HARNESSING **STRENGTH** BRIDGING **CARE**

ANNUAL REPORT **2023**

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CORPORATE PROFILE

With a business presence in various countries within Asia, Clearbridge Health Limited ("**Clearbridge**" or the "**Company**" and together with its subsidiaries, the "**Group**") is a broad-based healthcare group that aims to operate in the nexus of high demand across Asia.

Listed on the Catalist Board of the SGX-ST (SGX Stock Code: 1H3) since 2017, the Group currently has 4 distinctive strategic business units ("**SBUs**") as follows:

1. Medical centres and clinics (including a distribution platform of healthcare solutions and technologies from its global clinical partners);
2. Healthcare systems;
3. Strategic medical technology investments;
4. Investments within the global healthcare sector that are EBITDA positive or at an inflection point with a clear line of sight to profitability.

For more information, please visit us at https://clearbridgehealth.com.

VISION

Redefining healthcare in Asia with precision. Empowering patient care with clarity.

MISSION

Setting a new standard for personalised care through the integration of healthcare services, medical technology and data science.

CORE VALUES

- **Kindness**
  Patients always comes first
- **Confidence**
  Better outcomes start with precise insights
- **Dependability**
  Our people – they are our edge
- **Respect**
  Professionalism in any and every circumstance
- **Trust**
  Delivering healthcare services with utmost Integrity

Dental clinic in Singapore


Renal dialysis centre in Manila, Philippines

OUR HEALTHCARE PRESENCE IN ASIA

China

Provision of overseas healthcare expertise and services

Hong Kong

Clearbridge Medical Group (Hong Kong), a medical clinic in Causeway Bay that caters to medical tourists and domestic patients

Distribution network for medical, lifestyle and wellness products

Singapore

Medic Surgical and Laser Clinic located at outskirts of the central business district ("**CBD**"), delivering affordable and quality healthcare services to professionals working in the CBD

Dental Focus Group, a group of 9 dental clinics operated under a common brand located at high footfall locations in Singapore's heartlands

Distribution network for medical, lifestyle and wellness products

Philippines

Clearbridge Medical Philippines, a 4-storey multi-specialty medical center in Manila, offering wide range of services including primary healthcare, dentistry, renal dialysis center, health screening, vaccination and pharmacy

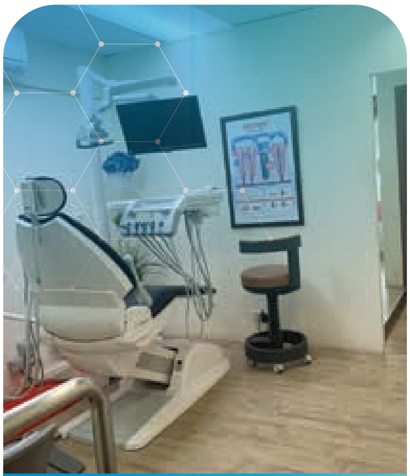
ClearSkin Advanced Dermatology and Laser Center, a derma clinic catering to the middle-class in Manila

Distribution network of medical, lifestyle and wellness products including COVID-19 antigen rapid test kits

Malaysia

Distribution network for medical, lifestyle and wellness products

OUR VALUE
CREATION PROCESS


One of our Dental Focus clinics in Singapore

Medical clinic in Hong Kong

UNLOCKING VALUE

- Capitalising on the valuation multiple differential between public and private markets in the healthcare industry
- Targeting healthcare companies that are EBITDA positive or at an inflection point with a clear line of sight to profitability

SYNERGIES REALISATION

- Maximising revenue growth by achieving economies of scope (new healthcare products and/or solutions exclusive distributorship) and economies of scale (expansion of distribution points)
- Leveraging on our regional healthcare networks, harness cost and/or quality arbitrage opportunities i.e. products in demand are identified in 1 market and solutions are sourced in another

LEVERAGE GROWTH

- Reducing cost of capital by optimizing capital structure
- EBITDA strengthens Clearbridge's leverage capacity
- Deleveraging with operating cash flows from business acquisitions

VALUE REALISATION

- Building a detachable healthcare group with value realisation opportunities such as Biolidics Limited's ("**Biolidics**") IPO in December 2018 and trade sale of Clearbridge Biophotonics Pte. Ltd. ("**CBBP**") realised a total cash amount of approximately US$2.2 million in April 2021
- Continue pursuing multiple business opportunities to unlock value for shareholders

OUR MILESTONES

2023

Entry into a Partial Settlement Deed with Biolidics

Received S$550,000 in cash and S$611,250 through the issuance of 37,500,000 ordinary shares in Biolidics, increasing the Group's shareholdings in Biolidics to 10.22%, for the partial settlement of the remaining deferred consideration from the sale in FY2020 of the entire issued share capital of Biomedics Laboratory Pte. Ltd.

FEB-MAR

Sale of the Group's entire shareholdings of 10.22% in Biolidics

Disposal of an aggregate of 57,123,300 shares in Biolidics to a third-party individual by way of a married deal through the SGX-ST for an aggregate consideration of S$933,000

JUL

Full settlement of the remaining deferred consideration by Biolidics

Received S$2,138,750 in cash from Biolidics, for the remaining deferred consideration from the sale in FY2020 of the entire issued share capital of Biomedics Laboratory Pte. Ltd.

NOV

2022

Successfully Obtained Approval by the FDA of the Philippines for COVID-19 ART Test Kit Importation and Distribution

Only 2 COVID-19 ART Test Kits are approved by the FDA of the Philippines. The Group is the sole importer and distributor of one of the two brands

JAN

Divestment of the Group's healthcare systems business in Indonesia, comprising the provision of laboratory services and renal care services

Disposal of Clearbridge Medical Asia Pte Ltd and SAM Laboratory Pte Ltd for a consideration of S$11.0 million in the form of convertible exchangeable bonds issued by the purchaser

OCT

The Group ceased to be a controlling shareholder of Biolidics and Biolidics ceased to be an associate of the Group

Disposal of an aggregate of 40,512,100 ordinary shares in the capital of Biolidics through a series of open market transactions for a net proceed of S$2,179,000

OCT-NOV

2021

Raised S$11.5m of Convertible Preference Shares at Subsidiary Level

Clearbridge Medical Group (“**CBMG**”) raised S$11.5m by way of an issuance of convertible preference shares for expansion in the region

MAR

Disposal of a Medtech Subsidiary, Realised a Gain of Approximately S$2.1m

Disposed of CBBP, realised a total cash amount of approximately US$2.2m

APR

Successfully Imported Sinopharm COVID-19 Vaccine to Singapore

One of the first healthcare institutions to administer Sinopharm COVID-19 vaccine in Singapore

AUG

Received Mandate to Venture into Investment Business

Investment business is involved in the business of investing into various entities in the global healthcare sector which are EBITDA positive or at an inflection point with a clear line of sight to profitability and growing such entities with a view towards eventually exiting

NOV

2020

Conversion of S$2.7m of Convertible Bonds

Strengthened the Group's balance sheet

APR-MAY

Conversion of S$1.25m of Convertible Bonds

Further strengthened the Group's balance sheet

AUG

2019

Issue of S$11.0m Convertible Bonds

Raised S$11.0m to fuel further expansion in the region

MAR

Acquisition of 13 Clinical Laboratories in Indonesia

Acquired 13 clinical laboratories in Indonesia

MAY

Placement of S$11.3m of Shares

Raised S$11.3m to fuel further expansion in the region

Acquisition of 9 Dental Clinics in Singapore

9 profitable dental clinics strategically located in high footfall locations in Singapore's heartlands

MAY

2018

Philippines Acquisition

Acquired Clearbridge Medical Philippines which is a multi-specialty medical centre located in Manila

JAN

Singapore & Indonesia Acquisitions

- An aesthetic clinic in Singapore
- Renal care business in Indonesia

APR

IPO of Biolidics (associate)

Raised S$7.7m during IPO on Catalist on 19 Dec 18

DEC

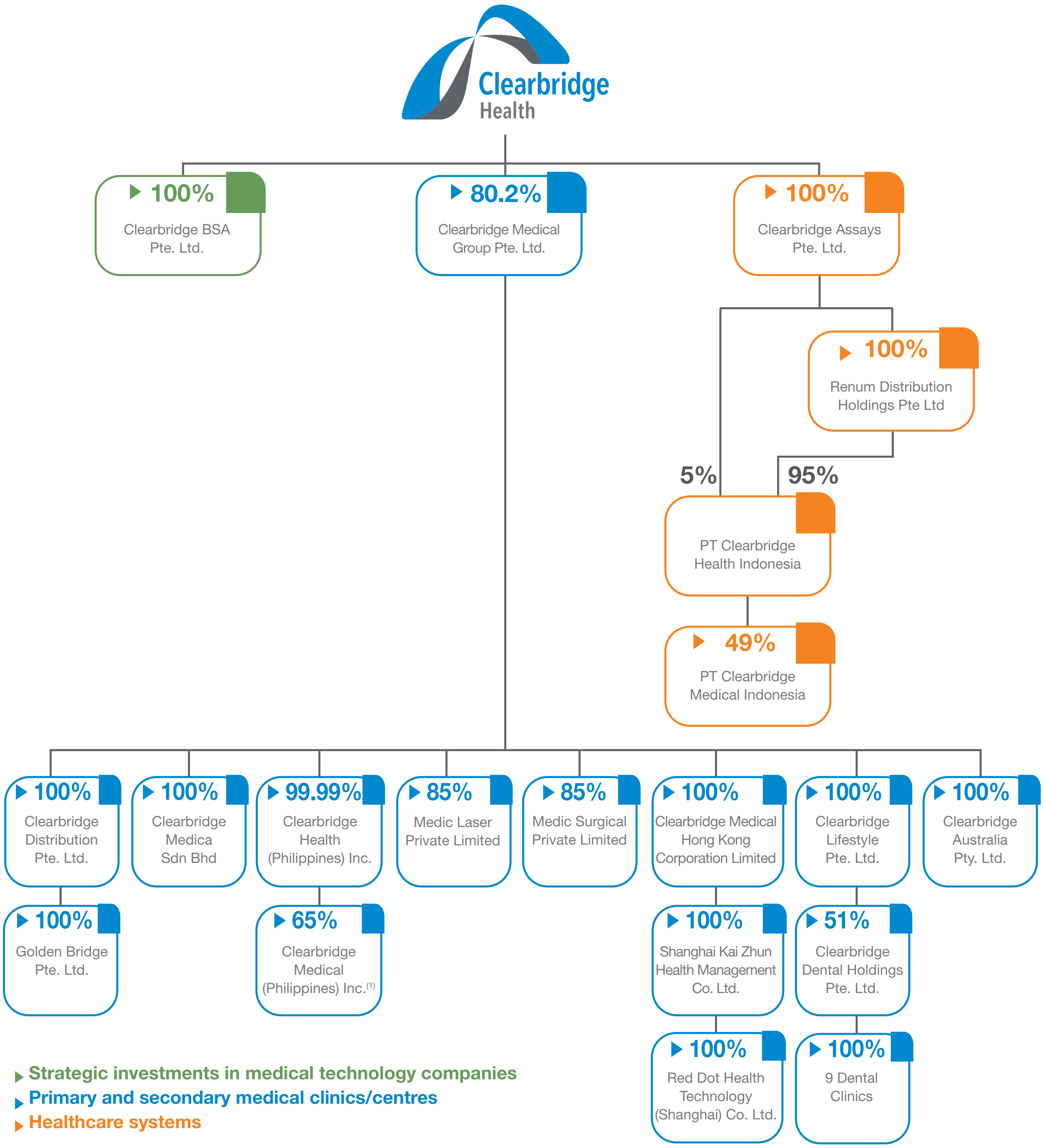
2017

IPO of Clearbridge

Raised S$24.6m during IPO on Catalist on 18 Dec 17

JAN

ORGANISATION STRUCTURE



(1) Formerly known as Marzan Health Care Inc.

LETTER FROM CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Chen Johnson *Yee Pinh Jeremy*

We will continue to proactively evaluate our options and opportunities to preserve value for the Group and if need be, undertake certain corporate exercises to restructure its businesses and operations to achieve sustainability and to better position the Group for the future.

DEAR SHAREHOLDERS,

On behalf of the board of directors of the Company ("**Board**" or "**Directors**"), we are pleased to share some of the key corporate highlights and present to you the annual report of Clearbridge for the financial year ended 31 December ("**FY**") 2023.

Over the past 4 years, the global healthcare market has undergone dramatic shifts as it experienced its first global pandemic in a generation and as it eased from the pandemic phase to endemic phase. The Group continues to navigate the challenges and seizing the opportunities before us. Particularly pertinent to the Group is the high inflation, coupled with slow growth and its impact on consumer spending, which may in turn impact the consumption of the products and services the Group provides. Additionally, inflation may raise the cost of goods for the Group and negatively impact the Group's profit margins.

The Organisation for Economic Co-operation and Development reported on 29 November 2023[1] that it projects global GDP growth to be 2.7% in 2024, which is well below the average growth rate in the decade preceding the COVID-19 pandemic. Further, they noted that inflation, while moderated, remains high and persistent and the negative impact it will have on growth prospects. In Singapore, the Monetary Authority of Singapore and the Ministry of Trade and Industry have jointly reported similar issues, in a press release dated 23 January 2024[2]. The press release also highlighted risks, such as potential shocks to global commodity prices and a downturn in advanced economies. We shall continue to monitor this development and will adapt our strategies accordingly.

1 The report may be found at https://www.oecd-ilibrary.org/sites/7a5f73ce-en/1/3/1/index.html?itemId=/content/publication/7a5f73ce-en&_csp_=ff1338015957b6cc89df6710d74ff9f1&itemIGO=oecd&itemContentType=book.

2 The press release may be found at https://www.mti.gov.sg/Newsroom/Press-Releases/2024/01/Consumer-Price-Developments-in-December-2023.

LETTER FROM CHAIRMAN AND CHIEF EXECUTIVE OFFICER

In FY2023, the Group recorded (i) a decrease in the Group's financial performance which was mainly a result of a decrease in revenue from the distribution of Labnovation's COVID-19 ART Test Kits in Hong Kong and Philippines and a decrease in revenue from the medical clinics/centres in Singapore and Philippines for the provision of general medical, dental and clinical services and distribution of medical and pharmaceutical products; and (ii) impairment losses of S$10.37 million arising from a reduction in the estimated recoverable value of the Group's goodwill from previously acquired assets due to the decrease in the financial performance of the medical clinics/ centres segment in FY2023 which in turn have a negative impact on the projected future cash flows of the medical clinics/centres segment.

In addition, in FY2023, the Group recorded (i) an allowance for expected credit losses of S$11.92 million mainly arising from a reduction in the entire recoverable value of the receivables of S$11.88 million owing by SAM Laboratory Pte. Ltd. ("**SAM Labs**") and Clearbridge Medical Asia Pte. Ltd. ("**CBMA**") in relation to the funding of the working capital of SAM Labs, CBMA and their respective subsidiaries ("**Disposed Groups**") by the Group prior to the disposal of the Disposed Groups; and (ii) a fair value loss of S$9.69 million recognised by the Group on the convertible exchangeable bonds issued by the purchaser of the Disposed Groups ("**Purchaser**"), based on the Group's understanding from the Purchaser of the difficulties that the Purchaser is facing in obtaining operational and financial control of the Indonesian businesses of the Disposed Groups, which the Purchaser is addressing through a legal process in Indonesia. In this regard, we will keep our shareholders informed of any further developments, if material.

More details of our FY2023 financial results can be found in the operation and financial review section of this Annual Report.

On the corporate front, the Group recovered the full S$3.30 million of deferred consideration, with S$2,688,750 in cash and S$611,250 through the issuance of 37,500,000 ordinary shares in Biolidics Limited ("**Biolidics**"), for the sale of the entire issued share capital of Biomedics Laboratory Pte. Ltd. in FY2020. In addition, the Group divested our entire holdings of 57,123,300 shares in Biolidics, representing 10.22% in Biolidics, for an aggregate consideration of S$933,000 in FY2023.

We will continue to proactively evaluate our options and opportunities to preserve value for the Group and if need be, undertake certain corporate exercises to restructure its businesses and operations to achieve sustainability and to better position the Group for the future. At the same time, we will continue to explore suitable opportunities to expand our services business regionally through organic expansion, investments, mergers and acquisitions, joint ventures and/or strategic collaborations.

A Note of Thanks and Appreciation

On behalf of the Board, we would like to start by acknowledging the continuing support of our stakeholders over the years.

Firstly, we would like to thank our employees for their commitment and perseverance in developing the Group's medical and healthcare businesses towards its full potential.

We would also like to thank our fellow shareholders for your continued patience and support in our journey towards growth and value creation.

Thank you!

Chen Johnson
Non-Executive Non-Independent Chairman

Yee Pinh Jeremy
Executive Director and Chief Executive Officer

OPERATIONS & FINANCIAL REVIEW

OPERATIONS REVIEW

Corporate Developments in FY2023

As the global economy transitions from the COVID-19 pandemic phase and enters the endemic phase, the global market has felt the impact as businesses face high inflation which raises the cost of goods, negatively impacts the profit margins and slows down consumer spending and growth prospects. Clearbridge has been navigating these challenges and positioning the Group to adapt and seize new opportunities in this evolving market.

During the COVID-19 pandemic, the Group responded with business agility, utilising its business and medical networks in Asia to procure and distribute a wide range of healthcare products. This included the Labnovation Technologies Inc.'s ("**Labnovation's**") COVID-19 Antigen Rapid Test ("**ART**") Test Kit which was imported by Clearbridge and registered for use in the Philippines, as well as distributed by Clearbridge in Hong Kong. In FY2023, the market for the distribution of the Labnovation's COVID-19 ART Test Kits have become increasingly more competitive as more technologies and products enter the market.

The Group continues to expand channels to its product offerings through traditional and digital initiatives, such as through resellers and third-party e-commerce platforms and continues to explore opportunities to enhance its product offering scale and scope, especially in the area of consumer healthcare, relating to chronic diseases. These products are expected to be synergistic to the services that the Group offers through its clinics and medical centres and are envisioned to build recurring revenue streams for the Group.

FINANCIAL REVIEW

Review of the Group's Performance

On 7 October 2022, the Company and its wholly-owned subsidiary, Renum Distribution Holdings Pte. Ltd. ("**RDH**"), entered into 2 share purchase agreements with Lunadorii Inc. ("**Purchaser**") to dispose of 100% of their respective shareholding interests in SAM Laboratory Pte. Ltd. ("**SAM Labs**") and Clearbridge Medical Asia Pte. Ltd. ("**CBMA**"), which in turn held as subsidiaries (a) PT Indo Genesis Medika ("**IGM**"), and (b) PT Tirta Medika Jaya ("**TMJ**") and Clearbridge Medicentre Private Limited ("**CMPL**"), respectively (collectively, the "**Disposed Groups**"). Pursuant to this disposal, the revenue and expenses of the Disposed Groups for FY2022 have been separately classified as discontinued operations.

Revenue from continuing operations

Revenue decreased by 30.0% or S$4.92 million, from S$16.41 million in FY2022 to S$11.49 million in FY2023.

Revenue from the medical clinics/centres decreased by S$4.92 million, from S$16.37 million in FY2022 to S$11.45 million in FY2023 mainly due to a decrease in revenue from the distribution of Labnovation's COVID-19 ART Test Kits in Hong Kong and Philippines and a decrease in revenue from the medical clinics/centres in Singapore and the Philippines for the provision of general medical, dental and clinical services and distribution of medical and pharmaceutical products.

Excluding the revenue from the distribution of Labnovation's COVID-19 ART Test Kits in FY2022 and FY2023, the revenue from recurring services provided by the medical clinics/centres decreased by 9.3% or S$1.10 million, from S$11.88 million in FY2022 to S$10.78 million in FY2023.

OPERATIONS & FINANCIAL REVIEW

Purchases from continuing operations

Purchases decreased by 21.1% or S$1.44 million, from S$6.84 million in FY2022 to S$5.40 million in FY2023, in line with the decrease in revenue. Purchases decreased at a lower rate than the decline in revenue mainly because of the increase in the costs of medical supplies.

Purchases mainly comprised direct expenses incurred in processing specimens by the Philippines laboratory testing facilities or outsourced third party clinical laboratories, supplies of Labnovation's COVID-19 ART Test Kits as well as consumables and medicines used by the medical clinics/centres and renal care services.

Employee benefits expense from continuing operations

Employee benefits expense remained relatively stable at S$5.98 million and S$6.09 million in FY2023 and FY2022 respectively.

Depreciation expense from continuing operations

Depreciation expense decreased by 8.2% or S$0.12 million, from S$1.47 million in FY2022 to S$1.35 million in FY2023 mainly due to certain medical equipment, renovation and motor vehicle being fully depreciated.

Amortisation expense from continuing operations

Amortisation expense decreased by 88.3% or S$0.05 million, from S$0.06 million in FY2022 to approximately S$7,000 in FY2023 due to most of the existing computer software being fully depreciated.

Other income from continuing operations

Other income decreased by 21.8% or S$0.16 million, from S$0.75 million in FY2022 to S$0.59 million in FY2023 mainly due to (a) the absence of the net proceeds of S$0.10 million from the disposal of nil-paid rights of Biolidics Limited ("**Biolidics**") in FY2022, (b) the absence of the income of S$0.18 million from the sub-lease of certain clinic spaces in FY2022, and (c) a decrease in government grant income of S$0.12 million. These were partially offset by the fair value adjustment of the convertible bonds issued by the Company in March and May 2019 ("**Convertible Bonds**") of S$0.23 million arising from extension of maturity date of the Convertible Bonds from 8 March 2024 and 17 May 2024 to 8 September 2025 and 17 November 2025 respectively.

Fair value loss on other investment at fair value through profit or loss ("FVTPL")/an associate from continuing operations

The Group recorded a fair value loss on investment in ordinary shares in the capital of Biolidics amounting to S$0.15 million in FY2023, as compared to S$8.77 million in FY2022. The decrease in fair value loss was due to a slower drop in the market value of the Group's interest in Biolidics in FY2023, as compared to FY2022. As at 31 December 2023, the Group no longer holds any shares in Biolidics.

Fair value loss on derivative financial instruments from continuing operations

Fair value changes on derivative financial instruments were mainly attributable to the fair value changes of the convertible exchangeable bonds issued by the Purchaser ("**Bonds**"), the fair value changes of the Convertible Bonds issued by the Company as well as the fair value changes of the call options on convertible preference shares issued by Clearbridge Medical Group Pte. Ltd. ("**CBMG Call Option**").

The Group recorded a fair value loss on derivative financial instruments of S$9.72 million in FY2023, as compared to a fair value loss of S$0.76 million in FY2022, mainly due to a fair value loss of S$9.69 million recognised by the Group on the Bonds. This fair value loss on the Bonds is based on the Group's understanding from the Purchaser of the difficulties that the Purchaser is facing in obtaining operational control of the Indonesian businesses of SAM Labs, CBMA and their respective subsidiaries, which the Purchaser is addressing through the legal process in Indonesia. Please refer to Note 2 of the Notes to the Financial Statements in the Financial Contents section for more details.

Impairment loss on goodwill

Impairment losses of S$10.37 million were incurred from a reduction in the estimated recoverable value of the Group's goodwill, from S$21.30 million to S$10.93 million from previously acquired assets. This was determined based on the value-in-use of the cash-generating unit to which the goodwill is attributed. These impairment losses were attributed to the decrease in the financial performance of the medical clinics/centres segment in FY2023, as a result of a decrease in revenue from the distribution of Labnovation's COVID-19 ART Test Kits in Hong Kong and the Philippines and a decrease in revenue from the medical clinics/centres in Singapore and the Philippines for the provision of general medical, dental and clinical services and distribution of medical and pharmaceutical products. This decrease in revenue had a negative impact on the projected future cash flows of the medical clinics/centres segment.

Expected credit loss/(Reversal of expected credit loss) on other receivable, net

Allowance for expected credit losses of S$9.19 million mainly arising from a reduction in the entire recoverable value of the receivables of S$11.88 million owing by SAM Labs and CBMA in relation to the funding of the working capital of SAM Labs, CBMA and their respective subsidiaries by the Group prior to the disposal of the Disposed Groups. The reduction in the recoverable value of the receivables was due to the increase in credit risk and default risk by SAM Labs and CBMA based on the Group's understanding from the Purchaser of the difficulties that the Purchaser is facing in obtaining operational control of the Indonesian businesses of SAM Labs, CBMA and their respective subsidiaries, which the Purchaser is addressing through the legal process in Indonesia. Please refer to Note 2 of the Notes to the Financial Statements in the Financial Contents section for more details.

OPERATIONS & FINANCIAL REVIEW

The above was partially offset by a reversal of impairment on other receivable of S$2.69 million from the sale of the entire issued and paid-up ordinary share capital of Biomedics Laboratory Pte. Ltd. in FY2020 to Biolidics, as announced by the Company on 23 and 30 November 2023 which was previously impaired and subsequently received during FY2023.

Other operating expenses from continuing operations

Other operating expenses decreased by 13.8% or S$0.56 million, from S$4.05 million in FY2022 to S$3.49 million in FY2023. This was mainly due to an absence of impairment of fixed assets of S$0.12 million in FY2022, a decrease in audit fees of S$0.09 million, a decrease in fees for licenses and permit of S$0.10 million, a decrease in expenses on penalties of S$0.09 million, and a decrease in exchange loss of S$0.16 million.

Finance costs from continuing operations

The Group's finance costs comprised mainly interest expense incurred on bank loans, lease liabilities and the Convertible Bonds. Finance costs decreased by 12.8% or S$0.11 million, from S$0.87 million in FY2022 to S$0.76 million in FY2023 mainly due to a decrease in interest expense incurred on the bank loans taken up by the Group for working capital purpose as some of the bank loans were fully repaid in FY2022.

Income tax expense from continuing operations

The Group incurred income tax credit of S$1.90 million in FY2023, as compared to an income tax expense of S$0.19 million in FY2022. The income tax credit recognised arose from the reversal of deferred tax liabilities in relation to fair value gain on derivative financial instruments recognised by the Group.

Loss for the year from continuing operations

As a result of the foregoing, the Group recorded a loss of S$32.47 million in FY2023, as compared to a loss of S$11.43 million in FY2022, from continuing operations.

Excluding the abovementioned fair value losses on other investment at FVTPL/an associate, fair value losses on derivative financial instruments, allowance for credit losses and reversal of impairment on trade and other receivables, and impairment losses on goodwill, the loss before taxation from continuing operations recorded by the Group would have been S$4.90 million in FY2023, as compared to a loss before taxation of S$2.21 million in FY2022.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Non-current assets

The Group's non-current assets decreased by 67.4% or S$31.93 million, from S$47.34 million as at 31 December 2022 to S$15.41 million as at 31 December 2023. This was mainly due to (i) decrease of S$10.37 million in goodwill on consolidation as a result of impairment losses arising from a reduction in the estimated recoverable value of the Group's goodwill from previously acquired assets, determined based on the value-in-use of the cash-generating units to which the goodwill belongs, (ii) a decrease in other receivables of S$11.88 million due to the allowance for expected credit losses mainly arising from a reduction in the recoverable value of the receivables owing by SAM Labs and CBMA in relation to the funding of the working capital of SAM Labs, CBMA and their respective subsidiaries by the Group prior to the disposal of the Disposed Groups, (iii) a decrease of S$9.69 million in the Bonds arising from fair value loss recognised in FY2023, and (iv) a decrease in other investment of S$1.32 million mainly due to the reclassification of other investment relating to the Group's holding of shares in Singapore Institute of Advanced Medicine Holdings Pte. Ltd. ("**SIAMH**") from non-current assets to current assets, and the sale of other investment relating to the Group's holding of shares in Biolidics. These were partially offset by an increase in right-of-use assets of S$1.07 million arising from new lease terms which are recognised in accordance with Singapore Financial Reporting Standards (International) 16 Leases.

OPERATIONS & FINANCIAL REVIEW

Current assets

The Group's current assets decreased by 21.4% or S$2.32 million, from S$10.83 million as at 31 December 2022 to S$8.51 million as at 31 December 2023. This was mainly due to a decrease in cash and bank balances of S$2.38 million which were mainly used for the Group's operations and a decrease in other receivables of S$0.60 million. These were partially offset by an increase in other investment of S$0.81 million mainly due to reclassification of other investment relating to the Group's holding of shares in SIAMH from non-current assets to current assets.

Current liabilities

The Group's current liabilities decreased by 3.7% or S$0.19 million, from S$5.10 million as at 31 December 2022 to S$4.91 million as at 31 December 2023. This was mainly due to (i) a decrease of S$0.41 million in contract liabilities recognised as revenue upon the fulfillment of the performance obligations in relation to the advances received from the Group's customers, (ii) a decrease in borrowings of S$0.23 million due to the repayment of bank loans, (iii) a decrease in income tax payable of S$0.14 million, and (iv) a decrease in other payables of S$0.02 million mainly due to decrease in accrued expenses. These were partially offset by an increase in lease liabilities of S$0.31 million and increase in trade payables of S$0.30 million.

Non-current liabilities

The Group's non-current liabilities decreased by 22.7% or S$1.68 million, from S$7.41 million as at 31 December 2022 to S$5.73 million as at 31 December 2023. This was mainly due to reversal of deferred tax liabilities of S$1.77 million provided in prior financial years for the fair value gain on derivative financial instruments and a decrease in borrowings of S$0.59 million as a result of repayment of loans. These were partially offset by an increase in lease liabilities of S$0.68 million for new leases.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Cash outflow before changes in working capital for FY2023 amounted to S$3.01 million. Net cash used in working capital for FY2023 amounted to S$0.14 million mainly due to decrease in other payables of S$0.42 million, an increase in trade receivables of S$0.15 million, an increase in inventories of S$0.03 million and partially offset by an increase in trade payables of S$0.30 million, a decrease in prepayments of S$0.12 million and a decrease in other receivables of S$0.04 million.

As a result, net cash used in operating activities after adjusting for cash paid for income tax, interest expense and interest received, amounted to S$3.58 million in FY2023.

Net cash generated from investing activities for FY2023 amounted to S$3.07 million. This was mainly due to cash proceeds received from Biolidics of S$2.69 million for the repayment of the deferred consideration owing by Biolidics, from the sale of the entire issued and paid-up ordinary share capital of Biomedics Laboratory Pte. Ltd. in FY2020 to Biolidics, and proceeds of S$0.93 million from disposal of all the shares in Biolidics. These were partially offset by a capital expenditure of S$0.42 million and acquisition of right-of-use assets of S$0.13 million incurred by the medical clinics/centres in the Philippines, Singapore, and Hong Kong.

Net cash used in financing activities for FY2023 amounted to S$1.88 million which was attributable to the repayment of bank loans and lease liabilities of S$0.91 million and S$0.97 million respectively.

As a result, after adjusting for the effects of foreign exchange rate changes, there was a net decrease in cash and cash equivalents of S$2.38 million, from S$6.05 million as at 31 December 2022 to S$3.67 million as at 31 December 2023.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chen Johnson
Non-Executive Non-Independent Chairman

Yee Pinh Jeremy
Executive Director and Chief Executive Officer

Andrew John Lord
Lead Independent Director

Mark Benedict Ryan
Independent Director

Mah How Soon (Ma Haoshun)
Independent Director

AUDIT COMMITTEE

Mark Benedict Ryan (Chairman)
Andrew John Lord
Mah How Soon (Ma Haoshun)

NOMINATING COMMITTEE

Mah How Soon (Ma Haoshun) (Chairman)
Andrew John Lord
Yee Pinh Jeremy

REMUNERATION COMMITTEE

Andrew John Lord (Chairman)
Mark Benedict Ryan
Chen Johnson

COMPANY SECRETARIES

Cheok Hui Yee, ACIS
Kong Wei Fung, ACIS

REGISTERED OFFICE

37 Jalan Pemimpin
#08-05 Mapex
Singapore 577177
Telephone: +65 6251 0136
Fax: +65 6251 0132
Email: contactus@clearbridgehealth.com

SPONSOR

ZICO Capital Pte. Ltd.
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

SHARE REGISTRAR

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
9 Raffles Place
#26-01 Republic Plaza
Singapore 048619

INDEPENDENT AUDITOR

CLA Global TS Public Accounting Corporation
80 Robinson Road
#25-00
Singapore 068898
Director-in-charge: Meriana Ang Mei Ling (appointed with effect from the financial year ended 31 December 2023)
(Member of the Institute of Singapore Chartered Accountants)

BOARD OF DIRECTORS

CHEN JOHNSON
Non-Executive Non-Independent Chairman
Date of First Appointment | 19 January 2010
Date of Re-Appointment | 26 April 2021
Member | Remuneration Committee

Johnson is the Founder of Clearbridge and was appointed as its Non-Executive Non-Independent Chairman in April 2017. He has been the Executive Director of 1Bridge Partners Limited since 2002, where he oversees investment management.

Johnson is also the Founder and Chief Executive Officer of CapBridge Pte. Ltd. ("**CapBridge**"). CapBridge is the first Monetary Authority of Singapore ("**MAS**") regulated online integrated private markets platform in Singapore. The platform comprises a global online investment syndication and custody arm that holds a Capital Markets Services License, and a private exchange arm that holds a Recognised Market Operator ("**RMO**") license – the first such private markets exchange to be granted the RMO license in Singapore by MAS.

From 1999 to 2002, Johnson was the President of CyberWorks Ventures, the venture capital arm of Hong Kong-based information communications technology company, Pacific Century CyberWorks Limited (now known as PCCW Limited).

Johnson sits on the Technical Advisor panel of the Central Gap Fund, a national-level platform established by the National Research Foundation, Singapore to resource impactful projects and encourage collaboration across public research performers and industry. He is also a Strategic Research Innovation Fund committee member at NTUitive, the innovation and enterprise company set up by Nanyang Technological University, Singapore. Johnson was the top graduate in the Singapore Armed Forces officer cadet course during his National Service and was awarded the prestigious Sword of Honour by the President of Singapore.

Present directorships in other listed companies: None

Past directorships in other listed companies:

- Biolidics Limited (SGX-ST)

Academic/Professional Qualification(s):

- Bachelor of Arts (Honours) (Manufacturing Engineering Tripos), University of Cambridge, United Kingdom ("**UK**")
- Master of Engineering, University of Cambridge, UK

YEE PINH JEREMY
Executive Director and Chief Executive Officer
Date of First Appointment | 15 May 2017
Date of Re-Election | 26 April 2022
Member | Nominating Committee

Jeremy is the Group's Executive Director and Chief Executive Officer. Prior to this, from 2011 to 2016, he was the Chief Executive Officer of Cordlife Group Limited, a company listed on the SGX-ST, where he was responsible for identifying and implementing company-wide business growth strategies. From 2002 to 2011, he was the Director of Corporate Development then Chief Operating Officer and subsequently, Executive Director and Group Chief Financial Officer of Cordlife Limited (now known as Life Corporation Limited), a company listed on the Australian Securities Exchange ("**ASX**"). During his tenure, he was responsible for the group's overall corporate development activities and financial functions, including statutory filings, accounting audits, finance controls and treasury matters. Jeremy spent the early part of his career in the banking and finance industry.

Present directorships in other listed companies: None

Past directorships in other listed companies:

- Cordlife Group Limited (SGX-ST)
- Cordlife Limited (now known as Life Corporation Limited) (ASX) (Delisted since January 2018)
- Biolidics Limited (SGX-ST)

Academic/Professional Qualification(s):

- Bachelor of Arts (Economic and Social Studies), Victoria University of Manchester, UK
- Bachelor of Commerce (Professional Accounting), Murdoch University, Australia
- Master of Commerce (Finance with Banking/ Management), University of Sydney, Australia
- Master of Business Administration, Nanyang Technological University, Singapore
- Master of Business Administration, University of Chicago Booth School of Business, United States of America ("**US**")
- Master of Arts, Columbia University, US

BOARD OF DIRECTORS

ANDREW JOHN LORD
Lead Independent Director
Date of First Appointment | 20 November 2017
Date of Re-Election | 26 April 2022
Chairman | Remuneration Committee
Member | Nominating Committee and Audit Committee

Andrew is the Lead Independent Director of Clearbridge. He began his career as a solicitor in the general commercial and property as well as the banking and finance practices. Andrew ran his own firm, Campbell Lord Commercial Lawyers, between 1999 to 2006 and later founded Lovegrove and Lord Commercial and Construction Lawyers in 2006, where he served as a director specialising in joint ventures, venture capital funding, property financing, business acquisitions, corporate governance, capital markets equity fundraising, and compliance matters related to the ASX and the Australian Securities and Investments Commission. Since 2010, he has been a director at Lord Commercial Lawyers.

Present and past directorships in other listed companies: None

Academic/Professional Qualification(s):

- Bachelor of Science, Monash University, Australia
- Bachelor of Laws, Monash University, Australia
- Member of the Law Institute of Victoria, Australia

MARK BENEDICT RYAN
Independent Director
Date of First Appointment | 20 November 2017
Date of Re-Election | 28 June 2023
Chairman | Audit Committee
Member | Remuneration Committee

Mark is an Independent Director of Clearbridge. He is presently a Director of Cytomatrix Pty Ltd, a privately held company involved in short polymer fibre research. From 1996 to 2019, he was the Non-Executive Director and Company Secretary of KBR E&C Australia Pty Ltd, an engineering and construction company. From 1994 to 1996, he was the Financial Controller at CAPE PLC (formerly ASX-listed PCH Group Limited), where he was responsible for all financial management and reporting functions. He was a Senior Accountant at Schroder Ventures from 1993 to 1994 where he specialised in management accounting for offshore investment trusts including the preparation of statutory financial statements. Prior to this, he was a Corporate Tax Advisory Supervisor at PricewaterhouseCoopers Australia from 1988 to 1993 where he provided tax consulting and corporate tax compliance advisory services.

Present directorships in other listed companies: None

Past directorships in other listed companies:

- Cordlife Limited (now known as Life Corporation Limited) (ASX) (Delisted since January 2018)

Academic/Professional Qualification(s):

- Bachelor of Commerce, University of Western Australia, Australia
- Associate of Chartered Accountants, Australia and New Zealand

BOARD OF **DIRECTORS**

MAH HOW SOON (MA HAOSHUN)
Independent Director
Date of First Appointment | 23 March 2018
Date of Re-Election | 26 April 2021
Chairman | Nominating Committee
Member | Audit Committee

How Soon is an Independent Director of Clearbridge. He is presently the Managing Director of RHT Capital Pte. Ltd. He has many years of transactional and management experience in corporate finance in international and local financial institutions, and boutique advisory firms. How Soon has played a key role in advising companies from many industries and countries on a wide range of transactions relating to both equity capital markets, and mergers and acquisitions. He is the Independent and Non-Executive Director of AP Oil International Limited, a company listed on the Mainboard of the SGX-ST.

Present directorships in other listed companies:

- AP Oil International Limited (SGX-ST)

Past directorships in other listed companies:

- 800 Super Holdings Limited (SGX-ST)
- Katrina Group Ltd. (SGX-ST)

Academic/Professional Qualification(s):

- Bachelor of Accountancy (Honours), Nanyang Technological University, Singapore
- Master of Business Administration, The University of Chicago Booth School of Business, US
- Chartered Accountant, Institute of Singapore Chartered Accountants
- CFA® Charterholder, CFA Institute

EXECUTIVE OFFICERS

SIMON HOO KIA WEI
Chief Business Officer

Simon joined the Group as Chief Business Officer in April 2017 and assists the Chief Executive Officer ("**CEO**") in strategic planning and implementation, evaluation and monitoring of business strategies and business units of the Group's subsidiaries in the Asia Pacific region.

Prior to joining the Group, Simon was the Chief Business Officer of Clearbridge Medical Group Pte. Ltd.. He was the Chief Executive Officer of Life Corporation Limited (formerly known as Cordlife Limited), a company listed on the ASX, from 2014 to 2016 where he led the restructuring of the group's businesses in India, Philippines and Indonesia and the re-listing of the group's new business on the ASX. From 2004 to 2014, he was the Business Development Director of Cordlife Services (S) Pte. Ltd. (now known as Life Corporation Services (S) Pte Ltd) and was involved in the set up and initial business operations of the group in Hong Kong, Indonesia and the Philippines, and spearheaded its business operations in India from 2008. He started his career in 2001 as an auditor with KPMG Singapore.

Academic/Professional Qualification(s):
- Bachelor of Accountancy, Nanyang Technological University, Singapore
- Master of Business Administration, University of Manchester, UK
- Chartered Accountant, Institute of Singapore Chartered Accountants
- Certified Practising Accountant, CPA Australia

TAN WEI CHEE
Financial Controller

Wei Chee was appointed as the Group's Financial Controller in October 2022 and is responsible for overseeing the financial strategy and management, taxation, regulatory and financial reporting, as well as the development of internal control policies and procedures of the Group.

Prior to this, he was the Financial Controller of Biolidics Limited, a company listed on the SGX-ST's Catalist Board, from 2016 to 2022 where he took on similar responsibilities. From 2009 to 2015, he was an Audit Manager at Deloitte & Touche LLP, Singapore, where he was responsible for the application of International Financial Reporting Standards and Singapore Financial Reporting Standards. During his tenure, he led teams and managed resources in audit engagements to ensure proper and timely head-office reporting and statutory reporting. He also identified corporate governance deficiencies and offered best practice proposals and ensured compliance to clients' internal controls and regulatory requirements.

Academic/Professional Qualification(s):
- Bachelor of Accountancy, Nanyang Technological University, Singapore
- Chartered Accountant, Institute of Singapore Chartered Accountants

SUSTAINABILITY REPORT

MESSAGE FROM CHAIRMAN

Dear Stakeholders,

I am pleased to present the Sustainability Report ("**Report**") of Clearbridge Health Limited ("**Clearbridge**" or the "**Company**", and together with our subsidiaries, the "**Group**"). This Report provides information on the sustainability of our business and practices during the financial year ended 31 December ("**FY**") 2023.

During FY2023, we witnessed the world learning to live with COVID-19 as we transition toward embracing the new normal. The COVID-19 pandemic has elevated the importance of personal health and well-being, which emphasised the importance of the Group's businesses amongst our customers. Although the outlook of the healthcare industry looks positive, the Group continues to remain vigilant in view of global inflation, coupled with slow growth which may impact consumer spending behaviours and in turn impact the consumption of the products and services the Group provides. Additionally, inflation may raise the cost of goods for the Group and negatively impact the Group's profit margins. The Group continues to monitor this development and will adapt its strategies accordingly.

As the Group transcends to a post-COVID world, the Group continues our sustainability journey by considering the impact of climate change on our business. Within this Report, we have presented the relevant climate risks and opportunities identified based on the Task Force on Climate-Related Financial Disclosures ("**TCFD**") Recommendations.

On behalf of the board of directors of the Company (the "**Board**" or "**Directors**"), I would like to take this opportunity to thank our doctors, nurses and staff who have displayed resilience, dedication and passion through these challenging times to continue delivering quality healthcare services to the community. I would like to express my gratitude to our stakeholders for their unwavering support as we transit towards a more sustainable environment and healthcare ecosystem.

Mr Chen Johnson
Non-Executive Non-Independent Chairman

SUSTAINABILITY REPORT

ABOUT THIS REPORT

About Clearbridge Health Limited:

Aligning with the emerging healthcare trends that are in nexus of high demand across Asia, Clearbridge is a healthcare group that currently provides a broad base of healthcare solutions via 4 distinctive strategic business units, comprising medical clinics/centres, healthcare systems, strategic medical technology investments, and investments within the global healthcare sector that are EBITDA positive or at an inflection point with a clear line of sight to profitability. Clearbridge, a public company listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), is headquartered in Singapore and has a business presence in other countries in Asia, such as Hong Kong, and the Philippines.

