of commercial properties rental, and amounts are payable on a monthly basis for the duration of the contract.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

28 RELATED PARTIES (CONTINUED)

Key management personnel and director transactions *(Continued)*

The Group entered into a two-year tenancy contract with Retina Services International Pte. Ltd., a company controlled by the key management personnel, for the premise situated at 1 Farrer Park Station Road, Unit #12-01, Connexion, Singapore 217562, for operation purposes. The monthly rental is $3,700. The contract terms are based on market rates for these types of commercial properties rental, and amounts are payable on a monthly basis for the duration of the contract.

The Group entered into a one-year tenancy contract with Medicalweb Pte. Ltd., a company controlled by the key management personnel, for the premise situated at 1 Farrer Park Station Road, Unit #12-02, Connexion, Singapore 217562, for operation purposes. The monthly rental is $4,000. The contract terms are based on market rates for these types of commercial properties rental, and amounts are payable on a monthly basis for the duration of the contract.

Other related party transactions

	Transaction value for the year ended 30 September		Balance outstanding as at 30 September	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Group				
Short-term employee benefits paid to affiliated parties	132	68	–	–
Post-employment benefits (including CPF) paid to affiliated parties	22	11	–	–
Company				
Management fees charged to subsidiaries	2,773	1,807	1,074	487

29 SUBSEQUENT EVENT

On 13 December 2021, the Group announced a proposed issuance of 30,864,197 ordinary shares for $5,000,000 pursuant to a private placement. The Group is now awaiting approval from regulatory authorities before proceeding with the issuance.

SHAREHOLDERS' INFORMATION

AS AT 23 DECEMBER 2021

Class of shares	:	Ordinary shares
Authorised share capital	:	S$75,861,558.752
Issued and fully paid-up capital	:	S$75,861,558.752
Number of shares issued	:	577,470,195
Voting rights	:	One vote per share

The Company does not hold any treasury shares and subsidiary holdings.

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 23 DECEMBER 2021

Size of Shareholding	Number of Shareholders	%	Number of Shares	%
1 – 99	4	0.40	190	0.00
100 – 1,000	49	4.94	32,039	0.01
1,001 – 10,000	294	29.67	2,179,200	0.38
10,001 – 1,000,000	624	62.97	53,837,643	9.32
1,000,001 and above	20	2.02	521,421,123	90.29
	991	**100.00**	**577,470,195**	**100.00**

SUBSTANTIAL SHAREHOLDERS AS AT 23 DECEMBER 2021

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%(1)	Deemed Interest	%(1)
AHS Investments Holdings Pte. Ltd.(2)	235,807,000	40.83	7,293,000	1.26
Dr Chin Pak Lin(3)	–	–	243,100,000	42.09
Dr Yue Wai Mun(3)	–	–	243,100,000	42.09
Dr Su Hsien Ching David(3)	–	–	243,100,000	42.09
Dr Tan Chyn Hong(3)	–	–	243,100,000	42.09
Dr Cheng Ching Li	49,310,528	8.54	–	–
Dr Ho Siew Hong	41,267,103	7.15	–	–
Dr Lim Tet Chen Roy	35,922,857	6.22	–	–
Dr Khoo Shih Wee @ Lawrence Khoo	31,798,975	5.51	–	–
Sian Chay Medical Institution	30,864,197	5.34	–	–

Notes:

(1) Based on 577,470,195 shares in issue as at 23 December 2021.

(2) Pursuant to a consultancy agreement between AHS Investments Holdings Pte. Ltd. ("**AHSIH**") and Dr Lim Cheok Peng ("**Dr Lim**") in consideration for the provision of advisory and consultancy services to AHSIH, 7,293,000 Shares were transferred by AHSIH to Dr Lim. Dr Lim has granted a right of first refusal to AHSIH in respect of the 7,293,000 Shares held by him and accordingly, AHSIH is deemed interested in the Shares held by Dr Lim.

(3) The shareholders of AHSIH are Dr Chin Pak Lin, Dr Yue Wai Mun, Dr Su Hsien Ching David and Dr Tan Chyn Hong in equal proportions. Accordingly, each of Dr Chin Pak Lin, Dr Yue Wai Mun, Dr Su Hsien Ching David and Dr Tan Chyn Hong is deemed interested in the Shares that AHSIH is interested in by virtue of Section 4 of the Securities and Futures Act ("**SFA**").