Reporting Principles & Statement of Use:

This Report has been prepared in accordance with Rules 711A and 711B of the SGX-ST Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") and with reference to the Global Reporting Initiative ("**GRI**") 2021 Standards covering our Group's performance from 1 January 2023 to 31 December 2023 ("**Reporting Period**"). The GRI Standards were selected as it is one of the globally recognised sustainability reporting standards and represents the global best practices for reporting on economic, environmental, and social impacts. The Board has reviewed and approved the reported information, including the material environmental, social, and governance factors ("**ESG Factors**").

The following GRI reporting principles have been applied to guide the Group in ensuring the quality and proper presentation of the information in this Report: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, and Verifiability. For more information on the GRI disclosures, please refer to the GRI Standards Content Index appended to this Report.

This Report incorporates recommendations from the TCFD to give stakeholders an overview of the potential financial effects of climate change on the Group's business model, including assets, revenue, operations, capital, and financing. The TCFD framework enables the Group to evaluate how climate-related risks, such as physical and transition risks, may impact Clearbridge and outlines strategies and actions for managing and mitigating these impacts, as well as potential opportunities. The United Nations Sustainable Development Goals ("**UN SDGs**") have also been incorporated into this Report to highlight the Group's contributions to sustainable development.

Reporting Scope:

This Report covers the Group's operating segments in medical centres and clinics in Singapore, the Philippines, and Hong Kong.

Restatements:

There are no restatements of sustainability information and data made from previous reporting periods.

Assurance:

The Group has established internal controls and verification mechanisms to ensure the accuracy and reliability of the narratives and data disclosed within this Report. We have also considered and adopted the recommendations of an external Environmental, Social and Governance ("**ESG**") consultant for the selection of material ESG Factors as well as compliance with GRI Standards and Catalist Rules. The Group's sustainability reporting process is subject to internal review by our internal auditors in accordance with the internal audit plan approved by the Audit Committee ("**AC**"), as required by Rule 711B(3) of the Catalist Rules. The Board has therefore assessed that independent external assurance is not required at this juncture.

Availability & Feedback:

We welcome feedback from our stakeholders to assist us in improving our sustainability practices. Questions or feedback on this Report can be sent to: contactus@clearbridgehealth.com.

SUSTAINABILITY REPORT

SUSTAINABILITY STRATEGY OVERVIEW

Our Vision

Redefining healthcare in Asia with precision. Empowering patient care with clarity.

Our Mission

Setting a new standard for personalised care through the integration of healthcare services, medical technology, and data science.

Sustainability Philosophy

As a Group that provides a broad base of healthcare solutions, there are numerous sustainability-related concerns that we must address. We strive to ensure that the various ESG tenets have been considered in our business decisions, while focusing on areas that are most relevant to our business. To reflect our continued commitment to sustainability efforts, the Group has identified the following 5 focus areas to guide our sustainability strategy:

- UPHOLDING GOOD GOVERNANCE AND ETHICS
- PROVIDING QUALITY HEALTHCARE
- DEVELOPING OUR HUMAN CAPITAL
- PREPARING FOR CLIMATE CHANGE RESILIENCY
- PROTECTING OUR ENVIRONMENT

Focus 1: Upholding Good Governance and Ethics

We believe that upholding strong corporate governance practices and oversight is fundamental to the success of the business by empowering us to address stakeholders' concerns.

Focus 2: Providing Quality Healthcare

As a healthcare provider, the Group is dedicated to delivering effective, safe and people-centred care to our patients, whilst also providing a safe and conducive working environment for our employees.

Focus 3: Developing Our Human Capital

We recognise the importance of diversity among our employees and offer competitive employment benefits alongside adequate training and ample opportunities for career development.

Focus 4: Preparing for Climate Change Resiliency

The Group has embarked on our climate reporting journey by implementing the TCFD recommendations within this Report and embedding the consideration of climate-related risks and opportunities into our business and strategy.

Focus 5: Protecting our Environment

We aim to minimise the impact that our operations have on the environment, by carefully managing our resource consumption to minimise our environmental footprint.

SUSTAINABILITY **REPORT**

Contribution to the United Nations Sustainable Development Goals

The Group contributes to the UN SDGs through our daily operations, strategy development and collaboration with our stakeholders. The attainment of the UN SDGs is a continuing global effort and forms part of the Group's long-term focus on sustainability. The following table highlights the Group's contributions to the attainment of the relevant UN SDGs.

SUSTAINABLE DEVELOPMENT GOALS

UN SDGs	The Group's Contribution	Read more in the following sections
3 GOOD HEALTH AND WELL-BEING	Facilitate access to quality healthcare as well as medical and pharmaceutical products.	Focus 2: Providing Quality Healthcare
5 GENDER EQUALITY	Ensure access to career advancement and fair remuneration regardless of gender.	Focus 3: Developing Our Human Capital
8 DECENT WORK AND ECONOMIC GROWTH	Provide productive employment and jobs with equal pay for equal work.	Focus 3: Developing Our Human Capital
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Explore the adoption of leading-edge technologies for delivering quality healthcare.	Focus 2: Providing Quality Healthcare
10 REDUCED INEQUALITIES	Provide training and upskilling opportunities for employees.	Focus 3: Developing Our Human Capital
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Wherever possible, promote responsible consumption of energy and environmental-friendly practices.	Focus 5: Protecting our Environment
13 CLIMATE ACTION	Integrate climate change measures into the Group's policies, strategies, and planning.	Focus 4: Preparing for Climate Change Resiliency
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Comply fully with all socioeconomic and environmental laws and regulations and promote strong corporate governance practices.	Focus 1: Upholding Good Governance and Ethics

SUSTAINABILITY REPORT

Awards and Accreditations

As a testament to our commitment to service quality and excellence, the Group has been awarded the following certifications:

– ISO 9001: 2015 certified by TUV NORD Philippines

– Golden Globe Annual Awards for Business Excellence 2023

ESG Performance Highlights

During FY2023, the Group had no incidents of non-compliance with social and economic laws and regulations.

Energy consumption reduced as compared to the previous year due to a collective effort across the Group to conserve energy.

The Group has partnered with GMA Kapuso Foundation Inc. to extend free medical consultations and laboratory tests to local partners.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

The Group understands that stakeholder engagement is key to sustainable growth and believes that open and transparent communication with our stakeholders allows us to further develop and refine our business strategies and respond quickly and effectively to their concerns and needs. Our stakeholders are groups that have a material impact on or are materially impacted by our operations. We have identified our stakeholders, which comprise customers, employees, suppliers, government and regulators, and shareholders and investors, and have engaged with them through various platforms and channels on a regular basis, as and when necessary. Apart from communicating important developments and updates about the Group, the perspectives and valuable feedback from our stakeholders are imperative in helping the Group improve our services and ultimately contribute towards our sustainability goals.

The following table summarises our key stakeholders, engagement platforms, their key concerns and how the Group has responded to those concerns.

Stakeholders	Engagement platforms	Issues of concern	Our responses	Refer to section(s)
Customers	• Contact form on Company's website • Helplines for medical and facility enquiries • Direct feedback during consultations	• Affordability of healthcare • Customer privacy • Quality of service	• Respond promptly to customer feedback • Ensure customers' data are protected	Focus 1: Upholding Good Governance and Ethics Focus 2: Providing Quality Healthcare
Employees	• Annual employee performance reviews • Employee events • Internal memos and emails	• Training and development of employees • Recruitment and retention of skilled staff • Well-being of employees	• Provide fair employee remuneration and benefits • Provide meaningful feedback through performance appraisals • Provide regular training and updates	Focus 3: Developing Our Human Capital

SUSTAINABILITY REPORT

Stakeholders	Engagement platforms	Issues of concern	Our responses	Refer to section(s)
Suppliers	• Supplier quality assurance	• Feedback of products and services • Business continuity	• Engage and evaluate suppliers on product safety and certifications	Focus 2: Providing Quality Healthcare
Government and regulators	• Meetings and consultations • License applications • Active engagement on healthcare legislation	• Compliance with laws and regulations • Cyber security threats on customer privacy • Climate change and sustainability performance	• Ensure full compliance with all applicable local laws and regulations including COVID-19 safety regulations • Publish annual sustainability report	Focus 1: Upholding Good Governance and Ethics Focus 4: Preparing for Climate Change Resiliency Focus 5: Protecting our Environment
Shareholders and investors	• General meetings • Announcements and press releases on SGXNET	• Clearbridge's financial performance • Operational strategy • Shareholders' returns • Sustainable business practices	• Provide informative corporate communication and reports • Publish interim and full year financial results • Publish annual report • Publish annual sustainability report	Focus 1: Upholding Good Governance and Ethics Focus 4: Preparing for Climate Change Resiliency Focus 5: Protecting our Environment

To identify and validate ESG Factors that are important to our business and key stakeholders, we worked with an external consultant to conduct a full-scale materiality assessment workshop last year. The workshop involved our senior management, and we determined our material ESG Factors based on the significance of their impact in relation to the key issues of concerns raised by our internal and external stakeholders. Our selected material ESG Factors have also taken into consideration areas of concern in the healthcare industry and current sustainability themes.

The following steps were taken to ensure the accurate determination of material ESG Factors relevant to the Group:

1. Identification: Selection of potential sustainability-related topics based on the risks and opportunities to the sector.

2. Prioritisation: Material ESG Factors are prioritised based on their alignment with the concerns of internal and external stakeholders including whether they are aligned with key organisational values, policies, operational management systems, goals and targets.

3. Review: Review the relevance of previously identified material ESG Factors.

4. Validation: Validate selected material ESG Factors in the Sustainability Report with the Board.

SUSTAINABILITY REPORT

In FY2023, the Group reviewed previously prioritised material ESG Factors for their continued relevance to the Group's business and its stakeholders. As a result, the Group reaffirmed that all material ESG Factors remain relevant and we have prioritised and categorised these factors into key themes which are crucial to the Group's operations. We will continue to monitor and update our material ESG Factors from time to time, taking into account the feedback that we receive from our various stakeholders.

The table below presents an overview of the material ESG Factors prioritised according to the respective focus areas identified.

Focus Area	Material ESG Factors	Applicable Segment
Focus 1: Upholding Good Governance and Ethics	GRI 205: Anti-corruption 2016	Applicable across the Group
	GRI 207: Tax 2019	
	GRI 418: Customer Privacy 2016	Medical Clinics and Centers
Focus 2: Providing Quality Healthcare	GRI 416: Customer Health and Safety 2016	Medical Clinics and Centers
	GRI 417: Marketing and Labeling 2016	Applicable across the Group
Focus 3: Developing Our Human Capital	GRI 202: Market Presence 2016	Applicable across the Group
	GRI 204: Procurement Practices 2016	
	GRI 401: Employment 2016	
	GRI 403: Occupational Health and Safety 2018	
	GRI 404: Training and Education 2016	
	GRI 405: Diversity and Equal Opportunity 2016	
	GRI 406: Non-discrimination 2016	
	GRI 413: Local Communities 2016	
Focus 4: Preparing for Climate Change Resiliency	GRI 201: Economic Performance 2016	Applicable across the Group
Focus 5: Protecting our Environment	GRI 302: Energy 2016	Applicable across the Group
	GRI 305: Emissions 2016	
	GRI 306: Waste 2020	

FOCUS 1: UPHOLDING GOOD GOVERNANCE AND ETHICS

The Group is committed to upholding professional standards, workplace standards, and behaviours during the course of our business operations. In doing so, the Group has implemented policies and processes to ensure all of our employees and business partners uphold strong ethics and integrity to prevent any incidents of corruption. We have also implemented the necessary escalation mechanisms such as our whistle-blowing policy to allow our employees to report any incidents of breaches in business integrity. Clearbridge does not tolerate any incidents of non-compliance to our anti-corruption and code of conduct policy and processes set in place. We ensure that our practices are consistent with the policies implemented to achieve our targets set for the year FY2023.

Sustainability Governance and Statement of the Board

The Board and senior management have assessed sustainability issues as part of the strategic formulation of the Group. The Group's senior management will identify the material ESG Factors relevant to the Group and oversee the progress of the sustainability initiatives within the business operations. The Group's Financial Controller oversees the sustainability performance of the Group and reports to the Board on the Group's sustainability achievements.

The Board also approves the material ESG Factors identified by the Group's senior management and ensures that the factors identified are managed and monitored.

SUSTAINABILITY REPORT

The Group implements a comprehensive risk management framework in making strategic decisions and for the purpose of its daily operations. We have integrated the process for identifying, assessing and managing material ESG-related risks into our organisation's overall risk management framework. To allow all members of the Board to better understand sustainability, the SGX-ST has mandated sustainability training for all board directors of equity issuers listed on the SGX-ST. As at 31 December 2023, all of the Group's Directors have attended the mandatory sustainability training conducted by approved service providers.

For more information on our Corporate Governance Report which sets out how the Group has applied the principles of good corporate governance in managing governance-related matters, please refer to pages 49 to 86 in this Annual Report.

Corporate Compliance

The codes, laws and regulations that are applicable to the Group include the Code of Corporate Governance 2018 ("**Code**"), SGX-ST: Catalist Rules, and the Securities and Futures Act 2001 of Singapore, amongst others.

Clearbridge is kept informed of updates to the relevant laws and regulations via emails circulated by its external consultants. For instance, the company secretary of the Company circulates relevant articles, reports and press releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("**ACRA**"). Additionally, the Company's legal advisor circulates legal updates to Clearbridge. If necessary, the Company will seek advice on the new updates from its external consultants.

There were no (FY2022: Nil) incidents of non-compliance with social and economic laws and regulations in FY2023.

Ethics and Integrity

Anti-corruption

The Group's anti-corruption policy is strictly implemented in the course of business. The Group is committed to achieving and maintaining high standards of corporate governance principles and processes in managing its business and affairs, so as to improve the performance, accountability and transparency of the Group, while complying with all statutory and regulatory requirements. The Group emphasises on transparent and accountable management systems to prevent misconduct, non-compliance or corruption incidents.

The Group has provided a clear framework for its employees to abide by when engaging with patients, suppliers, and fellow colleagues. We have set in place policies such as the Corporate Gifts Policy and Employee Code of Conduct which are found in the Employee Handbook ("**Handbook**"). Within the Handbook, the Corporate Gifts Policy specifies the prohibition of receiving gifts or being lavishly entertained by clients, business partners or suppliers so as to avoid any misunderstanding that the said gift or provision of entertainment would reap favourable or advantageous rewards for the client, business partner or supplier with respect to dealings with the Company. At the same time, employees are not allowed to provide gifts or any form of entertainment in excess, except for normal seasonal gift-giving or if it is in the nature of the job scope. All employees are required to adhere to the Employee Code of Conduct and to maintain high levels of integrity throughout our operations.

The Whistle-blowing Policy provides a channel for employees to report concerns about possible fraud, bribery and other ethics-related matters. Concerns about possible improprieties in matters of financial reporting or other matters are raised to the Company's AC in confidence by submitting a whistle-blowing report through the whistle-blowing channels of the Company. A whistle-blowing report can either be submitted to the employee's immediate supervisor or the Group's Administrative Manager. If the report involves the Group's key management or if the concern is deemed to be exceptionally serious, the whistle-blower can report to the AC Chairman.

Clearbridge's commitment to anti-corruption and bribery is widely and frequently communicated to employees. We manage this commitment by ensuring all employees do not offer, take, or accept any bribe, as well as take or give bribes that may result in any illegal gratification to and from any parties. Furthermore, we explicitly distance ourselves from participation in unfair trading or illegal anti-trust activities.

Upon joining our Group, all employees are required to complete a Conflict-of-Interest declaration and update their declarations on a yearly basis. The Conflict-of-Interest Policy requires all employees to disclose all interests, which could conflict or appear to conflict, with their duties, in accordance with the Conflict-of-Interest Policy and comply with the actions recommended by management to address such issues.

SUSTAINABILITY REPORT

In order to maintain high standards of corporate governance, an annual internal audit exercise by an outsourced internal audit firm was carried out and such report has been submitted to the AC for review and approval. The review of risk management systems is part of the internal audit plan.

Clearbridge also has in place a policy for the Board whereby Directors should refrain from having any conflicts of interests with the Company to ensure that their duty to act in the best interests of the Company is not compromised. Should any potential conflicts arise, or conflicts occur, Directors are required to report it immediately to the AC so as to ensure that Directors continually meet the stringent requirements of independence under the Code.

In FY2023, there were no (FY2022: Nil) confirmed incidents of corruption in our operations across various jurisdictions. The Group continues to uphold our strong business ethics with our business partners in providing our patients with quality healthcare and service.

Tax Compliance

The Group's strategy and approach to tax is to fully comply with relevant tax laws and regulations in all jurisdictions we operate in, which indirectly supports the local governments and authorities in their economic, environmental, and social development and objectives. The Group has zero tolerance for any intentional breach of tax laws and regulations.

In FY2023, we sent a staff from our Philippines operations to attend tax-related training to keep abreast with the developments and changes. The Group also engages qualified professional tax advisors in Singapore and Hong Kong to ensure our tax filings are fulfilled which complies with the tax regulations in the respective different jurisdictions. Any instances of non-compliance are reported to the AC and resolved promptly.

Customer Privacy

The Group is aware of our patients' trust in us to keep their data protected. Clearbridge is committed to safeguarding the privacy and confidentiality of all our patients' data to uphold our patients' trust in us. Clearbridge strictly adheres to the provisions of the Personal Data Protection Act ("**PDPA**"), which comprises various requirements governing the collection, use, disclosure, and care of personal data as we seek to maintain strict confidentiality of our patients' medical and personal information gathered in the course of our operations to serve them and their families responsibly.

At our clinics, we ensure that our patients' consent is obtained before collecting, using, and disclosing personal data for healthcare-related use only. The Group collects personal data through the use of forms upon registration. Should a request for transfer of patient data arise, these data are transferred to other referral laboratories or other service providers via email in a password-protected zip file or via any encrypted program or link requested by the client. We only collect the necessary information that is needed to provide our services and avoid collecting unnecessary information for current and future uses. We utilise an external data centre managed by a reputable service provider to ensure these sensitive data is stored and protected.

We have dedicated resources to ensure patients' data is well-protected by appointing a PDPA officer. The PDPA officer's role is to strengthen our internal monitoring efforts in the safekeeping of personal data of our patients and ensure that our Group's procedures are up to date with the latest regulations.

In FY2023, there were no (FY2022: Nil) substantiated complaints concerning breaches of customer privacy and losses of customer data due to our mismanagement.

SUSTAINABILITY REPORT

Governance and Ethics Targets

Segment	FY2023 Targets	Status	FY2023 Performance Updates
Group-wide	Maintain zero confirmed incidents of corruption	Achieved	There were no confirmed incidents of corruption
	Maintain zero incidents of non-compliance with relevant laws and regulations	Achieved	There were no incidents of non-compliance with relevant laws and regulations
Medical Clinics and Centers	Maintain zero known cases of identified leaks, thefts or losses of customer data	Achieved	There were no incidents of breaches or losses of customer data
Segment	**FY2024 Targets**		
Group-wide	• Maintain zero incidents of non-compliance with relevant laws and regulations • Maintain zero confirmed incidents of corruption		
Medical Clinics and Centers	• Maintain zero known cases of identified leaks, thefts or losses of customer data		

FOCUS 2: PROVIDING QUALITY HEALTHCARE

As a medical provider, Clearbridge prides itself in providing quality consultation services and delivery of high-quality products to patients. Providing our patients with exceptional quality of care is part of our top priority and central to our vision and mission. Quality reinforces our brands and reputation in the market which encourages customer loyalty and sustainability of our business. Regular checks are conducted annually on our medical facilities in the Philippines and Singapore to ensure the quality of care provided to our patients.

Patient Health and Safety

Clearbridge seeks to create a conducive environment to help our employees, including doctors and medical specialists, perform at their best and deliver quality care to our patients. In order to safeguard the health and safety of our customers, we are compliant with relevant medical laws and regulations. The Group invests in training courses for our employees to ensure they are well-trained, educated in current practices and with the right skill sets and updated with the latest developments in their field to perform to the best of their abilities. In Singapore, doctors at our clinics are licensed general practitioners by the Singapore Medical Council and our clinics are licensed by the Ministry of Health. In the Philippines and Hong Kong, our doctors are licensed to practice by the Professional Regulation Commission and the Medical Council of Hong Kong respectively. In order to meet the needs of all personnel, continuing clinical training programs have been set in place, which are reflected in the continuing medical education hours for the personnel. We encourage our medical staff to update their technical knowledge on a constant basis and pursue opportunities that capitalise on the latest technological advancement in their fields.

The Group has implemented a strict Standard Operating Procedure to review the procurement of medical equipment which includes selection, commissioning, inspection, testing, and maintenance of equipment for our clinics in the Philippines and dental clinics in Singapore. All our medical equipment and systems used in patient care are approved by the relevant authorities to ensure they are operational, safe, and properly configured and maintained. In the Philippines, we are monitored by the Food and Drug Administration Philippines ("**FDA**") annually on our mobile X-rays and X-rays room for any leakage of radiation from the X-rays rooms. The Department of Health of Philippines ("**DOH**") also audits and inspects our center annually to ensure compliance with the laboratory standards and the state of the hemodialysis machines. We are also required by the DOH to recalibrate measurement tools such as thermometers, blood pressure apparatus, and scales annually. We have been granted permits by the FDA and DOH to continue our medical operations. Similarly for Singapore, the relevant permits and licenses would be obtained from the relevant authorities prior to operational use. For instance, the National Environment Agency would conduct an inspection on our X-ray machines and approve the license application, before the first use of the X-ray machines on patients.

In FY2023, the Group did not receive any (FY2022: Nil) substantiated complaints regarding the medical services provided.

SUSTAINABILITY REPORT

Quality of Products

The Group adheres strictly to all government regulations in the respective jurisdictions that we operate in. Prior to dispensing medicine to patients, our employees and doctors will verify and ensure that the medicine to be dispensed is correctly labelled with the instructions for proper consumption and usage. Our Group ensures that all medications to be dispensed are legal and safe for patient' consumption.

The Group's medical clinics ensure that all our pharmaceutical products display the essential information to ensure accurate labelling of drugs and information. Key information such as the name of the drug, dosage, and strength, and instructions for use are labelled on each of the drugs to ensure that patients are well-informed of the drugs dispensed.

We keep abreast with developments via regular communication with stakeholders, helping us to maintain a high standard of product quality. The Group ensures that all the health supplements, medical devices and/or drug facts labels on the products of our suppliers are approved and certified by the respective health authorities. In FY2023, all drugs purchased were approved by the FDA and the Drug Office of the Department of Health in Hong Kong.

Clearbridge is committed to making the quality and safety of our procured pharmaceutical products our topmost priority. As the Group procures pharmaceutical products, we constantly abide by the following objectives to ensure that our medications are always available and prevent wastages by ensuring that we have a proper inventory system to dispense and store the procured drugs at optimal quantity and costs. We also maintain a list of reliable suppliers to ensure that our vendors are approved by the respective jurisdiction's health authorities. We place utmost importance on procuring from licensed and reputational pharmaceutical suppliers to ensure consumer product safety along our supply chain for all procured products.

The Group evaluates our suppliers on a regular basis to ensure they comply and meet regulatory health standards in product use, safety, and labelling and only engages suppliers who strictly comply with such guidelines including information on product contents and instructions for safe use. We also ensure that the suppliers provide us with the relevant, required certification alongside each batch of procured products to ensure that they are certified to be legitimate and quality-controlled products.

While COVID-19 has brought about disruption to the global supply chain, the Group was able to maintain a resilient supply chain to ensure that the pharmaceutical products were delivered timely. There were no significant changes to the Group's supply chain during the year.

In FY2023, the Group had no (FY2022: Nil) reported incidents of non-compliance regarding product health and safety, as well as product information and labelling.

Quality Healthcare Targets

Segment	FY2023 Targets	Status	FY2023 Performance Updates
Medical Clinics and Centers	• Zero breaches in product health and safety • Maintain no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services	Achieved	• There were zero breaches in product health and safety • There were no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services

Segment	FY2024 Targets
Medical Clinics and Centers	• Zero breaches in product health and safety • Maintain no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services

SUSTAINABILITY REPORT

FOCUS 3: DEVELOPING OUR HUMAN CAPITAL

Employees are the core of our business in driving the quality of the healthcare services that we offer. Therefore, the Group hopes to be a holistic employer that provides our employees an environment to grow together and develop the careers of our employees.

Workforce Diversity

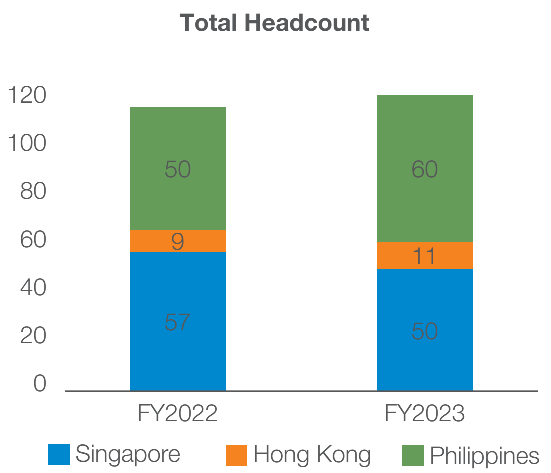
Clearbridge advocates fair employment and provides equal opportunities for all our employees. At Clearbridge, we employ people of varied backgrounds for various roles and functions, from medical professionals to corporate and support staff without discriminating against age or gender.

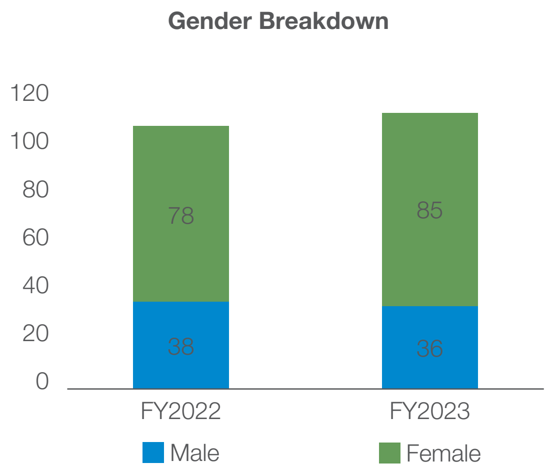
The Company recognises that increasing the diversity at the Board level will support the attainment of the Company's strategic objectives and sustainable development. Selection of candidates will be based on a range of diverse perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge, and length of service.

As at 31 December 2023, the Group has 121 (FY2022: 116) employees in our workforce which consists of 115 (FY2022: 111) full-time employees and 6 (FY2022: 5) part-time employees, and we do not hire any temporary[1] or non-guaranteed hours[2] employees.

Apart from our full-time and part-time employees, we have also engaged external service providers to provide dental services for our patients. In FY2023, we have 32 (FY2022: 28) dental assistants, dental surgeons, and an oral health therapist which are externally contracted and are not accounted as part of our workforce.

As part of the Group's provision of healthcare and welfare benefits, we provide our full-time employees with healthcare claims such as dental and medical claims in Singapore, and free healthcare consultation with our appointed family medicine doctor and healthcare medical organisation for our employees in the Philippines. However, such benefits are not provided to our part-time employees. Key statistics in relation to the breakdown of our employees by geographical location, gender, age groups, and employee categories are as follows:



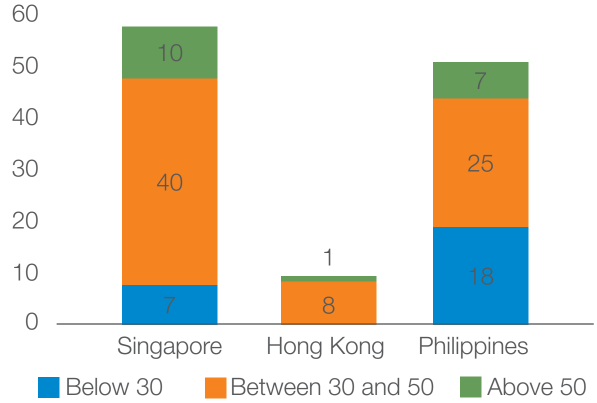


1 Temporary employees are defined as employees with a contract for a limited period that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed.

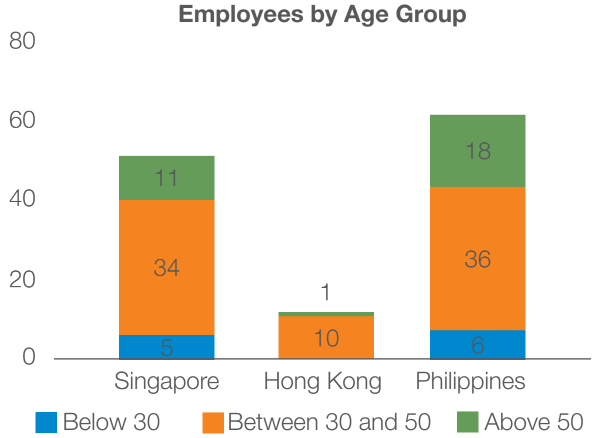
2 Non-guaranteed hours employee are employees who are not guaranteed a minimum or fixed number of working hours per day, week or month, but who may need to make themselves available for work as required.

SUSTAINABILITY REPORT

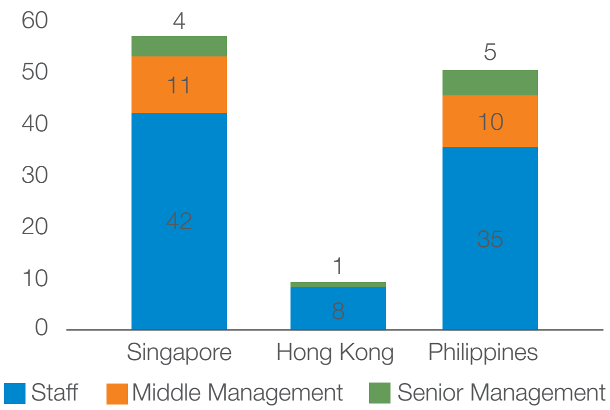
FY2022
Employees by Age Group



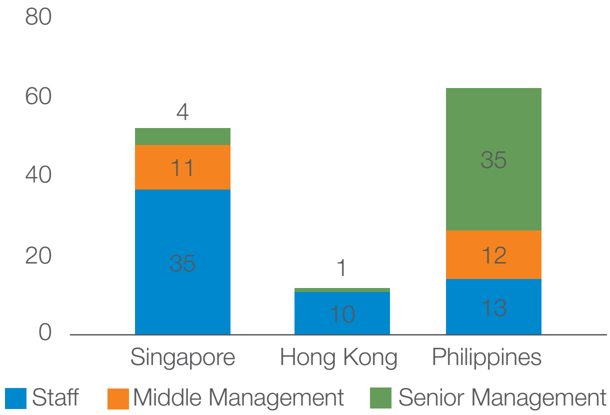
FY2023
Employees by Age Group



FY2022
Employees by Employee Category

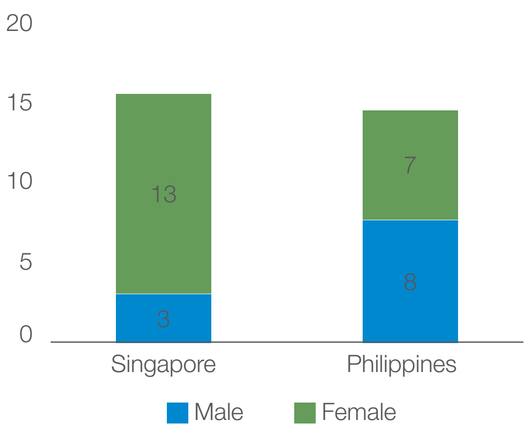


FY2023
Employees by Employee Category

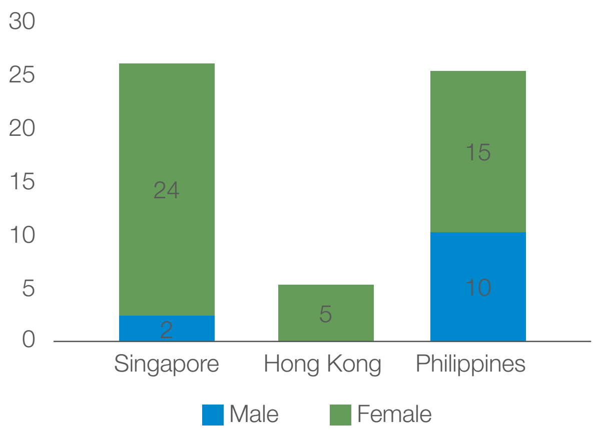


During FY2023, the Group had 56 (FY2022: 31) new hires and 51 (FY2022: 44) employees who left during the Reporting Period which attributed to a new hire rate of 46.3% (FY2022: 26.7%) and turnover rate of 43.0% (FY2022: 30.6%).

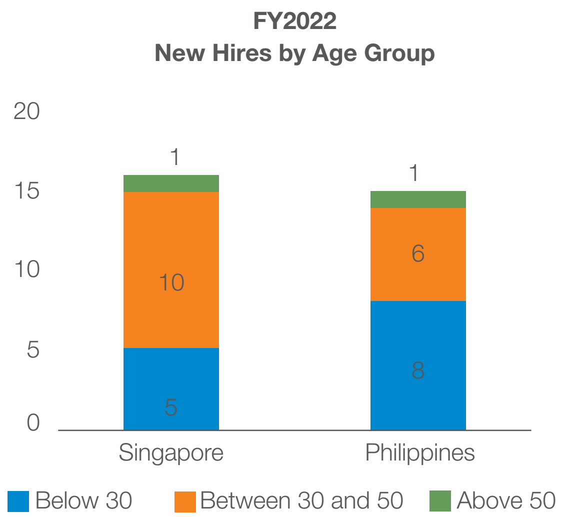
FY2022
New Hires by Gender

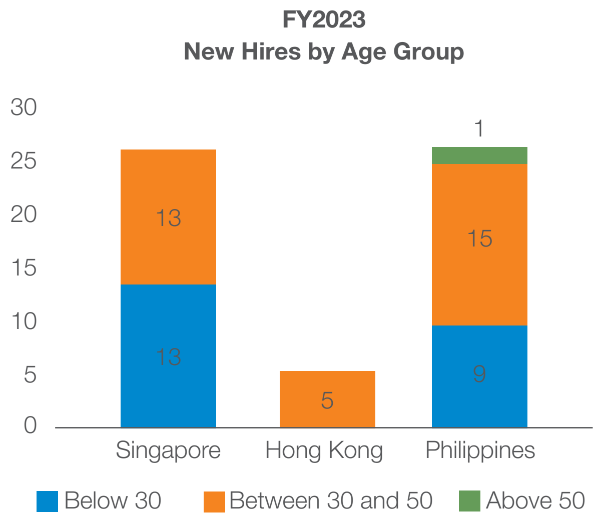


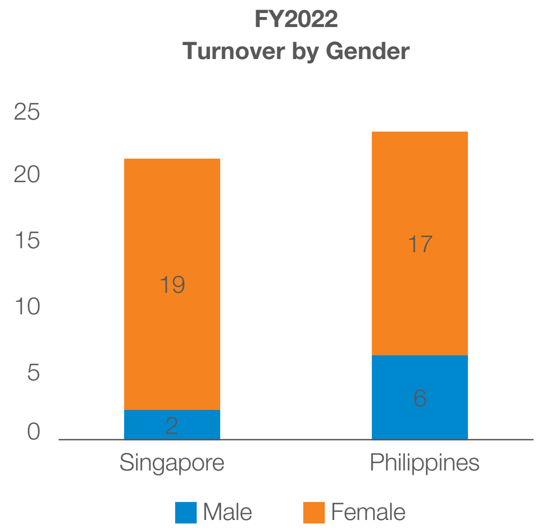
FY2023
New Hires by Gender

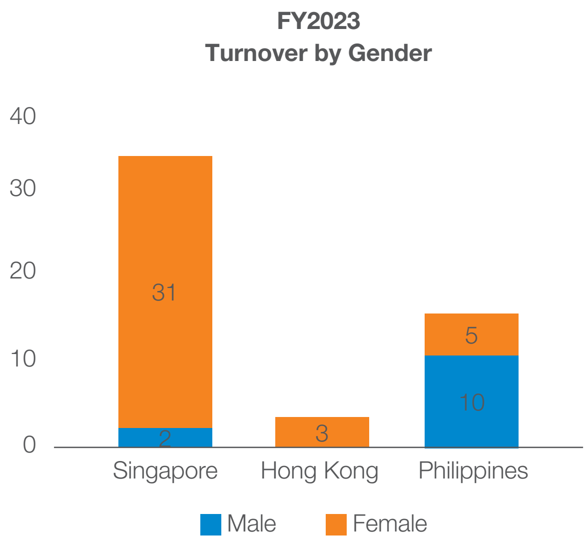


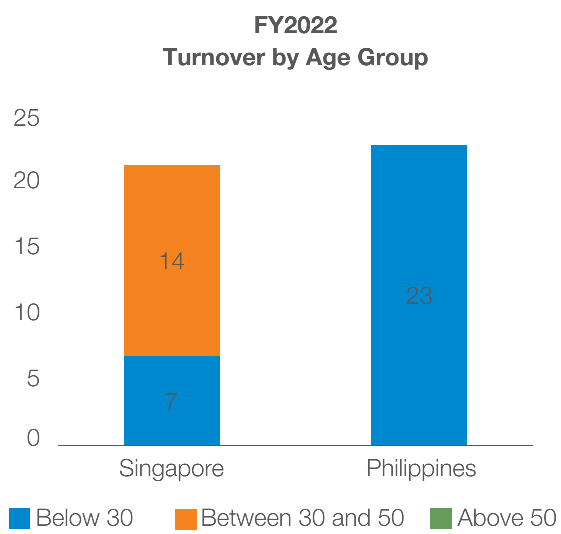
SUSTAINABILITY REPORT

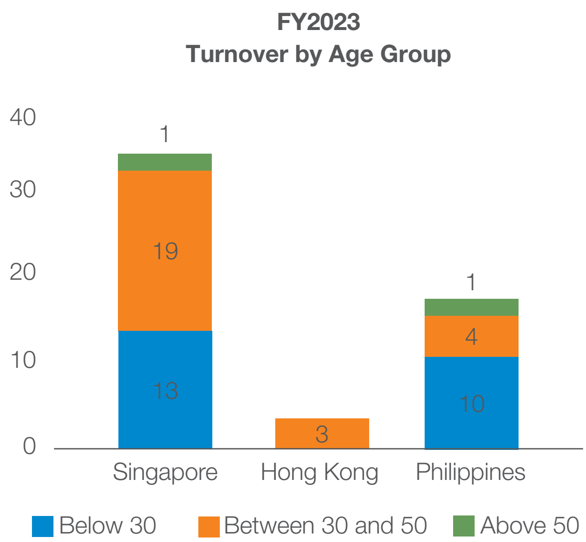












SUSTAINABILITY REPORT

The Group understands and respects the importance of allowing our employees to spend time with their family apart from work. All eligible employees are entitled to parental leave for them to take time off when their family commitment arises. In FY2023, there were no (FY2022: Nil) employees who took parental leave.

In addition to our employees, we also strive to leverage the breadth of experience of our leadership to represent diverse perspectives while maintaining independence to guide the organisation to greater growth. As at 31 December 2023, the Group has 5 (100%) male Directors (FY2022: 6 (100%) male Directors) of which there are 4 non-executive Directors bringing diverse experiences and core competencies to facilitate decision-making. The Board's composition will be reviewed annually to ensure that the Board continues to have an appropriate mix of expertise and experience with necessary core competencies. As at 31 December 2023, we do not have any (FY2022: Nil) females on the management team.

To ensure that all employees are given equal opportunities, we have established various human resource-related processes such as ensuring staff recruitment advertisements do not state race, gender, age or religious preferences. In FY2023, there were no (FY2022: Nil) reported incidents of discrimination at our workplace. The Group condemns any discriminatory practices, and any reported incidents will be investigated.

Training and Development

The Group recognises the valuable contribution of all employees. We ensure that all employees are assessed regularly for their performance and remunerated fairly based on their experience, qualifications, and performance, regardless of age or gender. Annual appraisals are conducted to ensure that our employees continue to enhance and refine their existing skills and develop newer ones in delivering greater quality of care and services for our patients. In FY2023, 100% of our employees from Hong Kong and the Philippines received an annual performance appraisal review. We encourage open communication between the manager and the employee to encourage coaching and development for our employees to build competence and drive high performance. In motivating our employees for their contributions, we record and track their performance. In cases of exceptional performance, we will also recognise and reward their contribution to the Group.

As the Group strives to provide greater quality of care and service, we recognise the importance of continuous training and development for our employees. In FY2023, our employees at our headquarters have gone through a total of 64 (FY2022: 397) hours of training in upskilling and honing new skills which averaged 0.53 (FY2022: 3.42) hours of training per employee. The significant reduction in training hours was because there were no training arrangements for dental clinics operate in Singapore during the Reporting Period. Overall, our employee training hours for each female and male employee averaged 0.47 (FY2022: 4.48) hours and 0.64 (FY2022: 0.42) hours respectively.

In addition to employee training and development, we also provided various training programmes including Foundation of Leadership Excellence, Ethical Dilemmas and Decision Making, Expanded Withholding Tax Workshop, Biosafety Training, Maritime Occupational Safety and Health Training and Basic Pollution Control Officer Course for our employees. For all the courses above, we set clear and achievable goals, objectives and plans to align our expectations with the employees.

Occupational Health and Safety

Clearbridge relies on our frontline employees to interact with the patients in delivering quality patient care. We are committed to ensuring the business operation process does not expose our employees to any harm. During the Reporting Period, Clearbridge continues to focus on providing a safe, healthy and supportive workplace for all our employees to deliver quality healthcare and services to our patients.

In preventing and mitigating negative occupational health and safety impacts on our staff, we begin by inculcating a strong safety culture at our workplace. Ad-hoc and on the job training to educate our employees on operating the medical devices safely are conducted to prevent mishandling of any devices that could lead to potential safety hazards. Such training prevents any possible incidents of workplace injuries. We constantly remind our employees to be equipped with proper Personal Protective Equipment such as masks and gloves when interacting with patients to minimise any risks of transmission. We also encourage an open channel of communication across all levels to gather feedback and comments on health and safety-related issues for improvement and have set out an internal process to ensure proper handling of any workplace health and safety incidents. Employees are to alert their supervisors of hazardous situations at work; in the event of a workplace accident, an incident report will have to be raised in writing along with witness reports for further investigation.

SUSTAINABILITY REPORT

We have in place formalised Occupational Health and Safety ("**OHSE**") practices in the Philippines to ensure that our employees are well-protected against any potential workplace safety hazards. We also comply with the regulations and guidelines laid out by the Occupational Safety and Health Administration, the requirements of the Department of Labour and Employment of the Philippines ("**DOLE**") and the prevailing rules and regulations on the Occupational Safety and Health Standards in the Philippines.

An OHSE policy has been implemented based on risks identified at the medical centre and legislative guidelines mentioned. We have implemented a risk management plan that assists to identify and analyse risks to develop mitigating solutions to reduce the risks identified. Senior management, department managers, and quality management representatives will review the risks register and the risk management plan annually or when required to ensure the relevance of the risks identified. In the event of a workplace incident, this incident is to be reported to the safety officer in writing. Upon receipt of the report, the safety officer will investigate the root cause of the incident and implement corrective actions to prevent future incidents from occurring and schedule follow-up review on the corrective measure to ensure effectiveness. This ensures a safe environment for our employees to work in, preventing any potential business disruptions. In the event of such workplace accidents, we are required by the DOLE to send our work injury exposure data report to them annually.

In ensuring that our employees are well-equipped with safety knowledge, we provide them with trainings on pollution control, biosafety, and fire safety. Fire and earthquake evacuation plans are shared on every level of the medical clinics and safety signage is shared at prominent areas to inform patients and employees of the potential chemical or radiation hazard.

Aside from ensuring our employees are protected from workplace safety hazards, the Group also ensures that we help our employees to gain access to non-occupational healthcare services through the provision of insurance coverage that was purchased for them and accommodate work arrangements to suit their needs. We ensure that we maintain the confidentiality of our workers' personal health-related information and we do not discriminate against our employees.

In FY2023, the Group did not record any (FY2022: Nil) incidents of workplace injuries and high-consequence injuries. Consequently, there were no (FY2022: Nil) workplace fatalities or workplace ill health from our workforce.

Local Employment and Procurement Practices

As the Group operates across multiple jurisdictions, we employ locals from the respective jurisdictions to operate our medical centres and clinics. The Group believes in employing the locals which can bring about intangible benefits to our business operations as we contribute economically to the respective jurisdiction. The Group compensates the locals according to the merit of the work conducted. Our employees in the Philippines are remunerated in accordance with the minimum wage laws specified by DOLE and our employees in Hong Kong are remunerated above the stipulated minimum wage. In Singapore, our employees are remunerated based on merit of the work that was conducted as there is no legislation on minimum wages. Across all our jurisdictions, 100% (FY2022: 100%) of our senior management were hired from the local community.

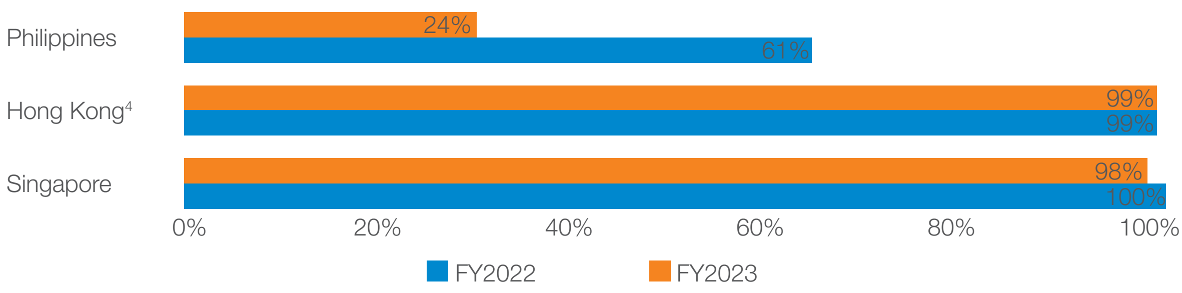
In addition to employment, the Group contributes back to the local economy by sourcing quality and certified medical products from the local economy where it operates. Therefore, we have prioritised sourcing local medical equipment from local suppliers, where applicable, and only engage overseas suppliers when there are no eligible local suppliers available.

This increases the resiliency of our supply chain while ensuring that we provide optimal healthcare products and services for our patients. In FY2023, approximately 87% (FY2022: 74%) of our business expenditure was incurred with local suppliers[3].

3 In FY2023, Labnovation COVID-19 ART test kits were imported from suppliers overseas and distributed to the local pharmacies in the Philippines.

SUSTAINABILITY REPORT

Proportion of Spending on Local Suppliers



Local Communities

Our local operations are spread across different parts of the countries we operate in, including the heartlands. We serve patients regardless of their gender or social status. We will also deploy doctors with specific niches to the respective clinics where we foresee a possible demand for the niche service to meet the needs of our patients, bringing about a positive impact on the community. During the Reporting Period, we have implemented a local community engagement approach by offering free medical consultation and laboratory tests to patients in February and April 2023 in collaboration with local partners in the Philippines.

Human Capital Targets

Segment	FY2023 Targets	Status	FY2023 Performance Updates
Group-wide	Maintain no incidents of work-related fatalities	Achieved	There were no incidents of work-related fatalities
	Maintain Accident Frequency Rate ("**AFR**") of zero	Achieved	AFR of zero was met
	No significant non-compliance with employment related laws and regulations	Achieved	There was no significant non-compliance with employment related laws and regulations
Segment	**FY2024 Targets**		
Group-wide	• No significant non-compliance with employment related laws and regulations • Maintain no incidents of work-related fatalities • Maintain AFR of zero		

4 Business expenditures incurred with local suppliers in Hong Kong include suppliers from both China and Hong Kong.

SUSTAINABILITY REPORT

FOCUS 4: PREPARING FOR CLIMATE CHANGE RESILIENCY

Over the past few years, we have witnessed the impact of climate change on our stakeholders and we have increasingly considered climate-related factors in our business decisions. In order to provide greater accountability and transparency in sustainability, we are disclosing our climate report in this Report, prepared based on the TCFD recommendations to highlight the Group's actions against climate change.

Task Force on Climate-Related Financial Disclosures Recommendations

The impact of climate change is far-reaching, and the Group is not spared from it. As governments and business leaders accelerate decarbonisation efforts, the transition to a low-carbon future is shaping the world around us. Beyond the impact of our own operations on the external environment and society, we also consider the impact of climate change on our business operations and stakeholders such as our employees, patients and shareholders. This then allows the Group to strategise, plan and mitigate against the impact of climate change on our operations.

This section presents a detailed discussion of our approach to the disclosure recommendations of the TCFD framework under the 4 core elements: climate-related governance, strategy, risk management and metrics and targets.

TCFD Recommended Disclosures		FY2023 Status	Summary and Next Steps
Governance	Describe the Board's oversight of climate-related risks and opportunities		Climate risks and opportunities were discussed and identified by the senior management based on the TCFD framework. Alongside the risks and opportunities, the management have also articulated their strategies and mitigation on these risks and opportunities. The consolidated risks and opportunities as well as mitigation strategies were presented to the Board. The Board is ultimately responsible for oversight of climate-related risks and opportunities across the Group. The Board has collectively reviewed and approved the climate risks and opportunities identified by the management. In mitigating the impact of climate change, the Board will endeavour to implement and continuously fine tune its sustainability governance structure by engaging the assistance of our management and operational leadership teams to oversee our climate mitigation strategies. Moving forward, the Board will be updated on the progress of the Group's mitigation and strategy against the identified climate risks and opportunities at least once a year or whenever necessary.

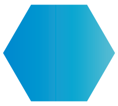
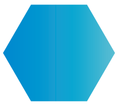
SUSTAINABILITY REPORT

TCFD Recommended Disclosures		FY2023 Status	Summary and Next Steps
	Describe management's role in assessing and managing climate-related risks and opportunities		The management is tasked with strategic management of climate-related risks and opportunities of the Group. The identification of climate related risks and opportunities was undertaken by the management team. The management will be supporting the Board to implement the identified climate-related strategies from ground up together with the support of the operational leadership teams across the medical centres and clinics in various jurisdictions.The management is tasked with strategic management of climate-related risks and opportunities of the Group. The identification of climate related risks and opportunities was undertaken by the management team. The management will be supporting the Board to implement the identified climate-related strategies from ground up together with the support of the operational leadership teams across the medical centres and clinics in various jurisdictions. The operational leaders and the Group's management will regularly review the progress and strategies within their operational sites to ensure that the strategies are implemented accordingly. For critical decisions pertaining to sustainability, the management and operational leaders will agree and make critical decisions pertaining to sustainability that might present risks or opportunities to the Group's operations.

SUSTAINABILITY REPORT

TCFD Recommended Disclosures		FY2023 Status	Summary and Next Steps
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term		The Group has engaged an external ESG consultant to assist the senior management in identifying the climate-related risks and opportunities. Please refer to the Climate-Related Risks and Opportunities section (pages 37 to 40) for more information.
	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning		
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario		In line with the SGX-ST's phased implementation approach for TCFD adoption, the Group will incorporate scenario analysis in our subsequent sustainability reports.
Risk Management	Describe the organisation's processes for identifying and assessing climate-related risks		The Group shall identify and assess the relevant climate-related risks and opportunities as outlined in the Climate-Related Risks and Opportunities section and intends to share the process involved and how the material ESG Factors contribute to the creation of value for the Group.
	Describe the organisation's processes for managing climate-related risks		Climate-related risks may include impact on operations at asset level, performance at business level and development at regional level, arising from extreme weather conditions or the global shift towards a lower carbon economy. The leadership at asset level will meet with the Group's management regularly to highlight potential climate-related risks and undertake appropriate contingency planning and actions to mitigate these risks.
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management		Our processes for identifying, assessing, managing and monitoring climate-related risks have been integrated into our risk management policy. We have taken appropriate risk management procedures for the climate-related risks identified.

SUSTAINABILITY **REPORT**

TCFD Recommended Disclosures		FY2023 Status	Summary and Next Steps
Metrics and Targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process		The Group has established climate-related metrics and targets such as those disclosed under Focus 5 to give our stakeholders a clearer picture of how we manage climate-related risks and opportunities.
	Disclose Scope 1[5], Scope 2[6], and if appropriate, Scope 3[7] greenhouse gas (“**GHG**”) emissions, and the related risks		The Group will continue to enhance our knowledge and expertise in climate mitigation and monitor our emissions footprint before setting any quantitative emissions reduction targets.
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets		The Group is evaluating other metrics that may potentially warrant inclusion as targets to manage climate-related risks. In line with the SGX-ST’s phased implementation approach for TCFD adoption, the Group shall evaluate the need to quantify and monitor Scope 3 emissions in the subsequent sustainability reports.
FY2023 Status			
 Achieved		 In Progress	

Climate-Related Risks and Opportunities

In line with our commitment to align with the TCFD recommendations, our identification and assessment of climate risks considers:

- Transition risks: include changes to policy and legal obligations, technological innovation, changing market demand for products and changing stakeholder expectations.
- Physical risks: risks relating to the physical impacts of climate change (both acute and chronic).

The table below reflects our understanding of our most significant climate-related risks relevant to our businesses. The Group recognises and is aware that the list is not exhaustive and we will continue to enhance our understanding and responses to these risks.

5 Scope 1 GHG emissions are emissions resulting from the sources owned or controlled by the Group.

6 Scope 2 GHG emissions are emissions resulting from the generation of purchased electricity consumed by the Group.

7 Scope 3 emissions are emissions from sources not owned or controlled by the Group such as the Group’s value chain.

SUSTAINABILITY REPORT

<table>
<tr><th>Transition and Physical Risks</th><th>Description</th><th>Risk Mitigation</th></tr>
<tr><td rowspan="8">Policy and Legal</td><td>The introduction or increase of carbon tax in countries where Clearbridge operates in will indirectly increase the cost of energy consumption

– In Singapore, the existing carbon tax rate of S$5/$tCO_2e$ is expected to increase from 2023 onwards. By 2030, the rate of carbon tax is expected to rise to $50-$80/tCO_2e by 2050.</td><td rowspan="4">The Group is exploring the usage of more energy-efficient lighting within the premises and to consider energy efficient premises such as green mark certified buildings for future possible site relocations. The Group will also consider purchasing energy from renewable sources as and when they become available.</td></tr>
<tr><td>Time Period[8]: Short, Medium, Long</td></tr>
<tr><td>Likelihood[9]: Likely</td></tr>
<tr><td>Financial impact: Higher cost associated with energy usage</td></tr>
<tr><td>Treatment of medical waste will become increasingly stringent

– Given the carbon-intensive nature of medical waste treatment, it is possible that the cost of disposing medical waste would increase to reduce or eliminate hazards on the environment.</td><td rowspan="4">For operations where huge amount of waste is generated, we have engaged licensed waste disposal contractors for waste disposal service. Our operations in the Philippines have also implemented waste management policies to comply with the local regulations.</td></tr>
<tr><td>Time Period: Short, Medium, Long</td></tr>
<tr><td>Likelihood: Possible</td></tr>
<tr><td>Financial impact: Increase in cost of waste disposal</td></tr>
</table>

8 Definition of time period used in this Report:
- Short: 1 to 3 years
- Medium: 3 to 5 years
- Long: More than 5 years

9 2 categories of likelihood have been used in this Report (in decreasing order of likelihood):
1. Likely
2. Possible

SUSTAINABILITY REPORT

Transition and Physical Risks	Description	Risk Mitigation
Technology	**Availability of medical equipment that uses less energy** – With the advancement in technology, there could be an increasing need to replace existing medical equipment with more energy efficient options Time Period: Long Likelihood: Possible Financial impact: Increase in investment costs for more energy efficient equipment	The Group will conduct regular review of the medical equipment and procure newer and energy efficient equipment, taking into consideration the availability and cost of the equipment.
Physical (Acute and Chronic)	**Worsening weather conditions resulting in more frequent and more severe disruptions of operations in the Philippines** – Medical clinics may be situated near areas prone to flooding and severe weather conditions resulting in structural damage Time Period: Short, Medium, Long Likelihood: Likely Financial impact: Disruption of operations and supply chain resulting in loss of revenue	The Group's operations in the Philippines mitigate the physical risks by ensuring that medical equipment is stored at higher levels to ensure that the machines are not affected by flooding. In preparing for potential flooding events, we have erected flood barriers to prevent flooding of the medical facility. We have also implemented a checklist for employees to ensure the medical facility is well-prepared to mitigate potential flooding events. The Group will continue to monitor and comply with weather directives.

While changes in the economy and the environment brought about by climate change represents certain risks to the Group, there are also opportunities that arises. The Group is well positioned to capture such opportunities and create long-term value for our stakeholders.

Opportunities	Description	Management's Response
Energy Source	**Utilise solar energy to reduce traditional energy consumption** – Solar panels can be used to generate renewable energy which reduces its reliance on traditional energy sources and reduce carbon emissions. Time Period: Medium, Long Likelihood: Likely Financial impact: Reduction in energy consumption costs (subject to landlord's adaptation of solar energy at their premises)	The Group will consider premises with renewable energy when relocating its premises.

SUSTAINABILITY REPORT

Opportunities	Description	Management's Response
Markets	**Clearbridge can utilise our expertise to help climate-vulnerable population meet their healthcare needs in countries we operate in** – The effect of climate change could become a health issue as it results in an increasing number of diseases, affecting the population in countries where Clearbridge operates in.	The Group will consider the feasibility of expanding our medical expertise in helping climate vulnerable population.
	Time Period: Long	
	Likelihood: Possible	
	Financial impact: Increase in revenue from larger group of visiting patients	

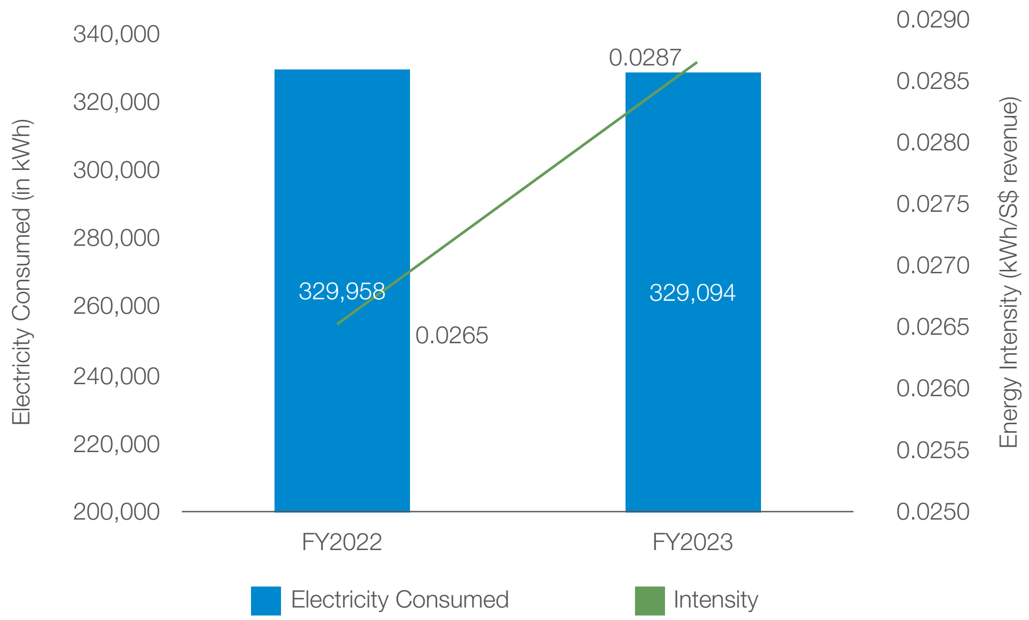
FOCUS 5: PROTECTING OUR ENVIRONMENT

Energy and Emissions Management

The Group is cognisant of its reliance on energy consumption as it is essential that our medical centres remain operational with operating medical equipment to serve our patients. This translates to higher energy usage and intensity which the Group is committed to reducing to ensure that we are operating sustainably.

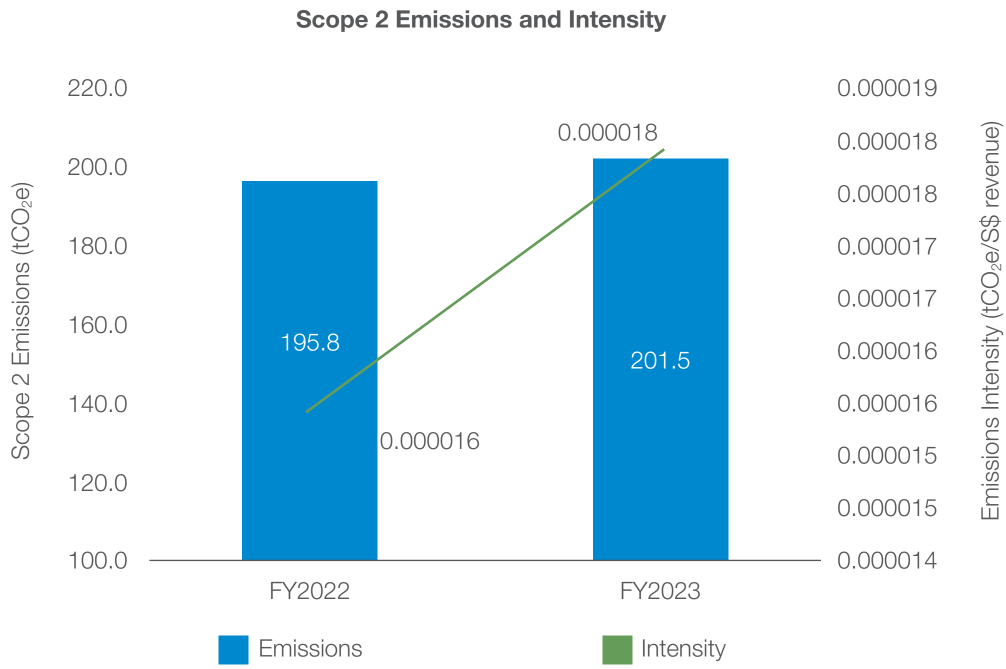
To determine the Group's carbon footprint, we collect energy usage data from each facility to calculate our annual GHG emissions from our energy consumption. We follow the GHG Protocol established by the World Resources Institute and the World Business Council for Sustainable Development, which is the globally accepted basis for corporate GHG accounting. Using the "operational control" method, we include 100% of the emissions associated with businesses in which we have operational control. Our carbon footprint includes all purchased electricity used in our facilities (Scope 2 emissions[10]).

Electricity Consumed and Intensity



10 Grid Emission Factors were sourced from the Institute for Global Environmental Strategies (2022), List of Grid Emission Factors version 11.0 and the Energy Market Authority (Singapore).

SUSTAINABILITY REPORT



From FY2022 to FY2023, the Group's energy consumption and emissions decreased slightly by 0.26% and increased by 2.91% respectively (from FY2021 to FY2022: increased by 9.5% and 11.0% respectively). The Group will continue to explore more energy-efficient solutions and monitor our energy consumption to effectively reduce our energy usage and intensity progressively.

Waste Management

Clearbridge consistently strives to reduce our ecological impact through proper waste disposal methods. Our healthcare services generally produce general and hazardous wastes through the provision of medical services such as medical dialysis treatment and dental services. The Group is also aware of the negative repercussions of improper disposal of biohazardous and medical waste that is not well-managed and disposed of in a regulated manner. Therefore, it is of utmost importance to the Group that all biohazard and medical wastes are properly managed by our medical centres and clinics in accordance with laws as administered by the respective jurisdictions.

The unprecedented COVID-19 pandemic has underlined the importance of proper waste management, and our medical employees have been equipped with knowledge of proper handling and disposal of medical waste to prevent any potential health threats posed to others. In the event of any infectious disease, our medical employees are well-prepared in the disposal of hazardous clinic waste.

The Group believes that professional and safe waste disposal is important in maintaining the hygiene of our medical centres. In Singapore, waste handling is highly regulated by the National Environmental Agency ("**NEA**") while in the Philippines, waste disposal is regulated by the DOH. The Group has engaged licensed third-party waste disposal companies to collect and dispose of biohazardous waste to mitigate against potential dangers of improper disposal across all our dental clinics in Singapore as well as medical waste from our medical clinics in Hong Kong and the Philippines. To reduce unnecessary wastage for our clinics in Singapore, we will prepare and plan procedures prior to the medical treatment for the patients.

In the Philippines, we have a waste management policy implemented. We have engaged a third-party waste disposal service provider accredited by the Department of Environment & Natural Resources of the Philippines ("**DENR**"), and the service provider is responsible for the collection and hauling of hazardous waste based on the established and accepted methods in accordance with the Rules & Regulations (DENR Administrative Order No. 2013.22 pursuant to the Republic Act No. 6969). The service provider is fully responsible for the hazardous wastes while being transported until it reaches the hazardous waste treatment, storage and disposal facility. In the event of an accidental hazardous waste spillage, the third-party waste disposal service provider is responsible for the safeguards and necessary remedial measures to be undertaken. Upon final disposal of the waste collected in a DENR-accredited sanitary landfill, the service provider will provide us with a Certificate of Treatment

SUSTAINABILITY REPORT

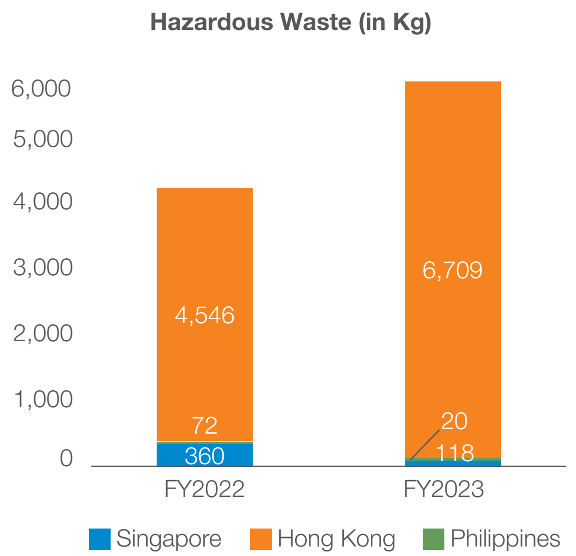
("**COT**") on the quantity of waste treated. A copy of the COT will also be provided to the concerned DENR-Environmental Management Bureau Regional Office, and we are required to submit a self-monitoring report to the authorities every quarter.

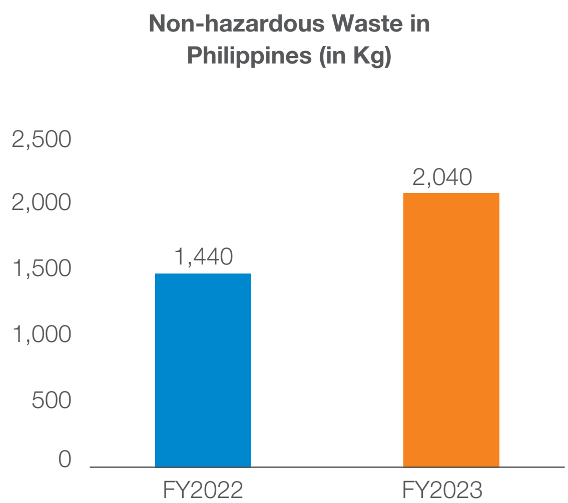
Hazardous waste generated from our dental operations in Singapore as well as medical clinics in the Philippines and Hong Kong are collected regularly while non-hazardous waste is collected daily. As waste generated from our aesthetic clinic is minimal, waste generated are disposed of daily.

Our quality manual has been set in place to ensure proper disposal and management of biohazardous and medical waste. Some of our waste management practices are as follows:

- Colour-coded bin liners or waste bags to ensure proper segregation and disposal of waste;
- Training employees on proper handling of waste segregation and disposal methods; and
- Disposal of medical waste by approved contractors.

In FY2023, 8,887kg (FY2022: 132,346kg) of hazardous and non-hazardous waste was generated and disposed of from our dental operations in Singapore and medical clinics in the Philippines and Hong Kong. In both Singapore and Hong Kong, we are unable to quantify the annual waste generated from non-hazardous waste, but we closely monitor our hazardous waste in the year which amounted to 118kg (FY2022: 360kg) and 20kg (FY2022: 72kg) respectively. Due to hygiene purposes, all medical waste generated is disposed of directly by our licensed waste disposal service provider. The Group did not reuse or recycle any medical waste generated.





The amount of waste generated from the Group's office-based operations is not material. Nonetheless, we encourage all employees to reuse any used single-sided paper and encourage recycling of waste.

SUSTAINABILITY REPORT

Environmental Targets

Segment	FY2023 Targets	Status	FY2023 Performance Updates
Group-wide	Zero incidents of non-compliance with relevant laws and regulations in Singapore, Hong Kong and the Philippines	Achieved	There were no incidents of non-compliance with relevant laws and regulations in Singapore, Hong Kong and the Philippines
Segment	**FY2024 Targets**		
Group-wide	• Continue to review and identify opportunities to improve energy efficiency • Zero incidents of non-compliance with relevant laws and regulations in Singapore, Hong Kong and the Philippines		

SGX-ST PRIMARY COMPONENTS INDEX

S/N	Primary Component	Section Reference
1	Material ESG Factors	• Stakeholder Engagement and Materiality Assessment
2	Climate-related disclosures consistent with the TCFD recommendations	• Focus 4
3	Policies, Practices and Performance	• Message from Chairman • Sustainability Strategy Overview • Focus 1 to 5
4	Board Statement	• Sustainability Governance and Statement of the Board
5	Targets	• Governance and Ethics Targets • Quality Healthcare Targets • Human Capital Targets • Environmental Targets
6	Sustainability Reporting Framework	• About This Report

SUSTAINABILITY REPORT

GRI STANDARDS CONTENT INDEX

Statement of use	Clearbridge Health Limited has reported with reference to the GRI Standards for the period from 1 January 2023 to 31 December 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard	Disclosure	Location
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details	About This Report
	2-2 Entities included in the organization's sustainability reporting	About This Report
	2-3 Reporting period, frequency and contact point	About This Report
	2-4 Restatements of information	About This Report
	2-5 External Assurance	About This Report
	2-6 Activities, value chain and other business relationships	Focus 2: Providing Quality Healthcare
	2-7 Employees	Focus 3: Developing Our Human Capital
	2-8 Workers who are not employees	Focus 3: Developing Our Human Capital
	2-9 Governance structure and composition	Focus 1: Upholding Good Governance and Ethics
	2-10 Nomination and selection of the highest governance body	Focus 1: Upholding Good Governance and Ethics
	2-11 Chair of the highest governance body	Focus 1: Upholding Good Governance and Ethics
	2-12 Role of the highest governance body in overseeing the management of impacts	Focus 1: Upholding Good Governance and Ethics
	2-13 Delegation of responsibility for managing impacts	Focus 1: Upholding Good Governance and Ethics
	2-14 Role of the highest governance body in sustainability reporting	Focus 1: Upholding Good Governance and Ethics
	2-15 Conflicts of interest	Focus 1: Upholding Good Governance and Ethics
	2-16 Communication of critical concerns	Focus 1: Upholding Good Governance and Ethics
	2-17 Collective knowledge of the highest governance body	Focus 1: Upholding Good Governance and Ethics
	2-18 Evaluation of the performance of the highest governance body	Focus 1: Upholding Good Governance and Ethics

SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location
	2-19 Remuneration policies	Corporate Governance Report
	2-20 Process to determine remuneration	Focus 1: Upholding Good Governance and Ethics
	2-21 Annual total compensation ratio	Confidentiality constraints
	2-22 Statement on sustainable development strategy	Sustainability Strategy Overview
	2-23 Policy commitments	Focus 1 to 5
	2-24 Embedding policy commitments	Focus 1 to 5
	2-25 Processes to remediate negative impacts	Focus 1 to 5
	2-26 Mechanisms for seeking advice and raising concerns	Focus 1: Upholding Good Governance and Ethics
	2-27 Compliance with laws and regulations	Focus 1: Upholding Good Governance and Ethics
	2-28 Membership associations	Sustainability Strategy Overview
	2-29 Approach to stakeholder engagement	Stakeholder Engagement & Materiality Assessment
	2-30 Collective bargaining agreements	Not applicable
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement and Materiality Assessment
	3-2 List of material topics	Stakeholder Engagement and Materiality Assessment
	3-3 Management of material topics	Focus 1 to 5
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Focus 1: Upholding Good Governance and Ethics
	205-3 Confirmed incidents of corruption and actions taken	Focus 1: Upholding Good Governance and Ethics
GRI 207: Tax 2019	207-1 Approach to tax	Focus 1: Upholding Good Governance and Ethics
	207-2 Tax governance, control, and risk management	Focus 1: Upholding Good Governance and Ethics
	207-3 Stakeholder engagement and management of concerns related to tax	• Focus 1: Upholding Good Governance and Ethics • Stakeholder Engagement & Materiality Assessment
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Focus 1: Upholding Good Governance and Ethics

SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Focus 2: Providing Quality Healthcare
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Focus 2: Providing Quality Healthcare
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Focus 2: Providing Quality Healthcare
	417-2 Incidents of non-compliance concerning product and service information and labeling	Focus 2: Providing Quality Healthcare
	417-3 Incidents of non-compliance concerning marketing communications	Focus 2: Providing Quality Healthcare
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Focus 3: Developing Our Human Capital
	202-2 Proportion of senior management hired from the local community	Focus 3: Developing Our Human Capital
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Focus 3: Developing Our Human Capital
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Focus 3: Developing Our Human Capital
	401-2 Benefits provided to full time employees that are not provided to temporary or part-time employees	Focus 3: Developing Our Human Capital
	401-3 Parental leave	Focus 3: Developing Our Human Capital
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Focus 3: Developing Our Human Capital
	403-2 Hazard identification, risk assessment, and incident investigation	Focus 3: Developing Our Human Capital
	403-3 Occupational health services	Focus 3: Developing Our Human Capital
	403-4 Worker participation, consultation, and communication on occupational health and safety	Focus 3: Developing Our Human Capital
	403-5 Worker training on occupational health and safety	Focus 3: Developing Our Human Capital
	403-6 Promotion of worker health	Focus 3: Developing Our Human Capital
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Focus 3: Developing Our Human Capital
	403-8 Workers covered by an occupational health and safety management system	Focus 3: Developing Our Human Capital

SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location
	403-9 Work-related injuries	Focus 3: Developing Our Human Capital
	403-10 Work-related ill health	Focus 3: Developing Our Human Capital
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Focus 3: Developing Our Human Capital
	404-3 Percentage of employees receiving regular performance and career development reviews	Focus 3: Developing Our Human Capital
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Focus 3: Developing Our Human Capital
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Focus 3: Developing Our Human Capital
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Focus 3: Developing Our Human Capital
	413-2 Operations with significant actual and potential negative impacts on local communities	Focus 3: Developing Our Human Capital
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Focus 4: Preparing for Climate Change Resiliency
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Focus 5: Protecting our Environment
	302-3 Energy intensity	Focus 5: Protecting our Environment
	302-4 Reductions of energy consumption	Focus 5: Protecting our Environment
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Focus 5: Protecting our Environment
	305-2 Energy indirect (Scope 2) GHG emissions	Focus 5: Protecting our Environment
	305-4 GHG emissions intensity	Focus 5: Protecting our Environment
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Focus 5: Protecting our Environment
	306-2 Management of significant waste-related impacts	Focus 5: Protecting our Environment
	306-3 Waste generated	Focus 5: Protecting our Environment
	306-5 Waste directed to disposal	Focus 5: Protecting our Environment

SUSTAINABILITY REPORT

TCFD INDEX

TCFD Disclosure	Section reference
Governance	
a) Board's oversight of climate related risks	Focus 4: Preparing for Climate Change Resiliency
b) Management's role in assessing and managing climate-related risks	
Strategy	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Focus 4: Preparing for Climate Change Resiliency
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 degree or lower scenario	The Group is taking a phased approach to TCFD adoption. The Group will incorporate scenario analysis and planning into our subsequent sustainability reports when more information and tools are available for greater accuracy and relevant analysis.
Risk Management	
a) Describe the organisation's processes for identifying and assessing climate-related risks.	Focus 4: Preparing for Climate Change Resiliency
b) Describe the organisation's processes for managing climate-related risks.	
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	
Metrics and Targets	
a) Disclose the metrics used by organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Focus 4: Preparing for Climate Change Resiliency
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	Focus 4: Preparing for Climate Change Resiliency Focus 5: Protecting our Environment The Group is taking a phased approach to TCFD adoption. The Group shall evaluate the need to quantify and monitor Scope 3 emissions in our subsequent sustainability reports.
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Focus 4: Preparing for Climate Change Resiliency

CORPORATE GOVERNANCE REPORT

The board of directors (the "**Board**" or "**Directors**") of Clearbridge Health Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is committed to achieving and maintaining high standards of corporate governance principles and processes in managing its business and affairs, so as to improve the performance, accountability and transparency of the Group.

For the financial year ended 31 December ("**FY**") 2023, the Board has reviewed the Group's corporate governance practices and ensured that they are in compliance with the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**") issued by the Monetary Authority of Singapore on 6 August 2018 and amended on 11 January 2023. The Company has substantially complied with the principles and provisions as set out in the Code for FY2023. Appropriate explanations have been provided in the relevant sections where there are deviations from the Code.

This corporate governance report sets out how the Company has applied the principles of good corporate governance in a disclosure-based regime where the Board's accountability to the Company's shareholders ("**Shareholders**"), and the Company's management's ("**Management**") accountability to the Board provides a framework for achieving a mutually beneficial tripartite relationship aimed at creating, enhancing and growing sustainable Shareholders' value.

BOARD MATTERS

Principle 1 The Board's Conduct of Affairs

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

Role of the Board of Directors

For FY2023, the Board comprises:

Chen Johnson	Non-Executive Non-Independent Chairman
Yee Pinh Jeremy	Executive Director and Chief Executive Officer
Andrew John Lord	Lead Independent Director
Mark Benedict Ryan	Independent Director
Tan Soon Liang (Chen Shunliang)[1]	Independent Director
Mah How Soon (Ma Haoshun)	Independent Director

Note:

1. Mr Tan Soon Liang (Chen Shunliang) retired as an Independent Director of the Company upon the conclusion of the annual general meeting of the Company ("**AGM**") held on 28 June 2023.

The Board is committed to achieving and maintaining high standards of corporate governance principles and processes in managing its business and affairs, so as to improve the performance, accountability and transparency of the Group. The Company sets out principles and general guidelines for the Directors who are required to abide by any applicable laws or legislation, including the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") and the Companies Act 1967 of Singapore (the "**Companies Act**"). This set of principles and guidelines covers aspects such as Board composition and balance, Board diversity, tenure and number of directorships, Board member selection, and code of conduct for the avoidance of conflicts of interest and dealing in the shares of the Company.

CORPORATE **GOVERNANCE REPORT**

The Board is entrusted to lead and oversee the Group, with the fundamental principle to objectively discharge their duties and responsibilities at all times as fiduciaries acting in the best interests of the Company. In addition to its statutory duties, the Board's principal functions are to:

- provide entrepreneurial leadership and set the corporate strategies of the Group. This includes setting the direction and goals for the Management;

- ensure that the necessary resources are in place for the Group to meet its strategic objectives;

- establish a framework of prudent and effective controls, which enables risk to be assessed and managed, including safeguarding of Shareholders' interest and the Group's assets;

- supervise, monitor and review the Management's performance against the goals set to enhance Shareholders' value;

- identify the key stakeholder groups and ensure transparency and accountability to such key stakeholder groups;

- set the Group's values and standards (including ethical standards), and ensure that obligations to Shareholders and other stakeholders are understood and met;

- consider sustainability issues, e.g. environmental and social factors, as part of its strategy formulation process; and

- oversee the overall corporate governance of the Group.

All Directors are required to objectively discharge their duties and responsibilities in the best interests and benefit of the Company. Directors and Chief Executive Officer ("**CEO**") who are in any way, directly or indirectly, interested in a proposed transaction, including those identified within the Code and provisions of the Companies Act shall declare the nature of their interests and recuse himself or herself from such discussion and decisions on the matter.

CORPORATE GOVERNANCE REPORT

Delegation by the Board

The Board has delegated certain responsibilities to the Audit Committee (the "**AC**"), the Remuneration Committee (the "**RC**") and the Nominating Committee (the "**NC**") (collectively, the "**Board Committees**"). The Board accepts that while these Board Committees have the authority to examine specific issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility for all matters lies with the Board. As at the date of this annual report for FY2023 (the "**Annual Report 2023**"), the compositions of the Board Committees are as follows:

Composition of the Board Committees

Board Committee Designation	AC	NC	RC
Chairman	• Mark Benedict Ryan	• Mah How Soon (Ma Haoshun)[1]	• Andrew John Lord
Members	• Andrew John Lord • Mah How Soon (Ma Haoshun)	• Andrew John Lord • Yee Pinh Jeremy	• Mark Benedict Ryan • Chen Johnson

Note:

1. Mr Mah How Soon (Ma Haoshun) was appointed as Chairman of the NC in place of Mr Tan Soon Liang (Chen Shunliang) with effect from 28 June 2023. Mr Mah How Soon (Ma Haoshun) also ceased to be a member of the RC with effect from 28 June 2023.

Directors' Attendance at Board Meetings, Board Committee Meetings and General Meetings in FY2023

The attendance of each Director at the Board meetings, Board Committee meetings and general meetings of the Company in FY2023 is set out below:

	Board	Board Committees			AGM
		AC	NC	RC	
Number of meetings held	4	4	1	1	1
Name of Director					
Chen Johnson	4	–	–	1	1
Yee Pinh Jeremy	3	–	1	–	1
Mark Benedict Ryan	4	4	–	1	1
Andrew John Lord	3	3	1	1	1
Tan Soon Liang (Chen Shunliang)[1]	2	2	1	–	1
Mah How Soon (Ma Haoshun)[2]	4	4	–	1	1

Notes:

1. Mr Tan Soon Liang (Chen Shunliang) retired as an Independent Director of the Company upon the conclusion of the AGM held on 28 June 2023. Consequently, he ceased to be the Chairman of the NC and a member of the AC.
2. Mr Mah How Soon (Ma Haoshun) was appointed as Chairman of the NC in place of Mr Tan Soon Liang (Chen Shunliang) with effect from 28 June 2023. Mr Mah How Soon (Ma Haoshun) also ceased to be a member of the RC with effect from 28 June 2023.

CORPORATE GOVERNANCE REPORT

All Board and Board Committee meetings are scheduled well in advance of each year in consultation with the Directors. To ensure meetings are held regularly with maximum Directors' participation, the Company's constitution (the "**Constitution**") allows for meetings to be held through telephone and video conference. The Company ensures that telephonic and screen sharing facilities are made available for Directors to attend the meetings.

Regular meetings are held by the Board to deliberate the strategic policies of the Group including significant acquisitions and disposals, review and approve annual budgets, review the performance of the business and approve the public release of periodic financial results. The Board will also convene additional meetings for particular matters as and when they are deemed necessary.

While the Board considers Directors' attendance at Board meetings to be important, it is not the only criterion which the Board uses to measure Directors' contributions. The Board also takes into account the contributions by Board members in other forms including periodical reviews, provision of guidance and advice on various matters relating to the Group.

The day-to-day operations are entrusted to the Executive Director and CEO who is assisted by an experienced and qualified team of key management personnel.

Material Transactions Requiring Board Approval

The Company has in place policies for the approval of, among others, investments and divestments, related persons transactions and cash management. Such material transactions are specifically reserved for the Board's consideration and approval. The Company has also set out clear directions to the Management in relation to such material transactions that are subject to the Board's approval.

In this regard, matters that require the Board's approval include, amongst others, the following:

- overall Group business and budget strategy;
- capital expenditures exceeding certain material limits;
- investments or divestments;
- all capital-related matters including capital issuance;
- significant policies governing the operations of the Company;
- corporate strategic development and restructuring;
- interested person transactions exceeding S$100,000; and
- risk management strategies.

CORPORATE GOVERNANCE REPORT

Board Induction and Training

All newly appointed Directors will undergo an orientation programme where the Directors are briefed on the Group's strategic direction, governance practices, business and organisation structure as well as the expected duties of a director of a listed company. To enable them to have a better understanding of the Group's business, the Directors will also be given the opportunity to visit the Group's operational facilities and meet with the Management, whenever required.

The Board values on-going 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. To this end, the Company encourages continuous professional development for its Directors. The Company is responsible for arranging and funding the training of Directors. All the new first-time Directors who have no prior experience as a director of a company listed on the SGX-ST are required to attend the mandatory training in the roles and responsibilities of a director of a company listed on the SGX-ST as prescribed in the Catalist Rules.

Furthermore, Directors are regularly updated with the latest professional developments in relation to the Catalist Rules and other applicable regulatory updates or amendments to relevant laws, rules and regulations and changing commercial risks as well as accounting standards.

In addition, one of the Directors has attended training on the climate reporting fundamentals for listed companies organised by the SGX-ST in FY2023.

Formal Appointment Letter to Each Director

The Company will provide each Director with a formal letter of appointment setting out the Director's duties and obligations.

Access to Information

The Management recognises that the flow of complete, adequate and timely information on an ongoing basis to the Board is essential to the Board's effective and efficient discharge of its duties. To allow Directors sufficient time to prepare for the meetings, all scheduled Board and Board Committee papers are distributed to Directors at least 5 working days in advance of the meeting. This allows Directors to focus on questions or raise issues which they may have at the meetings. Any additional material or information requested by the Directors is promptly furnished. The Board shall also be given unrestricted access to the Company's records and information.

To facilitate direct and independent access to senior management and key management personnel, Directors are also provided with their names and contact details.

CORPORATE
GOVERNANCE REPORT

Role of the Company Secretary

Directors have separate and independent access to the Company Secretary, at the Company's expense at all times. The Company Secretary is responsible for, among other things:

- advising the Board on all corporate and administrative matters;
- facilitating orientation and assisting with professional development as required;
- attending all Board meetings and Board Committees meetings; and
- ensuring that Board procedures are observed and that the Constitution, relevant rules and regulations, including requirements of the Companies Act and the Catalist Rules are complied with.

The appointment and removal of the Company Secretary is a decision of the Board as a whole.

Independent Professional Advice

Directors, either individually or as a group, in the furtherance of their duties, may take independent professional advice, if necessary, at the Company's expense.

Principle 2 **Board Composition and Guidance**

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.

Independent Directors

As at the date of this Annual Report 2023, the Board comprises 5 Directors, 3 of whom are independent, which complies with the Code's guideline that independent directors make up a majority of the Board where the Chairman is not independent.

Mr Andrew John Lord is the Lead Independent Director who represents the views of Independent Directors and facilitates flow of information between the Board and Shareholders, or other stakeholders of the Company. He also makes himself available at all times when Shareholders have concerns and for which normal channels of the Chairman, CEO or Financial Controller (the "**FC**") have failed to resolve or are inappropriate and to resolve conflicts of interests as and when necessary. The Lead Independent Director makes himself available to Shareholders at the Company's general meetings.

CORPORATE GOVERNANCE REPORT

Review of Directors' Independence

The Company has in place a policy for the Board whereby Directors should refrain from having any conflicts of interests with the Company to ensure that their duty to act in the best interest of the Company is not compromised. Directors must immediately report any conflicts of interests that have occurred or may possibly occur as soon as the Director is aware of such potential or actual conflict of interest.

The NC reviews independence of the Independent Directors annually. The Board and the NC takes into account the conduct of relevant Directors, as well as the existence of relationships or circumstances, including those identified by the Code, that are relevant in its determination as to whether a Director is independent.