SHAREHOLDERS' **INFORMATION**

AS AT 23 DECEMBER 2021

TWENTY LARGEST SHAREHOLDERS AS AT 23 DECEMBER 2021

No.	Name of Shareholders	Number of Shares	%
1.	AHS INVESTMENTS HOLDINGS PTE. LTD.	235,807,000	40.83
2.	CHENG CHING LI	49,310,528	8.54
3.	HO SIEW HONG	41,267,103	7.15
4.	LIM TET CHEN ROY	35,922,857	6.22
5.	KHOO SHIH WEE @ LAWRENCE KHOO	31,798,975	5.51
6.	SIAN CHAY MEDICAL INSTITUTION	30,864,197	5.34
7.	NG TAY MENG	27,386,455	4.74
8.	ENCYCLIA 1 INVESTMENTS PTE LTD	18,726,591	3.24
9.	SEAH SHENG HEANG GEOFFRY	13,757,243	2.38
10.	LIM CHEOK PENG	7,293,000	1.26
11.	RAFFLES NOMINEES (PTE.) LIMITED	7,279,177	1.26
12.	VANDA 1 INVESTMENTS PTE LTD	6,067,297	1.05
13.	DBS NOMINEES (PRIVATE) LIMITED	4,035,400	0.70
14.	CITIBANK NOMINEES SINGAPORE PTE LTD	2,913,300	0.50
15.	OCBC SECURITIES PRIVATE LIMITED	2,850,900	0.49
16.	IFAST FINANCIAL PTE LTD	1,530,100	0.27
17.	MAYBANK SECURITIES PTE. LTD.	1,373,200	0.24
18.	PHILLIP SECURITIES PTE LTD	1,205,200	0.21
19.	KOH CHIN HWA	1,023,000	0.18
20.	QUEK HAN BOON	1,009,600	0.18

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

On the basis of information available to the Company as at 23 December 2021, approximately 17.96% of the issued ordinary shares of the Company was held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

ADDITIONAL INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

Dr Yue Wai Mun, Mr Siek Wei Ting (Xie Weiting) and Mr Vikram Nair are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on Friday, 28 January 2022 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**"), the information relating to the Retiring Directors as set out in Appendix 7F of the Catalist Rules, is as set out below:

	YUE WAI MUN	**SIEK WEI TING (XIE WEITING)**	**VIKRAM NAIR**
Date of appointment	27 September 2017	28 March 2018	28 March 2018
Date of last re-appointment	23 January 2020	28 January 2019	23 January 2020
Age	53	49	43
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Dr Yue as Executive Director was recommended by the Nominating Committee and approved by the Board, after taking into consideration Dr Yue's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr Siek as Independent Director was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Siek's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr Nair as Independent Director was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Nair's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.
Whether the appointment is executive, and if so, the area of responsibility	Executive As Executive and Chief Medical Officer, Dr Yue is responsible for the undertaking of day-to-day management of the Group.	Non-Executive	Non-Executive
Job title (e.g., Lead ID, AC Chairman, AC member, etc.)	• Executive Director • Chief Medical Officer	• Non-Executive and Independent Director • Chairman of Nominating Committee • Member of Audit and Risk Management and Remuneration Committees	• Non-Executive and Independent Director • Chairman of Remuneration Committee • Member of Audit and Risk Management and Nominating Committees
Professional qualifications	• Bachelor of Medicine, National University of Singapore • Bachelor of Surgery, National University of Singapore • Fellow of the Royal College of Surgeons of Edinburgh • Fellow of the Academy of Medicine (Orthopaedic Surgery)	• Bachelor of Accountancy, Nanyang Technological University	• Bachelor of Arts with Honours in law, University of Cambridge

ADDITIONAL INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

	YUE WAI MUN	SIEK WEI TING (XIE WEITING)	VIKRAM NAIR
Working experience and occupation(s) during the past 10 years	2015 – Present • Executive Director and Chief Medical Officer, Asian Healthcare Specialists Limited • Adjunct Associate Professor, Duke-NUS Graduate Medical School 2009 – 2015 • Senior Consultant, Spine Service of the Department of Orthopaedic Surgery, Singapore General Hospital	2018 – Present • Finance Director, V3 Brands Pte. Ltd. 2004 – 2018 • CFO, China Minzhong Food Corporation Pte. Ltd.	2014 – Present • Partner, Rajah & Tann LLP 2011 – Present • Member of Parliament for Sembawang Group Representation Constituency
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest – 243,100,000 ordinary shares held by AHS Investments Holdings Pte. Ltd. ("**AHSIH**") and Dr Lim Cheok Peng	None	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	The shareholders of AHSIH are Dr Chin Pak Lin, Dr Su Hsien Ching David, Dr Tan Chyn Hong and Dr Yue in equal proportions. Accordingly, each of Dr Chin, Dr Su, Dr Tan and Dr Yue is deemed interested in the shares that AHSIH is interested in by virtue of Section 4 of the Securities Futures Act ("**SFA**"). In addition, AHSIH is deemed interested in 7,293,000 ordinary shares held by Dr Lim Cheok Peng under a right of first refusal granted by Dr Lim to AHSIH in respect of the 7,293,000 ordinary shares held by him. Accordingly, under Section 4 of the SFA, AHSIH is deemed interested in the shares held by Dr Lim.	None	None
Conflict of interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7H) under Rules 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

ADDITIONAL INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

	YUE WAI MUN	SIEK WEI TING (XIE WEITING)	VIKRAM NAIR
Other principal commitments (including Directorships)	**Past (for the last 5 years)** *Listed Companies* None *Non-Listed Companies* • Director, Ortho.Spine.Mis Pte. Ltd. **Present** *Listed Companies* • Chief Medical Officer and Director, Asian Healthcare Specialists Limited *Non-Listed Companies* • Director, AHS Investments Holdings Pte. Ltd. • Director, TOC Holdings Pte. Ltd. • Director, The Orthopaedic Centre (International) Pte. Ltd. • Director, Asian Anaesthesia Care Pte. Ltd. • Director, Family ENT Snoring Specialists Pte. Ltd. • Director, Salvia Ventures Pte. Ltd. *Other Principal Commitments* Medical Specialist of the Group	**Past (for the last 5 years)** *Listed Companies* None *Non-Listed Companies* • Director, Paris Investment Pte. Ltd. **Present** *Listed Companies* • Director, Asian Healthcare Specialists Limited *Non-Listed Companies* • Director, ONI Global (Trading) Pte. Ltd. • Director, ONI Global Pte. Ltd. • Director, Xndo Pte. Ltd. • Director, China Minzhong Food Corporation Pte. Ltd. • Director, Future Store Pte. Ltd. • Director, Futuristic Store Fixtures Pte. Ltd. • Director, TWG Tea (North Asia) Pte. Ltd. • Director, Bacha Coffee Pte. Ltd. • Director, Face on Clinic Pte. Ltd. • Director, Futuristic LT Pte. Ltd. • Director, Futuristic Projects Pte. Ltd. • Director, V3 Brands I Ltd. • Director, V3 Brands Asia Pte. Ltd. • Director, V3 Brands Asia Ltd. • Director, V3 Fintech Pte. Ltd. • Director, Orangerie Group International Pte. Ltd. • Director, Beyond Lab Pte. Ltd. • Director, LAC Global Pte. Ltd.	**Past (for the last 5 years)** None **Present** *Listed Companies* • Director, Asian Healthcare Specialists Limited *Non-Listed Companies* • Partner, Rajah & Tann Singapore LLP • Member of Parliament for the Sembawang Group Representation Constituency

ADDITIONAL INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

	YUE WAI MUN	SIEK WEI TING (XIE WEITING)	VIKRAM NAIR
		• Director, LAC Global (Singapore) Pte. Ltd. • Director, V3 Group (Shanghai) Co Ltd • Director, V3 Investment (Shanghai) Co Ltd • Director, OSIM (M) Sdn Bhd • Director, OSIM (Thai) Co Ltd • Director, LAC (Shanghai) Co Ltd • Director, LAC Co Ltd • Director, ONI Global Trading Vietnam LLC • Director, TWG Tea France • Director, The Wellbeing Group (HK) Co Ltd • Director, TWG Tea (Macau) Co Ltd • Director, Futuristic Store Fixtures Sdn Bhd • Director, Creative Schemes Sdn Bhd • Director, Futuristic Store Fixtures (Kunshan) Co Ltd • Director, Futuristic Store Fixtures (Kunshan) Installation & Services Co Ltd • Director, LT Custom Trading (Kunshan) Co Ltd • Director, Immo Ocean *Other Principal Commitments* Finance Director, V3 Brands Pte. Ltd.	
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No

ADDITIONAL INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

	YUE WAI MUN	SIEK WEI TING (XIE WEITING)	VIKRAM NAIR
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgement against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