Each of the Independent Directors has provided a confirmation of his independence to the NC. The NC has reviewed and confirmed the independence of each of the Independent Directors in accordance with the Code, Practice Guidance to the Code and Rules 406(3)(c) and (d) of the Catalist Rules. Having regard to the aforementioned and taking into account the views of the NC, the Board determined that the said Directors are independent in conduct, character and judgement and the said Directors have no relationships 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 their independent business judgment in the best interests of the Company.

The Board believes that no Director or small group of Directors is dominating the Board's decision making and is satisfied that there is a strong and independent element on the Board, which is able to exercise independent and objective judgement on corporate affairs.

Duration of Independent Directors' Tenure

There is no Independent Director who has served beyond 9 years since the date of his first appointment.

Board Diversity Policy

The Board currently comprises 5 Directors, consisting of 1 Non-Executive Non-Independent Chairman, 1 Executive Director and 3 Independent Directors, who have the appropriate mix of core competencies and diversity of experience, to direct and lead the Company. There is a good balance between the Executive and Non-Executive Directors, with a strong and independent element on the Board.

The Company recognises that increasing the diversity at the Board level will support the achievement of the Group's strategic objectives and sustainable development. In accordance with Rule 710A(1) of the Catalist Rules, the Company has in place a Board diversity policy (the "**Board Diversity Policy**") which sets out its approach to achieving diversity on the Board. Selection of candidates to the Board will be based on a range of diversity aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and tenure of directorship on the Board. The ultimate decision will be based on the merit and contribution that the selected candidates will bring to the Board while also considering diversity.

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The composition of the Board will be reviewed on an annual basis by the NC to ensure compliance with the Code, and to ensure that the Board has the appropriate mix of expertise and experience, and that the Directors collectively possess the necessary core competencies for effective functioning and informed decision-making.

The Board's objective in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, knowledge, core competencies and experience for the Group, regardless of gender, ethnicity or nationality. The current 5 Board members are of 2 different nationalities.

In recognition of the importance and value of gender diversity in the composition of the Board, the Company is also receptive to achieving gender diversity on the Board through the appointment of female candidates to the Board, where there are suitable candidates, and the NC will include female candidates in its search for Board candidates and is committed to advancing female candidates based on merit and their contribution.

The target, timeline and progress towards achieving the diversity objectives are summarised below:

Targets, Plans and Timelines	Targets Achieved/Progress Towards Achieving Targets
Average Tenure for Independent Directors	
To ensure that the average tenure for Independent Directors as a group shall be less than 9 years Following changes made to the Catalist Rules effective 11 January 2023 to limit the tenure of independent directors serving on the boards of companies listed on the SGX-ST to 9 years and to remove the two-tier voting mechanism for such listed companies to retain long-serving independent directors who have served for more than 9 years, the Board has sought to strike an appropriate balance between tenure of service, comparability of experience and expertise and refreshment of the Board.	**Achieved** – As at the end of FY2023, the Board comprises 3 Independent Directors and the average tenure for Independent Directors as a group is 6.3 years. The refreshment process of the Board in relation to the appointment of Independent Directors will take place as and when each of the Independent Directors approaches the tenure limit of 9 years.
Gender	
To have at least 1 female Director on the Board by end of FY2028 The Company believes in achieving an optimum mix of male and female on the Board to provide different approaches and perspectives while maintaining an appropriate mix of Board members with complementary skills, knowledge, core competencies and experience for the Group.	**In Progress** – As at the end of FY2023, all Directors are male. The Board will use reasonable endeavours to ensure that any brief to recruiters to source for candidates for appointment to the Board will include a requirement to present female candidates with relevant knowledge.

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In order to achieve the Company's target of having at least 1 female representative on the Board by the end of FY2028, the Company has included the following process in the Board Diversity Policy:

(a) if external search consultants are engaged to search for candidates for Board appointments, the brief will include a requirement to also present female candidates;

(b) female candidates are included for consideration by the NC whenever it seeks to identify a new director for appointment to the Board;

(c) female representation on the Board will be continually improved over time based on the set objectives of the Board; and

(d) at least one female director, when suitable female candidates are identified and appointed to the Board, will be appointed to the NC.

The Board is of the view that the current board size is appropriate to effectively facilitate decision making in relation to the operations of the Group, taking into account the nature and scope of the Group's operations. The Board believes that the current Board members comprise persons whose diverse skills, experience and attributes provide for effective direction for the Group. The NC is also of the view that the current Board members comprise persons with a broad range of expertise and experience in diverse areas including accounting, finance, legal, business and management, technology, strategic planning and medical related business experience.

The Board takes the following steps to maintain or enhance its objective to have balance and diversity on the Board:

- annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and

- annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

To meet the challenges of the changing landscapes in which the Group operates in, such reviews and evaluations, which include considering factors such as the expertise, skills and perspectives which the Board needs against the existing competencies, are done on a periodic basis to ensure that the Board dynamics remain optimal.

The NC will consider the results of these exercises in its recommendation for the appointment of new Directors and/or the re-appointment of incumbent Directors. In addition, the NC will review the Company's Board Diversity Policy from time to time, as appropriate, and may recommend changes to ensure its continued effectiveness and relevance, and any revisions where necessary will be recommended to the Board for approval.

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Non-Executive Director Meetings in Absence of the Management

Non-Executive Directors constructively challenge and help develop proposals on strategies and review the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance. In addition, the Non-Executive Directors meet regularly in the absence of the Management to discuss concerns or matters such as overall Group business strategies and investments and the chairman of such meetings provides feedback to the Board and/or the Chairman as appropriate.

Principle 3 Chairman and Chief Executive Officer

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.

Segregation of the Role of Chairman and the CEO

The roles of the Chairman and the CEO are separate 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.

The Chairman leads the Board discussions and ensures the effectiveness of the Board. He ensures that Board meetings are convened when necessary, sets the Board meeting agenda and ensures the quality and timeliness of the flow of information between the Board and the Management to facilitate efficient decision making. He also chairs the Board meetings and encourages the Board members to present their views on topics under discussion at the meetings. He also assists in ensuring compliance with the Group's guidelines on corporate governance.

The CEO is responsible for identifying and implementing company-wide business growth strategies and overseeing all aspects of the Group's growth and operating functions. He also oversees the execution of the Group's corporate strategy as set out by the Board and ensures that the Directors are kept updated and informed of the Group's businesses.

Lead Independent Director

Given that the Chairman is not independent, the Board has appointed Mr Andrew John Lord as the Lead Independent Director. The Lead Independent Director is a key member of the Board, representing the views of the Independent Directors and facilitating the flow of information between the Board and Shareholders, or other stakeholders of the Company.

The Board is of the view that given the current composition of the Board, there are sufficient safeguards and checks to ensure that the process of decision making by Board is independent and based on shared agreement without any individual exercising any significant power or influence.

Independent Director Meetings in Absence of Other Directors

To facilitate well-balanced viewpoints on the Board, the Lead Independent Director will, where necessary, chair meetings with the Independent Directors without the involvement of the other Directors, and the Lead Independent Director will provide feedback to the Chairman after such meetings.

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Principle 4 Board Membership

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.

Nominating Committee

The NC comprises 3 members, a majority of whom including the Chairman, are Independent Directors. The members of the NC are as follows:

Mah How Soon (Ma Haoshun)	Chairman
Andrew John Lord	Member
Yee Pinh Jeremy	Member

Notes:

1. Mr Tan Soon Liang (Chen Shunliang) retired as an Independent Director of the Company upon the conclusion of the AGM held on 28 June 2023. Consequently, he ceased to be the Chairman of the NC.
2. Mr Mah How Soon (Ma Haoshun) was appointed as Chairman of the NC in place of Mr Tan Soon Liang (Chen Shunliang) with effect from 28 June 2023.

The Lead Independent Director is a member of the NC.

The NC is guided by written terms of reference, of which the key terms of reference are as follows:

(a) reviewing and recommending the appointment of new Directors and key management personnel and re-nomination of Directors having regard to each Director's contribution, performance and ability to commit sufficient time, resources and attention to the affairs of the Group, and each Director's respective commitments outside the Group including his principal occupation and board representations on other companies, if any. The NC will conduct such reviews at least once a year, or more frequently as it deems fit;

(b) determining annually, and as and when circumstances require, whether or not a Director is independent;

(c) ensuring that new Directors are aware of their duties and obligations and deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director;

(d) developing a process and criteria for evaluating the performance of the Board as a whole and its committees, and for assessing the contribution of each Director to the effectiveness of the Board;

(e) reviewing the Directors' mix of skills, experience, core competencies and knowledge of the Group that the Board requires to function competently and efficiently;

(f) reviewing succession plans for the Directors, in particular, the Chairman and the CEO;

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(g) reviewing the training and professional development programs for the Board;

(h) reviewing the number of listed company board representations which any Director may hold; and

(i) reviewing and approving the employment of persons related to the Directors or substantial Shareholders and the proposed terms of their employment.

Board Representations

The NC is of the view that the effectiveness of each of the Directors is best assessed by a qualitative assessment of the Director's contributions, after taking into account his directorship in other listed companies and other principal commitments.

The considerations in assessing the capacity of Directors include the following:

- expected and/or competing time commitments of Directors;
- geographical location of Directors;
- size and composition of the Board; and
- nature and scope of the Group's operations and size.

The NC takes into consideration the following measures and evaluation tools in its assessment of competing time commitments of Directors:

- declarations by each Director of their directorships in other listed companies and other principal commitments;
- annual confirmations by each Director on his ability to devote sufficient time and attention to the Group's affairs, having regard to his other commitments; and
- assessment of each Directors' performance based on the pre-determined criteria.

During FY2023, the NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the multiple directorships and other principal commitments of each of the Directors (if any), and is of the opinion that the Directors have been able to devote sufficient time and resources to the matters of the Group.

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Board Nomination Process

The Board has adopted the following nomination process for the Company for selecting and appointing new Directors and re-electing incumbent Directors:

Process for the selection and appointment of new Directors:

1. Determination of selection criteria	• The NC, in consultation with the Board, will identify the current needs of the Board in terms of skills, experience, knowledge and gender to complement and strengthen the Board and increase its diversity, taking into consideration the Company's Board Diversity Policy.
2. Search for suitable candidates	• The NC will consider candidates drawn from the contacts and networks of existing Directors and may approach relevant institutions such as the Singapore Institute of Directors, professional organisations, third party search firm or business federations to source for a broader range of suitable candidates.
3. Assessment of shortlisted candidates	• The NC will meet and interview the shortlisted candidates to assess their suitability.
4. Appointment of Director	• The NC will recommend the selected candidate to the Board for consideration and approval.

Process for the re-election of incumbent Directors:

1. Assessment of Director	• The NC will assess the performance of the Director in accordance with the performance criteria set by the Board. • The NC will also consider the current needs of the Board.
2. Re-appointment of Director	• Subject to the NC's satisfactory assessment, the NC will recommend the proposed re-appointment of the Director to the Board for its consideration and approval.

Regulation 98 of the Constitution requires that at least one-third of the Board (or, if their number is not a multiple of 3, the number nearest to but not less than one-third) shall retire from office by rotation at each AGM. A retiring Director is eligible for re-election by Shareholders at the AGM. Accordingly, the Directors will submit themselves for re-nomination and re-election at regular intervals of at least once every 3 years.

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Mr Chen Johnson and Mr Mah How Soon (Ma Haoshun) will be retiring as Directors at the forthcoming AGM, pursuant to Regulation 98 of the Constitution. Mr Chen Johnson and Mr Mah How Soon (Ma Haoshun) have offered themselves for re-election, and the NC has reviewed and provided its recommendation on their re-elections, which have been accepted by the Board.

Each member of the NC has abstained from voting on any resolutions and making recommendations and/or participating in respect of matters in which he has an interest.

Additional Information of Retiring Directors seeking for Re-election

Pursuant to Rule 720(5) of the Catalist Rules, the additional information as set out in Appendix 7F of the Catalist Rules relating to the retiring Directors who are submitting themselves for re-election, is disclosed below and to be read in conjunction with their respective biographies under the section entitled “Board of Directors” in the Annual Report 2023:

Details on Mr Chen Johnson

Date of Appointment: 19 January 2010

Date of last re-appointment (if applicable): 26 April 2021

Age: 51

Country of principal residence: Singapore

The Board’s comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process): The re-election of Mr Chen Johnson as Non-Executive Non-Independent Chairman was recommended by the NC and approved by the Board, after taking into consideration Mr Chen Johnson’s qualifications, expertise, experience and overall contribution since he was appointed as a Director, as well as the objectives of the Company’s Board Diversity Policy.

Whether appointment is executive, and if so, the area of responsibility: Non-executive

Job Title: Non-Executive Non-Independent Chairman and a member of the RC

Professional qualifications: Please refer to the “Board of Directors” section in the Annual Report 2023

Working experience and occupation(s) during the past 10 years: Please refer to the “Board of Directors” section in the Annual Report 2023

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Other Principal Commitments, including Directorships:

Past directorships in the last 5 years

1. 1Bridge Partners Limited
2. Inbridge Holdings Limited
3. Biolidics Limited
4. Clearbridge Biophotonics Pte. Ltd. (Members' Voluntary Winding Up)
5. Singapore Institute of Advanced Medicine Holdings Pte. Ltd.
6. DropCell Pte. Ltd. (Struck off)
7. Hybrionic Pte. Ltd.

Present directorships

1. CapBridge CornerStone Pte. Ltd.
2. CapBridge Pte. Ltd.
3. Inbridge Ventures Pte. Ltd.
4. CapBridge Financial Pte. Ltd.
5. 1X Exchange Pte. Ltd.
6. CapBridge PSS Limited
7. CapBridge Hong Kong Limited
8. 1X Exchange PSS Limited
9. Ponte Capitis Pte. Ltd.
10. CapBridge Nominee Pte. Ltd.

Please refer to the "Board of Directors" section in the Annual Report 2023 for more information.

Shareholding interest in the listed issuer and its subsidiaries: Direct interest in 77,055,100 shares of the Company; Deemed interest in 31,059,800 shares of the Company

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: Mr Chen Chung Ni Johnny, a substantial Shareholder, is the father of Mr Chen Johnson

Conflict of interest (including any competing business): None

Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer

☒Yes ☐No

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Items (a) to (k) of Appendix 7F of the Catalist Rules: There is no change to the declaration, which was disclosed in the Company's offer document dated 11 December 2017

Details on Mr Mah How Soon (Ma Haoshun)

Date of Appointment: 23 March 2018

Date of last re-appointment (if applicable): 26 April 2021

Age: 50

Country of principal residence: Singapore

The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process): The re-election of Mr Mah How Soon (Ma Haoshun) as Independent Director was recommended by the NC and approved by the Board, after taking into consideration Mr Mah How Soon (Ma Haoshun)'s qualifications, expertise, experience and overall contribution since he was appointed as a Director, as well as the objectives of the Company's Board Diversity Policy.

Whether appointment is executive, and if so, the area of responsibility: Non-executive

Job Title: Independent Director, Chairman of the NC and a member of the AC

Professional qualifications: Please refer to the "Board of Directors" section in the Annual Report 2023

Working experience and occupation(s) during the past 10 years: Please refer to the "Board of Directors" section in the Annual Report 2023

Other Principal Commitments, including Directorships:

Past directorships in the last 5 years

1. Katrina Group Ltd.
2. 800 Super Holdings Limited

Present directorships

1. RHT Capital Pte. Ltd.
2. AP Oil International Limited

Please refer to the "Board of Directors" section in the Annual Report 2023 for more information.

Shareholding interest in the listed issuer and its subsidiaries: None

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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: No

Conflict of interest (including any competing business): None

Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer

☒Yes ☐No

Items (a) to (k) of Appendix 7F of the Catalist Rules: There is no change to the declaration, which was disclosed in the Company's announcement dated 22 March 2018 on the appointment of Mr Mah How Soon (Ma Haoshun)

Continuous Review of Director's Independence

The Independent Directors have declared their independence for FY2023 with reference to the Code, Practice Guidance to the Code and Rules 406(3)(c) and (d) of the Catalist Rules. Following its annual review, the NC has considered Mr Andrew John Lord, Mr Mark Benedict Ryan and Mr Mah How Soon (Ma Haoshun) to be independent, having regard to the Code, Practice Guidance to the Code and Rules 406(3)(c) and (d) of the Catalist Rules.

For FY2023, the Independent Directors have confirmed that they have 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.

Directors' Time Commitment

For FY2023, the NC is satisfied that sufficient time and attention was given by the Directors to the affairs of the Company and is of the opinion that the Directors are able to and have been adequately carrying out his duties as a Director, notwithstanding that some of the Directors have multiple board representations and principal commitments.

Directors' Key Information

Key information regarding the Directors, including their appointment date, principal commitments and directorships held presently and in the past 3 preceding years in listed companies are set out on pages 13 to 15 of this Annual Report 2023.

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Principle 5 **Board Performance**

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

Performance Criteria

The Board has established processes to be carried out by the NC, including taking into consideration the attendance record at the meetings of the Board and the Board Committees for monitoring and evaluating the performance of the Board as a whole and effectiveness and contribution of individual Directors. At the same time, the processes also identify areas where improvements can be made. This will then allow the Board and individual Directors to direct more effort in those areas for achieving better performance of the Board and better effectiveness of individual Directors.

The NC has been tasked to evaluate the Board's performance covering areas that include, among others, size and composition of the Board, Board's access to information, Board processes, strategic planning and accountability.

The NC shall also review the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole. The Board is of the opinion that a separate assessment on the effectiveness of the Board Committees is not necessary as the Board Committees share common members.

The NC may also engage an external facilitator for the evaluation process where necessary.

The review of the performance of the Board is conducted by the NC annually. The review of the performance of each Director is also conducted annually and when the individual Director is due for re-election.

The review process of the performance of the Board and the individual Directors is based on the following:

1. each Director will complete a board evaluation questionnaire on the effectiveness of the Board based on the Board's pre-determined criteria;

2. the Company Secretary will collate and submit the questionnaire results to the NC Chairman in the form of a report;

3. each Director will send the duly completed confidential individual Director self-assessment checklist to the NC Chairman for review; and

4. the NC will discuss the report and the NC Chairman will present the results of the performance review during the NC meeting.

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All NC members will abstain from the voting or review process of any matters in connection with the assessment of their individual performance. The assessment criteria for individual Director evaluation includes, among others, Director's attendance, commitment of time, candour, participation, knowledge and ability, teamwork, and overall effectiveness.

The NC will review the aforementioned criteria on a periodic basis to ensure that the criteria are able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long-term Shareholder value. Where circumstances deem it necessary for any of the criteria to be changed, the NC will propose amendments to the Board for approval.

The NC, having reviewed the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole, is of the view that the performance of the Board has been satisfactory in FY2023. For FY2023, the Board is satisfied that the Board as a whole and the Board Committees operate effectively and the contribution by each individual Director is satisfactory. The evaluation process of the overall performance of the Board, the Board Committees and the performance of each individual Director was conducted without an external facilitator in FY2023.

REMUNERATION MATTERS

Principle 6 **Procedures for Developing Remuneration Policies**

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.

Remuneration Committee

As at the date of this Annual Report 2023, the RC comprises 3 members, a majority of whom including the Chairman, are Independent Directors:

Andrew John Lord	Chairman
Chen Johnson	Member
Mark Benedict Ryan	Member

Note:

1. Mr Mah How Soon (Ma Haoshun) ceased to be a member of the RC with effect from 28 June 2023.

All members of the RC are Non-Executive Directors.

The RC recommends to the Board a framework of remuneration for the Directors and key management personnel, and determines specific remuneration packages for the Directors as well as for the key management personnel. The recommendations will be submitted for endorsement by the Board.

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All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and benefits in kind, will be covered by the RC. The RC will also review annually the remuneration of employees related to the Directors and substantial Shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. The RC will also review and approve any bonuses, pay increases and/or promotions for these employees. The RC's recommendations will be submitted for endorsement by the Board.

Each RC member will abstain from participating in the deliberations of and voting on any resolution in respect of this remuneration package or that of employees related to him.

The RC is guided by written terms of reference, of which the key terms of reference are as follows:

(a) to recommend to the Board a framework of remuneration for the Directors, CEO and key management personnel, and determine specific remuneration packages for each Director and key management personnel;

(b) to be responsible for the administration of the Company's performance share plan;

(c) to review the remuneration of employees who are related to the Directors, CEO or substantial Shareholders who hold managerial positions to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;

(d) to annually review the remuneration of the key management personnel including the terms of renewal for their service agreements;

(e) to consider, review and approve and/or to vary (if necessary) the entire remuneration package, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind;

(f) to seek expert advice inside and/or outside the Company on remuneration of all Directors;

(g) to review the Company's obligations arising in the event of termination of the contracts of service of the Executive Director(s) and key management personnel and to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance;

(h) to review and ensure that the level and structure of remuneration should be aligned with the long-term interest and risk policies of the Company, and should be appropriate and commercially competitive to attract, retain and motivate (i) the Directors to provide good stewardship of the Company; and (ii) key management personnel to successfully manage the Company;

(i) to structure a significant and appropriate proportion of the remuneration of the Executive Director(s) and key management personnel so as to link rewards to corporate and individual performance. Such performance-related remuneration should be aligned with the interests of Shareholders and promote the long-term success of the Company. It should take account of the risk policies of the Company, be symmetric with risk outcomes and be sensitive to the time horizon of risks. There should be appropriate and meaningful measures for the purpose of assessing the performance of the Executive Director(s) and key management personnel;

(j) to review and consider whether the Executive Director and key management personnel should be eligible for benefits under long-term incentive schemes. The costs and benefits of long-term incentive schemes should be carefully evaluated. In normal circumstances, offers of shares or grants of options or other forms of deferred remuneration should vest over a period of time. The use of vesting schedules, whereby only a portion of the benefits can be exercised each year, is also strongly encouraged;

(k) to review and ensure the remuneration of Non-Executive Directors should be appropriate to the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Directors. Non-Executive Directors should not be over-compensated to the extent that their independence may be compromised. The RC will also consider implementing schemes to encourage Non-Executive Directors to hold shares in the Company so as to better align the interests of such Non-Executive Directors with the interests of Shareholders;

(l) to consider the various disclosure requirements for Directors' remuneration, particularly those required by regulatory bodies such as the SGX-ST; and

(m) to carry out such other duties as may be agreed to by the RC and the Board.

Remuneration Consultant

The RC may from time to time, where necessary or required, seek advice from external consultants in framing the remuneration policy and determining the level and mix of remuneration for the Directors and the Management, so that the Group remains competitive in this regard. The Company did not engage any external remuneration consultant for FY2023.

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Principle 7 **Level and Mix of Remuneration**

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.

Remuneration Structure

In setting remuneration packages, the RC will take into consideration the salary and employment conditions within the industry and in comparable companies. The RC also seeks to ensure that the structure of remuneration packages for the Executive Director and key management personnel are appropriate in linking rewards to corporate and individual performance and that is aligned with the interests of Shareholders and other stakeholders and promote the long-term success of the Group. The remuneration of the Non-Executive Directors is also reviewed by the RC to ensure that the remuneration is commensurate with the contribution and responsibilities of the Non-Executive Directors. It ensures that remuneration package is appropriate to attract, retain and motivate the Directors and key management personnel to provide good stewardship of the Company and successfully manage the Company for the long term.

The Company had, on 20 November 2017, entered into a service agreement (the "**Service Agreement**") with the Executive Director and CEO, Mr Yee Pinh Jeremy, for an initial period of 3 years (the "**Initial Term**") which is renewable automatically upon expiry of the Initial Term for 1 year periods, unless otherwise agreed. On 6 January 2021, the Company and the Executive Director and CEO, Mr Yee Pinh Jeremy, have entered into a supplemental deed to his Service Agreement (the "**Supplemental Deed**") in relation to the extension of his services until 31 December 2022 (the "**Extended Term**") which is renewable automatically upon expiry of the Extended Term for 1 year periods, unless otherwise agreed. Pursuant to the terms of the Supplemental Deed, Mr Yee Pinh Jeremy's appointment as the Executive Director and CEO has been renewed automatically until 31 December 2024.

The Executive Director receives a monthly salary and is entitled to an annual wage supplement of 1 month salary and a performance bonus. The Company is entitled to recover from the Executive Director the relevant portion of any performance bonus paid to the Executive Director under the Service Agreement if there is a restatement of the financial statements of the Company made to reflect the correction of a misstatement due to error or fraud during the financial year of the Company, or misconduct of the Executive Director resulting in financial loss to the Company.

Each Non-Executive Director receives a Director's fee which takes into account factors such as effort, time spent and scope of responsibilities. The fees for Non-Executive Directors are subject to Shareholders' approval at the forthcoming AGM.

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Principle 8 **Disclosure on Remuneration**

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

The Company's remuneration policy is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. Total compensation is pegged to the achievement of organisational and individual performance objectives, and is benchmarked against relevant and comparative compensation in the market.

The remuneration (including salary, bonuses and contributions to the Central Provident Fund, allowances and benefits-in-kind) of each of the Directors and key management personnel is linked to the financial performance of the Group and the individual's performance so as to promote the long-term sustainability of the Group.

The breakdown of the total remuneration of the Directors/CEO for FY2023 is as follows:

Name of Director	Salary (%)	Benefits (%)	Bonus (%)	Share-based payment (%)	Directors' Fee (%)	Total (%)
Between S$500,001 to S$750,000						
Yee Pinh Jeremy	85	8	5	2	–	100
Below S$250,000						
Chen Johnson	–	–	–	–	100	100
Andrew John Lord	–	–	–	–	100	100
Mark Benedict Ryan	–	–	–	–	100	100
Tan Soon Liang (Chen Shunliang)(1)	–	–	–	–	100	100
Mah How Soon (Ma Haoshun)	–	–	–	–	100	100

Note:

1. Mr Tan Soon Liang (Chen Shunliang) retired as an Independent Director of the Company upon the conclusion of the AGM held on 28 June 2023.

Save as disclosed above, no compensation was paid or to be paid in the form of share awards to the Directors. There were no termination, retirement or post-employment benefits granted to the Directors and the CEO in FY2023.

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Key Management Personnel's Remuneration

The breakdown of the total remuneration of the Group's key management personnel (who are not Directors or the CEO) for FY2023 is as follows:

Name of key management personnel[1]	Salary %	Benefits %	Share-based payment %	Bonus %	Total %
Between S$250,001 to S$500,000					
Liau Yen San, Jonathan[2]	83	6	4	7	100
Below S$250,000					
Simon Hoo Kia Wei	81	7	6	6	100
Tan Wei Chee	86	7	7	–	100

Notes:

(1) During FY2023, the Group only had 3 key management personnel (who are not Directors or the CEO).

(2) Mr Liau Yen San, Jonathan resigned as the Chief Operating Officer with his effective cessation date being 29 February 2024.

Save as disclosed above, no compensation was paid or is to be paid in the form of share awards to the key management personnel of the Group. There were no termination, retirement or post-employment benefits granted to the Group's key management personnel in FY2023.

In considering the disclosure of remuneration of the Directors and key management personnel of the Group, the Board is of the opinion that given the confidential nature of and commercial sensitivities associated with remuneration matters and the highly competitive talent resource environment in which the Group operates where our key management personnel are required to have in-depth knowledge of our business and proprietary assets, it is not in the best interest of the Group to disclose the exact details of the remuneration of each Director and key management personnel, so as to prevent poaching of key management personnel.

The aggregate remuneration paid to the key management personnel of the Group (excluding Directors and the CEO) for FY2023 was approximately S$704,000.

Employees who are Substantial Shareholders, or Related to a Director, the CEO or a Substantial Shareholder

There is no employee of the Company who is a substantial Shareholder, or an immediate family member of a Director, the CEO or a substantial Shareholder, whose remuneration exceeded S$100,000 during FY2023.

CORPORATE GOVERNANCE REPORT

Clearbridge Health Performance Share Plan

The Company has implemented the Clearbridge Health Performance Share Plan (the "**Plan**"). The objective of the Plan is to:

(a) foster an ownership culture within the Group which aligns the interests of any eligible person selected by the RC to participate in the Plan (the "**Participants**") with the interests of Shareholders;

(b) motivate Participants to achieve key financial and operational goals of the Company and/or their respective business divisions and encourage greater dedication and loyalty to the Group; and

(c) make total employee remuneration sufficiently competitive to recruit new Participants and/or retain existing Participants whose contributions are important to the long-term growth and profitability of the Group, and whose skills are commensurate with the Company's ambition to become a world class company.

The Plan is administered by the RC. The RC may decide the number of shares to be granted (the "**Awards**") to the Participants as the RC may select, in its absolute discretion, at any time during the period when the Plan is in force.

The number of shares which are the subject of each Awards to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the RC, which shall take into account criteria such as the Participant's rank, job performance, years of service and potential for future development, contribution to the success and development of the Group and the extent of effort and resourcefulness with which the performance conditions were achieved within the performance period.

The performance conditions shall be determined at the discretion of the RC, which may comprise factors such as (but are not limited to) the market capitalisation or earnings of the Company at specified times.

On 28 April 2021, the Company granted Awards amounting to 2,985,476 shares of the Company (the "**FY2021 Awards**") to the relevant Participants under the Plan, of which approximately 1/3 of the FY2021 Awards were vested on 28 April 2022, approximately 1/3 of the FY2021 Awards were vested on 16 May 2023 and approximately 1/3 of the FY2021 Awards will be vested on 28 April 2024. On 28 April 2022, 995,160 shares of the Company were allotted and issued, and on 16 May 2023, 842,058 shares of the Company were allotted and issued, pursuant to the FY2021 Awards vested under the Plan.

No Awards have been granted under the Plan for FY2023. Save as disclosed above, there are no outstanding Awards granted under the Plan.

CORPORATE GOVERNANCE REPORT

Performance Criteria for Remuneration

The remuneration received by the Executive Director and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary, fixed allowance and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

The performance criteria to assess the remuneration of Executive Director and key management personnel includes, among others, the profitability of the Group, leadership skills, as well as the Executive Director's and key management personnel's compliance with all audit matters. The short-term incentive scheme would be the performance-related variable component of remuneration while the long-term incentive scheme would be the Plan.

ACCOUNTABILITY AND AUDIT

Principle 9 **Risk Management and Internal Controls**

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 did not establish a separate Risk Committee as the Board, with the assistance from the AC, the external auditors and the internal auditors, is responsible for risk governance and ensuring that the Management maintains a sound system of risk management and internal controls to safeguard Shareholders' interests and the Group's assets. The Board acknowledges that risk management is an on-going process in which the Management continuously participates to evaluate, monitor and report to the Board and the AC on significant risks. The Board is cognisant, however, that risk management policies and internal control systems are designed to manage identifiable risks and limit the Group's exposure to risk of errors and irregularities and can only provide reasonable mitigation and not absolute assurance against material misstatement or loss.

The Board will, at least annually, review the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems.

Adequacy and Effectiveness of Internal Controls

The Management is responsible for the design and implementation of internal controls (including financial, operational, compliance and information technology controls) and risk management systems. The review of the adequacy and effectiveness of such risk management and internal controls systems is under the purview of the AC. The AC carries out the review at least annually with the assistance of the external auditors and the internal auditors. The AC reviews the audit plans and the findings of the external auditors and the internal auditors and ensures that appropriate measures are implemented to address those issues and any weaknesses in the internal controls are highlighted.

CORPORATE GOVERNANCE REPORT

The Board has obtained the following assurance in respect of FY2023:

i) (from the CEO and FC) the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

ii) (from the CEO, FC and key management personnel who are responsible) the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective.

Based on the internal controls policies and procedures established and maintained by the Group, work performed by the internal auditors and the external auditors, assurance from the CEO, the FC and key management personnel, as well as reviews performed by the Board, the AC and the Management, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance, and information technology controls) and risk management systems, were adequate and effective for FY2023. During FY2023, there were no material weaknesses identified in the Company's internal controls or risk management systems.

The Board notes that the system of internal controls and risk management 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. Furthermore, the Board also acknowledges 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 errors, losses, fraud or other irregularities.

Principle 10 **Audit Committee**

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

As at the date of this Annual Report 2023, the AC comprises 3 members, all of whom, are Non-Executive Directors:

Mark Benedict Ryan	Chairman
Andrew John Lord	Member
Mah How Soon (Ma Haoshun)	Member

Note:

1. Mr Tan Soon Liang (Chen Shunliang) retired as an Independent Director of the Company upon the conclusion of the AGM held on 28 June 2023. Consequently, he ceased to be a member of the AC.

The AC members, including the Chairman, are independent.

The AC will meet with the internal auditors and the external auditors without the presence of the Management at least once a year, to, among others, receive feedback on the level of co-operation provided by the Management and ascertain if there are any material weaknesses or control deficiency in the Group's financial reporting and operational systems.

The members of the AC do not have any management and business relationships with the Company or any substantial Shareholder.

CORPORATE GOVERNANCE REPORT

The AC does not comprise of former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of 2 years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The AC is guided by written terms of reference, including:

(a) review, with the internal auditors and the external auditors, the audit plans, scope of work, their evaluation of the system of internal controls, audit reports, their management letters and the Management's response, and the results of audits compiled by the internal auditors and the external auditors, and will review at regular intervals with the Management the implementation by the Group of the internal control recommendations made by the internal auditors and the external auditors;

(b) review the periodic consolidated financial statements and any formal announcements relating to the Group's financial performance before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, risk management systems, significant adjustments arising from the audit, compliance with accounting standards, compliance with the Catalist Rules and any other statutory and regulatory requirements, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of the Management, where necessary, before submission to the Board for approval;

(c) review the assurance from the CEO and the FC on the financial records and financial statements;

(d) review and report to the Board, at least annually, the effectiveness and adequacy of the internal control procedures addressing financial, operational, information technology and compliance risks and discuss issues and concerns, if any, arising from the internal audits;

(e) review and discuss with the internal auditors and the external auditors, any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's results of operation, financial performance or financial position and the Management's response;

(f) review the key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, to be immediately announced via SGXNet;

(g) review and approve hedging policies that may be implemented by the Group and conduct periodic review of such policies, including review of foreign exchange transactions and hedging policies and procedures;

(h) review the co-operation given by the Management to the internal auditors and the external auditors, where applicable;

CORPORATE GOVERNANCE REPORT

(i) meet with the external auditor, other committees, and the Management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

(j) review the independence and objectivity of the internal auditors and the external auditors as well as making recommendations to the Board on the appointment or re-appointment of the internal auditors and the external auditors and approving the remuneration and terms of engagement of the internal auditors and the external auditors;

(k) review the nature and extent of non-audit services provided by the external auditors;

(l) report actions and minutes of the AC meetings to the Directors with such recommendations as the AC considers appropriate;

(m) review and approve any interested person transactions falling within the scope of Chapter 9 of the Catalist Rules and review procedures thereof;

(n) review potential conflicts of interests (if any) and set out a framework to resolve or mitigate any potential conflicts of interests;

(o) review the procedures including the whistle-blowing policy by which employees of the Group may, in confidence, report to the Chairman of the AC, possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for independent investigation and follow-up actions thereto;

(p) review transactions falling within the scope of Chapter 10 of the Catalist Rules, if any;

(q) undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(r) advise the Board to any necessary changes to make to improve the quality of interim financial statements or financial updates; and

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

In addition, the AC shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group’s results of operations or financial position.

CORPORATE GOVERNANCE REPORT

Qualifications of AC

The Board is of the view that the AC Chairman and members are appropriately qualified, with the necessary accounting, financial advisory, business management, corporate and finance, investment and corporate legal expertise and experience to discharge the AC's functions.

Mr Mark Benedict Ryan is a Chartered Accountant and has extensive accounting and financial management knowledge and exposure. Mr Mah How Soon (Ma Haoshun) is a Chartered Accountant and Chartered Financial Analyst® with many years of transactional and management experience in corporate finance.

Authority of AC

Apart from the duties listed above, the AC has the power to conduct or authorise investigations into any matters within the AC's terms of reference. The AC has full access to and co-operation of the Management and has full discretion to invite any Director or key management personnel to attend its meetings and has been given reasonable resources to enable it to discharge its functions.

The AC is authorised to obtain independent professional advice as it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Company.

Internal Audit

The Company has outsourced the internal audit function to KPMG Services Pte. Ltd. ("**KPMG**"). The internal auditor reports directly to the AC Chairman on internal audit matters and to the Management on administrative matters. To ensure the adequacy of the internal audit function, the AC reviews and approves, on an annual basis, the internal audit plans, and the independence and effectiveness of and the resources available to KPMG.

The AC has reviewed the adequacy, independence and effectiveness of the internal audit function. The AC is satisfied that KPMG is independent, effective and adequately resourced with suitably qualified and experienced professionals. KPMG is a corporate member of The Institute of Internal Auditors ("**IIA**") and the internal audit work carried out by KPMG is guided by the International Standards for the Professional Practice of Internal Auditing issued by IIA. The internal audit team is led by a KPMG partner who has more than 20 years of audit experience and the team consists of professionals with relevant qualifications and experience.

The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including access to the AC.

Based on the scope of work performed by the internal auditors for FY2023, there were no material weaknesses identified.

Meeting between Audit Committee and Auditors

The AC met once with the internal auditors and the external auditors in the absence of the Management in FY2023.

CORPORATE GOVERNANCE REPORT

Independence of External Auditor

The Company's external auditors, CLA Global TS Public Accounting Corporation ("**CLA Global TS**"), were appointed as the external auditors during the AGM convened on 28 June 2023 (the "**2023 AGM**") following the retirement of Ernst & Young LLP ("**EY**"), who had not sought re-appointment during the 2023 AGM. CLA Global TS will hold office until the conclusion of the next AGM of the Company.

The AC undertook a review of the scope and results of the audit by CLA Global TS, adequacy of the resources, experience and competence of the engagement partner and key team members in handling the audit and their cost effectiveness. The AC also reviewed the independence and objectivity of the external auditors through discussions with the external auditors and reviewed all non-audit fees awarded to them. The AC received a yearly report setting out the non-audit services provided by CLA Global TS and the fees charged. CLA Global TS has also confirmed its independence and that it is registered with the Accounting and Corporate Regulatory Authority and approved under the Accountants Act 2004 of Singapore. The engagement partner assigned to the audit is a registered public accountant under the Accountants Act 2004 of Singapore.

A breakdown of the fees paid/payable to the external auditors of the Group (including CLA Global TS) for FY2023 is as follows:

Fees Paid/Payable to the External Auditors of the Group for FY2023		
	S$'000	**% of total**
Audit fees		
– auditors of the Company	335	88.6
– other auditors	25	6.6
Non-audit fees		
– auditors of the Company	18	4.8
Total	**378**	**100**

After reviewing all non-audit services that were provided by the external auditors of the Company, the AC is satisfied that the provision of such services has not affected the objectivity and independence of the external auditors of the Company. Non-audit fees paid by the Group to the external auditors of the Company were for provision of corporate tax compliance services.

The Company confirms that it complies with Rules 712 and 715 of the Catalist Rules on the appointment of auditing firms for the Company, subsidiaries and significant associated companies.

The AC periodically receives updates on changes in accounting standards shared by the external auditors.

In the review of the financial statements for FY2023, the AC had discussed with the Management and the external auditors on changes to accounting standards and significant issues and assumptions that impact the Group's financial statements. The most significant matters were also included in the Key Audit Matters section of the Independent Auditor's Report. In assessing the key audit matters, the AC took into consideration the approach and the key assumptions applied by the Management in the matters reported as the key audit matters in the Independent Auditor's Report. The AC concluded that the management's accounting treatment and estimates in the Key Audit Matters section were appropriate.

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The AC recommended to the Board the re-appointment of CLA Global TS as the external auditors of the Company. The Board has accepted this recommendation and has proposed a resolution to Shareholders for re-appointment of CLA Global TS at the forthcoming AGM.

Whistle-blowing Policy

The Company has in place a whistle-blowing policy. The Company's employees may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting to the AC a whistle-blowing report through the whistleblowing channels of the Company. The Company will consider and decide whether or not to conduct an investigation and acknowledge the receipt of the report within 5 working days. The AC together with the Lead Independent Director are responsible for the oversight and monitoring of whistle-blowing channels and ensuring that all concerns or complaints raised are independently investigated and that appropriate follow-up actions are carried out.

Depending on the nature of the concern raised, the investigation may be conducted with the assistance of experts or advisers, such as the internal auditors and the external auditors, forensic professionals, and the police or Commercial Affairs Department.

The Lead Independent Director together with the AC will ensure that any disciplinary, civil and/or criminal action that is initiated following the completion of investigations is appropriate and impartial. All investigation reports will be properly documented.

The whistleblowing policy contains confidentiality clauses that protect the identification of the whistleblower and offers protection to the whistleblower against any detrimental and unfair treatment. The details of the policy have been disseminated and made available to all parties concerned in the Company's code of conduct.

There was no whistle-blowing report received during FY2023.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11 **Shareholder Rights and Conduct of General Meetings**

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.

The Company treats all Shareholders fairly and equitably, and recognises, protects and facilitates the exercise of Shareholders' rights and continually reviews and updates such governance arrangements.

The Company is committed to making timely, full and accurate disclosures to Shareholders and the public. All information on the Company's new initiatives which would be likely to materially affect the price or value of the Company's shares will be promptly disseminated via SGXNet and the Company's corporate website, https://clearbridgehealth.com to ensure fair communication with Shareholders. The Company does not practice selective disclosure.

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All Shareholders are informed of general meetings through notices or circulars sent to them. Shareholders will be given the opportunity to participate effectively in and vote at the general meetings.

The Constitution allows members of the Company to appoint not more than 2 proxies to attend, speak and vote at the general meetings on their behalf. A relevant intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint more than 2 proxies, but each proxy must be appointed to exercise the rights attached to as different share or shares held by such member.

Supplementary Retirement Scheme Investors ("**SRS Investors**") may attend and cast their vote(s) at the general meetings in person. SRS Investors who are unable to attend the general meetings but would like to vote, may inform their Supplementary Retirement Scheme approved nominees to appoint the chairman of the general meetings to act as their proxy.

Dividend Policy

The Company does not have a fixed dividend policy. The form, frequency and amount of future dividends that the Directors may recommend or declare in respect of any particular financial year or period will be subject to the factors such as levels of cash and accumulated profits, actual and projected financial performance, projected levels of capital requirements and general financing conditions, restrictions on payment of dividends imposed on the Group by its financing arrangements (if any), general economic and business conditions in countries the Group operates and other relevant factors as the Board may deem appropriate.

No dividend was declared by the Company for FY2023 as the Company did not record any distributable profits.

Conduct of Shareholder Meetings

Shareholders are encouraged to attend the general meetings to ensure a high level of accountability and to stay apprised of the Group's strategy and goals. Shareholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions to be passed. Notice of the general meetings will be advertised in newspapers and announced on SGXNet.

The Constitution allows for absentia voting (including but not limited to the voting by mail, electronic mail or facsimile). A Shareholder is entitled to attend and vote or to appoint not more than 2 proxies who need not be a Shareholder, to attend and vote at the general meetings on his behalf.

The Board does not implement absentia-voting methods by mail, electronic mail or facsimile, until issues on security and integrity are satisfactorily resolved.

An independent polling agent will be appointed by the Company for general meetings who will explain the rules, including the voting procedures that govern the general meeting. The Company ensures that Shareholders are given the opportunity to participate effectively in and vote at general meetings.

CORPORATE GOVERNANCE REPORT

The Company ensures that there are separate resolutions at general meetings on each distinct issue. Separate resolutions are proposed for substantially separate issues at Shareholders' meetings for approval. "Bundling" of resolutions is done only where the resolutions are interdependent and linked so as to form one significant proposal and only where there are reasons and material implications involved.

All Directors (including the respective chairmen of the Board Committees) will be present at general meetings to address Shareholder's queries. The external auditors are also required to be present to address Shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report. The Directors' attendance at such meetings held during a financial year is disclosed in the Company's annual report. All Directors attended the 2023 AGM held electronically on 28 June 2023. Save for the 2023 AGM, there were no other general meetings of the Company held in FY2023.

The Chairman of the meeting shall facilitate constructive dialogue between Shareholders and the Board, Management, external auditors and other relevant professionals. The Chairman should also allow specific directors such as Board Committee chairs or the Lead Independent Director to answer queries on matters related to their roles.

The Company will prepare the detailed Shareholders' meeting minutes, which include comments and the questions received from Shareholders and responses from the Board and the Management. These minutes will be made available to Shareholders on SGXNet and the Company's corporate website within 1 month after the general meetings.

All resolutions are put to vote by poll, and their detailed results will be announced via SGXNet after the conclusion of the general meetings. Electronic poll voting will be adopted so as to better reflect Shareholders' interest and ensure greater transparency. Votes cast for and against each resolution will be tallied and displayed live-on-screen to Shareholders immediately at the general meeting.

Pursuant to the COVID-19 (Temporary Measures) Act 2020 (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the 2023 AGM was held on 28 June 2023 by way of electronic means. The Shareholders participated in the 2023 AGM by attending the "live" audio-and-visual webcast or "live" audio-only stream, submitting questions prior to the meeting and/or appointing the proxies to vote on their behalf at the meeting. The Company responded to all substantial questions that were relevant to the resolutions tabled at the 2023 AGM and the business of the Company, from Shareholders received prior to the 2023 AGM and published its responses on its corporate website and SGXNet. The Company published the minutes of the 2023 AGM on its corporate website and SGXNet within 1 month of the 2023 AGM.

The forthcoming AGM to be held on 29 April 2024 ("**2024 AGM**") will be convened and held by physical means. Details of the meeting and voting procedures for the 2024 AGM will be communicated to Shareholders. Shareholders will continue to be able to proactively engage the Board and Management on the Group's business activities, financial performance and other business-related matters. The notice of the forthcoming AGM to be held on 29 April 2024 will be advertised in newspapers and will be published on the Company's corporate website and announced on SGXNet.

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In line with the Company's sustainability drive, the Company will not be despatching printed copies of the Annual Report 2023, which will be published on the Company's corporate website and SGXNet. Printed copies of the notice of 2024 AGM, the proxy form and the form to request for a physical copy of the Annual Report 2023 will be despatched to the member at his registered address appearing in the Register of Members or (as the case may be) the Depository Register.

Principle 12 **Engagement with Shareholders**

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.

The Company commits itself to disclose and convey pertinent information to all stakeholders in a timely manner.

General meetings are the principal forum for dialogue with Shareholders and Shareholders are encouraged to participate in such meetings. During these meetings, Shareholders are able to engage with the Board and the Management in discussions on the Group's business activities, financial performance and other business-related matters. This enables the Company to solicit feedback from the investment community on a range of strategic and topical issues which provide valuable insights to the Company on investors' views.

The Group's financial results and annual reports are announced or issued within the period specified under the Catalist Rules, and are also made available to the public via the Company's corporate website, https://clearbridgehealth.com. The corporate website is also updated regularly with voluntary interim updates on useful and relevant information to provide Shareholders a better understanding of the Company's performance in the context of the current business environment and various other investor-related information on the Company which serves as an important resource for investors.

As and when necessary, the Executive Director and the key management personnel will meet analyst and fund managers who wish to seek a better understanding of the Group's business and operation.

The Company has adopted an investor relations policy which allow for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders.

Shareholders and the investment community can submit their queries and feedback by telephone at +65 6251 0136, by fax at +65 6251 0132 or by email at contactus@clearbridgehealth.com.

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GOVERNANCE REPORT

Principle 13 **MANAGING STAKEHOLDERS RELATIONSHIPS**

Engagement with Stakeholders

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 Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to secure the long-term future of the Company. The Company's key efforts on engagement with stakeholders are focused on creating sustainable value for our key stakeholders, which include communities, customers, staff, regulators, Shareholders and vendors.

The Company maintains a corporate website at https://clearbridgehealth.com to communicate and engage stakeholders. The following table depicts the respective stakeholder groups, the various platforms by which we engage them and their concerns and needs.

Stakeholders	Engagement platforms	Issues of concern
Customers	• Contact form on Company's corporate website • Helplines for medical and facility enquiries • Direct feedback during consultations	• Affordability of healthcare • Customer privacy • Quality of service
Employees	• Annual employee performance reviews • Employee events • Internal memos and emails	• Training and development of employees • Recruitment and retention of skilled staff • Well-being of employees
Suppliers	• Supplier quality assurance	• Feedback of products and services • Business continuity
Government and regulators	• Meetings and consultations • License applications • Active engagement on healthcare legislation	• Compliance with laws and regulations • Cyber security threats on customer privacy • Climate change and sustainability performance
Shareholders and investors	• General meetings • Announcements and press releases on SGXNet	• Clearbridge's financial performance • Operational strategy • Shareholders' returns • Sustainable business practices

CORPORATE
GOVERNANCE REPORT

Material Contracts

Save for the Service Agreement, there were no material contracts of the Company and its subsidiaries involving the interests of the CEO, any Directors or controlling Shareholders which is either still subsisting at the end of FY2023 or, if not then subsisting, entered into since the end of FY2022.

Interested Person Transactions ("IPTs")

There were no IPTs entered into by the Group during FY2023. The Group does not have a general mandate for IPTs.

The Company has implemented an internal policy in respect of any transactions with an interested person (as defined in the Catalist Rules) and has established procedures for the review and approval of all IPTs entered into by the Group. In the event that a potential conflict of interest arises, the Director concerned will not participate in discussions, and shall abstain from decision making, and refrain from exercising any influence over other members of the Board.

The Company has also established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and the transactions will not be prejudicial to the interest of the Group and its minority Shareholders. To ensure compliance with Chapter 9 of the Catalist Rules, the Board and the AC will review, on a quarterly basis, IPTs entered into by the Group (if any).

Dealing in Securities

The Company and its subsidiaries have adopted an internal policy which prohibits the Directors and officers of the Group from dealing in the securities of the Company while in possession of price-sensitive information. All Directors and officers of the Group are expected to observe insider trading laws at all times.

The Company, the Directors and officers of the Group are discouraged from dealing in the Company's securities on short-term considerations and are prohibited from dealing in the Company's securities during the period commencing 1 month before the announcement of the Company's half year and full year financial statements.

Non-Sponsor Fees

The Company has changed its sponsor from United Overseas Bank Limited to ZICO Capital Pte. Ltd. with effect from 8 March 2024. No non-sponsor fees were paid to the Company's former sponsor, United Overseas Bank Limited, for FY2023.

CORPORATE GOVERNANCE REPORT

Use of Placement Proceeds

Pursuant to the issuance of the placement shares on 19 August 2019, the Company received net proceeds of approximately S$11.28 million (the "**Placement Net Proceeds**").

The Placement Net Proceeds have been utilised as follows:

	Amount allocated (as disclosed in the placement announcement) (S$'000)	Amount utilised as at the date of this annual report (S$'000)	Balance (S$'000)
Expansion of the Company's businesses through mergers and acquisitions, joint ventures, strategy collaborations and/or investment, or organically in Asia	7,893	(4,872)	3,021
General working capital purpose[(1)]	3,383	(3,383)	–
Total	11,276	(8,255)	3,021

Note:

(1) Comprised operating expenses of the Group

The use of the Placement Net Proceeds is in accordance with the intended uses and percentage allocations as disclosed in the placement announcement of the Company dated 29 July 2019. The Company will continue to make periodic announcements on the utilisation of the balance of the Placement Net Proceeds as and when such net proceeds are materially disbursed or utilised, and whether such use is in accordance with the stated use and in accordance with the percentage allocated.

FINANCIAL CONTENTS

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial statements of Clearbridge Health Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2023.

Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the statements of financial position and statements of changes in equity of the Company as set out on pages 102 to 109 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, having regard to those factors described in Note 3.1 to the financial statements there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Chen Johnson
Yee Pinh Jeremy
Mark Benedict Ryan
Andrew John Lord
Mah How Soon (Ma Haoshun)

Arrangements to enable Directors to acquire shares and debentures

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 or debentures of the Company or any other body corporate other than as disclosed in "Share options" in this statement.

Directors' interests in shares or debentures

The following directors who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Holdings registered in the name of director or nominee		**Holdings in which a director is deemed to have an interest**	
	At 1.1.2023	**At 31.12.2023**	**At 1.1.2023**	**At 31.12.2023**
The Company				
(No. of ordinary shares)				
Chen Johnson	77,055,100	77,055,100	–	–
Yee Pinh Jeremy	12,750,874	12,903,975	14,578,200	14,578,200
Mark Benedict Ryan	–	–	2,097,600	2,097,600

The directors' interests in the ordinary shares of the Company as at 21 January 2024 were the same as those as at 31 December 2023.

DIRECTORS' STATEMENT

Share options

By the Company

(a) *Clearbridge Health Performance Share Plan*

At an Extraordinary General Meeting held on 20 November 2017, shareholders approved the Clearbridge Health Performance Share Plan (the "Plan") that gives the rights to grant awards in the form of shares to full time employees of the Group or Group Directors at the absolute discretion of the Remuneration Committee (the "RC").

The RC, comprising three directors, Mr. Andrew John Lord, Mr. Chen Johnson and Mr. Mark Benedict Ryan, is responsible for administering the Plan.

On 6 December 2019, the Company granted share awards to certain employees of the Company pursuant to the Clearbridge Health Performance Share Plan. A total of 9,620,000 ordinary shares were granted at the fair value of S$0.13 per share, which was based on market price of the shares on the date of grant. Two-thirds of the awarded shares were vested on 18 December 2019 and remaining one-third of the awarded shares were vested on 18 December 2020.

On 19 December 2019, the Board approved the share awards pursuant to the Clearbridge Health Performance Share Plan to reward certain employees for driving shareholder value and to incentivise executive officers to achieve performance targets.

For the performance share plan to drive shareholder value, number of shares equivalent to 1% of the then-current share capital will be awarded to certain employees upon the first occurrence of the Company achieving a market capitalisation of S$300,000,000 for 3 consecutive months. The shares awarded have a moratorium period of 6 months from the date of issue.

For the performance share plan to incentivise employees of the Group, the performance targets to be set under the Plan are based on longer-term corporate objectives covering business growth, which include Group EBITDA. The shares awards have a vesting period of 3 years from the date of issue. The final number of shares awarded will depend on the achievement of the pre-determined performance targets at end of each financial year.

On 30 December 2020, the Company awarded share to a director of the Company pursuant to the Plan. A total of 4,810,000 ordinary shares were granted at the fair value of S$0.15, which was based on market price of the shares on the date of grant on 30 December 2020. The shares were issued on 7 January 2021 and vested immediately.

On 28 April 2021, the Company granted share awards to employees of the Company pursuant to the Plan (the "Awards'). A total of 2,985,476 ordinary shares were granted at the fair value of S$0.13, which was based on market price of the shares on the date of grant. The shares will vest in three equal annual instalments in 2022, 2023 and 2024.

On 28 April 2022, the Company allotted and issued 995,160 new ordinary shares in the capital of the Company pursuant to the vesting of the Awards. As at 31 December 2022, 306,202 unvested Awards were forfeited due to the resignation of certain employees.

On 16 May 2023, the Company allotted and issued 842,058 new ordinary shares in the capital of the Company pursuant to the vesting of the Awards. No forfeiture of unvested awards in the financial year ended 31 December 2023.

DIRECTORS' **STATEMENT**

Share options (Continued)

By the Company (Continued)

(a) Clearbridge Health Performance Share Plan (Continued)

Except for the performance share plan and shares awards granted to certain employees since the commencement of the Plan till the end of the financial year:

(i) There were no share options granted during the financial year to subscribe for unissued shares of the Company under the Plan.

(ii) There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company under the Plan.

(iii) There were no unissued shares of the Company under option at the end of the financial year under the Plan.

Except as disclosed above, during the financial year, there were:

(i) no options granted by the Company or its subsidiaries to any person to take up unissued shares of the Company or its subsidiaries;

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries; and

(iii) no unissued shares of the Company or its subsidiaries under option.

Audit committee

The Audit Committee ("AC") carried out its functions in accordance with section 201B (5) of the Singapore Companies Act 1967. Further details regarding the AC are disclosed in the Corporate Governance Report.

Independent auditor

The independent auditor, CLA Global TS Public Accounting Corporation, has expressed its willingness to accept reappointment.

On behalf of the Board of Directors,

Chen Johnson
Director

Yee Pinh Jeremy
Director

Singapore
9 April 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Clearbridge Healthcare 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 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the changes in equity of the Company for the financial year ended, and notes to the financial statements, including a summary of material accounting policies information.

In our opinion, except for the possible effects of the matter described in the *Basis of Qualified Opinion* section of our report, 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 Singapore Companies Act 1967 (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 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

Basis for Qualified Opinion

As described in the *Other Matter* section of our report, the financial statements of the Group and the Company for the financial year ended 31 December 2022 ("FY2022") were audited by another auditor (the "predecessor auditor") who expressed a disclaimer opinion on those financial statements. During the financial year ended 31 December 2023, management has taken steps to address those matters as disclosed in Note 2 to the financial statements. Our opinion on the current financial year's financial statements is qualified on the following matters:

Opening balances and comparative figures

As disclosed in Note 39 to the financial statements, the Group entered into a transaction during FY2022 to dispose its interest in certain subsidiaries in the Healthcare System Segment (collectively, the "Disposed Group"). The Group recorded a gain on disposal of S$2,320,000 for FY2022, and the sale consideration was satisfied entirely by the issuance of convertible exchangeable bonds by Lunadorii Inc. (the "Purchaser") as disclosed in Note 32, and they were not redeemed, converted, or exchanged as at 9 June 2023.

Due to limited information made available to the predecessor auditor, they had not been able to obtain all necessary information in respect of the matters discussed below in connection with the disposal transaction.

The predecessor auditor's basis for disclaimer is summarised below.

(i) Disposal of Disposed Group

As disclosed in Note 39, the Group recorded a gain on disposal of S$2,320,000. This gain was recognised on the basis that the Group had ceased to control the Disposed Group based on factors disclosed in Note 39. The gain was computed based on the difference between the sale consideration and net assets of the Disposed Group as at the date of disposal.

INDEPENDENT
AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements (Continued)

Basis for Qualified Opinion (Continued)

Opening balances and comparative figures (Continued)

(i) Disposal of Disposed Group (Continued)

In determining the net assets of the Disposed Group at the date of disposal, the Group was required to consolidate the results of the Disposed Group until the date of disposal. As disclosed further in Note 39 to the financial statements, the Group had consolidated the results of PT Tirta Medika Jaya ("TMJ") and PT Indo Genesis Medika ("IGM") only up to 31 August 2022 and 30 June 2022, respectively, based on their management accounts.

Due to the unavailability of relevant financial information of the Disposed Group, the predecessor auditor was unable to assess the relevant financial impacts of not consolidating the results of the Disposed Group until the date of disposal. Additionally, the predecessor auditor was unable to verify the accuracy of the financial information of TMJ and IGM used by the Group for consolidation purposes as they were unable to carry out any audit procedures due to lack of information available to them. As a result, the predecessor auditor was unable to determine if the net assets of the Disposal Group as at the date of disposal was appropriately stated. This in turn might have an impact on the computation of the gain on disposal and accuracy of the disclosure within Note 39.

As further disclosed in Note 39, there was an on-going legal action between the Group and a minority shareholder of an entity within the Disposed Group prior to the disposal. Management represented that any potential liability arising from this litigation would not be attributable to the Group as the relevant entities ceased to be subsidiaries of the Group. However, due to insufficient information available to the predecessor auditor, they were unable to evaluate this representation. If any adjustment was found to be necessary in respect of this matter, it might have an impact on the computation of the gain on disposal and other related balances.

(ii) Fair valuation of convertible exchangeable bonds

In determining the sale consideration for the disposal, the Group estimated the fair value of the convertible exchangeable bonds at inception to be S$10,625,000 (Note 32). The Group determined the fair value, with the assistance of an external valuer, based on the equity value of the Purchaser (which also includes the disposed entities). This valuation was highly subjective as the convertible exchangeable bonds was a complex instrument (includes embedded derivative) and its value was sensitive to the forecast of their future cash flows and other significant inputs such as discount rate, long term growth rate, probability of default events and liquidity events (Note 34).

The predecessor auditor was not provided with sufficient information, including relevant financial and non-financial information of the Purchaser and the Disposed Group, and other supporting information for the forecast and key assumptions, to assess the reasonableness of the fair value at inception. Due to a lack of other reliable or publicly available information about the Purchaser, the predecessor auditor was also unable to assess the reasonableness of the fair value using other reliable valuation methods. Consequently, the predecessor auditor was unable to determine the reasonableness of the fair value of the convertible exchangeable bonds of S$10,625,000 at inception. This in turn had an impact on the computation of the gain on disposal.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements (Continued)

Basis for Qualified Opinion (Continued)

Opening balances and comparative figures (Continued)

(ii) Fair valuation of convertible exchangeable bonds (Continued)

The Group had also represented that the fair value of the convertible exchangeable bonds as at 31 December 2022 continued to approximate S$10,625,000 as ascertained at inception. Due to lack of information available to the predecessor auditor to support this assumption, the predecessor auditor was unable to ascertain the reasonableness of this basis.

As a result, the predecessor auditor was unable to determine if the fair value of the convertible exchangeable bonds as at 31 December 2022 was fairly stated, and whether any adjustments might have been found to be necessary.

(iii) Recoverable value of loans due from certain disposed entities and the Purchaser

As disclosed in Note 21 to the financial statements, the Group has loans receivable due from certain entities within the Disposed Group and the Purchaser amounted to S$12,054,000 as at 31 December 2022. No expected credit loss was recognised against these loans as at 31 December 2022.

Due to lack of information available to the predecessor auditor, they were unable to assess the recoverability of the loans and the appropriateness of not recording any expected credit loss as at 31 December 2022. As a result, the predecessor auditor was unable to determine if the carrying values of these loans were appropriately stated as at 31 December 2022, and whether any adjustments might have been found to be necessary.

In summary, the predecessor auditor was unable to obtain all necessary information to complete their audit procedures to fully evaluate the substance of this significant transaction, assess the related gain/loss recognised and the net assets of the Disposed Group as at the date of disposal, determine the appropriateness of the carrying amounts of the convertible exchangeable bonds and loans due from the Disposed Group and the Purchaser as at 31 December 2022, and adequacy of the related disclosures. Had the predecessor auditor been able to complete the necessary audit procedures, other matters might have come to their attention that may require further adjustments to the financial statements in respect of this transaction.

Accordingly, the predecessor auditor was unable to determine whether any adjustments might have been found necessary to the aforementioned balances and other elements making up the statements of financial position as at 31 December 2022, consolidated statement of comprehensive income, statements of changes in equity and consolidated statement of cashflows for the year financial ended 31 December 2022, and the related notes and disclosures in the financial statements.

During the financial year ended 31 December 2023, the Group recognised fair value losses of S$9,690,000 on the convertible exchangeable bonds and expected credit losses of S$11,880,000 on loans due from certain disposed entities. These amounts were determined based on management's assessment of the fair value of the bonds and recoverability of the loans as at 31 December 2023.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements (Continued)

Basis for Qualified Opinion (Continued)

Opening balances and comparative figures (Continued)

(iii) Recoverable value of loans due from certain disposed entities and the Purchaser (Continued)

We were unable to carry out any alternative audit procedures to obtain sufficient appropriate audit evidence to determine whether adjustments or disclosures, if any, are required to be made to the opening balances of the aforementioned convertible exchangeable bonds and loans due from certain disposed entities as well as the opening accumulated losses of the Group. Since the opening balances affect the current financial year's fair value losses on the convertible exchangeable bonds and expected credit losses on loans due from certain disposed entities as mentioned in the preceding paragraph, we were unable to determine whether adjustments to the consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement of the Group for the financial year ended 31 December 2023 might be necessary. Consequently, our opinion on the current financial year's financial statements of the Group is also modified because of the possible effects of these matters on the comparability of the current financial year's figures and the corresponding figures.

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's 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 ("ACRA") *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 qualified 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 financial year. 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. In addition to the matter described in the *Basis for Qualified Opinion section*, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment assessment of goodwill
See accounting policies in Note 3.4(b)
See critical accounting estimates, assumptions and judgement in Note 4.2(b)
Refer to Note 17 to the financial statements

Area of focus

The Group recognises goodwill from acquisition of businesses in the prior financial years and allocated these assets to the respective cash-generating units ("CGUs") at the respective acquisition dates.

These CGUs are tested for impairment annually. Management applies the value-in-use (discounted cash flows) method to determine the recoverable amount of each CGU. Any shortfall of the recoverable amounts against the carrying amounts is recognised as impairment loss.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Impairment assessment of goodwill (Continued)
See accounting policies in Note 3.4(b)
See critical accounting estimates, assumptions and judgement in Note 4.2(b)
Refer to Note 17 to the financial statements

Area of focus (Continued)

During the financial year ended 31 December 2023, the Group recognised impairment loss on goodwill for the Medical Clinics/centers Segment of S$10,371,000 which resulted in the write-down of the carrying amount of goodwill from S$21,296,000 to S$10,925,000. As at 31 December 2023, the carrying amount of goodwill of S$10,925,000 represents 46% of the Group's total assets and 71% of the Group's non-current assets on the consolidated statement of financial position.

Due to the magnitude of the amount recognised in the financial statements, level of management judgement involved, and sensitivity of assumptions used in the cash flow projections as part of impairment testing, we have considered this matter as a key audit matter.

How our audit addressed the matter

Our procedures included, amongst others, understanding management's impairment assessment process. This involved delving into their methodology in identifying CGUs to which goodwill have been allocated, the determining the carrying amount of each CGU, and preparing the budget used for which the value-in-use calculation is based on. We assessed the determination of the CGUs based on our understanding of the nature of the Group's businesses and how management monitors the Group's operations and makes decisions about continuing or disposing of the Group's assets and operations.

We held discussions with management to understand the basis of the assumptions used in forming the estimates underpinning the assessment of the recoverable amount of the CGU. These estimates include those relating to forecasted revenue growth rates, operating expenses, profit margins and discount rates.

We challenged management's estimates applied in the value-in-use model based on our knowledge of the CGU's operations, and compared them against actual results, historical forecasts and performance, market data and industry trend. This included obtaining an understanding of management's planned strategies around business expansion, revenue stream growth strategies and cost initiatives, the progress of negotiations with target customers and/or business partners and review relevant supporting documents and information to collaborate certain key assumption used by management in deriving the recoverable amount. We involved our internal valuation specialists to assist in our assessment.

We reviewed management's sensitivity analysis on the possible changes to the key assumptions such as growth rate and discount rate, and assessed the impact on the recoverable amount. We tested the parameters used in determining the discount rate applied and re-performed the calculations.

We also reviewed the adequacy of the disclosures made in relation to the impairment assessment of goodwill in the financial statements.

INDEPENDENT
AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Valuation of financial instruments
See accounting policies in Note 3.12(a) and 3.12(b)
See critical accounting estimates, assumptions and judgement in Note 4.2(a)
Refer to Note 13, Note 32 and Note 34 to the financial statements

Area of focus

As at 31 December 2023, the Group has financial assets measured at fair value through profit or loss, comprising convertible exchangeable bonds and derivative financial instruments with carrying amounts of S$935,000 and S$41,000, respectively and financial assets classified at fair value through other comprehensive income (i.e. investment in unquoted shares) of S$813,000. While the Company has convertible exchangeable bonds classified as financial assets at fair value through profit or loss and derivative financial instruments with carrying amounts of S$734,000 and S$41,000, respectively as at 31 December 2023.

The convertible exchangeable bonds of the Group and the Company (the "Bonds") were issued by Lunadorii Inc. (the "Purchaser") as consideration for the disposal of the Group's interest in certain subsidiaries in the Healthcare Systems Segment (collectively, the "Disposed Group") which was completed on 7 October 2022.

Management has assumed that the Bonds would be converted into the Purchaser's shares upon maturity and that the equity value of the Purchaser determined based on discounted cash flows would be adversely affected taking into consideration the factors disclosed in Note 4.2(a).

Determining the fair value of these instruments is inherently subjective as they comprise unquoted equity instruments and derivatives for which fair value necessitate the use of valuation models. The valuation models use various unobservable inputs, resulting in high estimation uncertainty. The utilisation of different valuation models and assumptions could yield significantly different estimates of fair value. Given that the valuation of these instruments involves the application of unobservable inputs such as projected stock price volatility, projected cash flows, long-term growth rate and discount rates, amongst others, there is greater estimation uncertainty in the determination of these values. As such, the valuation of the financial instruments is considered to be a key audit matter.

Management relies on its internal valuation expert, and where necessary engages an external valuation specialist to assist in determining the fair value of the financial instruments.

How our audit addressed the matter

Our audit procedures included, amongst others, evaluating the reasonableness of the key estimates and key assumptions adopted by the management and valuer.

We considered the independence, objectivity and the relevant experience of the external valuation specialist.

In addition, we involved our internal valuation specialist to assist us in testing the appropriateness of the valuation methodologies, and certain key assumptions used by the management and external valuation specialist and also management such as projected stock price volatility, projected cash flows, long-term growth rate and discount rates.

We also considered the adequacy of the disclosures required with regard to the nature and valuation of the financial instruments in Note 34 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Valuation of loans receivable due from non-related parties
See accounting policies in Note 3.13
See critical accounting estimates, assumption and judgement in Note 4.2(d)
Refer to Note 2 and Note 33(b)(i) to the financial statements

Area of focus

As at 31 December 2023, the Group's loans receivable due from non-related parties of S$12,184,000 consist of loans receivable due from the disposed entities, SAM Laboratory Pte. Ltd. ("SAM Labs") and Clearbridge Medical Asia Pte. Ltd. ("CBMA") of S$11,880,000 and the Purchaser of S$304,000. During the financial year ended 31 December 2023, the Group recognised expected credit loss allowance of S$11,880,000 against the loans receivable due from SAM Labs and CBMA which were provided to SAM Labs and CBMA as funding for the working capital of SAM Labs, CMBA and their respective subsidiaries prior to the disposal.

At the end of the current financial year, management assesses whether there is any objective evidence that a financial asset is impaired. Factors such as the probability of insolvency or significant financial difficulties of the debtor, as well as default or significant delay in payments, constitute objective evidence of expected credit loss.

Management has assessed that there is significant increase in credit risk for the loans receivable from SAM Labs and CBMA, and has provided expected credit loss allowance on the full amount of the loans receivable after taking into consideration the factors disclosed in Note 4.2(d).

Due to the magnitude of the amount recognised in the financial statements and the level of management judgement involved in estimating the expected credit losses, we have considered this matter as a key audit matter.

How our audit addressed the matter

We obtained understanding and evaluated the Group's impairment policy for loans receivable in accordance with the requirements of SFRS(I) 9 *Financial Instruments*.

We enquired management for their assessment of collectability of loans receivable and reviewed management's assessment of expected credit loss using the general approach, including management's assessment of any increase in credit risk.

We reviewed and considered the adequacy of disclosures made in the financial statements in respect of the credit risk of loans receivable.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Going concern assumption
Refer to Note 3.1 to the financial statements

Area of focus

The Group reported a net loss before income tax of S$34,367,000 and net cash used in operating activities of S$3,574,000 for the financial year ended 31 December 2023. This was pertaining to a decrease in revenue from the distribution of Labnovation's COVID-19 ART Test Kits in Hong Kong and Philippines, as well as a decrease in revenue from the medical clinics/centres in Singapore and the Philippines for the provision of general medical, dental and clinical services along with the distribution of medical and pharmaceutical products.

As at 31 December 2023, the Group's cash and bank balances amounting to S$3,671,000 decreased by S$2,384,000 from 31 December 2022 mainly due to cash outflows from operating and financing activities of S$3,574,000 and S$1,878,000 respectively which were partially offset by cash generated from investing activities of S$3,074,000. As at 31 December 2023, the Group's current liabilities of S$4,912,000 comprise mainly trade and other payables of S$2,701,000 and borrowings including lease liabilities of S$2,037,000.

Management's going concern assessments are set out in Note 3.1 to the financial statements.

Management's assessment of the Group's ability to generate sufficient operating cash flows on a timely basis and availability of sufficient funds for its operations are important considerations for the going concern assumption. As such, these are significant aspects of our audit and we determined this is a key audit matter.

How our audit addressed the matter

Obtained and evaluated the cash flows forecasts prepared by management as approved by the Board of Directors, for the next twelve months from the date of the financial statements and assessed the reasonableness of the key assumptions used by checking against the Group's business plan and historical performance.

We discussed with management to obtain an understanding on the business plans and financing requirements and obtained written representations from management and those charged with governance, regarding their plans for future actions and the feasibility of these plans.

Reviewed minutes of board meetings and relevant committee meetings for any discussion of financial difficulties and future plans, including those up to the date of this report.

Reviewed events after the financial year end to identify factors relevant, if any, to the going concern assumption as a basis for the preparation of the financial statements.

Reviewed the adequacy and appropriateness of the management's disclosure in the financial statements on the going concern assumption.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements (Continued)

Other Matter

The financial statements of the Group and the Company for the financial year ended 31 December 2022 were audited by another auditor who expressed a disclaimer of opinion on those financial statements on 9 June 2023. The basis for disclaimer of opinion and the steps taken by management to address some of those matters during the current financial year are disclosed in Note 2 to the financial statements.

Other Information

Management is responsible for other information. The other information comprises the Directors' statement and other sections of the annual report, which we obtained prior to the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 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, 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.

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), 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.

Auditor's 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 auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

Report on the Audit of the Financial Statements (Continued)

Auditor's responsibilities for the audit of the financial statements (Continued)

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 control.

– Obtain an understanding of internal control 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 control.

– 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 auditor's 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 auditor's 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.

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 control 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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 financial year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLEARBRIDGE HEALTH LIMITED

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 subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Meriana Ang Mei Ling.

CLA Global TS Public Accounting Corporation
Public Accountants and Chartered Accountants
Singapore
9 April 2024

CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 S$'000	2022 S$'000
Continuing operations			
Revenue	5	**11,490**	16,412
Purchases		**(5,395)**	(6,836)
Employee benefits expense	6	**(5,977)**	(6,094)
Depreciation expense		**(1,352)**	(1,474)
Amortisation expense		**(7)**	(60)
Other income	7	**587**	751
Fair value loss on other investment at financial assets through profit or loss/an associate		**(150)**	(8,769)
Fair value loss on derivative financial instruments	13	**(9,723)**	(762)
Impairment loss on goodwill	17	**(10,371)**	–
Expected credit loss on trade receivables, net	20	**(39)**	(23)
Expected credit loss/(Reversal of expected credit loss) on other receivable, net	21	**(9,186)**	535
Other operating expenses		**(3,489)**	(4,051)
Finance costs	8	**(755)**	(866)
Loss before income tax from continuing operations	9	**(34,367)**	(11,237)
Income tax credit/(expense)	10	**1,900**	(189)
Loss for the financial year from continuing operations		**(32,467)**	(11,426)
Discontinued operations			
Net gain from discontinued operations	39	**–**	948
Total loss for the financial year		**(32,467)**	(10,478)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Net fair value loss on equity instruments at fair value through other comprehensive income	18	**(34)**	(53)
Remeasurement gain on retirement liability		**2**	2
Item that may be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign operations		**40**	(7)
Total comprehensive income for the financial year, net of tax		**(32,459)**	(10,536)
Total (loss)/profit attributable to:			
Owners of the Company			
– Continuing operations		**(32,199)**	(12,476)
– Discontinued operations		**–**	1,332
		(32,199)	(11,144)
Non-controlling interests			
– Continuing operations		**(268)**	1,050
– Discontinued operations		**–**	(384)
		(32,467)	(10,478)
Total comprehensive income attributable to:			
Owners of the Company			
– Continuing operations		**(32,199)**	(12,440)
– Discontinued operations		**–**	1,260
		(32,199)	(11,180)
Non-controlling interests			
– Continuing operations		**(260)**	1,029
– Discontinued operations		**–**	(385)
		(32,459)	(10,536)
(Loss)/earnings per share (cents per share)			
Basic and diluted	11		
– Continuing operations		**(5.20)**	(2.02)
– Discontinued operations		**–**	0.22

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

STATEMENTS OF **FINANCIAL POSITION**

AS AT 31 DECEMBER 2023

	Note	Group 2023 S$'000	Group 2022 S$'000	Company 2023 S$'000	Company 2022 S$'000
Non-current assets					
Investments in subsidiaries	12	**–**	–	**18,445**	19,837
Derivative financial instruments	13	**41**	47	**41**	47
Plant and equipment	14	**766**	670	**6**	10
Convertible exchangeable bonds	13,32	**935**	10,625	**734**	8,544
Right-of-use assets	15	**2,503**	1,435	**–**	–
Intangible assets	16	**4**	11	**3**	3
Goodwill on consolidation	17	**10,925**	21,296	**–**	–
Other investments	18	**–**	1,318	**–**	–
Other receivables	21	**71**	11,942	**–**	9,100
Amounts due from subsidiaries	22	**–**	–	**–**	3,236
Deferred tax assets	28	**161**	–	**–**	–
		15,406	47,344	**19,229**	40,777
Current assets					
Cash at banks and short-term deposits	19	**3,671**	6,055	**1,170**	1,901
Trade receivables	20	**1,247**	1,196	**–**	–
Prepayments		**130**	252	**14**	124
Other receivables	21	**2,400**	3,003	**34**	135
Amounts due from subsidiaries	22	**–**	–	**4,597**	7,548
Inventories	23	**251**	301	**–**	–
Derivative financial instruments	13	**–**	27	**–**	27
Other investments	18	**813**	–	**–**	–
		8,512	10,834	**5,815**	9,735
Total assets		**23,918**	58,178	**25,044**	50,512
Current liabilities					
Borrowings	27	**1,085**	1,314	**744**	724
Trade payables	24	**696**	394	**–**	–
Other payables	25	**2,005**	2,026	**732**	660
Amounts due to subsidiaries	26	**–**	–	**2,969**	4,619
Lease liabilities	15	**952**	644	**–**	–
Contract liabilities	5	**110**	515	**–**	–
Income tax payable		**64**	207	**–**	–
		4,912	5,100	**4,445**	6,003
Net current assets		**3,600**	5,734	**1,370**	3,732

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	Group 2023 S$'000	Group 2022 S$'000	Company 2023 S$'000	Company 2022 S$'000
Non-current liabilities					
Borrowings	27	**3,984**	4,573	**3,984**	4,562
Other payables	25	**71**	73	**–**	–
Lease liabilities	15	**1,615**	936	**–**	–
Deferred tax liabilities	28	**58**	1,827	**–**	–
		5,728	7,409	**3,984**	4,562
Total liabilities		**10,640**	12,509	**8,429**	10,565
Net assets		**13,278**	45,669	**16,615**	39,947
Equity attributable to owners of the Company					
Share capital	29	**92,899**	92,899	**92,899**	92,899
Capital reserve	30(a)	**(1,256)**	(1,256)	**(6,030)**	(6,030)
Share-based payment reserve	30(b)	**4,325**	4,257	**4,325**	4,257
Fair value reserve	30(c)	**63**	97	**–**	–
Currency translation reserve	30(d)	**(25)**	(57)	**–**	–
Employee benefits reserve		**6**	4	**–**	–
Accumulated losses		**(85,822)**	(53,623)	**(74,579)**	(51,179)
Equity attributable to owners of the Company		**10,190**	42,321	**16,615**	39,947
Non-controlling interests		**3,088**	3,348	**–**	–
Total equity		**13,278**	45,669	**16,615**	39,947

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

STATEMENTS OF **CHANGES IN EQUITY**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Note	Share capital S$'000	Capital reserve S$'000	Share-based payment reserve S$'000	Fair value reserve S$'000	Currency translation reserve S$'000	Employee benefits reserve S$'000	Accumulated losses S$'000	Equity attributable to owners of the Company S$'000	Non-controlling interests S$'000	Total S$'000
As at 1 January 2023		92,899	(1,256)	4,257	97	(57)	4	(54,545)	41,399	4,270	45,669
Restatement related to non-controlling interests and accumulated losses	40	–	–	–	–	–	–	922	922	(922)	–
Balance as at 1 January 2023, restated		92,899	(1,256)	4,257	97	(57)	4	(53,623)	42,321	3,348	45,669
Total comprehensive income for the financial year											
Loss for the financial year		–	–	–	–	–	–	(32,199)	(32,199)	(268)	(32,467)
Other comprehensive income for the financial year		–	–	–	(34)	32	2	–	–	8	8
Total comprehensive income for the financial year		–	–	–	(34)	32	2	(32,199)	(32,199)	(260)	(32,459)
Share-based payment – equity settled	6	–	–	68	–	–	–	–	68	–	68
As at 31 December 2023		92,899	(1,256)	4,325	63	(25)	6	(85,822)	10,190	3,088	13,278

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

STATEMENTS OF
CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Note	Share capital S$'000	Capital reserve S$'000	Share-based payment reserve S$'000	Fair value reserve S$'000	Currency translation reserve S$'000	Employee benefits reserve S$'000	Accumulated losses S$'000	Equity attributable to owners of the Company S$'000	Non-controlling interests S$'000	Total S$'000
As at 1 January 2022		92,899	(1,256)	4,108	150	(304)	1	(43,388)	52,210	5,100	57,310
Restatement related to non-controlling interests and accumulated losses	40	–	–	–	–	–	–	1,154	1,154	(1,154)	–
Balance as at 1 January 2022, restated		92,899	(1,256)	4,108	150	(304)	1	(42,234)	53,364	3,946	57,310
Total comprehensive income for the year											
(Loss)/profit for the year		–	–	–	–	–	–	(11,144)	(11,144)	666	(10,478)
Other comprehensive income for the year		–	–	–	(53)	17	–	–	(36)	(22)	(58)
Total comprehensive income for the year		–	–	–	(53)	17	–	(11,144)	(11,180)	644	(10,536)
Dividend		–	–	–	–	–	–	441	441	(633)	(192)
Restated adjustments		–	–	–	–	–	–	(441)	(441)	441	–
Restated dividend	40	–	–	–	–		–	–	–	(192)	(192)
Share-based payment – equity settled	6	–	–	149	–	–	–	–	149	–	149
Issuance of ordinary shares by subsidiaries		–	–	–	–	–	–	(209)	(209)	209	–
Restated adjustments		–	–	–	–	–	–	209	209	(209)	–
Restated	40	–	–	–	–	–	–	–	–	–	–
Acquisition of non-controlling interests without a change in control		–	–	–	–	–	–	1	1	(5)	(4)
Disposal of subsidiary groups	12(c)	–	–	–	–	230	3	(246)	(13)	(1,045)	(1,058)
As at 31 December 2022		92,899	(1,256)	4,257	97	(57)	4	(53,623)	42,321	3,348	45,669

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Company	Note	Share capital S$'000	Capital reserve S$'000	Share-based payment reserve S$'000	Accumulated losses S$'000	Total S$'000
As at 1 January 2022		92,899	(6,030)	4,108	(33,543)	57,434
Share-based payment – equity settled	6	–	–	149	–	149
Loss for the financial year, representing total comprehensive income for the financial year		–	–	–	(17,636)	(17,636)
As at 31 December 2022 and 1 January 2023		92,899	(6,030)	4,257	(51,179)	39,947
Share-based payment – equity settled	6	–	–	68	–	68
Loss for the financial year, representing total comprehensive income for the financial year		–	–	–	(23,400)	(23,400)
As at 31 December 2023		**92,899**	**(6,030)**	**4,325**	**(74,579)**	**16,615**

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

CONSOLIDATED STATEMENT **OF CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 S$'000	2022 S$'000
Operating activities			
Loss before income tax from continuing operations		**(34,367)**	(11,237)
Profit before income tax from discontinued operations		**–**	1,228
		(34,367)	(10,009)
Adjustments for:			
– Actuarial loss on retirement plan		**2**	2
– Share-based payment – equity settled	6	**68**	149
– Gain on disposal of subsidiary groups	39	**–**	(2,320)
– Gain on disposal of investment property	7	**–**	(75)
– Gain on sublease	7	**–**	(180)
– Gain on disposal of plant and equipment	7	**(7)**	–
– Gain on disposal of nil-paid rights	7	**–**	(96)
– Gain on debt modification	7	**(232)**	–
– (Gain)/loss on modification of deferred consideration		**(19)**	30
– Depreciation of plant and equipment	14	**327**	1,299
– Depreciation of right-of-use assets	15	**1,025**	1,011
– Amortisation of intangible assets	16	**7**	431
– Interest income	7	**(166)**	(86)
– Interest expense		**755**	946
– Inventories written off		**85**	84
– Bad debt written off		**58**	127
– (Reversal of impairment)/impairment of plant and equipment		**(23)**	118
– Plant and equipment written off		**1**	–
– Expected credit loss on trade receivables, net	20	**39**	325
– Expected credit loss on other receivables, net	21	**9,186**	60
– Impairment loss on goodwill	17	**10,371**	–
– Fair value adjustment on contingent consideration for business combinations		**(37)**	(38)
– Fair value loss on derivative financial instruments		**9,723**	762
– Fair value loss on other investment at fair value through profit or loss/an associate		**150**	8,769
– Unrealised foreign exchange loss		**46**	213
Operating cash flows before changes in working capital		**(3,008)**	1,522
Increase in trade receivables		**(148)**	(3,000)
Decrease in prepayments		**122**	76
Decrease/(increase) in other receivables		**43**	(706)
Increase in inventories		**(35)**	(32)
Increase in trade payables		**303**	1,236
Decrease in other payables		**(421)**	(159)
Cash flows used in operations		**(3,144)**	(1,063)
Income tax paid		**(173)**	(496)
Interest paid		**(423)**	(503)
Interest received		**166**	86
Net cash flows used in operating activities		**(3,574)**	(1,976)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 S$'000	2022 S$'000
Investing activities			
Purchase of plant and equipment		**(416)**	(679)
Acquisition of right-of-use asset		**(132)**	–
Acquisition of intangible assets		**–**	(10)
Payment for contingent consideration		**–**	(1,989)
Proceeds from settlement of deferred consideration		**2,689**	–
Proceeds from disposal of property, plant and equipment		**–**	2,080
Proceeds from disposal of investment in associate		**–**	2,186
Proceeds from disposal of nil-paid rights		**–**	96
Proceeds from disposal of other investment		**933**	–
Net cash outflow on disposal of subsidiary groups	12(c)	**–**	(2,767)
Net cash flows generated from/(used in) investing activities		**3,074**	(1,083)
Financing activities			
Dividends paid to non-controlling interests		**–**	(192)
Repayment of loans and borrowings		**(905)**	(4,125)
Repayment of lease liabilities		**(973)**	(1,085)
Decrease in restricted deposits		**–**	2,845
Net cash flows used in financing activities		**(1,878)**	(2,557)
Net decrease in cash and cash equivalents		**(2,378)**	(5,616)
Effect of foreign exchange rate changes, net		**(6)**	(37)
Cash and cash equivalents at 1 January		**6,055**	11,708
Cash and cash equivalents at 31 December	19	**3,671**	6,055

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

1.1 The Company

The Company (Registration No. 201001436C) is incorporated in Singapore with its principal place of business and registered office at 37 Jalan Pemimpin, #08-05 Mapex, Singapore 577177. The financial statements are expressed in Singapore dollars.

The principal activity of the Company is that of investment holding company. The principal activities of the subsidiaries are disclosed in Notes 12 to the financial statements.

The Company's ordinary shares have been listed on the Catalist Board of Singapore Exchange Securities Trading Limited (the "SGX-ST") since 18 December 2017.