ADDITIONAL INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

	YUE WAI MUN	SIEK WEI TING (XIE WEITING)	VIKRAM NAIR
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No

ADDITIONAL INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

	YUE WAI MUN	SIEK WEI TING (XIE WEITING)	VIKRAM NAIR
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:	No	No	No
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No

ADDITIONAL INFORMATION ON **DIRECTORS SEEKING RE-ELECTION**

	YUE WAI MUN	SIEK WEI TING (XIE WEITING)	VIKRAM NAIR
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

NOTICE OF ANNUAL GENERAL MEETING

ASIAN HEALTHCARE SPECIALISTS LIMITED

(Company Registration No. 201727543R)
(Incorporated in Singapore)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **ASIAN HEALTHCARE SPECIALISTS LIMITED** (the "**Company**") will be held by way of electronic means on Friday, 28 January 2022 at 11.00 am for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 30 September 2021 together with the Auditors' Report thereon.

   (Resolution 1)

2. To declare a final Tax-Exempt (One-Tier) dividend of $0.0028 per share for the financial year ended 30 September 2021 (2020: One-tier tax-exempt final dividend of $0.0015 per share).

   (Resolution 2)

3. To re-elect the following Directors of the Company retiring pursuant to Regulation 110 of the Constitution of the Company:

   Dr Yue Wai Mun **(Resolution 3)**
   Mr Siek Wei Ting, Ryan **(Resolution 4)**
   Mr Vikram Nair **(Resolution 5)**

   Dr Yue Wai Mun will, upon re-election as a Director of the Company, remain as Executive Director of the Company and will be considered non-independent.

   Mr Siek Wei Ting, Ryan will, upon re-election as a Director of the Company, remain as Independent Director, Chairman of the Nominating Committee and members of the Audit and Risk Management and Remuneration Committees and will be considered independent.

   Mr Vikram Nair will, upon re-election as a Director of the Company, remain as Independent Director, Chairman of the Remuneration Committee and members of the Audit and Risk Management and Nominating Committees and will be considered independent.

   [See explanatory Note (i)]

4. To approve the payment of $150,000 as Directors' fees for the financial year ending 30 September 2022, payable half-yearly in arrears (2021: $150,000).

   (Resolution 6)

5. To re-appoint Messrs KPMG LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.

   (Resolution 7)

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

NOTICE OF **ANNUAL GENERAL MEETING**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Authority to issue shares**

That authority be given to the Directors of the Company pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**") and Rule 806 of the Catalist Rules and notwithstanding the provisions of the Constitution of the Company, to:

(a) (i) issue shares in the capital of the Company ("**Shares**"), whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, and/or

(iii) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or other capitalisation issues,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:

(i) the aggregate number of Shares issued pursuant to this Resolution (including Shares issued in pursuance to any Instruments made or granted pursuant to this Resolution), does not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below, of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued Shares (excluding treasury shares and subsidiary holdings) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

NOTICE OF ANNUAL GENERAL MEETING

(A) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(B) any subsequent bonus issue, consolidation or subdivision of Shares;

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Companies Act, the Catalist Rules (including supplemental measures hereto) for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(iv) (unless revoked or varied by the Company in general meetings) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

[See explanatory Note (ii)] **(Resolution 8)**

8. **Authority to issue Shares under the AHS Performance Share Plan**

That pursuant to Section 161 of the Companies Act, the Directors be authorised and empowered to offer and grant performance shares under the AHS Performance Share Plan (the "**Scheme**") and to issue from time to time such number of Shares as may be required to be issued pursuant to the performance shares granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional Shares to be issued pursuant to the Scheme shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See explanatory Note (iii)] **(Resolution 9)**

By Order of the Board

NGIAM MAY LING
Company Secretary

Date: 13 January 2022

NOTICE OF **ANNUAL GENERAL MEETING**

Explanatory Notes:

(i) Dr Yue Wai Mun will, upon re-election as a Director of the Company, remain as Executive Director of the Company and will be considered non-independent. Save for his non-controlling shareholding interest in the Company's substantial shareholder, AHS Investments Holdings Pte. Ltd., Dr Yue does not have any other relationships including immediate family relationships between himself and the Directors, the Company and its other 5% shareholders. Further information on Dr Yue can be found under the section entitled "Board of Directors" on page 8 and table entitled "Appendix 7F Requirements" on pages 151 to 158 of the Annual Report 2021.