2. SIGNIFICANT MATTERS

The financial statements of the Group and the Company for the financial year ended 31 December 2022 ("FY2022") were audited by another auditor who expressed a disclaimer opinion on those financial statements on 9 June 2023. The basis for disclaimer of opinion (extracted from the predecessor auditor's report) and the steps taken by management to address some of those matters during the financial year ended 31 December 2023 ("FY2023"), are described below:

(i) Disposal of the Disposed Group

As disclosed in Note 39, the Group recorded a gain on disposal of S$2,320,000. This gain is recognised on the basis that the Group has ceased to control the Disposed Group based on factors disclosed in Note 39. The gain was computed based on the difference between the sale consideration and net assets of the Disposed Group as at the date of disposal. In determining the net assets of the Disposed Group at the date of disposal, the Group is required to consolidate the results of the Disposed Group until the date of disposal. As disclosed further in Note 39 to the financial statements, the Group had consolidated the results of PT Tirta Medika Jaya ("TMJ") and PT Indo Genesis Medika ("IGM") only up to 31 August 2022 and 30 June 2022, respectively, based on their management accounts.

Due to the unavailability of relevant financial information of the Disposed Group, we have not been able to assess the relevant financial impacts of not consolidating the results of the Disposed Group until the date of disposal. Additionally, we have not been able to verify the accuracy of the financial information of TMJ and IGM used by the Group for consolidation purposes as we have not been able to carry out any audit procedures due to lack of information available to us. As a result, we have not been able to determine if the net assets of the Disposed Group as at the date of disposal is appropriately stated. This in turn has an impact on the computation of the gain on disposal and the accuracy of the disclosure within Note 39.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. SIGNIFICANT MATTERS (CONTINUED)

(i) Disposal of the Disposed Group (Continued)

As further disclosed in Note 39, there is an on-going legal action between the Group and a minority shareholder of an entity within the Disposed Group prior to the disposal. Management has represented that any potential liability arising from this litigation will not be attributable to the Group as the relevant entities have ceased to be subsidiaries of the Group. However, due to insufficient information available to us, we are unable to evaluate this representation. If any adjustment is found to be necessary in respect of this matter, it may have an impact on the computation of the gain on disposal and other related balances.

(ii) Fair valuation of convertible exchangeable bonds

In determining the sale consideration for the disposal, the Group estimated the fair value of the convertible exchangeable bonds at inception to be S$10,625,000 (Note 32). The Group determined the fair value, with the assistance of an external valuer, based on the equity value of the Purchaser (which also include the disposed entities). This valuation is highly subjective as the convertible exchangeable bonds is a complex instrument (includes embedded derivative) and its value is sensitive to the forecast of their future cash flows and other significant inputs such as discount rate, long term growth rate, probability of default events and liquidity events (Note 34).

We have not been provided with sufficient information, including relevant financial and non-financial information of the Purchaser and the Disposed Group, and other supporting information for the forecast and key assumptions, to assess the reasonableness of the fair value at inception. Due to a lack of other reliable or publicly available information about the Purchaser, we were also unable to assess the reasonableness of the fair value using other reliable valuation method. Consequently, we are unable to determine the reasonableness of the fair value of the convertible exchangeable bonds of S$10,625,000 at inception. This in turn has an impact on the computation of the gain on disposal.

The Group has also represented that the fair value of the convertible exchangeable bonds as at 31 December 2022 continues to approximate S$10,625,000 as ascertained at inception. Due to lack of information available to us to support this assumption, we are unable to ascertain the reasonableness of this basis. As a result, we are unable to determine if the fair value of the convertible exchangeable bonds as at 31 December 2022 is fairly stated, and whether any adjustments might have been found to be necessary.

(iii) Recoverable value of loans due from certain disposed entities and the Purchaser

As disclosed in Note 21 to the financial statements, the Group has loans receivable due from certain entities within the Disposed Group and the Purchaser amounting to S$12,054,000 as at 31 December 2022. No expected credit loss was recognised against this balance as at 31 December 2022.

Due to lack of information available to us, we have not been able to assess the recoverability of these loans and the appropriateness of not recording any expected credit loss as at 31 December 2022. As a result, we are unable to determine if the carrying values of these loans is appropriately stated as at 31 December 2022, and whether any adjustments might have been found to be necessary.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. SIGNIFICANT MATTERS (CONTINUED)

Updates by management in FY2023

Since the finalisation of the Group's financial statements for FY2022, the Company has continuously reached out to the Purchaser to request for the TMJ and IGM financial information and has requested for updates regarding the status of access to the necessary financial information. As at the date of this financial statements, the TMJ and IGM financial information are not available to the Company.

For the purpose of preparation of the Group's financial statements for FY2023, and as announced on SGX-ST by the Company on 9 February 2024, the Purchaser has informed the Company of challenges in obtaining operational control of the Indonesian businesses of SAM Labs, CBMA, and their respective subsidiaries. The Purchaser is addressing these challenges through the legal process in Indonesia. The Company will keep its shareholders informed of any further material developments in this regard.

The Group has taken the following factors into consideration in assessing and recording the above fair value loss on the Bonds and allowance for expected credit losses on the receivables owing by SAM Labs and CBMA in FY2023, following the disposal of the Disposed Groups on 7 October 2022:

(a) the challenges that the Purchaser is facing in obtaining operational and financial control of the Indonesian businesses of SAM Labs, CBMA and their respective subsidiaries. Currently, there is a lack of visibility on the willingness and ability of TMJ and IGM to repatriate funds upwards to SAM Labs and CBMA to repay the receivables owing by SAM Labs and CBMA to the Group;

(b) the efforts and time taken to obtain operational and financial control is more than what the Purchaser expected, and this has significantly affected the Purchaser's plan to realise the potential synergies with the Disposed Groups before the Bonds mature on 7 October 2025. Currently, it is uncertain how much time is required for the Purchaser to obtain operational and financial control of the Indonesian businesses of SAM Labs, CBMA and their respective subsidiaries before the Bonds mature on 7 October 2025. The inability of the Purchaser to realise any potential synergies with the Disposed Groups will potentially result in a lower growth trajectory of the Purchaser group of companies than initially planned and estimated, when the Bonds mature on 7 October 2025;

(c) the uncertainties in the state of operations, businesses and relationships with stakeholders when the Purchaser obtains operational and financial control of the Indonesian businesses of SAM Labs, CBMA and their respective subsidiaries, especially if this situation becomes further prolonged; and

(d) the lack of visibility on the current net asset position (after deducting the non-controlling interest) of the Disposed Groups as at 31 December 2023, as compared to the net asset position (after deducting non-controlling interest) of S$8,310,000 based on SAM Labs', CBMA's, TMJ's, IGM's and CMPL's financial information for the period commencing 1 January 2022 up to the dates that the latest management accounts were made available to the Company, prior to the disposal to the Purchaser on 7 October 2022, such dates being 7 October 2022, 7 October 2022, 31 August 2022, 30 June 2022 and 7 October 2022 respectively.

As a result, in FY2023 the Group recorded a fair value loss of S$9,690,000 on the Bonds and an allowance for expected credit losses of S$11,880,000 on the loans due from certain disposed entities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES

3.1 Basis of preparation

The consolidated financial statements of the Group, the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s").

The preparation of financial statements in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

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

The financial statements are presented in Singapore Dollar ("SGD" or "S$") and all values are rounded to the nearest thousand ("S$'000"), except when otherwise indicated.

Interpretations and amendments to published standards effective in 2023

On 1 January 2023, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

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

Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies

The Group has adopted the amendments to SFRS(I) 1-1 for the first time in the current financial year. The amendments change the requirements in SFRS(I) 1-1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in SFRS(I) 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Group has applied materiality guidance in SFRS(I) Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of preparation (Continued)

Interpretations and amendments to published standards effective in 2023 (Continued)

Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Group has adopted the amendments to SFRS(I) 1-12 for the first time in the current year. The amendments narrow the scope of the initial recognition exemption, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences (e.g. leases and decommissioning obligations). Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.

The Group had previously recognised deferred tax for leases on an aggregate temporary difference basis. Following the amendments, the group is required to recognise separately deferred tax asset and deferred tax liability for the deductible and taxable temporary differences in relation to its lease liabilities and right-of-use assets respectively, which are now disclosed in Note 28. There was no impact to the opening accumulated losses as at January 1, 2022 as a result of the change, and there was also no impact on the statement of financial position as the resulting deferred tax consequences qualify for offsetting under SFRS(I) 1-12.

Going concern

The Group reported net loss before income tax of S$34,367,000 and net cash used in operating activities of S$3,574,000 for the financial year ended 31 December 2023 as a result of the decrease in revenue from the distribution of Labnovation's COVID-19 ART Test Kits in Hong Kong and Philippines and a decrease in revenue from the medical clinics/centres in Singapore and the Philippines for the provision of general medical, dental and clinical services and distribution of medical and pharmaceutical products.

As at 31 December 2023, the Group's cash and bank balances amounting to S$3,671,000 decreased by S$2,384,000 from 31 December 2022 mainly due to outflows of cash from operating and financing activities of S$3,574,000 and S$1,878,000 respectively which were partially offset by cash generated from investing activities of S$3,074,000. As at 31 December 2023, the Group's current liabilities of S$4,912,000 comprise mainly trade and other payables of S$2,701,000 and borrowings including lease liabilities of S$2,037,000.

Notwithstanding the above, the Board of Directors is of the view that the Group will be able to improve its financial performance and meet its obligations as and when they fall due within the next twelve months from the financial year ended 31 December 2023 based on the followings:

- The management has carried out a review of the cash flows projections of the Group for the next financial year ending 31 December 2024 and is of the view that there is adequate liquidity to finance the working capital requirements of the Group taking into account the financial position of the Group and the estimated operating costs achieved from cost cutting measures; and

- The Group is able to raise additional funds from the planned disposal of other investments as disclosed in Note 41.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of preparation (Continued)

Going concern (Continued)

Based on these factors, management has a reasonable expectation that the Group has and will have adequate resources to continue in operational existence for the foreseeable future and the use of going concern assumption in the preparation of the Group's financial statements is appropriate.

3.2 Revenue recognition

Revenue is measured based on the consideration to which the Group 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 Group 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. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Medical and clinical revenue

(a) *Rendering of medical and clinical services*

The Group renders consultations, clinical treatments, medical tests and aesthetics treatments to patients. Revenue from the provision of consultations, clinical treatments and medical tests are recognised when the services to be provided are completed at a point in time.

Revenue from the provision of aesthetics services, usually sold in bundled packages, are recognised upon completion of the series of distinct services rendered over time based on number of sessions utilised. The allocation of revenue is based on utilisation at the stand-alone selling price.

A contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract liability is recognised as revenue when services are rendered.

(b) *Sales of medical and clinical products*

The Group supplies medical, lifestyle and wellness products including Sinopharm COVID-19 Vaccine, COVID-19 antigen rapid test kits, COVID-19 antibody test kits and personal protective equipment. Revenue is recognised when the goods are delivered and all criteria for acceptance have been satisfied.

The amount of revenue recognised is based on the contractual price.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Revenue recognition (Continued)

Laboratory testing services

(a) *Laboratory services*

The Group renders laboratory support services to hospitals. Revenue is recognised when the services provided to the hospitals, to enable the hospitals to provide laboratory services to each patient, are completed.

The amount of revenue recognised is based on the contractual price and invoiced once at every month end to the hospitals.

(b) *Sales of laboratory consumables*

The Group supplies laboratory consumables to the hospitals. Revenue is recognised when the goods are delivered to the hospital and all criteria for acceptance have been satisfied.

The amount of revenue recognised is based on the contractual price and invoiced once at every month end to the hospitals.

Renal care revenue

(a) *Renal care services*

The Group renders renal care support services to hospitals. Revenue is recognised when the services provided to the hospitals, to enable the hospitals to provide renal services to each patient, are completed.

The amount of revenue recognised is based on the contractual price and invoiced once at every month end to the hospitals.

(b) *Sales of renal care consumables*

The Group supplies dialysis treatment consumables to the hospitals. Revenue is recognised when the goods are delivered to the hospital and all criteria for acceptance have been satisfied.

The amount of revenue recognised is based on the contractual price and invoiced once at every month end to the hospitals.

3.3 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. Where the grant relates to income, the grant is recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as “Other income”.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.4 Basis of consolidation and business combinations

(a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

(b) *Business combinations and goodwill*

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred, and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

NOTES TO THE
FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.4 Basis of consolidation and business combinations (Continued)

(b) Business combinations and goodwill (Continued)

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units ("CGUs") that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

3.5 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less impairment losses.

3.6 Associates

Investments in associates which are held as part of the Group's investment portfolio are designated upon initial recognition as investments at fair value through profit or loss as their performance is managed and evaluated on a fair value basis. This treatment is permitted by SFRS(I) 1-28 *Investments in Associates* which allows investments held indirectly by venture capital organisation, or mutual fund, unit trust and similar entities to be recognised and measured at fair value through profit or loss and accounted for in accordance with SFRS(I) 9 *Financial Instruments*, with changes in fair value recognised in the profit or loss in the period of change.

3.7 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.8 Foreign currency

The financial statements are presented in Singapore Dollar, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into Singapore dollar at the rate of exchange ruling at the end of reporting periods and the profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

3.9 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

	Years
Computer equipment	3 to 5
Furniture and fittings	3 to 11
Office equipment	3 to 11
Medical equipment	3 to 6
Laboratory equipment	3 to 5
Motor vehicles	5 to 8
Renovation	3 to 11

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.9 Plant and equipment (Continued)

Work-in-progress included in the plant and equipment are not depreciated as these assets are not yet available for use.

The residual value, useful life and depreciation method are reviewed at each reporting date, and adjusted prospectively, if appropriate.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

3.10 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.10 Intangible assets (Continued)

(a) CAP accreditation

The CAP Laboratory Accreditation ("CAP Accreditation") arose due to the acquisition of a subsidiary and relates to an accreditation attained by a clinical lab certifying that the lab's quality has complied with certain requirements. The useful life of the CAP Accreditation is estimated to be 2 years as the laboratory is required to undergo re-inspection every two years to maintain the CAP Accreditation.

(b) Customer relationships

Customer relationships acquired in business combinations, including joint operation contracts entered by a subsidiary with hospitals for installation of renal dialysis facilities were initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 8 to 10 years.

(c) Favourable rental agreement

Favourable rental agreement arose due to the acquisition of a subsidiary and relates to an operating lease in which the terms are favourable to the Group relative to the market terms. The useful life of the favourable rental agreement is 2.75 years.

3.11 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously.

NOTES TO THE
FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.12 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investment in debt instruments at amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains or losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Investment in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income ("OCI"). Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in OCI, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.12 Financial instruments (Continued)

(a) Financial assets (Continued)

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Financial liabilities at fair value through profit and loss are derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also at fair value through profit and loss unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gain or losses arising from changes in the fair value of the financial liabilities are recognised in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

NOTES TO THE
FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.13 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applied a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and demand deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

3.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs of purchases and other costs incurred in bringing the inventories to their present location and condition. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.17 Employee benefits

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions are made into separate state managed entities, such as the Central Provident Fund in Singapore, Mandatory Provident Fund in Hong Kong, Social Security Fund in Philippines and Indonesia and Employees Provident Fund in Malaysia under a defined contribution plan, on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Employee share-based payment*

Employees of the Group receive remuneration in the form of equity instruments as consideration for services rendered. The cost of these equity-settled share-based payment transactions with employees is measured by reference to the fair value of the equity instruments at the grant date which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the employee share-based payment reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

(c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.18 Leases

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows.

Office and clinical premises	1 to 12 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.11 to the financial statements.

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.18 Leases (Continued)

(b) Lease liabilities (Continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.19 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.19 Taxes (Continued)

(b) Deferred tax (Continued)

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.19 Taxes (Continued)

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

3.20 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3.21 Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.22 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management team whose members are responsible for allocating resources and assessing performance of the operating segments.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make estimates, assumptions and judgement that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

4.1 Critical judgements in applying the entity's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in the financial statements.

(a) *Deferred income tax*

The Group recognises income tax liabilities and assets based on a best estimate of the taxes payable or recoverable, on the basis that the relevant tax rules will be enforced. A best estimate approach involves making a judgement as to which interpretation of the relevant tax laws is most likely to be sustained in the Group's particular circumstances. The Group estimated the taxes payable according to that interpretation which required critical judgement.

Where the actual amount arising from these differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition, management judgement is required in determining the amount of current and deferred income tax recognised and the extent to which amounts should or can be recognised.

The Group recognised the deferred tax liabilities on temporary differences arising from fair value gain on financial instruments, and accelerated depreciation on lease, and plant and equipment.

The Group recognised the deferred income tax asset to the extent that it is probable that future taxable profit will be available against which tax losses can be utilised which requires judgement in estimating whether there will be sufficient taxable profits in the future to recognise a deferred tax asset. The Group also needs to make estimates about the expected timing of reversal of the deductible and taxable temporary differences when considering whether a deferred tax asset can be recognised.

The carrying value of deferred tax assets and liabilities as at 31 December 2023 is S$161,000 and S$58,000 (2022: S$Nil and S$1,827,000) respectively.

4.2 Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) *Fair value measurement of financial instruments*

The valuation of unquoted financial assets and liabilities involves estimates, assumptions and judgement based upon available information and does not necessarily represent amounts which might ultimately be realised, since such amounts depend on future events. Due to the inherent uncertainty of valuation, the estimated fair values for the unquoted financial instruments may differ significantly from the amounts that might ultimately be realised and the differences could be material.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

4.2 Critical accounting estimates and assumptions (Continued)

(a) Fair value measurement of financial instruments (Continued)

When the fair values of financial instruments cannot be derived from active markets, fair value is determined using valuation techniques and processes such as Binomial Option Pricing Model ("OPM") and Discounted Cash Flow ("DCF") {2022: market comparable approach, Black Scholes Model, OPM, DCF, Adjusted Net Asset Approach ("ANA Approach"), Binomial Tree Model ("BTM") and Probability Weighted Expected Return methodology ("PWER")}.

Inputs into these models are derived from observable markets where possible, but if this is not feasible, significant estimates is required to establish fair values. The significant estimates include projected stock price volatility, long-term growth rate and discount rates (2022: projected stock price volatility, long-term growth rate, discount rates, occurrence of liquidity event and occurrence of default event). Changes in assumptions used in these estimates could affect the fair values of the financial instruments.

The valuation approach, significant estimates used, and the sensitivity analysis are disclosed in Note 34.

These financial instruments include convertible exchangeable bonds issued by a third party and call options granted by a subsidiary over the preference shares issued to the non-controlling interests.

The convertible exchange bonds (the "Bonds") were issued by Lunadorii Inc. (the "Purchaser") as consideration for the disposal of the Group's interest in certain subsidiaries in the Healthcare systems segment (collectively, the "Disposed Group") which was completed on 7 October 2022.

Management has assumed that the Bonds would be converted into the Purchaser's shares upon maturity and that the equity value of the Purchaser determined based on discounted cash flows would be adversely affected taking into consideration of the following:

- The Group's understanding from the Purchaser of the difficulties that the Purchaser is facing in obtaining operational control of the Indonesian businesses of the disposed entities;

- The effort and time taken to obtain operational and financial control is more than what the Purchaser expected and this has significantly affected the Purchaser's plan to realise the potential synergies with the Disposed Group before the Bonds mature on 7 October 2025;

- It is uncertain how much time is required for the Purchaser to obtain operational and financial control of the Indonesian businesses of Disposed Group before the Bonds' maturity date. The inability of the Purchaser to realise any potential synergies with the Disposed Group will potentially result in a lower growth trajectory of the Purchaser's group of companies than initially planned and estimated, when the Bonds mature on 7 October 2025; and

- The uncertainties in the state of operations, businesses and relationships with stakeholders when the Purchaser obtain operational and financial control of the Indonesian businesses of the Disposed Group, especially if this situation becomes further prolonged. This in turn has resulted in lack of visibility on the net assets and funds distributable to the Purchaser.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

4.2 Critical accounting estimates and assumptions (Continued)

(b) Impairment of goodwill on consolidation

As disclosed in Note 17 to the financial statements, the recoverable amounts of the cash generating units, which goodwill have been allocated to, are determined based on value in use calculations. The value in use calculations are based on a discounted cash flow models. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows. The key assumptions applied in the determination of the value in use, are disclosed and further explained in Note 17 to the financial statements.

The carrying amount of goodwill on consolidation as at 31 December 2023 is S$10,925,000 (2022: S$21,296,000).

(c) Impairment of investments in subsidiaries

Investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. In determining the recoverable value, an estimate of expected future cash flows from each asset or CGU and an appropriate discount rate is required to be made. An impairment exists when the carrying amount of an asset or CGU exceeds its recoverable amount, which is the higher of fair value less costs to sell and its VIU.

The recoverable amounts of investments in subsidiaries are determined using value in use method. The key assumptions and inputs used in the valuation of the underlying assets of the subsidiaries are disclosed in Note 17.

The carrying amount of investments in subsidiaries as at 31 December 2023 is S$18,445,000 (2022: S$19,837,000).

(d) Impairment of other receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. Factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments are objective evidence of impairment. In determining whether there is objective evidence of impairment, the Group considers whether there is observable data indicating that there have been significant changes in the debtor's payment ability or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's other receivables at the end of the reporting period is disclosed in Note 21 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

4.2 Critical accounting estimates and assumptions (Continued)

(d) Impairment of other receivables (Continued)

As at 31 December 2023, the Group's loans receivable due from non-related parties of S$12,184,000 consist of loans receivable due from the disposed entities, SAM Laboratory Pte. Ltd. ("SAM Labs") and Clearbridge Medical Asia Pte. Ltd. ("CBMA") of S$11,880,000, and the Purchaser of S$304,000. During the financial year ended 31 December 2023, the Group recognised expected loss allowance of S$11,880,000 against the loans receivable due from SAM Labs and CBMA which were provided to SAM Labs and CBMA as funding for the working capital of SAM Labs, CMBA and their respective subsidiaries prior to the disposal.

At the end of the financial year, management assesses whether there is any objective evidence that a financial asset is impaired. Factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments are objective evidence of expected credit loss.

Management has assessed that there is significant increase in credit risk for the loans receivables from SAM Labs and CBMA and provided loss allowance on the full amount of the loans receivables after taking into consideration the followings:

- SAM Labs and CBMA are investment holding companies which do not have other sources of income other than future dividends receivables from its active subsidiaries, PT Indo Genesis Medika ("IGM"), and PT Tirta Medika Jaya ("TMJ") and there were no dividends received from IGM and TMJ since they were acquired by SAM Labs and CMBA respectively;

- The loans were provided to the disposed entities for the purpose of financing the operations of IGM and TMJ. Due to the difficulties in obtaining operational control of IGM and TMJ by the Purchase, there is a lack of visibility on the willingness and ability of TMJ and IGM to repatriate funds upwards to SAM Labs and CBMA to repay the loans receivable owing by SAM Labs and CBMA to the Group;

- The uncertainties as to the efforts and time taken by the Purchaser in obtaining operational control of IGM and TMJ, and the state of operations, businesses and relationships with stakeholders when the Purchaser obtain operational and financial control of the Indonesian businesses of SAM Labs, CBMA and their respective subsidiaries, especially if this situation becomes further prolonged; and

- The lack of visibility and the uncertainty of the impact arising from the Purchaser's inability to obtain the operational and financial control on the net assets and funds of IGM and TMJ which are distributable to SAM Labs and CBMA.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5. REVENUE

(a) Disaggregation of revenue

	Continuing operations						Discontinued operations (Note 39)	
	Healthcare systems		Medical clinics/ centres		Total revenue		Healthcare systems	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Major product or service lines								
Rendering of medical and clinical services	**–**	–	**10,562**	15,650	**10,562**	15,650	**–**	–
Laboratory testing services	**38**	41	**–**	–	**38**	41	**–**	8,533
Renal care revenue	**–**	–	**890**	721	**890**	721	**–**	3,190
	38	41	**11,452**	16,371	**11,490**	16,412	**–**	11,723
Primary geographical markets								
Singapore	**–**	–	**7,924**	9,267	**7,924**	9,267	**–**	–
Philippines	**–**	–	**2,232**	4,480	**2,232**	4,480	**–**	–
Hong Kong, Malaysia and others	**38**	41	**1,296**	2,624	**1,334**	2,665	**–**	11,723
	38	41	**11,452**	16,371	**11,490**	16,412	**–**	11,723
Timing of transfer of goods or services								
At a point in time	**38**	41	**10,661**	15,547	**10,699**	15,588	**–**	11,723
Over time	**–**	–	**791**	824	**791**	824	**–**	–
	38	41	**11,452**	16,371	**11,490**	16,412	**–**	11,723

(b) Methods used in recognising revenue

Recognition of revenue from aesthetics packages

For the bundled package sale of aesthetic services where the Group satisfies its performance obligations over time, management has determined that an output method provides a faithful depiction of the Group's performance in transferring control of the services to the customers, as it reflects the direct measurements of the value to the customer of services transferred to date relative to the remaining services promised under the contract. The measure of progress is based on the number of sessions utilised as a percentage of the total sessions sold in a package.

NOTES TO THE
FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5. REVENUE (CONTINUED)

(c) *Receivables and contract liabilities*

Information about receivables and contract liabilities from contract with customers is disclosed as follows:

	Group		
	31 December		1 January
	2023	2022	2022
	S$'000	S$'000	S$'000
Receivables from contracts with customers (Note 20)	**1,247**	1,196	7,485
Contract liabilities	**110**	515	471

Contract liabilities primarily relate to the Group's obligation to transfer services to customers for which the Group has received advances from customers for sale of aesthetic services. Contract liabilities are recognised as revenue as the Group performs under the contract.

During the financial year, revenue recognised that was included in the contract liabilities balance at the beginning of the financial year amounted to S$476,000 (2022: S$326,000).

The Group expects to recognise S$110,000 (2022: S$515,000) as revenue relating to the transaction price allocated to the unsatisfied performance obligations as at the financial year-end in the next financial year.

6. EMPLOYEE BENEFITS EXPENSE

	2023	2022
	S$'000	S$'000
Salaries and bonuses	**5,258**	5,268
Defined contribution plan	**489**	499
Share-based payment – equity settled	**68**	149
Employee benefits	**155**	156
Others	**7**	22
	5,977	6,094

(a) *Service agreement*

On 18 November 2017, the Company entered into a three-year Service Agreement, with the Executive Director and CEO (the "Executive") of the Company where a performance bonus is granted in the form of cash and shares to the Executive. On 6 January 2021, the Company amended the term of the Service Agreement and extended it for a period of two years (the 'Extended Term') which is renewable automatically upon expiry of the Extended Term for 1 year periods, unless otherwise agreed. The appointment of the Executive Director and CEO has been renewed automatically until 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6. EMPLOYEE BENEFITS EXPENSE (CONTINUED)

(a) Service agreement (Continued)

1. Performance bonus in the form of cash or shares (the "First Performance Bonus") will vest if the following conditions are met:

   a. where the Operating Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") is less than or equal to S$7,500,000, 10% on the Group's Operating EBITDA to be paid either in cash and/or Shares; and

   b. where the Operating EBITDA is more than S$7,500,000, 5% on such amount of the Group's Operating EBITDA in excess of S$7,500,000 plus S$750,000, to be paid either in cash and/or Shares.

2. Performance bonus in the form of shares (the "Second Performance Bonus") will vest upon the first occurrence of the Company achieving the following respective milestones:

   a. Number of shares equivalent to 1% of the then current share capital of the Company, shall be issued to the Executive in a single tranche credited as fully paid if the first milestone as described below is met:

      i. an Operating EBITDA of S$2,000,000 or more for the financial year; or

      ii. a daily market capitalisation of S$150,000,000 or more for every day over a consecutive three month period and the volume weighted average price of the Company's shares calculated over every trading day being more than 15% above the issued price at IPO for every day over that consecutive three month period.

   b. Number of shares equivalent to 2% of the then current share capital of the Company, shall be issued to the Executive in a single tranche credited as fully paid if the second milestone as described below is met:

      i. an Operating EBITDA of S$7,500,000 or more for the financial year is met; or

      ii. a daily market capitalisation of S$300,000,000 or more for every day over a consecutive three month period and the volume weighted average price of the Company's shares calculated over every trading day being more than 25% above the issued price at IPO for every day over that consecutive three month period.

   c. Number of shares equivalent to 2% of the then current share capital of the Company, shall be issued to the Executive in a single tranche credited as fully paid if the third milestone as described below is met:

      i. an Operating EBITDA of S$15,000,000 or more for the financial year is met; or

      ii. a daily market capitalisation of S$600,000,000 or more for every day over a consecutive three-month period and the volume weighted average price of the Company's shares calculated over every trading day being more than 50% above the issued price at IPO for every day over that consecutive three month period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6. EMPLOYEE BENEFITS EXPENSE (CONTINUED)

(a) Service agreement (Continued)

For the avoidance of doubt, the Operating EBITDA for the first milestone, second milestone and third milestone are achieved on a cumulative basis. Hence unless the previous milestones have been paid, the previous milestones shall be payable in the event the second or third milestones are met. The first milestone was met in the financial year ended 31 December 2018.

The contractual life of the Second Performance Bonus was extended automatically until 31 December 2024 and if the conditions are not met, the rights to the issuance of shares will lapse. There are no cash settlement alternatives.

Fair value of shares granted

Following the extension of the Service agreement, the fair value of shares is estimated at the date of the extension using a Monte Carlo simulation model, taking into account the terms and conditions upon which the options were granted. The model simulates the probability of meeting the Operating EBITDA and the Market Capitalisation targets. It takes into account the management's assumption of the Group's forecast and the share price fluctuation covariance of the Company to predict the distribution of the share performance.

The following table lists the key inputs to the model used to determine the fair value of the shares granted as at 6 January 2021 and 18 November 2017 for share-based payment for the financial years ended 31 December 2023 and 2022:

Dividend (%)	–
Expected volatility (%)	61.2
Risk-free interest rate (%)	0.25
Share price at the extension/grant date (S$)	0.15

In 2018, the first milestone for the Second Performance Bonus was met. Accordingly, 4,810,000 shares were earned by the Executive and issued during that year.

No expense was recognised in profit or loss for performance share payment during the financial year (2022: S$130,000).

(b) Performance share plan

Performance share plan awarded to certain employees on 19 December 2019

On 19 December 2019, the Board of Directors approved the share awards pursuant to the Clearbridge Health Performance Share Plan to incentivise certain employees for driving shareholder value. A number of shares equivalent to 1% of the then current share capital will be awarded to certain employees upon the first occurrence of the Company achieving a market capitalisation of S$300,000,000 for 3 consecutive months. The shares awarded have a moratorium period of 6 months from the date of issue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6. EMPLOYEE BENEFITS EXPENSE (CONTINUED)

(b) Performance share plan (Continued)

Performance share plan awarded to certain employees on 19 December 2019 (Continued)

Fair value of shares granted

The fair value of shares granted is estimated at the date of the grant using a Monte Carlo simulation model, taking into account the terms and conditions upon which the options were granted. The model simulates the probability of meeting the Market Capitalisation targets. It takes into account the management's assumption of the share price fluctuation covariance of the Company to predict the distribution of the share performance.

The following table lists the key inputs to the model used to determine the fair value of the shares granted as at 19 December 2019 for share-based payment for the years ended 31 December 2023 and 2022:

Dividend (%)	–
Expected volatility (%)	49.2
Daily risk-free interest rate (%)	3.7
Share price at the grant date (S$)	0.13
Fair value of shares	0.014

No expense was recognised in profit or loss for performance share plan during the financial year (2022: S$43,000).

Performance share plan awarded to employees of the Group on 19 December 2019

On 19 December 2019, the Board of Directors approved the share awards pursuant to the Clearbridge Health Performance Share Plan to incentivise employees to achieve performance targets. The shares to be granted is at a fair value of $$0.13 as at the date of the grant. The performance share plan expires in 2022 and will award the following shares based on the Group meeting the following performance targets in the respective years.

The performance targets to be set under the Plan are intended to be based on longer-term corporate objectives covering business growth which include Group EBIDTA. The shares awards have a vesting period of 3 years from the date of issue and are awarded. The final number of shares awarded will depend on the achievement of the pre-determined performance targets at end of each reporting period.

On 28 April 2021, the Company granted share awards to employees of the Company pursuant to the Plan. A total of 2,985,476 ordinary shares were granted at the fair value of S$0.13, which was based on market price of the shares on the date of grant. The shares vest in three equal annual instalments in 2022, 2023 and 2024.

NOTES TO THE
FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6. EMPLOYEE BENEFITS EXPENSE (CONTINUED)

(b) Performance share plan (Continued)

Performance share plan awarded to employees of the Group on 19 December 2019 (Continued)

On 28 April 2022, the Company allotted and issued 995,160 new ordinary shares in the capital of the Company pursuant to the vesting of the Awards. As at 31 December 2022, 306,202 unvested Awards were forfeited due to the resignation of certain employees.

On 16 May 2023, the Company allotted and issued 842,058 new ordinary shares in the capital of the Company pursuant to the vesting of the Awards.

The expense/reversal recognised in profit or loss for this performance share plan during the financial year is S$68,000 (2022 reversal: S$24,000).

7. OTHER INCOME

	Group	
	2023	**2022**
	S$'000	**S$'000**
Interest income from:		
Financial assets measured at amortised cost		
– Lease interest income	**10**	5
– Loan to a related party	**36**	34
– Cash at banks and short-term deposits	**–**	6
– Loan to third parties	**120**	30
	166	75
Fair value adjustment on contingent consideration for business combinations	**37**	–
Gain on debt modification	**232**	–
Grant income	**46**	170
Gain on disposal of investment property	**–**	75
Gain on disposal of plant and property	**7**	–
Gain on disposal of nil paid rights	**–**	96
Gain on sub-lease	**–**	180
Rental income	**–**	10
Others	**99**	145
	587	751

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

8. FINANCE COSTS

	Group	
	2023	2022
	S$'000	S$'000
Interest expense on:		
– Convertible bonds	**575**	657
– Bank loans	**57**	126
– Hire purchase	**–**	1
– Lease liabilities	**123**	82
	755	866

9. LOSS BEFORE INCOME TAX

The following items have been included in arriving at loss before income tax:

	Group					
	Continuing operations		Discontinued operations		Total	
	2023	2022	2023	2022	2023	2022
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Audit fees						
– auditors of the Company	**335**	435	**–**	8	**335**	443
– other auditors	**25**	–	**–**	–	**25**	–
Non-audit fees						
– auditors of the Company	**18**	28	**–**	–	**18**	28
Fair value loss/(gain) due to adjustment on contingent consideration	**(37)**	7	**–**	(45)	**(37)**	(38)
Inventory written off	**85**	83	**–**	1	**85**	84
Professional fees	**578**	557	**–**	540	**578**	1,097
(Reversal of impairment)/ Impairment of plant and equipment	**(23)**	118	**–**	–	**(23)**	118
Depreciation expense	**1,352**	1,474	**–**	836	**1,352**	2,310
Amortisation expense	**7**	60	**–**	371	**7**	431
Bad debts written off	**58**	66	**–**	61	**58**	127
Impairment loss on goodwill	**10,371**	–	**–**	–	**10,371**	–
Expected credit loss on trade receivable, net	**39**	23	**–**	302	**39**	325
Expected credit loss/ (Reversal of expected credit loss) on other receivables, net	**9,186**	(535)	**–**	595	**9,186**	60

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

10. INCOME TAX (CREDIT)/EXPENSE

The major components of income tax (credit)/expense for the financial years ended 31 December 2023 and 2022 are:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Current income tax		
– Current income taxation	**31**	150
– Under provision in respect of previous years	**7**	423
	38	573
Deferred income taxes (Note 28)		
– Current deferred taxation	**(5)**	(77)
– Over provision in respect of previous years	**(1,933)**	(27)
	(1,938)	(104)
	(1,900)	469
Income tax expense is attributable to:		
– Continuing operation	**(1,900)**	189
– Discontinued operation	**–**	280
	(1,900)	469

Domestic income tax for Singapore companies is calculated at 17% (2022: 17%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Relationship between tax expense and accounting loss

	Group	
	2023	**2022**
	S$'000	**S$'000**
Loss before income tax from continuing operations	**(34,367)**	(11,237)
Profit before income tax from discontinued operations	**–**	1,228
	(34,367)	(10,009)
Tax at the domestic rates applicable to profits in the countries where the Group operates	**(5,909)**	(1,760)
Effect of expenses not deductible	**6,441**	2,729
Effect of income not subject to taxation	**(692)**	(646)
Effect of tax incentives	**(63)**	(122)
Deferred tax assets not recognised	**253**	293
Deferred tax on intangible assets	**–**	(91)
Utilisation of previously unrecognised tax losses	**(4)**	(330)
(Over)/under provision in respect of previous years	**(1,926)**	395
Income tax (credit)/expense	**(1,900)**	468

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

10. INCOME TAX (CREDIT)/EXPENSE (CONTINUED)

A loss transfer system of group relief (known as "group relief system") for companies was introduced in Singapore with effect from Year of Assessment 2003. Under the group relief system, a company belonging to a group may transfer its current year unabsorbed capital allowances, current year unabsorbed trade losses and current year unabsorbed donations (loss items) to another company belonging to the same group, to be deducted against the assessable income of the latter company.

On 31 December 2023, the Company intends to receive unabsorbed tax losses of S$965,000 (2022: S$872,000) from its subsidiaries under the group relief system, subject to compliance with the relevant rules and procedures and agreement of Inland Revenue Authority of Singapore ("IRAS").

11. LOSS PER SHARE

Basic loss per share is calculated by dividing loss for the financial year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted loss per share is calculated by dividing loss for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Basic and diluted loss per share is the same as the Convertible Bonds and 2,985,475 shares awarded to employees on 28 April 2021 under the Company's performance share plan which will be vested and issued over 3 years are anti-dilutive.

The following table reflects the loss and share data used in the computation for basic and diluted loss per share for the financial years ended 31 December 2023 and 2022:

	Group Basic and diluted 2023 S$'000	 2022 S$'000
Loss for the financial year attributable to owners of the Company		
– Continuing operations	**(32,199)**	(12,476)
– Discontinued operations	**–**	1,332
	(32,199)	(11,144)
	Number of ordinary shares '000 Basic and diluted	
Weighted average number of shares for basic loss per share computation	618,739	617,891
Weighted average number of shares for diluted loss per share computation	618,739	617,891
Basic and diluted loss per share (cents)		
– Continuing operations	(5.20)	(2.02)
– Discontinued operations	–	0.22
	(5.20)	(1.8)

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12. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023	**2022**
	S$'000	**S$'000**
Unquoted shares, at cost	**30,708**	30,708
Impairment losses on subsidiary	**(12,263)**	(10,871)
	18,445	19,837

Impairment of investment in subsidiaries

During the financial year ended 31 December 2023, management performed an impairment review of its investment in subsidiaries and assess that the recoverable amount of a subsidiary is lower than the cost of investment. As a result of the review, the Company recognised additional impairment loss of S$1,392,000 (2022: S$Nil).

The recoverable amounts of the subsidiaries are determined using value in use method. The key assumptions and inputs used in the valuation of the underlying assets of the subsidiaries are disclosed in Note 17.

(a) *Composition of the Group*

The Group has the following investments in subsidiaries at the end of the reporting period:

Name of subsidiary	Principal activities	Country of business/ incorporation	Proportion of ownership interest held by parent 2023 %	Proportion of ownership interest held by parent 2022 %	Proportion of ownership interest held by the Group 2023 %	Proportion of ownership interest held by the Group 2022 %
Held by the Company						
Clearbridge BSA Pte. Ltd.[1]	Investment holding	Singapore	**100**	100	**100**	100
Clearbridge Assays Pte. Ltd.[1]	Investment holding	Singapore	**100**	100	**100**	100
Clearbridge Medical Group Pte. Ltd.[1]	Clinics/centres and other general medicine services	Singapore	**80.20**	80.20	**80.20**	80.20
Held by Clearbridge Medical Group Pte. Ltd.						
Clearbridge Medical Hong Kong Corporation Limited[3]	Biotechnology and life sciences	Hong Kong	**100**	100	**80.20**	80.20
Clearbridge Health (Philippines) Inc.[2]	Clinics/centres and other general medical services	Philippines	**99.99**	99.99	**80.19**	80.19
Medic Laser Private Limited[1]	Clinics/centres and other general medical services	Singapore	**85**	85	**68.17**	68.17
Medic Surgical Private Limited[1]	Clinics/centres and other general medical services	Singapore	**85**	85	**68.17**	68.17

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(a) Composition of the Group (Continued)

Name of subsidiary	Principal activities	Country of business/ incorporation	Proportion of ownership interest held by parent 2023 %	Proportion of ownership interest held by parent 2022 %	Proportion of ownership interest held by the Group 2023 %	Proportion of ownership interest held by the Group 2022 %
Held by Clearbridge Medical Group Pte. Ltd. (Continued)						
Clearbridge Medica Sdn. Bhd.[4]	Clinics/centres and other general medical services	Singapore	**100**	100	**80.20**	80.20
Clearbridge Lifestyle Pte.Ltd.[1]	Management consultancy for healthcare organisation	Singapore	**100**	100	**80.20**	80.20
Clearbridge Distribution Pte. Ltd.[1]	Wholesale of medicinal and pharmaceutical products	Singapore	**100**	100	**80.20**	80.20
Clearbridge Australia Pty. Ltd.[4]	Dormant	Australia	**100**	100	**80.20**	80.20
Held by Clearbridge Health (Philippines) Inc.						
Clearbridge Medical Philippines, Inc.[2]	Clinics/centres and other general medical services	Philippines	**65**	65	**52.13**	52.13
Held by Clearbridge Medical Hong Kong Corporation Limited						
Shanghai Kai Zhun Health Management Co. Ltd. (上海凯准健康管理有限公司)[4]	Distribution of medical devices and related services	China	**100**	100	**80.20**	80.20
Held by Clearbridge Lifestyle Pte. Ltd.						
Clearbridge Dental Holdings Pte. Ltd.[1]	Investment holding	Singapore	**51**	51	**40.90**	40.90
Held by Shanghai Kai Zhun Health Management Co. Ltd.						
Red Dot Health Technology (Shanghai) Co. Ltd.[4]	Distribution of medical and lifestyle products	China	**100**	100	**80.20**	80.20
Held by Clearbridge Assays Pte. Ltd.						
Renum Distribution Holdings Pte. Ltd.[1]	Wholesale of medicinal and pharmaceutical products	Singapore	**100**	100	**100**	100
PT Clearbridge Health Indonesia[4]	Dormant	Indonesia	**5**	5	**5**	5
Held by Renum Distribution Holdings Pte. Ltd.						
PT Clearbridge Health Indonesia[4]	Dormant	Indonesia	**95**	95	**95**	95

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12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(a) Composition of the Group (Continued)

Name of subsidiary	Principal activities	Country of business/ incorporation	Proportion of ownership interest held by parent 2023 %	Proportion of ownership interest held by parent 2022 %	Proportion of ownership interest held by the Group 2023 %	Proportion of ownership interest held by the Group 2022 %
Held by Clearbridge Distribution Pte. Ltd.						
Golden Bridge Pte. Ltd.[(1)]	Management consultancy services for healthcare organisations	Singapore	**100**	100	**80.20**	80.20
Held by PT Clearbridge Health Indonesia						
PT Clearbridge Medical Indonesia[(4)]	Dormant	Indonesia	**49**	49	**49**	49
Held by Clearbridge Dental Holdings Pte. Ltd.						
Dental Town (AMK) Pte.Ltd.[(1)]	Provision of dental and ancillary services	Singapore	**100**	100	**40.90**	40.90
LKDS (Hougang Green) Pte. Ltd.[(1)]	Provision of dental and ancillary services	Singapore	**100**	100	**40.90**	40.90
LKDS (Simei) Pte. Ltd.[(1)]	Provision of dental and ancillary services	Singapore	**100**	100	**40.90**	40.90
LKDS (Yishun) Pte. Ltd.[(1)]	Provision of dental and ancillary services	Singapore	**100**	100	**40.90**	40.90
Urban Dental (SG) Pte.Ltd.[(1)]	Provision of dental and ancillary services	Singapore	**100**	100	**40.90**	40.90
Dental Focus (Bendemeer) Pte. Ltd.[(1)]	Provision of dental and ancillary services	Singapore	**100**	100	**40.90**	40.90
Dental Focus (Pioneer) Pte. Ltd.[(1)]	Provision of dental and ancillary services	Singapore	**100**	100	**40.90**	40.90
Dentalfamily (Pioneer) Pte. Ltd.[(1)]	Provision of dental and ancillary services	Singapore	**100**	100	**40.90**	40.90
Dental Focus (People's Park) Pte. Ltd.[(1)]	Provision of dental and ancillary services	Singapore	**100**	100	**40.90**	40.90

(1) Audited by CLA Global TS Public Accounting Corporation (2022: Ernst & Young LLP, Singapore) for statutory audit and/or group consolidation purpose.