Mr Siek Wei Ting, Ryan will, upon re-election as a Director of the Company, remain as Independent Director, Chairman of the Nominating Committee and members of the Audit and Risk Management and Remuneration Committees and will be considered independent for the purpose of Rule 704(7) of the Catalist Rules. Mr Siek does not have any relationships, including immediate family relationships between himself and the Directors, the Company and its 5% shareholders. Further information on Mr Siek can be found under the section entitled "Board of Directors" on page 9 and table entitled "Appendix 7F Requirements" on pages 151 to 158 of the Annual Report 2021.

Mr Vikram Nair will, upon re-election as a Director of the Company, remain as Independent Director, Chairman of the Remuneration Committee and members of the Audit and Risk Management and Nominating Committees and will be considered independent for the purpose of Rule 704(7) of the Catalist Rules. Mr Nair does not have any relationships, including immediate family relationships between himself and the Directors, the Company and its 5% shareholders. Further information on Mr Nair can be found under the section entitled "Board of Directors" on page 10 and table entitled "Appendix 7F Requirements" on pages 151 to 158 of the Annual Report 2021.

(ii) The Ordinary Resolution 8, if passed, is to empower the Directors to allot and issue Shares in the capital of the Company and/or Instruments (as defined above). The aggregate number of Shares to be issued pursuant to Resolution 8 (including Shares to be issued in pursuance of Instruments made or granted) shall not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), with a sub-limit of fifty per cent (50%) for Shares issued other than on a pro rata basis (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution 8) to shareholders with registered addresses in Singapore. For the purposes of determining the aggregate number of Shares that may be issued, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of Resolution 8, after adjusting for (A) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution 8, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (B) any subsequent bonus issue or consolidation or subdivision of Shares.

(iii) The Ordinary Resolution 9, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earlier, to issue Shares in the Company pursuant to the performance shares granted or to be granted under the Scheme up to a number not exceeding in aggregate (for the entire duration of the Scheme) fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.

Notes:

(1) Shareholders may access a copy of the Annual Report 2021 on the Company's website at the URL https://investor.asianhealthcare.com.sg/agm_egm.html or the SGX website at the URL https://www.sgx.com/securities/company-announcements. A printed copy of this Notice of AGM will NOT be despatched to Shareholders.

(2) The Annual General Meeting ("**AGM**") is being convened and will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. This Notice will be published on the Company's website at the URL https://investor.asianhealthcare.com.sg/agm_egm.html and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

(3) **No attendance at AGM**

Alternative arrangements have been put in place to allow shareholders to participate at the AGM by (a) watching the AGM proceedings via "**live**" audio-visual webcast or listening to the AGM proceedings via "**live**" audio-only stream, (b) submitting questions to the Chairman of the AGM in advance or during the AGM via an online chat box, and/or (c) by appointing a proxy(ies) to attend and vote electronically during the AGM are set out in the accompanying Company's announcement dated 13 January 2022. This announcement may be accessed at the Company's website at the URL https://investor.asianhealthcare.com.sg/agm_egm.html and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

(4) **Registration to attend the AGM remotely**

The proceedings of the AGM will be conducted via electronic means. Shareholders will be able to watch these proceedings through a "**live**" audio-visual webcast via their mobile phones, tablets or computers or listen to these proceedings through a "**live**" audio-only stream. In order to do so, shareholders should follow these steps:

(i) Shareholders who wish to (i) attend and vote (in real time) or (ii) appoint a proxy(ies) to attend and vote (in real time) at the AGM via electronic means must pre-register online by **11:00 am on 25 January 2022** ("**Registration Cut-Off Date**") (being 72 hours before the time for holding the AGM), at the URL https://investor.asianhealthcare.com.sg/agm_egm.html to provide requisite details of the shareholder and proxy(ies) (if applicable) for verification purposes. Shareholders who wish to appoint a proxy(ies) must also submit a proxy form in accordance with Note (6) below. A proxy is not required (and will not be able) to separately re-register to attend and vote at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

Following successful verification, authenticated shareholders and their appointed proxies (if any) will receive email instructions on how to access the webcast and audio stream of the AGM proceedings by **11.00 am on 27 January 2022**.

(ii) Shareholders who do not receive an email by **11:00 am on 27 January 2022**, but who registered by the Registration Cut-Off Date, should contact the Company's Share Registrar at the email address srs.teamc@boardroomlimited.com.