(2) Audited by Moore Roxas Tabamo & Co. (2022: member firms of EY Global).

(3) Audited by Fan, Chan & Co. Limited (2022: member firms of EY Global).

(4) Not required to perform statutory audit and not material to the group.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) *Interest in subsidiaries with material non-controlling interest ("NCI")*

The Group has the following subsidiaries that have NCI that are material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by NCI %	Profit/(loss) allocated to NCI during the reporting period S$'000	Accumulated NCI at the end of the reporting period S$'000	Dividends paid to NCI S$'000
31.12.2023					
Clearbridge Medical Philippines, Inc.	Philippines	**47.87**	**(25)**	**223**	**–**
Clearbridge Dental Holdings Pte. Ltd. and its subsidiaries	Singapore	**59.1**	**159**	**1,446**	**–**
Clearbridge Medical Group Pte. Ltd.	Singapore	**19.80**	**(255)**	**1,896**	**–**
31.12.2022					
Clearbridge Medical Philippines, Inc.	Philippines	47.87	(148)	249	–
Clearbridge Dental Holdings Pte. Ltd. and its subsidiaries	Singapore	59.1	841	1,278	(147)
Clearbridge Medical Group Pte. Ltd.	Singapore	19.80	134	2,151	–

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) *Interest in subsidiaries with material non-controlling interest ("NCI") (Continued)*

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised statements of financial position

	Clearbridge Medical Philippines, Inc.		**Clearbridge Dental Holdings Pte. Ltd. and its subsidiaries**		**Clearbridge Medical Group Pte. Ltd.**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Current assets	**2,197**	2,465	**4,855**	4,280	**22,965**	23,925
Non-current assets	**576**	562	**6,622**	6,391	**2,965**	2,488
Current liabilities	**(1,040)**	(1,194)	**(8,418)**	(7,889)	**(16,287)**	(15,422)
Non-current liabilities	**(324)**	(370)	**(506)**	(498)	**(66)**	(127)
Net assets	**1,409**	1,463	**2,553**	2,284	**9,577**	10,864

Summarised statements of comprehensive income

	Clearbridge Medical Philippines, Inc.		**Clearbridge Dental Holdings Pte. Ltd. and its subsidiaries**		**Clearbridge Medical Group Pte. Ltd.**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Total income	**2,269**	4,455	**7,118**	8,478	**46**	2,143
Total expenses	**(2,476)**	(4,633)	**(6,824)**	(6,907)	**(1,333)**	(1,468)
Income tax credit/ (expense)	**151**	(3)	**(25)**	(148)	**–**	–
(Loss)/profit for the financial year	**(56)**	(181)	**269**	1,423	**(1,287)**	675
Other comprehensive income						
Exchange difference on translation of foreign operations	**–**	(129)	**–**	–	**–**	–
Remeasurement gain on retirement liability	**2**	2	**–**	–	**–**	–
Total comprehensive income for the financial year	**(54)**	(308)	**269**	1,423	**(1,287)**	675

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) *Interest in subsidiaries with material non-controlling interest ("NCI") (Continued)*

Other summarised information

	Clearbridge Medical Philippines, Inc.		Clearbridge Dental Holdings Pte. Ltd. and its subsidiaries		Clearbridge Medical Group Pte. Ltd.	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Net cash (outflow)/ inflow from operating activities	**(237)**	703	**409**	817	**(1,220)**	667
Net cash (outflow)/ inflow from investing activities	**(4)**	(22)	**(280)**	(87)	**(322)**	(4,316)
Net cash (outflow)/ inflow from financing activities	**(41)**	(37)	**–**	(6)	**843**	(1,010)
Net cash (outflow)/ inflow	**(282)**	644	**129**	724	**(699)**	(4,659)

(c) *Disposal of SAM Group and CBMA Group*

On 7 October 2022, the Company and its wholly-owned subsidiary, RDH, entered into 2 share purchase agreements with the Purchaser to dispose of 100% of their respective shareholding interests in SAM Labs and CBMA which in turn held as subsidiaries (a) IGM, and (b) TMJ and CMPL, respectively (collectively, the "Disposed Group", which fall under the Healthcare systems segment). The disposal consideration was satisfied by the issue of a convertible exchangeable bonds (the "Bonds") by the Purchaser to each of the Company and RDH. The maturity date of the Bonds is on 7 October 2025. The disposal was completed on the same day, on which control of the Disposed Group was passed on to the Purchaser.

For details, refer to Note 39.

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13. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Assets				
Non-current asset				
Issuance of convertible bonds (Note A)	**41**	47	**41**	47
Convertible exchangeable bonds (Note C)	**935**	10,625	**734**	8,544
Current asset				
Call option on convertible preference shares (Note B)	*	27	*	27

* The amount is less than S$1,000

Note A: Relates to the redeemable option and convertible options of the convertible bonds issued by the Company on 8 March 2019 and 17 May 2019 respectively. Please refer to Note 27(i) for details on the convertible bonds.

Note B: On 16 March 2021, the Group entered into a subscription agreement to issue convertible preference shares by a subsidiary of the Company to third party investors. The Company received an option to acquire the convertible preference shares from the third parties, at a price per convertible preference share equivalent to the initial subscription price per share plus 5.0% of the initial subscription price per convertible preference share per annum, calculated on a pro-rated basis up to the date of completion of transfer of the preference shares, less any dividends received. The exchange consideration may be settled in cash, securities held by the Company listed and quoted on any stock exchange or new ordinary shares in the capital of the Company.

Note C: On 7 October 2022, the Company and its wholly-owned subsidiary, RDH, entered into 2 share purchase agreements with Lunadorii Inc. to dispose of 100% of their respective shareholding interests in SAM Labs and CBMA which in turn held as subsidiaries (a) IGM, and (b) TMJ and CMPL, respectively. The disposal consideration was satisfied by the issue of the convertible exchangeable bonds by the Purchaser to each of the Company and RDH. The maturity date of the Bonds is on 7 October 2025. The disposal was completed on the same day, on which control of the Disposed Group was passed on to the Purchaser. Please refer to Note 32 for details on the convertible exchangeable bonds.

Changes in fair value amounting to a loss of S$9,723,000 (2022: S$762,000) have been included in profit or loss for the financial year.

NOTES TO THE FINANCIAL STATEMENTS

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14. PLANT AND EQUIPMENT

Group	Computer equipment S$'000	Furniture and fittings S$'000	Office equipment S$'000	Medical equipment S$'000	Laboratory equipment S$'000	Motor vehicles S$'000	Renovation S$'000	Work-in-progress S$'000	Total S$'000
Cost:									
At 1 January 2022	335	161	118	1,773	12	91	10,053	570	13,113
Additions	41	13	3	228	–	16	389	2	692
Disposal	–	–	–	(5)	–	–	–	–	(5)
Reclassification	13	–	(13)	–	–	–	–	–	–
Disposal of subsidiary groups	(90)	(1)	–	(90)	(11)	(44)	(9,021)	(567)	(9,824)
Exchange difference	(8)	(51)	(35)	(76)	(1)	24	(92)	(5)	(244)
At 31 December 2022 and 1 January 2023	291	122	73	1,830	–	87	1,329	–	3,732
Additions	32	7	10	214	–	–	153	–	416
Disposal	–	–	–	(21)	–	–	–	–	(21)
Written off	(105)	(3)	(50)	–	–	–	–	–	(158)
Reclassification	–	–	–	–	–	(15)	–	–	(15)
Exchange difference	21	–	(3)	–	–	–	(4)	–	14
At 31 December 2023	**239**	**126**	**30**	**2,023**	**–**	**72**	**1,478**	**–**	**3,968**
Accumulated depreciation and impairment:									
At 1 January 2022	264	99	67	1,119	3	65	6,550	208	8,375
Charge for the financial year	38	10	5	283	1	15	947	–	1,299
Disposal	–	–	–	(5)	–	–	–	–	(5)
Impairment	3	–	–	115	–	–	–	–	118
Disposal of subsidiary groups	(57)	(1)	–	(8)	(4)	(9)	(6,278)	(208)	(6,565)
Reclassification	–	–	–	–	–	–	–	–	–
Exchange difference	(5)	2	(5)	(62)	–	(6)	(84)	–	(160)
At 31 December 2022 and 1 January 2023	243	110	67	1,442	–	65	1,135	-	3,062
Charge for the financial year	29	10	6	187	–	5	90	–	327
Disposal	–	–	–	(21)	–	–	–	–	(21)
Written off	(105)	(2)	(50)	–	–	–	–	–	(157)
Reversal of impairment	–	–	–	(23)	–	–	–	–	(23)
Reclassification	–	–	–	–	–	(1)	–	–	(1)
Exchange difference	21	(1)	(2)	–	–	–	(3)	–	15
At 31 December 2023	**188**	**117**	**21**	**1,585**	**–**	**69**	**1,222**	**–**	**3,202**
Carrying amount:									
At 31 December 2022	48	12	6	388	–	22	194	–	670
At 31 December 2023	**51**	**9**	**9**	**438**	**–**	**3**	**256**	**–**	**766**

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14. PLANT AND EQUIPMENT (CONTINUED)

The cash outflow on acquisition of plant and equipment amounted to S$416,000 (2022: S$679,000).

Company	Computer equipment S$'000	Office equipment S$'000	Total S$'000
Cost:			
At 1 January 2022	51	33	84
Additions	5	2	7
Reclassification	13	(13)	–
At 31 December 2022 and 1 January 2023	69	22	91
Additions	–	4	4
Written off	(49)	(18)	(67)
At 31 December 2023	**20**	**8**	**28**
Accumulated depreciation:			
At 1 January 2022	48	20	68
Charge for the year	10	3	13
Reclassification	3	(3)	–
At 31 December 2022 and 1 January 2023	61	20	81
Charge for the year	5	3	8
Reclassification	(49)	(18)	(67)
At 31 December 2023	**17**	**5**	**22**
Carrying amount:			
At 31 December 2022	8	2	10
At 31 December 2023	**3**	**3**	**6**

15. LEASES

Group as a lessee

The Group has lease contracts for office and clinical premises used in its operations. Leases of office and clinical premises generally have lease terms between 1 and 12 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are no lease contracts that include extension or termination options and variable lease payments.

The Group also has certain leases of warehouse premises with lease terms of less than 12 months in which the Group applies the 'short-term lease' recognition exemptions for these leases.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

15. LEASES (CONTINUED)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Group Office and clinical premises	
	2023 **S$'000**	**2022** **S$'000**
At 1 January	**1,435**	1,728
Additions	**2,083**	909
Reclassification from plant and equipment (Note 14)	**15**	–
Derecognition of right-of-use assets	**–**	(160)
Depreciation expense	**(1,025)**	(1,011)
Exchange difference	**(5)**	(31)
At 31 December	**2,503**	1,435

Set out below are the carrying amounts of lease liabilities and the movements during the reporting period:

	Group	
	2023 **S$'000**	**2022** **S$'000**
At 1 January	**1,580**	1,788
Additions	**1,952**	894
Reclassification from borrowings	**13**	–
Derecognition of lease liabilities	**–**	(28)
Accretion of interest	**123**	91
Payments	**(1,096)**	(1,176)
Exchange difference	**(5)**	11
At 31 December	**2,567**	1,580
Current	**952**	644
Non-current	**1,615**	936
	2,567	1,580

The following are the amounts recognised in profit or loss:

	Group	
	2023 **S$'000**	**2022** **S$'000**
Depreciation of right-of-use assets	**1,025**	1,011
Interest expense on lease liabilities	**123**	91
Expense relating to short-term leases (included in other expenses)	**171**	117
Total amount recognised in profit or loss	**1,319**	1,219

The Group has total cash outflows for leases of S$1,399,000 (2022: S$1,293,000). The Group also has non-cash additions to right-of-use assets of S$2,083,000 (2022: S$909,000) and lease liabilities of S$1,952,000 (2022: S$894,000).

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

16. INTANGIBLE ASSETS

Group	Patent rights S$'000	Trademark S$'000	Customer relationships S$'000	Favourable rental agreement S$'000	Computer Software S$'000	Total S$'000
Cost:						
At 1 January 2022	99	3	3,034	99	418	3,653
Additions	–	–	–	–	10	10
Disposal of subsidiary groups	–	–	(3,034)	–	(20)	(3,054)
At 31 December 2022 and 1 January 2023	99	3	–	99	408	609
Written off	(99)	–	–	(99)	(66)	(264)
At 31 December 2023	**–**	**3**	**–**	**–**	**342**	**345**
Accumulated amortisation and impairment						
At 1 January 2022	99	–	1,971	99	340	2,509
Charge for the financial year	–	–	363	–	68	431
Disposal of subsidiary groups	–	–	(2,319)	–	(8)	(2,327)
Exchange difference	–	–	(15)	–	–	(15)
At 31 December 2022 and 1 January 2023	99	–	–	99	400	598
Charge for the financial year	–	–	–	–	7	7
Written off	(99)	–	–	(99)	(66)	(264)
At 31 December 2023	**–**	**–**	**–**	**–**	**341**	**341**
Carrying amount:						
At 31 December 2022	–	3	–	–	8	11
At 31 December 2023	**–**	**3**	**–**	**–**	**1**	**4**

As at 31 December 2023 and 2022, the Company's intangible asset relates to trademark with carrying amount of S$3,000. The useful lives of trademark is assessed as indefinite.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17. GOODWILL ON CONSOLIDATION

	Group	
	2023	**2022**
	S$'000	**S$'000**
Carrying amount:		
At the beginning of the financial year	**21,296**	30,438
Disposal of subsidiaries	**–**	(9,053)
Impairment loss on goodwill	**(10,371)**	–
Exchange difference	**–**	(89)
At the end of the financial year	**10,925**	21,296

Impairment testing of goodwill

Goodwill acquired through business combinations have been allocated to CGU, which is also the reportable operating segment, for impairment testing as follow:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Medical clinics/centres	**10,925**	21,296

The recoverable amounts of the CGUs have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flow projections beyond the five-year period are as follows:

	Medical clinics/centres	
	2023	**2022**
	%	**%**
Growth rates	**2.3**	1.8
Pre-tax discount rates	**12.8**	11.5

NOTES TO THE FINANCIAL STATEMENTS

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17. GOODWILL ON CONSOLIDATION (CONTINUED)

Key assumptions used in the value in use calculations

The calculations of value in use for both CGUs are most sensitive to the following assumptions:

Assumption	Description	Sensitivity to changes in assumptions
Growth rates	The forecasted growth rates are based on published industry research and do not exceed the long-term average growth rate for the industries relevant to the CGUs.	The higher the growth rate, the higher the value in use. An increase by 0.1% points would result in a higher value in use of S$216,000.
Pre-tax discount rates	Discount rates represent the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.	The higher the discount rate, the lower the value in use. An increase by 0.1% points would result in a lower value in use of S$254,000.

Sensitivity to changes in assumptions

The impairment test carried out as at 31 December 2023 for the medical clinics/centres segment has resulted in impairment loss of S$10,371,000 as the recoverable amount of the CGU is lower than its carrying amount. Therefore, any adverse movement in a key assumption would lead to further impairment. Please refer to the table above for the changes in key assumptions that would result in an increase/decrease in the value in use in the medical clinics/centres segment.

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18. OTHER INVESTMENTS

	Group		Company	
	2023	2022	2023	2022
	S$'000	S$'000	S$'000	S$'000
Current				
At fair value through other comprehensive income				
– Unquoted equity shares	**813**	–	**–**	–
	813	–	**–**	–
Non-current				
At fair value through profit or loss				
– Quoted equity shares	**–**	471	**–**	–
At fair value through other comprehensive income				
– Unquoted equity shares	**–**	847	**–**	–
	–	1,318	**–**	–

Other investment at fair value through profit or loss includes investments in listed equity shares. Fair values of these equity shares are determined by reference to published price quotations in an active market.

In 2022, the Group disposed of an aggregate of 40,512,100 ordinary shares in the capital of Biolidics Limited ("Biolidics"), through a series of open market transactions of 1,300,000, 200,000, 9,493,000, 19,189,100, 8,330,000 and 2,000,000 Biolidics' ordinary shares on 19, 20, 21, 25 and 26 October 2022 and 9 November 2022, respectively. Following these disposals, Biolidics ceased to be an associate of the Group, and the remaining investment in Biolidics is recorded as Other Investments.

On 28 February 2023, the Group and Biolidics agreed to a partial settlement of the remaining deferred consideration from the sale in FY2020 of the entire issued and paid-up ordinary share capital of Biomedics Laboratory Pte. Ltd., by entering a partial settlement deed.

Pursuant to the terms of the partial settlement deed, S$1,161,250 of the remaining deferred consideration shall be settled with S$550,000 in cash and S$611,250 in the issue of ordinary shares in Biolidics. The Group further agreed to receive and Biolidics agreed to issue 37,500,000 ordinary shares in Biolidics at the volume weighted average price of shares traded on the SGX-ST on 28 February 2023, being S$0.0163 per share, recorded as other investments at FVTPL. The Group was subsequently allotted and issued 37,500,000 ordinary shares in Biolidics on 20 March 2023, increasing its share holdings in Biolidics to 10.22% as at 20 March 2023. On 21 July 2023, the Group sold all 57,123,300 shares it held in Biolidics to an unrelated third party by way of a married deal through SGX-ST and the Group no longer holds any shares in Biolidics.

Unquoted equity shares represent investment in an entity not listed on any stock exchange.

As at 31 December 2023, the fair value of the investment in unquoted equity shares of Singapore Institute of Advanced Medicine Holdings Pte. Ltd. designated by the Group at fair value through other comprehensive income amounted to S$813,000 (2022: S$847,000). The Group has elected to measure these equity securities at FVOCI due to the Group's intention to hold these equity instruments for long-term appreciation. The details of determination of fair value of unquoted equity shares are disclosed in Note 34 (c).

During the financial year, the Group recognised a loss for changes in fair value of the investment of S$34,000 (2022: fair value gain of S$53,000) in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

19. CASH AT BANKS AND SHORT-TERM DEPOSITS

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Cash at banks	**3,671**	5,950	**1,170**	1,901
Short-term deposits	**–**	105	**–**	–
	3,671	6,055	**1,170**	1,901

In 2022, certain cash at banks earns interest. Short-term deposits are made for a period of three months and earn interests at the respective short-term deposit rates. The average interest as at 31 December 2022 was 0.3% per annum.

Cash and cash equivalents denominated in foreign currencies as at 31 December 2023 and 2022 are as follows:

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
US dollar	**77**	354	**12**	218
Euro	**1**	1	**1**	1
CNY	**19**	30	**–**	–

20. TRADE RECEIVABLES

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
External parties	**1,297**	1,221	**–**	–
Allowance for expected credit losses	**(50)**	(25)	**–**	–
	1,247	1,196	**–**	–

Trade receivable balances are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash. The average credit period is 30 to 60 days. There are no trade receivables denominated in foreign currencies.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. TRADE RECEIVABLES (CONTINUED)

Expected credit losses

The movement in allowance for expected credit losses of trade receivables based on lifetime expected credit losses are as follows:

	Group	
	2023 S$'000	2022 S$'000
At 1 January	**25**	3
Charge for the financial year	**39**	23
Discontinued operation	**–**	302
Disposal of subsidiaries	**–**	(302)
Written off	**(13)**	–
Exchange difference	**(1)**	(1)
At 31 December	**50**	25

21. OTHER RECEIVABLES

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Current				
Deposits	**650**	499	**4**	4
Amounts due from related parties[1]	**203**	223	**27**	67
Amount due from a related party[2]	**694**	656	**–**	–
Prepaid taxes	**159**	270	**3**	64
Lease receivables	**97**	92	**–**	–
Loan receivable from third parties[4]	**304**	302	**–**	–
Others	**293**	411	**–**	–
Amount due from a third party arising from sale of a subsidiary[3]	**–**	3,244	**–**	–
	2,400	5,697	**34**	135
Allowance for expected credit loss	**–**	(2,694)	**–**	–
	2,400	3,003	**34**	135
Non-current				
Lease receivables	**67**	164	**–**	–
Loans receivable from third parties[4]	**11,880**	11,752	**9,183**	9,100
Others	**4**	26	**–**	–
	11,951	11,942	**9,183**	9,100
Allowance for expected credit loss[4]	**(11,880)**	–	**(9,183)**	–
	71	11,942	**–**	9,100

1 Current amounts due from related parties are unsecured, non-interest bearing and repayable monthly over the next 12 months.

2 Amount due from a related party is unsecured, bears interest at 6.9% per annum (2022: 6.9% per annum) and is repayable monthly.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

21. OTHER RECEIVABLES (CONTINUED)

3 Amount due from a third party arising from the sale of a subsidiary is secured and interest free. On 23 September 2022, both parties entered into a deed of amendment and deferred the remaining deferred consideration further which shall be payable no later than 25 November 2023. This amount has been fully settled during the current financial year. An expected credit loss of S$2,694,000 which was recognised against this amount in the prior financial year, was reversed in the current financial year upon the full settlement.

4 Current and non-current loans receivable from third parties are non-secured, bear interest at 1% per annum and shall be payable no later than 7 October 2025. Loans receivable from third parties amounted to S$12,184,000 as at 31 December 2023 (2022: S$12,054,000) are due from the disposed entities (SAM Labs and CMBA) and the Purchaser. Allowances for expected credit loss amounting to S$11,880,000 (2022: S$Nil) were recognised against the non-current loans during the current financial year, arising from a reduction in the recoverable value of the receivables owing by SAM Labs and CBMA in relation to the funding of the working capital of SAM Labs, CBMA and their respective subsidiaries by the Group prior to the disposal of the Disposed Groups. The reduction in the recoverable value of the receivables is a result of the increase in credit risk and default risk by SAM Labs and CBMA based on the Group's understanding from the Purchaser of the difficulties that the Purchaser is facing in obtaining operational control of the Indonesian businesses of SAM Labs, CBMA and their respective subsidiaries, which the Purchaser is addressing through the legal process in Indonesia. More information on credit exposures is disclosed in Note 33(b)(i).

Expected credit losses

The movement in allowance for expected credit losses of other receivables based on lifetime expected credit losses are as follows:

	Group	
	2023	2022
	S$'000	S$'000
Movement in allowance accounts:		
At 1 January	**2,694**	2,634
Charge for the financial year	**11,880**	–
Reversal	**(2,694)**	(535)
	9,186	(535)
Charge under discontinued operations	**–**	595
At 31 December	**11,880**	2,694

22. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2023	2022
	S$'000	S$'000
Current		
Non-interest bearing	**4,909**	7,858
Allowance for expected credit losses	**(312)**	(310)
	4,597	7,548
Non-current		
Interest bearing amount	**10,588**	14,091
Non-interest bearing	**14,285**	11,177
	24,873	25,268
Allowance for expected credit losses	**(24,873)**	(22,032)
	–	3,236

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22. AMOUNTS DUE FROM SUBSIDIARIES (CONTINUED)

The non-interest bearing amounts are unsecured, non-trade related, repayable on demand and to be settled in cash. Part of the non-interest bearing amounts are not expected to be recovered within the next 12 months and are classified as non-current.

The non-current interest bearing amounts are unsecured, bear interest of 8% per annum (2022: 8%), are repayable on demand but are not expected to be recovered within the next 12 months, accordingly these are classified as non-current.

Expected credit losses

The movement in allowance for expected credit losses of amount due from subsidiaries based on lifetime expected credit losses are as follows:

	Company	
	2023	**2022**
	S$'000	**S$'000**
Movement in allowance accounts:		
At 1 January	**22,342**	10,557
Charge for the financial year	**2,843**	11,785
At 31 December	**25,185**	22,342

23. INVENTORIES

	Group	
	2023	**2022**
	S$'000	**S$'000**
Medical supplies (at lower of cost and net realisable value)	**251**	301

In 2023, S$833,000 (2022: S$2,354,000) and S$Nil (2022: S$8,286,000) was recognised as an expense in purchases for continuing operations and discontinued operations respectively.

24. TRADE PAYABLES

Trade payables balances are non-interest bearing and are expected to be settled between 30 to 60 days. There are no trade payables denominated in foreign currencies.

NOTES TO THE FINANCIAL STATEMENTS

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25. OTHER PAYABLES

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Current				
Accruals	**1,286**	1,121	**558**	377
Amount due to a related party	**2**	–	**–**	–
Other creditors	**717**	905	**174**	283
	2,005	2,026	**732**	660
Non-current				
Accruals	**17**	19	**–**	–
Other creditors	**54**	54	**–**	–
	71	73	**–**	–

Accruals mainly relate to accruals for payroll and professional fees.

Amounts due to a related party by the Company are unsecured, non-interest bearing, non-trade related, repayable on demand and to be settled in cash.

Other creditors are non-interest bearing and are generally on a 30 to 60 days term.

26. AMOUNTS DUE TO SUBSIDIARIES

Amounts due to subsidiaries by the Company are unsecured, non-interest bearing, non-trade related, repayable on demand and to be settled in cash.

27. BORROWINGS

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Current				
Fixed rate bank loans	**1,015**	1,242	**674**	654
Finance lease	**–**	2	**–**	–
Redeemable convertible bonds	**70**	70	**70**	70
	1,085	1,314	**744**	724
Non-current				
Fixed rate bank loans	**287**	960	**287**	960
Finance lease	**–**	11	**–**	–
Redeemable convertible bonds	**3,697**	3,602	**3,697**	3,602
	3,984	4,573	**3,984**	4,562
Total borrowings	**5,069**	5,887	**4,728**	5,286

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

27. BORROWINGS (CONTINUED)

Details of the borrowings as at 31 December 2023 and 2022 are as follows:

	Effective interest rate	Maturity	Group 2023 S$'000	Group 2022 S$'000	Company 2023 S$'000	Company 2022 S$'000
	%					
Total borrowings comprise:						
Fixed rate bank loans	3	Apr - May 2025	1,302	2,202	961	1,614
Finance lease	18	Sep 2027	–	13	–	–
Redeemable convertible bonds	7	Sep 2025 & Nov 2025	3,767	3,672	3,767	3,672
			5,069	5,887	4,728	5,286

Included in the bank loans are:

(i) The Company issued Series 1 and Series 2 convertible bonds of S$9,500,000 and S$1,500,000, on 8 March 2019 and 17 May 2019, respectively. The convertible bonds bear interest at the rate of 7.0% per annum and will mature on March 2022 and May 2022, respectively.

The redeemable option allows the Company to redeem the convertible bonds 18 months after the issue date. The redemption premium is half of the unearned interest from the redemption date to the maturity date and an addition redemption premium calculated as follows:

(a) 9.0% of the principle for early redemption between 18 months and 24 months from the issue of the bonds;

(b) 14.4% of the principal for early redemption between 24 months and 30 months from the issue of the bonds; and

(c) 20.0% principle for early redemption after 30 months from issue of the bonds.

Upon maturity, the Company is required to redeem the convertible bonds at 120% of the principle.

The convertible bonds may be converted at any time from the issuance date to the maturity date at the option of the holder at S$0.28 per share. During the financial year 2019, the Company issued 80,450,200 new ordinary shares via placement and this resulted in an adjustment to the conversion price of S$0.28 to S$0.14.

Certain adjustment clauses within the terms of the convertible bonds results in the convertible option not meeting the "fixed for fixed" criteria. Therefore, the redeemable and convertible option is classified as a derivative liability.

In 2020, convertible bonds with a principle amounting to S$3,950,000 was converted into ordinary shares by the bond holders.

In 2021, the Group had partially redeemed on a pro rata basis S$3,525,000 in principal amount of the convertible bonds on 8 October 2021. In 2021, the maturity date of the outstanding convertible bonds had been extended for a further 2 years which will be maturing on 8 March 2024 and 17 May 2024, respectively; and

In 2023, the maturity date of the outstanding convertible bonds had been extended an additional 18 months which will be maturing on 8 September 2025 and 17 November 2025, respectively.

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27. BORROWINGS (CONTINUED)

(ii) In 2020, the Group has secured 2 bridging loans under the Enterprise Financing Scheme with principal amounts of S$3,000,000 and S$1,000,000 respectively. Interest of the borrowings is 3% and repayable in tranches within 5 years.

The bridging loan amounting to S$1,000,000 is classified as current as the terms of the loan states that Enterprise Singapore reserves the right to reject the Group's continued participation in the scheme.

(iii) As at 31 December 2023 and 2022, all existing loans are unsecured.

A reconciliation of liabilities arising from financing activities is as follows:

			Non-cash changes				
	1.1.2023 S$'000	Principal and interest payment S$'000	Gain on debt modification S$'000	Accretion of interests/ amortisation of facility fees S$'000	Reclassified to lease liabilities S$'000	Reclassification S$'000	31.12.2023 S$'000
Bank loans							
– Current	**1,242**	**(958)**	**–**	**58**	**–**	**673**	**1,015**
– Non-current	**960**	**–**	**–**	**–**	**–**	**(673)**	**287**
Finance lease							
– Current	**2**	**–**	**–**	**–**	**(2)**	**–**	**–**
– Non-current	**11**	**–**	**–**	**–**	**(11)**	**–**	**–**
Convertible bonds							
– Current	**70**	**(247)**	**–**	**574**	**–**	**(327)**	**70**
– Non-current	**3,602**	**–**	**(232)**	**–**	**–**	**327**	**3,697**
	5,887	**(1,205)**	**(232)**	**632**	**(13)**	**–**	**5,069**

			Non-cash changes				
	1.1.2022 S$'000	Principal and interest payment S$'000	Revaluation S$'000	Accretion of interests/ amortisation of facility fees S$'000	Disposal of subsidiary S$'000	Reclassification S$'000	31.12.2022 S$'000
Bank loans							
– Current	6,077	(4,283)	(11)	191	(1,386)	654	1,242
– Non-current	1,614	–	–	–	–	(654)	960
Finance lease							
– Current	–	12	–	1	–	(11)	2
– Non-current	–	–	–	–	–	11	11
Convertible bonds							
– Current	70	(247)	–	657	–	(410)	70
– Non-current	3,192	–	–	–	–	410	3,602
	10,953	(4,518)	(11)	849	(1,386)	–	5,887

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

28. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Deferred tax assets	**161**	–
Deferred tax liabilities	**(58)**	(1,827)
Net deferred tax liabilities	**103**	(1,827)

The movement in the net deferred income tax account is as follows:

	Group	
	2023	**2022**
	S$'000	**S$'000**
At 1 January	**1,827**	2,060
Credited to profit or loss (Note 10)	**(1,938)**	(104)
Disposal of subsidiaries	**–**	(149)
Foreign exchange	**8**	20
At 31 December	**(103)**	1,827

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The deferred income tax assets balance includes an amount of $161,000 which relates to carried forward tax losses of Clearbridge Medical Philippines, Inc. The Group has concluded that the deferred tax assets will be recoverable based on the estimated future taxable income of the subsidiary based on the approved business plans and budgets for the subsidiary. The subsidiary is expected to generate taxable income from 2023 onwards. The tax losses will expire in 2025.

Subject to the agreement with the Comptroller of Income Tax and the relevant provisions of the income Tax Act, the Group has estimated unabsorbed tax losses of S$13,554,000 (2022: S$13,856,000) and unutilised capital allowances of S$590,000 (2022: S$497,000) available for offset against future profit.

Tax losses and capital allowances amounting to S$138,000, S$505,000 and S$157,000 (2022: S$337,000, S$125,000 and S$679,000) can be carried forward up to 1 year, 2 years and 3 years respectively, while the remaining tax losses and capital allowances have no expiry dates.

The tax losses can be carried forward indefinitely subject to the conditions imposed by law including the retention of majority shareholders (the "Shareholding test") as defined.

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28. DEFERRED INCOME TAXES (CONTINUED)

The following are the major deferred tax liabilities and (assets) recognised by the group and the movements thereon, during the current and prior financial periods:

Group	Fair value gain on financial instruments S$'000	Right-of-use assets S$'000	Accelerated depreciation S$'000	Lease liabilities S$'000	Others S$'000	Tax losses S$'000	Discontinued operation S$'000	Net S$'000
At 1 January 2022	1,765	294	–	(304)	10	–	295	2,060
(Credit)/charge to profit or loss	–	(50)	36	35	41	–	(166)	(104)
Disposal of subsidiaries	–	–	–	–	–	–	(149)	(149)
Exchange difference	–	–	–	–	–	–	20	20
At 31 December 2022 and 1 January 2023	1,765	244	36	(269)	51	–	–	1,827
(Credit)/charge to profit or loss	(1,765)	182	(5)	(167)	(18)	(165)	–	(1,938)
Exchange difference	–	–	1	–	3	4	–	8
At 31 December 2023	–	426	32	(436)	36	(161)	–	(103)

29. SHARE CAPITAL

	Group and Company			
	2023		2022	
	No.of shares	S$'000	No. of shares	S$'000
Ordinary shares				
At the beginning of the financial year	**618,210,340**	**92,899**	617,215,180	92,899
Issuance of shares	**842,058**	**–**(2)	995,160	–(1)
At the end of the financial year	**619,052,398**	**92,899**	618,210,340	92,899

(1) On 28 April 2022, the Company had allotted and issued 995,160 shares pursuant to the Company's performance share plan.

(2) On 17 May 2023, the Company had allotted and issued 842,058 shares pursuant to the Company's performance share plan.

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

30. OTHER RESERVES

(a) *Capital reserve*

This represents the effects of a series of transactions with shareholders prior to the listing of the Company in December 2017 and share premium arising from the convertible bonds converted in 2020.

(b) *Share-based payment reserve*

Share-based payment reserve represents the equity-settled shares granted to employees (Note 6).

(c) *Fair value reserve*

Fair value reserve represents the cumulative fair value changes, net of tax, of financial assets carried at fair value through other comprehensive income until they are disposed.

(d) *Currency translation reserve*

Currency translation reserve represents exchange difference arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

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31. OTHER RELATED PARTY TRANSACTIONS

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

Compensation of directors and key management personnel

	Group	
	2023	**2022**
	S$'000	**S$'000**
Short-term benefits	**1,163**	1,150
Post-employment benefits	**62**	61
Share-based payment – equity settled	**37**	167
Directors' fee	**165**	180
	1,427	1,558
Comprise amounts paid to:		
Directors of the Company	**723**	844
Other key management personnel	**704**	714
	1,427	1,558

The remuneration of directors and key management is determined by the board of directors having regard to the performance of individuals.

32. CONVERTIBLE EXCHANGEABLE BONDS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Issue price of convertible exchangeable bonds	**11,000**	11,000	**8,630**	8,630
Fair value at inception	**10,625**	10,625	**8,544**	8,544
Fair value as at 31 December	**935**	10,625	**734**	8,544

As set out in Note 39, these convertible exchangeable bonds were acquired as the consideration for the disposal of SAM Labs and CBMA.

(a) *Redemption*

Issuer's right of redemption

The issuer shall have the right to redeem the bond (in full and not in part only) (i) at any time up to the maturity date or (ii) upon receipt of a conversion notice or an exchange notice save where the conversion notice or exchange notice is served pursuant to an event of default or liquidity event, at a redemption amount being 100 per cent of the outstanding amount of the bonds plus any accrued but unpaid interest to the holder of the bond, provided always that the issuer shall ensure that all amounts owing by the issuer and its subsidiaries to the bondholder or any of its related corporations are repaid in full prior to such redemption.

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32. CONVERTIBLE EXCHANGEABLE BONDS (CONTINUED)

(a) Redemption (Continued)

Bondholder's right of redemption

The bondholder has the right to require the issuer to redeem the bond immediately upon the occurrence of (i) an event of default or (ii) a liquidity event by giving the Issuer not less than 30 days' notice.

(b) Exchange right

The bondholder shall have the right (A) at any time after 12 months from the date of the issuance of the bond or (B) immediately upon the occurrence of (i) an event of default or (ii) a liquidity event, to exchange the bond (whether in whole or in part) for the exchange shares. The exchange shares when transferred to the bondholder, shall be free from all encumbrances. "exchange shares" means the ordinary shares in the capital, as the bondholder may elect at is sole and absolute discretion, of either SAM Labs/CBMA or any subsidiary of the SAM Labs/CBMA, or in the event the assets of such subsidiary have been substantially transferred to a new entity, such new entity, as the case may be, to be transferred by the Issuer to the bondholder pursuant to these conditions upon exchange exercised by the bondholder in full of the bond.

(c) Conversion

The number of shares to be issued upon the conversion of the whole of the CBMA Bond and the SAM Labs Bond shall be equivalent to 16.0% and 58.4% of the issuer respectively. In the event only part of the bond is converted, the number of conversion shares to be issued shall be such percentage of the total converted shareholding as the percentage of bond being converted.

Optional conversion

The bondholder shall have the right (but not the obligation) (A) at any time after 12 months from the date of the issuance of the bond or (B) immediately upon the occurrence of (i) an event of default or (ii) a liquidity event, to convert the bond (whether in whole or in part) for the conversion shares.

Mandatory conversion

On the maturity date, if any part of the bond remains outstanding, the Issuer shall be required to convert the bond, together with the accrued but unpaid interest under the bond (and not only part thereof) to such number of conversion shares as determined in accordance with the terms of the bond and pay to the bondholder any Interest accrued and unpaid in cash.

The convertible exchangeable bonds mature on 6 October 2025.

(d) Interest

The convertible exchangeable bonds bear interest from and including the date of issue of the bonds at the rate equivalent to 0.65 times and 2.35 times the total dividends declared by the Issuer at any time the CBMA Bonds and SAM Labs Bond remains outstanding, respectively. The interest is payable within 10 days from the date of payment of such dividends by the Issuers to its shareholders.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

33. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, market risk, liquidity risk and interest risk. The board of directors reviews and agrees on policies and procedures for the management of these risks.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) *Market risk*

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risk arising from its investment in quoted equity shares and unquoted equity shares. The quoted equity shares are listed on the Catalist Board of the Singapore Exchange Securities Trading Limited in Singapore and are classified as fair value through profit or loss. The Group and the Company do not have exposure to commodity price risk.

<u>Sensitivity analysis for equity price risk</u>

In the financial year 2022, if the price of the quoted shares held had been 2% higher/lower with all other variables held constant, the Group's profit before tax would have been S$9,400 higher/lower, arising as a result of higher/lower fair value gains on other investment.

No sensitivity analysis is prepared for the current financial year as the quoted shares are disposed during the current financial year.

The sensitivity analysis for unquoted shares is disclosed in Note 34.

(b) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be:

(1) for financial assets receivable from government linked counterparties, 150 days after due date; and

(2) for financial assets receivable from individuals and non-government linked corporate counterparties, 90 days after due date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk (Continued)*

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the company compares the risk of default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

– Internal credit rating;

– Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;

– Actual or expected significant changes in the operating results of the debtor; and

– Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

– There is significant difficulty of the issuer or the debtor;

– A breach of contract, such as a default or past due event;

– It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and

– There is a disappearance of an active market for that financial asset because of financial difficulty.

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 90 to 150 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

(i) Non-trade financial assets and loans at amortised cost

The Group uses three categories of internal credit risk ratings for debt instruments and loans which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are determined through incorporating both qualitative and quantitative information that builds on information specific to the counterparty and other external information that could affect the counterparty's behaviour.

The Group computes expected credit loss for this group of financial assets using the probability of default approach. In calculating the expected credit loss rates, the Group considers implied probability of default based on historical loss rates for each category of counterparty, and adjusts for forward looking macroeconomic data such as GDP growth.

A summary of the Group's internal grading category in the computation of the Group's expected credit loss model for the debt instruments and loans is as follows:

Category	Definition of category	Basis for recognition of expected credit loss provision
Grade I	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12-month expected credit losses
Grade II	Loans for which there is a significant increase in credit risk.	Lifetime expected credit losses
Grade III	Interest and/or principal repayments are 90 days past due.	Lifetime expected credit losses

There are no significant changes to estimation techniques or assumptions made during the reporting period.

Management has assessed that there is significant increase in credit risk for the loans receivables from SAM Labs and CBMA and provided loss allowance on the full amount of the loans receivables from SAM Labs and CBMA after taking into consideration the followings:

- SAM Labs and CBMA as investment holding companies do not have other sources of income other than future dividends receivables from IGM and TMJ and there were no dividends received from IGM and TMJ since the date of acquisition to-date.

- The loans were provided to SAM Labs and CBMA for the purpose of financing the operations of IGM and TMJ. Due to the difficulties in obtaining operational control of IGM and TMJ by Lunadorii Inc, it is uncertain whether IGM and TMJ still have available funds to repay such loans (Note 21).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

(i) Non-trade financial assets and loans at amortised cost (Continued)

The gross carrying amount of other non-trade financial assets and loans at amortised cost without taking into account of any collaterals held or other credit enhancements which represents the maximum exposure to loss, is as follows:

		Group	
		2023	**2022**
		S$'000	**S$'000**
12-month ECL	Non-trade financial assets at amortised cost	**14,192**	14,125
Lifetime expected credit losses	Non-trade financial assets at amortised cost	**–**	3,244
		14,192	17,369

The gross carrying amount of non-trade financial assets and loans at amortised cost of the Group as at 31 December 2023, without taking into account of any collaterals held or other credit enhancements which represents the maximum exposure to loss, is S$14,192,000 (2022: S$17,369,000).

The gross carrying amount of non-trade financial assets and loans at amortised cost of the Company as at 31 December 2023, without taking into account of any collaterals held or other credit enhancements which represents the maximum exposure to loss, is S$9,214,000 (2022: S$9,171,000).

(ii) Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on geographical region and type of customers. The expected credit losses below also incorporate forward looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

Management has assessed that the impact of the loss allowance provision as at 31 December 2023 and 2022 are not significant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

(ii) Trade receivables (Continued)

Summarised below is the information about the credit risk exposure on the Group's trade receivables and contract assets using provision matrix, grouped by geographical region:

	Singapore S$'000	**Philippines S$'000**	**Others S$'000**	**Total S$'000**
As at 31 December 2023				
Current	**37**	**289**	**257**	**583**
0 to 30 days past due	**22**	**19**	**8**	**49**
31 to 90 days past due	**23**	**54**	**–**	**77**
91 to 120 days past due	**3**	**–**	**–**	**3**
More than 121 days past due	**184**	**351**	**–**	**535**
Total	**269**	**713**	**265**	**1,247**
As at 31 December 2022				
Current	63	349	179	591
0 to 30 days past due	37	152	3	192
31 to 90 days past due	61	67	–	128
91 to 120 days past due	10	24	–	34
More than 121 days past due	155	96	–	251
Total	326	688	182	1,196

(iii) Concentration risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group	
	2023 S$'000	**2022 S$'000**
Singapore	**269**	326
Philippines	**713**	688
Others	**265**	182
	1,247	1,196

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

(iii) Concentration risk (Continued)

At the end of the reporting period, approximately:

(i) 37% of the Group's trade receivables were due from 3 major customers located in Philippines (2022: 30% was due from 3 major customers located in Philippines).

(ii) 36% (2022: 10%) of the Group's other receivables were due from related parties while 79% (2022: 1%) of the Company's receivables were balances with related parties.

There are no other debtors who represent more than 5% of the Group's total balance of trade and other receivables. Other than the above, the Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash at banks and short-term deposits, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds.