(5) **Submission of questions**

Shareholders who pre-register online may also submit questions related to the proposed resolutions to be tabled for approval at the AGM in the following manner:

(i) via the pre-registration website at the URL https://investor.asianhealthcare.com.sg/agm_egm.html by **11.00 am on 21 January 2022**, being at least 7 calendar days after the publication of the Notice of AGM; or

(ii) in hard copy by sending personally or by post and lodging the same at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 by **11.00 am on 21 January 2022**, being at least 7 calendar days after the publication of the Notice of AGM; or

(iii) by email to the Company's Share Registrar at srs.teamc@boardroomlimited.com by **11.00 am on 21 January 2022**, being at least 7 calendar days after the publication of the Notice of AGM; or

(iv) during the AGM via an online chat box.

The Company will endeavour to respond to substantial and relevant questions either by **11.00 am on 22 January 2022**, being at least 48 hours prior to the closing date and time for the lodgement of the proxy forms (via an announcement on SGXNet and the Company's website) or at the AGM.

Shareholders will need to identify themselves when posting questions by providing the following details:

- the shareholder's full name (as per CDP/CPF/SRS/Scrip-based records;
- the shareholder's NRIC/Passport/UEN number;
- the shareholder's contact number and email address; and
- the manner in which the shareholder holds his/her/its shares in the Company (e.g. via CDP or SRS).

Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNet and the Company's website, and the minutes will include the responses to the questions referred to above.

(6) **Voting (in real time via electronic means (either personally or via appointment of proxy) or by the appointment of the Chairman of the AGM as proxy)**

– Shareholders who wish to vote at the AGM can either:

(i) pre-register online at https://investor.asianhealthcare.com.sg/agm_egm.html by **11.00 am on 25 January 2022**, being not less than 72 hours before the time for holding the AGM to:

(a) attend and vote (in real time) at the AGM via electronic means; or

(b) appoint a proxy(ies) to attend and vote (in real time) at the AGM via electronic means on their behalf and provide the requisite details of the proxy(ies); or

(ii) if they do not wish to attend or appoint a proxy(ies) to attend and vote (in real time) at the AGM, submit a proxy form to appoint the Chairman of the AGM to vote on their behalf.

For the avoidance of doubt, shareholders who have pre-registered to appoint a proxy(ies) to attend and vote at the AGM via electronic means on their behalf must also submit a completed proxy form for the appointment of such proxy(ies). All proxy forms must be received by the Company by **11.00 am on 25 January 2022**, being not less than 72 hours before the time for holding the AGM.

Where a shareholder has chosen to appoint a proxy(ies), the shareholder should specifically direct the proxy(ies) on how he/she/it is to vote for or vote against (or abstain from voting on) the resolutions to be tabled at the AGM. If no specific direction as to voting is given, the proxy(ies) (including the Chairman of the AGM as proxy, where applicable) will vote or abstain from voting at his/her/its discretion. For the avoidance of doubt, pre-registration is not required if a shareholder only intends to appoint the Chairman of the AGM as proxy and does not intend to attend the AGM.

NOTICE OF **ANNUAL GENERAL MEETING**

– To be valid, the instrument appointing a proxy or proxies together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be submitted to the Company in the following manner:

(i) if submitted personally or by post, be lodged with the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or

(ii) if submitted electronically, be submitted via email to the Company's Share Registrar at srs.teamc@boardroomlimited.com,

in either case, by **11.00 am on 25 January 2022**, being not less than 72 hours before the time for holding the AGM, and in default the instrument of proxy shall not be treated as valid.

Where a shareholder (whether individual or corporate) appoints the Chairman of the AGM or an individual as his/her/its proxy(ies), he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolutions in the form of proxy, failing which the appointment of the Chairman of the AGM or the individual as proxy(ies) for that resolution will be treated as invalid.

Completion and return of the instrument appointing the Chairman of the AGM or an individual as proxy(ies) will not prevent a shareholder from attending and voting via electronic means at the AGM if he/she/it subsequently wishes to do so, provided that in the event of such attendance by the shareholder via electronic means, the relevant instrument submitted by the shareholder shall be deemed to be revoked.

A shareholder who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it personally or by post to the address provided above, or before scanning and submitting it by email to the email address provided above.

In view of the current COVID-19 situation in Singapore, shareholders are strongly encouraged to submit the completed proxy forms electronically via email.

- Persons who hold their shares through relevant intermediaries as defined in Section 181 of the Companies Act (including SRS investors) and who wish to participate in the AGM by (a) observing and/or listening to the AGM proceedings via the "live" audio-visual webcast or the "live" audio-only stream in the manner provided in Note (3) above; (b) submitting questions to the Chairman of the AGM in advance or during the AGM in the manner provided in Note (5) above; and/or (c) appointing the Chairman of the AGM as proxy to attend, speak and vote on their behalf at the AGM and/or voting electronically during the AGM, should contact the relevant intermediary (which would include, in the case of SRS investors, their respective SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the AGM.

- CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks/SRS Operators to submit their votes by **11:00 am on 18 January 2022** in order to allow sufficient time for their relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf, being 7 working days before the date of the AGM.

(7) A proxy need not be a shareholder of the Company. The Chairman of the AGM, as proxy, need not be a shareholder of the Company.

(8) The instrument appointing a proxy(ies) must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the proxy(ies) is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing the proxy(ies) is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.

The Company shall be entitled to reject the instrument appointing the proxy(ies) if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy(ies). In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the proxy(ies) lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

(9) A shareholder may withdraw an instrument appointing the Chairman of the AGM or an individual as his/her/its proxy(ies) by sending an email to srs.teamc@boardroomlimited.com to notify the Company of the withdrawal, at least 72 hours before the time for holding the AGM.

Personal data privacy:

By submitting an instrument appointing the Chairman of the AGM or an individual as a proxy(ies) and or representative(s) to attend and vote (in real time) at the AGM and/or any adjournment thereof, and/or by registering to attend the AGM as detailed above, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

ASIAN HEALTHCARE SPECIALISTS LIMITED
(Company Registration No. 201727543R)
(Incorporated in the Republic of Singapore)

PROXY FORM

IMPORTANT:

1. The AGM (as defined below) is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. This Proxy Form will be made available on Company's website at the URL https://investor.asianhealthcare.com.sg/agm_egm.html and the SGX website at the URL https://www.sgx.com/securities/company-announcements.
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream), submission of questions to the Chairman of the AGM in advance or during the AGM via an online chat box, addressing of substantial and relevant questions at the AGM and voting electronically or by a proxy(ies) to attend and vote electronically during the AGM are set out in the accompanying announcement dated 13 January 2022 (the "**13 January Announcement**").
3. Due to the current COVID-19 restriction orders in Singapore, a shareholder will not be able to attend the AGM in person. A shareholder (whether individual or corporate) may (i) attend and vote (in real time) or (ii) appoint a proxy(ies) to attend and vote (in real time) at the AGM via electronic means.
4. For investors who have used their CPF monies to buy the Company's shares, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
5. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
6. CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks/SRS Operators to submit their votes by **11.00 am on 18 January 2022**, being 7 working days before the date of the AGM.
7. **PLEASE READ THE NOTES TO THE PROXY FORM WHICH CONTAIN INSTRUCTIONS ON, *INTER ALIA*, THE APPOINTMENT OF THE CHAIRMAN OF THE AGM OR AN INDIVIDUAL AS A SHAREHOLDER'S PROXY(IES) TO ATTEND, SPEAK AND VOTE ON HIS/HER BEHALF AT THE AGM.**

I/We, _____ (Name)

of _____

being a *shareholder/shareholders of **ASIAN HEALTHCARE SPECIALISTS LIMITED** (the "**Company**") hereby appoint:

****Name**	**Address**	****Email address**	****NRIC/Passport no.**	**Proportion of shareholdings to be represented by proxy (%)**
and/or				

*Chairman of the Annual General Meeting ("**AGM**") as *my/our proxy to attend and vote for or against or abstain from voting on the Resolutions to be proposed at the AGM of the Company to be convened and held by electronic means on Friday, 28 January 2022 at 11.00 a.m. and at any adjournment thereof. In the absence of specific directions in respect of a resolution, the appointment of my/our proxy/proxies for that resolution will be treated as invalid.

*I/We direct *my/our *proxy/proxies to vote for or against or abstain from voting on the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. In the absence of specific directions in respect of a resolution, the appointment of my/our proxy/proxies for that resolution will be treated as invalid.