Analysis of financial instruments by remaining contractual maturities

Non-derivative financial liabilities

Group	One year or less S$'000	One to five years S$'000	Over five years S$'000	Total S$'000
31.12.2023				
Financial liabilities:				
Trade payables	**696**	**–**	**–**	**696**
Other payables	**2,005**	**71**	**–**	**2,076**
Borrowings	**1,280**	**4,765**	**–**	**6,045**
Lease liabilities	**1,136**	**1,533**	**227**	**2,896**
Total undiscounted financial liabilities	**5,117**	**6,369**	**227**	**11,713**
31.12.2022				
Financial liabilities:				
Trade payables	394	–	–	394
Other payables	2,026	73	–	2,099
Borrowings	1,547	5,350	–	6,897
Lease liabilities	717	902	185	1,804
Total undiscounted financial liabilities	4,684	6,325	185	11,194

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) *Liquidity risk (Continued)*

Analysis of financial instruments by remaining contractual maturities (Continued)

Non-derivative financial liabilities (Continued)

Company	One year or less S$'000	One to five years S$'000	Over five years S$'000	Total S$'000
31.12.2023				
Financial liabilities:				
Other payables	**732**	**–**	**–**	**732**
Borrowings	**940**	**4,765**	**–**	**5,705**
Amounts due to subsidiaries	**2,969**	**–**	**–**	**2,969**
Total undiscounted financial liabilities	**4,641**	**4,765**	**–**	**9,406**
31.12.2022				
Financial liabilities:				
Other payables	660	–	–	660
Borrowings	940	5,336	–	6,276
Amounts due to subsidiaries	4,619	–	–	4,619
Total undiscounted financial liabilities	6,219	5,336	–	11,555

(d) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings.

The Group's policy is to obtain the most favourable rates available and to minimise the interest rate risks by placing such balances on varying maturities and interest rate terms.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 100 (2022: 100) basis points lower/higher with all other variables held constant, the Group's loss before tax would have been S$Nil (2022: S$16,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

34. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(a) *Fair value hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) *Assets and liabilities measured at fair value*

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Fair value measurements at the end of the reporting period using		
2023	**Significant observable inputs other than quoted prices S$'000**	**Significant unobservable inputs S$'000**	**Total S$'000**
Financial assets measured at fair value			
Derivatives financial assets			
– Redeemable convertible option on convertible bonds	–	41	41
Other investments at FVOCI			
– Unquoted equity shares	813	–	813
Convertible exchangeable bonds	–	935	935
Financial assets as at 1 December 2023	**813**	**976**	**1,789**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

34. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(b) *Assets and liabilities measured at fair value (Continued)*

	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments S$'000	**Significant observable inputs other than quoted prices S$'000**	**Significant unobservable inputs S$'000**	**Total S$'000**
2022				
Financial assets measured at fair value				
Other investment at FVTPL				
– Quoted equity shares	471	–	–	471
Derivatives financial assets				
– Call option on convertible preference shares	–	–	27	27
– Redeemable convertible option on convertible bonds	–	–	47	47
Other investments at FVOCI				
– Unquoted equity shares	–	847	–	847
Convertible exchangeable bonds	–	–	10,625	10,625
Financial assets as at 31 December 2022	471	847	10,699	12,017

(c) *Level 2 fair value measurements*

The following is a description of the valuation techniques and inputs used in the fair value measurement for unquoted equity shares that is categorised within Level 2 of the fair value hierarchy:

Other investments

Unquoted equity shares are valued using the market approach valuation technique with market observable inputs. The most frequently applied valuation techniques include Guideline Public Company Method ("GPC") and Guideline Public Transaction Method ("GPT"). The techniques use derived market multiples from market prices of comparable companies or actual transactions involving either minority or controlling interests in either publicly traded or closely held companies.

34. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(d) *Level 3 fair value measurements*

(i) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3)

Description	Fair value as at 31 December 2023 S$'000	Valuation techniques	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Derivative financial assets				
Convertible exchangeable bonds	**935**	Discounted Cash Flow ("DCF"). The fair value of the equity values of related companies are derived using DCF.	Long-term growth rate at 1.6%	The higher the growth rate, the higher the fair value. An increase by 0.1% points would result in a higher fair value of S$48,000.
			Discount rate at 9%	The higher the discount rate, the lower the fair value. An increase by 0.1% points would result in a lower fair value of S$60,000.
Convertible option on redeemable convertible bonds	**41**	Binomial Option Pricing Model "OPM" methodology. The stock price is projected based on the fair value of the shares of the Company.	Projected stock price volatility	The higher the volatility, the higher the fair value. An increase by 15% points would result in a lower fair value of S$3,000.
Financial assets as at 31 December 2023	**976**			

34. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(d) Level 3 fair value measurements (Continued)

(i) Information about significant unobservable inputs used in Level 3 fair value measurements (Continued)

Description	Fair value as at 31 December 2022 S$'000	Valuation techniques	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Derivative financial assets				
Convertible exchangeable bonds	10,625	Discounted Cash Flow ("DCF"), Adjusted Net Asset Approach ("ANA Approach"), Binomial Tree Model ("BTM"), and Probability Weighted Expected Return methodology ("PWER"). The fair value of the equity values of related companies are derived using DCF and ANA Approach and are used as inputs to the BTM. Together with the assumptions of an occurrence of a liquidity event and a default event, the convertible bond value is derived using the BTM and PWER.	Long-term growth rate at 3.7%	The higher the growth rate, the higher the fair value. An increase by 0.1% points would result in a higher fair value of S$30,300.
			Discount rate at 14.5-50%	The higher the discount rate, the lower the fair value. An increase by 0.1% points would result in a lower fair value of S$65,500.
			Occurrence of liquidity event	The higher the probability, the higher the fair value. An increase by 1% point would result in a higher fair value of S$46,400.
			Occurrence of default event	The higher the probability, the lower the fair value. An increase by 1% point would result in a lower fair value of S$77,700. The higher the volatility, the higher the fair value. An increase by 10% points would result in a higher fair value of S$84,000.

34. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(d) *Level 3 fair value measurements (Continued)*

(i) Information about significant unobservable inputs used in Level 3 fair value measurements (Continued)

Description	Fair value as at 31 December 2022 S$'000	Valuation techniques	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Derivative financial assets				
Call options on convertible preference shares	27	Black Scholes Model	Volatility at 28.6% to 32.4%	The higher the volatility, the higher the fair value. An increase by 10% points would result in a higher fair value of S$84,000.
Convertible option on redeemable convertible bonds	47	Binomial Option Pricing Model "OPM" methodology. The stock price is projected based on the fair value of the shares of the Company.	Projected stock price volatility	The higher the volatility, the higher the fair value. An increase by 15% points would result in a lower fair value of S$6,100.
Financial assets as at 31 December 2022	10,699			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

34. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(d) Level 3 fair value measurements (Continued)

(ii) Movements in Level 3 assets and liabilities measured at fair value

	Fair value measurements using significant unobservable inputs (Level 3)				
	Call options S$'000	**Derivative financial (liabilities)/ asset S$'000**	**Convertible exchangeable bonds S$'000**	**Contingent consideration S$'000**	**Total S$'000**
At 1 January 2022	1,090	(254)	–	(1,967)	(1,131)
Total losses included in profit or loss	(1,063)	301	–	(22)	(784)
Recognition of derivative arising from convertible exchangeable bonds	–	–	10,625	–	10,625
Payment for contingent consideration	–	–	–	1,989	1,989
At 31 December 2022 and 1 January 2023	27	47	10,625	–	10,699
Total losses included in profit or loss	(27)	(6)	(9,690)	–	(9,723)
At 31 December 2023	–	41	935	–	976

(iii) Valuation policies and procedures

The board of directors is responsible for setting and documenting the Group's valuation policies and procedures.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 fair value measurement guidance to perform the valuation.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

35. FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Financial assets measured at amortised cost				
Cash at banks and short-term deposits (Note 19)	**3,671**	6,055	**1,170**	1,901
Trade receivables (Note 20)	**1,247**	1,196	**–**	–
Other receivables (Note 21)*	**2,312**	14,675	**31**	9,171
Amounts due from subsidiaries (Note 22)	**–**	–	**4,597**	10,784
Total financial assets measured at amortised cost	**7,230**	21,926	**5,798**	21,856
Financial liabilities measured at amortised cost				
Borrowings (Note 27)	**5,069**	5,887	**4,728**	5,286
Trade payables (Note 24)	**696**	394	**–**	–
Other payables (Note 25)	**2,076**	2,099	**732**	660
Amounts due to subsidiaries (Note 26)	**–**	–	**2,969**	4,619
Lease liabilities (Note 15)	**2,567**	1,580	**–**	–
Total financial liabilities measured at amortised cost	**10,408**	9,960	**8,429**	10,565

* *exclude prepaid taxes*

36. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payments, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Group is also required under the terms of its borrowing facilities to maintain a total debt-to-equity ratio not exceeding 50% (2022: 50%). Total debt is calculated as the aggregate of all interest-bearing borrowings and total equity is calculated as total equity less any non-controlling interests.

	Group	
	2023 S$'000	2022 S$'000 (Restated)
Interest-bearing borrowings	**5,069**	5,887
Equity attributable to owners of the Company	**10,190**	42,321
Total debt to total equity ratio	**49.7%**	13.9%

The Group is in compliance with all externally imposed capital requirements for the financial years ended 31 December 2023 and 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

37. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on reports reviewed by the management team that are used to make strategic decisions. There are five reportable operating segments as follows:

(i) *Strategic investments*

The strategic investments segment involves investments in identified early-stage biotechnology and information security companies, for which the performance of the investments is measured and evaluated on a fair value basis.

(ii) *Healthcare systems*

The healthcare systems segment involves the provision of diagnostic services and manufacturing of and research and development on diagnostic related products, and provision of renal care services by partnering with medical device equipment manufacturers and hospitals.

Following the disposal of the Disposed Group (as defined herein, please refer to Note 39), the provision of diagnostic services and renal care services remains in the Healthcare systems segment.

(iii) *Medical clinics/centres*

Medical clinics/centres segment involves the provision of general medical, dental and clinical services.

(iv) *Corporate segment*

The corporate segment involves the corporate functions in supporting the operations of the entire Group.

(v) *Investment*

The Investment segment involves investments into various entities in the global healthcare sector which are EBITDA positive or at an inflection point with a clear line of sight to profitability ("Portfolio Companies"), and growing such Portfolio Companies with a view to eventually exiting from such Portfolio Companies. There is no transaction in FY2022 and FY2023.

No operating segments have been aggregated to form the above reportable operating segment.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net fair value gain or loss for strategic investments, or operating profit or loss for healthcare systems, medical and dental clinics/centres and corporate segments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

37. SEGMENT INFORMATION (CONTINUED)

2023	Continuing operations							Discontinued operations
	Strategic investments S$'000	Healthcare systems S$'000	Medical clinics/ centres S$'000	Corporate S$'000	Adjustments and eliminations S$'000	Notes	Total S$'000	Healthcare systems (Note 39) S$'000
Revenue:								
External customers	–	38	11,452	–	–		11,490	–
Inter-segment	–	–	730	–	(730)	(A)	–	–
Total revenue	–	38	12,182	–	(730)		11,490	–
Results:								
Interest income	–	30	46	90	–		166	–
Depreciation expense	–	–	(1,344)	(8)	–		(1,352)	–
Amortisation expense	–	–	(7)	–	–		(7)	–
Other income	19	–	133	232	–		384	–
Fair value adjustment of contingent consideration for business combinations	37	–	–	–	–		37	–
Fair value loss on other investment at FVTPL	(150)	–	–	–	–		(150)	–
Fair value loss on derivative financial instruments	–	–	–	(9,723)	–		(9,723)	–
Segment gain/(loss)	4,248	(4,616)	(12,007)	(20,092)	–		(32,467)	–
Assets:								
Other investments	813	–	–	–	–		813	–
Derivative financial instruments	–	–	–	41	–		41	–
Additions to non-current assets	–	–	413	3	–	(B)	416	–
Segment assets	828	653	12,183	2,001	–		15,665	–
Segment liabilities	(16)	(21)	(5,143)	(5,460)	–		(10,640)	–

37. SEGMENT INFORMATION (CONTINUED)

2022	Strategic investments S$'000	Healthcare systems S$'000	Continuing operations Medical clinics/ centres S$'000	Corporate S$'000	Adjustments and eliminations S$'000	Notes	Total S$'000	Discontinued operations Healthcare systems (Note 39) S$'000
Revenue:								
External customers	–	41	16,371	–	–		16,412	11,723
Inter-segment	–	–	2,477	–	(2,477)	(A)	–	–
Total revenue	–	41	18,848	–	(2,477)		16,412	11,723
Results:								
Interest income	–	8	45	22	–		75	11
Depreciation expense	–	–	(1,462)	(12)	–		(1,474)	(836)
Amortisation expense	–	–	(60)	–	–		(60)	(371)
Other income	96	82	498	–	–		676	19
Fair value adjustment of contingent consideration for business combinations	15	–	(22)	–	–		(7)	45
Fair value loss on an associate	(8,769)	–	–	–	–		(8,769)	–
Fair value loss on derivative financial instruments	–	–	–	(762)	–		(762)	–
Segment (loss)/gain	(8,161)	(2,457)	1,444	(2,252)	–		(11,426)	948
Assets:								
Other investments	1,318	–	–	–	–		1,318	–
Derivative financial instruments	–	–	–	74	–		74	–
Additions to non-current assets	–	–	263	7	–	(B)	270	431
Segment assets	1,954	5,230	31,089	19,905	–		58,178	–
Segment liabilities	(1,788)	(9)	(4,766)	(5,946)	–		(12,509)	–

Note A: Inter-segment revenues are eliminated on consolidation.

Note B: Additions to non-current assets consist of additions to plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

37. SEGMENT INFORMATION (CONTINUED)

Geographical information

Please refer to Note 5 for revenue information based on geographical location of customers. Non-current assets information on the geographical location assets is as follows:

	Non-current assets	
	2023	**2022**
	S$'000	**S$'000**
Singapore	**13,872**	46,842
Philippines	**1,329**	813
Hong Kong, Malaysia and others	**205**	117
	15,406	47,772

38. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2021 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2024) Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability
- information about the covenants, and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The Group does not expect any significant impact arising from applying these amendments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

38. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

Amendments to SFRS(I) 1-7 Statement of Cash Flows and SFRS(I) 7 Financial Statements: **Disclosures**: Supplier finance arrangements (effective for annual periods beginning on or after 1 January 2024)

The amendments clarify the characteristics of supplier finance arrangements ("SFA") and introduce new disclosures of such arrangements. The objective of the new disclosures is to provide information about supplier finance arrangements that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk.

There is a transitional relief of not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances.

The amendments will be effective for annual periods beginning on or after 1 January 2024. Early adoption is permitted.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 16 Leases: Lease liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024)

The narrow-scope amendments to SFRS(I) 16 explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

The Group does not expect any significant impact arising from applying these amendments.

39. DISCONTINUED OPERATIONS

On 7 October 2022, the Company and its wholly-owned subsidiary, RDH, entered into 2 share purchase agreements with the 3rd party Purchaser to dispose of 100% of their respective shareholding interests in SAM Labs and CBMA which in turn held as subsidiaries (a) IGM, and (b) TMJ and CMPL, respectively (collectively, the "Disposed Group", which fall under the Healthcare systems segment). The disposal consideration was satisfied by the issue of a convertible exchangeable bonds (the "Bonds") by the Purchaser to each of the Company and RDH. The maturity date of the Bonds is on 7 October 2025. The disposal was completed on the same day, on which control of the Disposed Group was passed on to the Purchaser.

The Purchaser has informed the Company that it has not been able to access the necessary financial information of TMJ and IGM (the "TMJ and IGM Information") in a timely manner for the purpose of finalising the Group's consolidated financial statements for FY2022 and requires more time to do so because at the time of completion of the disposal on 7 October 2022, the management accounts of TMJ and IGM for the financial period commencing 1 July 2022 to 30 September 2022, and up until the date of the disposal on 7 October 2022 were not yet available. Since the disposal on 7 October 2022, the Company has had difficulty accessing the TMJ and IGM Information through the Purchaser due to the lack of cooperation from the staff of TMJ and IGM during the related transition process.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

39. DISCONTINUED OPERATIONS (CONTINUED)

Given the above circumstances, the value of assets and liabilities of the Disposed Group recorded in the Group's consolidated financial statements as at 31 December 2022, and the effects of the disposal which was completed on 7 October 2022, were based on SAM Labs', CBMA's, TMJ's, IGM's and CMPL's financial information for the period commencing on 1 January 2022 up to the dates that the latest management accounts were made available to the Company, prior to the disposal to Lunadorii Inc. on 7 October 2022, such dates being 7 October 2022, 7 October 2022, 31 August 2022, 30 June 2022 and 7 October 2022 respectively, were presented as follows:

	7 October 2022 S$'000
Non-current assets	
Plant and equipment	3,259
Right-of-use assets	45
Intangible assets	676
Goodwill	9,053
Other receivable	1
Total non-current assets	13,034
Current assets	
Cash and cash equivalents	2,767
Trade and other receivables	9,382
Prepayment	291
Other receivable	3,275
Inventory	366
Total current assets	16,081
Total assets	29,115
Current liabilities	
Trade and other payables	15,571
Lease liability	9
Income tax credit	(23)
Borrowing	1,386
Total current liabilities	16,943
Non-current liabilities	
Other payables	2,664
Lease liability	9
Deferred tax liability	149
Total non-current liabilities	2,822
Total liabilities	19,765
Carrying value of net assets	9,350
Less: Non-controlling interest	(1,045)
Net assets derecognised	8,305

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

39. DISCONTINUED OPERATIONS (CONTINUED)

	7 October 2022 S$'000
Net cash outflow arising from disposal	
Cash consideration received	–
Cash and cash equivalents of the subsidiary groups disposed of	(2,767)
Net cash outflow on disposal of subsidiary groups	(2,767)
Gain on disposal	
Sales consideration*	10,625
Net assets derecognised	(8,305)
Gain on disposal of subsidiary groups	2,320

* Sales consideration relates to the fair value of the Bonds as at the date of disposal.

The results of operations of the Disposed Group for 2022, is based on SAM Labs', CBMA's, TMJ's, IGM's and CMPL's financial information for the period commencing on 1 January 2022 up to the dates that the latest management accounts available to the Company, prior to the disposal to Lunadorii Inc. on 7 October 2022, such dates being 7 October 2022, 7 October 2022, 31 August 2022, 30 June 2022 and 7 October 2022 respectively.

The revenue, expenses, and gain relating to the discontinuation have been removed from the results of continuing operations which shown as a single line item on the face of the statement of comprehensive income (Net gain/(loss) from discontinued operations) are as follows. The disposed segment was not previously presented as discontinued operations or classified as held for sale as at 31 December 2021. Thus, the comparative statement of profit or loss has been restated to show the discontinued operations separately from continuing operations.

	1 January 2022 to 7 October 2022 S$'000
Revenue	11,723
Purchases	(8,340)
Employee benefits expense	(932)
Depreciation expense	(836)
Amortisation expense	(371)
Other income	45
Other operating expenses	(2,301)
Finance costs	(80)
Loss before taxation from discontinued operations	(1,092)
Income tax expense	(280)
Loss for the year from discontinued operations	(1,372)
Gain on disposal	2,320
Net gain from discontinued operations	948

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

39. DISCONTINUED OPERATIONS (CONTINUED)

The net cash flows incurred by the Disposed Group for 2022, which are based on SAM Labs', CBMA's, TMJ's, IGM's and CMPL's financial information for the period commencing on 1 January 2022 up to the dates that the latest management accounts available to the Company, prior to the disposal to Lunadorii Inc. on 7 October 2022, such dates being 7 October 2022, 7 October 2022, 31 August 2022, 30 June 2022 and 7 October 2022 respectively, are presented as follows:

	7 October 2022 S$'000
Operating	(615)
Investing	(377)
Financing	(712)
Net cash outflow	(1,704)

Litigation against CBMA and TMJ

On 22 May 2020, PT Tirta Medika Nusantara ("TMN"), an existing shareholder of TMJ, initiated a legal action against, among others, CBMA and TMJ. It relates to, among others, an allegation by TMN that a certain notarial deed has been made unlawfully as a result of the alleged unlawful conduct of the shareholders' meeting of TMJ in relation to, among others, (a) a change in the composition of the board of directors and board of commissioners of TMJ; and (b) an amendment of the articles of association of TMJ.

Consequently, TMN requested the Court to, among others, (i) declare that the said notarial deed has been made unlawfully; (ii) award damages of IDR1.06 trillion (approximately S$98.06 million based on an exchange rate of S$1.00 : IDR10,810 as at 21 August 2020 published by the Monetary Authority of Singapore) and; (iii) declare that the previous composition of the board of directors and board of commissioners of TMJ as at 18 February 2019 is legal instead.

This lawsuit was dismissed by the North Jakarta District Court ("North Jakarta Court") on 7 June 2021 based on the reason that pursuant to the shareholders agreement among the TMJ's shareholders dated 23 April 2018, the North Jakarta Court does not have the jurisdiction to hear the lawsuit. On 18 June 2021, TMN submitted an appeal, and the case was delivered to the Jakarta High Court after 19 August 2021. On 3 August 2022, the Jakarta High Court gave judgement that the North Jakarta District Court had the jurisdiction to hear the Suit and hearing of the Suit will be held there. On 16 August 2022, CBMA filed a notice of appeal to the Indonesia Supreme Court against the whole of the Jakarta High Court's decision.

On 7 October 2022, CBMA and TMJ ceased to be subsidiaries of the Group as the Group no longer has the power to direct relevant activities of the disposed entities without any shareholding.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

40. RESTATEMENT OF PRIOR YEARS

Restatement has been made to the Group's consolidated statement of financial position and statement of changes in equity for the financial year ended 31 December 2022 to rectify the amount of equity attributable to non-controlling interests inadvertently recognised based on effective interests rather than direct interest of the non-controlling interests of each subsidiary. The effects of the restatement are shown as below:

	Balance as previously reported S$'000	Adjustments S$'000	Balance as restated S$'000
Group			
As at 1 January 2022			
Statements of Financial Position			
Accumulated losses	(43,388)	1,154	(42,234)
Equity attributable to owners of the Company	52,210	1,154	53,364
Non-controlling interests	5,100	(1,154)	3,946
Statements of Changes in Equity			
Dividend			
Accumulated losses	441	(441)	-
Non-controlling interests	(633)	441	(192)
Issuance of ordinary shares by subsidiaries			
Accumulated losses	(209)	209	-
Non-controlling interests	209	(209)	-
As at 31 December 2022			
Statements of Financial Position and Statements of changes in equity			
Accumulated losses	(54,545)	922	(53,623)
Equity attributable to owners of the Company	41,399	922	42,321
Non-controlling interests	4,270	(922)	3,348

There is no impact on the Group's statement of other comprehensive income and statement of cash flows as a result of the above restatement.

41. EVENTS OCCURRING AFTER THE REPORTING PERIOD

As disclosed in the Company's announcements dated 20, 23 and 28 February 2024, Clearbridge BSA Pte. Ltd. ("CBBSA"), a wholly-owned subsidiary of the Company, disposed of an aggregate of 7,500,000 ordinary shares in the capital of Singapore Institute of Advanced Medicine Holdings Limited ("SIAMH"), representing approximately 0.75% of the issued and paid-up capital of SIAMH (the "SIAMH Shares"), through a series of open market transactions of 3,381,000, 794,900, 221,600, 802,500, 207,000, 923,000, 471,900, 398,000 and 300,100 SIAMH Shares on 16, 19, 20, 21, 22, 23, 26, 27 and 28 February 2024, respectively (the "Disposal"), for net proceeds (after deducting brokerage, commission, applicable goods and services tax and other related expenses) of approximately S$1,158,000. Subsequent to the Disposal, CBBSA no longer holds any shares in SIAMH.

42. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Directors on 9 April 2024.

STATISTICS OF SHAREHOLDINGS

AS AT 19 MARCH 2024

Issued and paid-up share capital	:	S$116,723,556.3446
Number of issued shares	:	619,052,398
Class of shares	:	Ordinary shares
Voting rights on a poll	:	One vote per share
Number and percentage of treasury shares	:	Nil
Number and percentage of subsidiary holdings	:	Nil

SHAREHOLDING HELD IN THE HANDS OF PUBLIC

Based on the information available to the Company as at 19 March 2024, approximately 60.84% of the total number of issued ordinary shares of the Company was held by the public as defined in the Catalist Rules. Accordingly, Rule 723 of the Catalist Rules has been complied with.

DISTRIBUTION OF HOLDERS OF SHARES BY SIZE OF SHAREHOLDINGS AS AT 19 MARCH 2024

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 – 99	5	0.24	199	0.00
100 – 1,000	72	3.42	44,799	0.01
1,001 – 10,000	450	21.38	3,240,100	0.52
10,001 – 1,000,000	1,512	71.83	161,301,241	26.06
1,000,001 and above	66	3.13	454,466,059	73.41
TOTAL	**2,105**	**100.00**	**619,052,398**	**100.00**

TWENTY LARGEST HOLDERS OF SHARES AS AT 19 MARCH 2024

No.	Name of Shareholder	No. of Shares	% of Shares
1	DBS NOMINEES PTE LTD	109,615,991	17.71
2	CITIBANK NOMINEES SINGAPORE PTE LTD	78,906,762	12.75
3	COOP INTERNATIONAL PTE LTD	41,330,500	6.68
4	MAYBANK SECURITIES PTE. LTD.	25,663,800	4.15
5	TIMOTHY COOK DRAPER & MELISSA PARKER DRAPER	18,390,100	2.97
6	PHILLIP SECURITIES PTE LTD	13,242,824	2.14
7	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	10,806,500	1.75
8	LI JIANSHENG	7,598,100	1.23
9	YEO KHEE SENG BENNY	6,748,000	1.09
10	OCBC SECURITIES PRIVATE LTD	6,435,000	1.04
11	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	6,377,100	1.03
12	SIMON HOO KIA WEI	5,955,242	0.96
13	RAFFLES NOMINEES (PTE) LIMITED	5,852,200	0.95
14	IFAST FINANCIAL PTE LTD	5,513,600	0.89
15	LIAU YEN SAN JONATHAN	5,325,962	0.86
16	KUAH HONG SIM	5,000,000	0.81
17	UOB KAY HIAN PTE LTD	4,529,800	0.73
18	KUIK THIAM HUAT	4,358,900	0.70
19	KUIK CHIM MUI	3,999,128	0.65
20	ANDREW TREVATT	3,646,100	0.59
	TOTAL	**369,295,609**	**59.68**

STATISTICS OF SHAREHOLDINGS

AS AT 19 MARCH 2024

SUBSTANTIAL SHAREHOLDERS AS AT 19 MARCH 2024
(as shown in the Register of Substantial Shareholders)

No.	Name	No. of shares in which Substantial Shareholders have direct interest	%	No. of shares in which Substantial Shareholders are deemed to have interest	%
1	Chen Johnson	77,055,100	12.45	–	–
2	Coop International Pte. Ltd.	41,330,500	6.68	–	–
3	Bonvests Holdings Limited[1]	–	–	41,330,500	6.68
4	Amereus Group Pte. Ltd.	39,771,600	6.42	–	–
5	Maxim Vorobyev[2]	–	–	39,771,600	6.42
6	Chen Chung Ni Johnny[3]	31,059,800	5.02	–	–

(1) Bonvests Holdings Limited holds the entire issued and paid-up share capital of Coop International Pte. Ltd.. Accordingly, Bonvests Holdings Limited is deemed interested in the shares of the Company held by Coop International Pte. Ltd. by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore (the "**SFA**").

(2) Maxim Vorobyev holds the entire issued and paid-up share capital of Amereus Group Pte. Ltd.. Accordingly, Maxim Vorobyev is deemed interested in the shares of the Company held by Amereus Group Pte. Ltd. by virtue of Section 4 of the SFA.

(3) Chen Chung Ni Johnny is the father of Chen Johnson.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**AGM**") of Clearbridge Health Limited (the "**Company**") will be held at 1 Pemimpin Drive, #11-05 One Pemimpin, Singapore 576151 on Monday, 29 April 2024 at 10.00 a.m. (Singapore Time) to transact the following businesses:

Ordinary Business

1. To receive and adopt the audited financial statements of the Company for the financial year ended 31 December 2023 ("**FY2023**"), the directors' statement and the auditor's report thereon. **(Resolution 1)**

2. To approve the payment of directors' fees of S$150,000 for the financial year ending 31 December 2024 ("**FY2024**"), payable quarterly in arrears.
(See Explanatory Note 1) (**Resolution 2)**

3. To re-elect Mr Chen Johnson who is retiring pursuant to Regulation 98 of the Company's constitution (the "**Constitution**") as a director of the Company ("**Director**") and who, being eligible, offers himself for re-election.
(See Explanatory Note 2) **(Resolution 3)**

4. To re-elect Mr Mah How Soon (Ma Haoshun) who is retiring pursuant to Regulation 98 of the Constitution as a Director and who, being eligible, offers himself for re-election.
(See Explanatory Note 3) **(Resolution 4)**

5. To re-appoint Messrs CLA Global TS Public Accounting Corporation ("**CLA Global TS**") as auditors ("**Auditors**") of the Company and to authorise the Directors to fix their remuneration.
(Resolution 5)

6. To transact any other ordinary business which may be properly transacted at the AGM.

Special Business

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions, with or without any modifications:

7. Authority to allot and issue shares

"THAT pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Act**") and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") and the Constitution, the Directors be and hereby authorised to:

I. (a) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(b) 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,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

NOTICE OF
ANNUAL GENERAL MEETING

II. (notwithstanding that 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 while this Resolution was in force,

provided that:

(a) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution), shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to the existing shareholders of the Company ("**Shareholders**") shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) that may be issued under sub-paragraph (a) above, the percentage of the issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new Shares arising from exercising of share options or vesting of share awards, provided that such share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or subdivision of Shares.

Adjustments in accordance with Rule 806(3)(a) or Rule 806(3)(b) of the Catalist Rules are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate;

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), and all applicable legal requirements under the Act and the Constitution for the time being; and

(d) the authority conferred by this Resolution shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."

(See Explanatory Note 4) **(Resolution 6)**

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8. Authority to grant awards and to allot and issue Shares pursuant to the Clearbridge Health Performance Share Plan

   "THAT pursuant to Section 161 of the Act, authority be and is hereby given to the Directors to:

   I. offer and grant awards ("**Awards**") from time to time in accordance with the provisions of the Clearbridge Health Performance Share Plan (the "**PSP**"); and

   II. allot and issue from time to time such number of new Shares as may be required to be issued pursuant to the vesting of Awards granted under the PSP,

   provided always that the aggregate number of Shares issued and issuable pursuant to the Awards granted under the PSP, when added to (i) the number of Shares issued and issuable and/or transferred or transferable in respect of all Awards granted thereunder; and (ii) all other Shares issued and issuable and/or transferred or transferable in respect of all share options granted or share awards granted under any other share incentive schemes or share plans adopted by the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) 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 AGM or the date by which the next AGM is required by law to be held, whichever is earlier."
   (See Explanatory Note 5) **(Resolution 7)**

By Order of the Board

Cheok Hui Yee
Company Secretary
Singapore
12 April 2024

EXPLANATORY NOTES:

(1) Resolution 2 in item 2 above, if passed, will facilitate the payment of Directors' fees of S$150,000 for FY2024 on a quarterly basis in arrears. The amount of Directors' fees is computed based on the anticipated number of board and board committee meetings for FY2024, including the attendance and positions held by all of the non-executive directors of the Company ("**Non-Executive Directors**") in various board committees, and assuming that all Non-Executive Directors holding office at the conclusion of the AGM will hold office for the full financial year. In the event the amount of Directors' fees proposed is insufficient, for example in the event of unscheduled board meetings and/or enlarged board sizes, approval will be sought at the next AGM for such additional fees before payments are made to the Directors to meet the shortfall.

(2) In relation to Resolution 3 in item 3 above, Mr Chen Johnson will, upon re-election as a Director, remain as a non-executive non-independent chairman and a member of the Remuneration Committee.

    Detailed information on Mr Chen Johnson can be found under sections entitled "Board of Directors", "Corporate Governance Report" and "Directors' Statement" of the Company's annual report for FY2023 ("**Annual Report 2023**").

(3) In relation to Resolution 4 in item 4 above, Mr Mah How Soon (Ma Haoshun) will, upon re-election as a Director, remain as an independent director, chairman of the Nominating Committee and a member of the Audit Committee. The Board considers him to be independent for the purpose of Rule 704(7) of the Catalist Rules.

    Detailed information on Mr Mah How Soon (Ma Haoshun) can be found under sections entitled "Board of Directors", "Corporate Governance Report" and "Directors' Statement" of the Annual Report 2023.

NOTICE OF
ANNUAL GENERAL MEETING

(4) The Resolution 6 in item 7 above, if passed, will empower the Directors to allot and issue Shares, make or grant Instruments and to issue Shares pursuant to such Instruments, without seeking any further approval from Shareholders but within the limitations imposed by this Resolution, for such purposes as the Directors may consider would be in the best interests of the Company, from the date of the AGM until the conclusion of the next AGM, or the date by which the next AGM is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earlier. The aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be allotted and issued is not to exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of passing of this Resolution (subject to the adjustments stipulated in item 7(II)(b) above), of which the aggregate number of Shares issued other than on a *pro-rata* basis to all Shareholders is not to exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution (subject to the adjustments stipulated in item 7(II)(b) above).

(5) The Resolution 7 in item 8 above, if passed, will empower the Directors to offer and grant Awards under the PSP, and to allot and issue Shares pursuant to the vesting of Awards granted under the PSP, provided that the aggregate number of Shares issued and issuable pursuant to the PSP, when added to (i) the number of Shares issued and issuable and/or transferred or transferable in respect of all Awards granted thereunder; and (ii) all other Shares issued and issuable and/or transferred or transferable in respect of all share options granted or share awards granted under any other share incentive schemes or share plans adopted by the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

NOTES:

1. The AGM is being convened and will be held, in a wholly physical format, at 1 Pemimpin Drive, #11-05 One Pemimpin, Singapore 576151 on Monday, 29 April 2024 at 10.00 a.m. (Singapore Time). Shareholders (including investors who hold shares through Supplementary Retirement Scheme ("**SRS**")), and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM by attending the AGM in person. **There will be no option for Shareholders to participate virtually.**

2. A member who is not a relevant intermediary (as defined in Section 181 of the Act) ("**Relevant Intermediary**") is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

3. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where more than two (2) proxies are appointed, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

4. A proxy need not be a member of the Company.

5. SRS investors may:

   (a) attend, speak and vote at the AGM in person if they are appointed as proxies by their SRS Operators, and should contact their SRS Operators if they have queries regarding their appointment as proxies; or

   (b) appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case, they should approach their SRS Operators to submit their voting instruction by **5.00 p.m. (Singapore Time) on 17 April 2024**, being seven (7) working days before the AGM and the SRS Operators will submit the proxy form on their behalf.

6. Investors who hold shares through Relevant Intermediaries (other than SRS investors) (the "**Investors**") who wish to attend, speak and vote at the AGM should approach their relevant intermediaries as soon as possible to specify their voting instructions or make necessary arrangement to be appointed as proxy.

7. The instrument appointing a proxy or proxies (the "**proxy form**") must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Act as an alternative to sealing) or under the hand of an attorney or an officer of the corporation duly authorised. Where the proxy form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form, failing which, the proxy form may be treated invalid.

8. The proxy form must be submitted to the Company in the following manner:

   (a) if submitted by post, must be deposited at the registered office of the Company at 37 Jalan Pemimpin, #08-05 Mapex, Singapore 577177; or

   (b) if submitted electronically, be submitted via email to the Company's Polling Agent at ProxyFormSubmission@clearbridgehealth.com,

   in either case, no later than **26 April 2024 at 10.00 a.m. (Singapore Time)**, being not less than seventy-two (72) hours before the time appointed for holding the AGM.

   Completion and return of the proxy form by a member will not prevent him from attending, speaking and voting at the AGM if he so wishes. In such event, the relevant proxy form will be deemed to be revoked and the Company reserves the right to refuse to admit any person or persons appointed under the proxy form to the AGM.

9. A depositor shall not be regarded as a member of the Company entitled to attend and vote at the AGM unless his/her name appears on the Depository Register not less than seventy-two (72) hours before the time of the AGM.

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10. The proxy form is not valid for use by Investors (including SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. Investors (including SRS investors) should instead contact their relevant intermediary as soon as possible to specify their voting instructions.

11. Members and SRS investors may submit questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM by **5.00 p.m. (Singapore Time) on 19 April 2024**, in the following manner:

    (a) by email to the Company at ShareholderQueries@clearbridgehealth.com; or

    (b) by post to the Company at 37 Jalan Pemimpin, #08-05 Mapex, Singapore 577177.

    Members and SRS investors who submit questions via email or by post must provide their full name, identification number, contact number, email address, the number of shares held and the manner in which the shares are held (e.g., via CDP or SRS) for authentication.

    Investors (other than SRS investors) will not be able to submit questions relating to the business of the AGM via the above methods set out above. Instead, they should approach their Relevant Intermediaries as soon as possible in order for the Relevant Intermediaries to make the necessary arrangements for them to submit questions in advance of the AGM.

12. The Company will endeavour to address all substantial and relevant questions submitted prior to the AGM by the cut-off date and time by publishing the responses to such questions on the Company's corporate website and on SGX's website by **23 April 2024**. Any subsequent clarifications sought, or follow-up questions, or substantial and relevant questions received after the cut-off date and time will be consolidated and addressed at the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently, not all questions may be individually addressed.

13. In line with the Company's sustainability drive, the Company will not be despatching printed copies of the Annual Report 2023, which have been published on the Company's corporate website and SGX's website. Printed copies of this Notice of AGM, the proxy form and the form to request ("**Request Form**") for a physical copy of the Annual Report 2023 will be despatched to the member at his registered address appearing in the Register of Members or (as the case may be) the Depositor Register.

14. The Annual Report 2023, this Notice of AGM, the proxy form and the Request Form have been published on the Company's corporate website at the URL https://clearbridgehealth.com/about-us/corporate-information/investor-relations/#annual-reports and SGX's website at the URL https://www.sgx.com/securities/company-announcements.

    Members may request for printed copies of the Annual Report 2023 by completing and submitting the Request Form sent to them by post, or otherwise made available on the Company's corporate website and the SGX's website, and return it to the Company by mail using the envelope enclosed, or email to ShareholderQueries@clearbridgehealth.com no later than 19 April 2024.

15. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGX's website and the Company's corporate website, and the minutes will include the responses to substantial and relevant questions which are addressed during the AGM, if any.

Personal data privacy:

By (a) submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof; or (b) submitting any questions prior to, or at, the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxy(ies) and/or representative(s) appointed for the AGM (including any adjournment thereof), addressing substantial and relevant questions from members received prior to, or at, the AGM, the preparation and compilation of the attendance 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 member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member 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 member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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*This notice has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone: (65) 6636 4201.

CLEARBRIDGE HEALTH LIMITED
(Company Registration No.: 201001436C)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING
PROXY FORM

Important:
1. The annual general meeting of the Company ("**AGM**") is being convened and will be held, in a wholly physical format. **There will be no option for shareholders to participate virtually.**
2. Relevant Intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore (the "**Act**") may appoint more than two (2) proxies to attend, speak and vote at the AGM.
3. For investors who have used their Supplementary Retirement Scheme monies to buy shares in the Company ("**SRS Investors**"), this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. SRS Investors may:
   (a) attend, speak and vote at the AGM in person if they are appointed as proxies by their SRS Operators, and should contact their SRS Operators if they have queries regarding their appointment as proxies; or
   (b) appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their SRS Operators to submit their voting instructions by 5.00 p.m. (Singapore Time) on 17 April 2024.

PERSONAL DATA PRIVACY
By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 April 2024.

*I/We, ________________________ (Name) ____________________ (NRIC No./Passport No./Company Registration No.)

of ____ (Address)
being *a member/members of Clearbridge Health Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of shareholdings	
			No. of Shares	%

*and/or

Name	Address	NRIC/Passport No.	Proportion of shareholdings	
			No. of Shares	%

or failing *him/them, the Chairman of the AGM, as *my/our *proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the AGM to be held at 1 Pemimpin Drive, #11-05 One Pemimpin, Singapore 576151 on Monday, 29 April 2024 at 10.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against on the ordinary resolutions to be proposed at the AGM or to abstain from voting, as indicated hereunder.

No.	ORDINARY RESOLUTIONS RELATING TO:	For**	Against**	Abstained**
ORDINARY BUSINESS				
1.	To receive and adopt the audited financial statements of the Company for the financial year ended 31 December 2023, the directors' statement and the auditor's report thereon			
2.	To approve the payment of directors' fees of S$150,000 for the financial year ending 31 December 2024, payable quarterly in arrears			
3.	To re-elect Mr Chen Johnson as a director of the Company			
4.	To re-elect Mr Mah How Soon (Ma Haoshun) as a director of the Company			
5.	To re-appoint Messrs CLA Global TS Public Accounting Corporation as auditors of the Company and to authorise the directors to fix their remuneration			
SPECIAL BUSINESS				
6.	To authorise the directors to allot and issue shares in the capital of the Company			
7.	To authorise the directors to grant awards and to allot and issue shares in the capital of the Company pursuant to the Clearbridge Health Performance Share Plan			

Notes:
* *Delete where applicable*
** *Voting will be conducted by poll. If you wish to exercise all your votes "For", "Against" or to "Abstain" the relevant resolution, please mark "X" in the relevant box provided. Alternatively, please indicate the number of votes "For", "Against" or to "Abstain" each resolution. If you mark "X" in the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution.* ***In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the above resolution if no voting instruction is specified, and on any other matter arising at the AGM.***

Dated this _____ day of _____________ 2024

Total No. of Shares in	No. of Shares
CDP Register	
Register of Members	

____
Signature of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF.

NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the proxy form shall be deemed to relate to all the shares held by you.
2. A shareholder who is not a relevant intermediary (as defined in Section 181 of the Act) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such shareholder's form of proxy ("**proxy form**") appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.
3. A shareholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such shareholder's proxy form appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
4. A proxy need not be a member of the Company.
5. The proxy form must be submitted to the Company in the following manner:

   (a) if submitted by post, must be deposited at the registered office of the Company at 37 Jalan Pemimpin, #08-05 Mapex, Singapore 577177; or

   (b) if submitted electronically, be submitted via email to the Company's Polling Agent at ProxyFormSubmission@clearbridgehealth.com,

   in either case, **no later than 26 April 2024 at 10.00 a.m. (Singapore Time)**, being not less than seventy-two (72) hours before the time appointed for holding the AGM.

   Completion and return of the proxy form by a member will not prevent him from attending, speaking and voting at the AGM if he so wishes. In such event, the relevant proxy form will be deemed to be revoked and the Company reserves the right to refuse to admit any person or persons appointed under the proxy form to the AGM.
6. The proxy form must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Act as an alternative to sealing) or under the hand of an attorney or an officer of the corporation duly authorised.
7. Where the proxy form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form, failing which, the proxy form may be treated as invalid.
8. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Act.
9. For SRS Investors, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS Investors (a) should contact their SRS Operators if they have queries regarding their appointment as proxies; or (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case, they should approach their respective SRS Operators to submit their voting instructions by **5.00 p.m. (Singapore Time) on 17 April 2024**, being seven (7) working days before the AGM.

GENERAL:

The Company shall be entitled to reject the proxy form 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 proxy form. In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PROXY FORM

Affix
Postage
Stamp

CLEARBRIDGE HEALTH LIMITED

(Company Reg. No. 201001436C)

37 Jalan Pemimpin
#08-05 Mapex
Singapore 577177

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