No.	**Resolutions relating to:**	**Number of votes For^**	**Number of votes Against^**	**Number of votes Abstaining^**
As Ordinary Business				
1	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 30 September 2021			
2	Payment of proposed final dividend			
3	Re-election of Dr Yue Wai Mun as a Director of the Company			
4	Re-election of Mr Siek Wei Ting, Ryan as a Director of the Company			
5	Re-election of Mr Vikram Nair as a Director of the Company			
6	Approval of Directors' fees amounting to $150,000 for the financial year ending 30 September 2022, payable half-yearly in arrears			
7	Re-appointment of KPMG LLP as the Auditors of the Company for the ensuing year and authority for Directors to fix their remuneration			
As Special Business				
8	Authority to issue shares			
9	Authority to issue shares under the AHS Performance Share Plan			

^ *Voting will be conducted by poll. If you wish the Chairman of the AGM or your proxy(ies) to cast all your votes "For" or "Against" a Resolution, or to "Abstain" from a Resolution, please tick in the relevant box provided. Alternatively, please indicate the number of votes as appropriate..*

Dated this _____ day of _____ 2022

Total Number of Shares in:	**No. of Shares**
(a) CDP Register	
(b) Register of Members	

_____

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

(1) Due to the current COVID-19 restriction orders in Singapore, a shareholder will not be able to attend the AGM in person and can only participate in the AGM via electronic means. Alternative arrangements relating to the attendance at the AGM have been put in place to allow shareholders to electronically access the AGM by (a) watching the AGM proceedings via "live" audio-visual webcast or listening to the AGM proceedings via "live" audio-only stream, (b) submitting questions in advance or during the AGM via an online chat box, and/or (c) voting electronically or by appointing a proxy(ies) to attend and vote electronically during the AGM. This Proxy Form will also be made available on the Company's website at URL https://investor.asianhealthcare.com.sg/agm_egm.html and the SGX website at the URL https://www.sgx.com/securities/company-announcements. A printed copy of this proxy form will NOT be despatched to shareholders.

Where a shareholder (whether individual or corporate) appoints the Chairman of the AGM or an individual as his/her/its proxy(ies), he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM or the individual as proxy(ies) for that resolution will be treated as invalid.

Completion and return of the instrument appointing the Chairman of the AGM or an individual as proxy(ies) will not prevent a shareholder from attending and voting via electronic means at the AGM if he/she/it subsequently wishes to do so, provided that in the event of such attendance by the shareholder via electronic means, the relevant instrument submitted by the shareholder shall be deemed to be revoked.

CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **11.00 am on 18 January 2022**, being 7 working days before the date of the AGM.

(2) A shareholder who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it personally or by post to the address provided above, or before scanning and sending it by email to the email address provided.

(3) A proxy need not be a shareholder of the Company. The Chairman of the AGM, as proxy, need not be a shareholder of the Company.

(4) A shareholder should insert the total number of shares held in the Proxy Form. If the shareholder has shares entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he/she should insert that number of shares. If the shareholder has shares registered in his/her name in the Register of Shareholder of the Company, he/she should insert that number of shares. If the shareholder has shares entered against his/her name in the said Depository Register and registered in his/her name in the Register of Shareholder, he/she should insert the aggregate number of shares. If no number is inserted, this proxy form will be deemed to relate to all the shares held by the shareholder.

(5) A shareholder who is a relevant intermediary entitled to attend the meeting and vote (whether to vote in favour of or against, or to abstain from voting) is entitled to appoint the Chairman of the AGM as proxy to attend and vote (whether to vote in favour of or against, or to abstain from voting) instead of the shareholder, but the Chairman of the AGM must be appointed to exercise the rights attached to a different share or shares held by such shareholder.

"Relevant intermediary" means:

(a) a banking corporation licensed under the Banking Act (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

(6) The proxy form must be duly completed and submitted to the Company in the following manner:

(a) if submitted personally or by post, be lodged with the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or

(b) if submitted electronically, be submitted via email to the Company's Share Registrar at srs.teamc@boardroomlimited.com,

in either case, no later than **11.00 am on 25 January 2022**, being not less than 72 hours before the time for holding the AGM, and in default the instrument of proxy shall not be treated as valid.

In view of the COVID-19 restrictions orders in Singapore, shareholders are strongly encouraged to submit the completed proxy forms electronically via email.

(7) The proxy form must be executed under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, it must be executed either under its common seal or under the hand of an officer or attorney so authorised.

(8) Where the proxy form is signed on behalf of the appointor by an attorney or a duly appointed officer, the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney must (failing previous registration) be deposited with the proxy form, failing which the proxy form may be treated as invalid.

(9) A corporation which is a shareholder may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

(10) The Company shall be entitled to reject a proxy form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the shareholder, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time for holding the AGM, as certified by CDP to the Company.

(11) All shareholders will be bound by the outcome of the AGM regardless of whether they have attended or voted at the AGM.

PERSONAL DATA PRIVACY: By submitting an instrument appointing a proxy(ies) and/or representative(s), the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 January 2022.

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