



ALLIANCE HEALTHCARE GROUP LIMITED

(Incorporated in the Republic of Singapore on 6 June 2006)
(UEN. 200608233K)

**Alliance Healthcare Group Limited
and its Subsidiaries**

Condensed interim financial statements
For the six months ended 31 December 2021



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Reporting Period

Current Reporting Period: HY2022: 6 months period 31 December 2021 (“**HY2022**”)

Corresponding period of the immediately preceding financial year: 6 months period 31 December 2020 (“**HY2021**”):



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

		Group				
		6 months ended				
		31 December				
		2021	2020	Variance		
Note		S\$	S\$	S\$	%	
	Revenue	4	28,567,530	23,075,797	5,491,733	23.8
	Interest income		-	7,391	(7,391)	n.m.
	Other income and gains		793,264	1,244,435	(451,171)	(36.3)
	Consumables and medical supplies used		(8,266,964)	(8,534,420)	267,456	(3.1)
	Employee benefits expense		(14,968,571)	(11,204,187)	(3,764,384)	33.6
	Depreciation and amortisation expense		(1,418,898)	(1,431,619)	12,721	(0.9)
	Other losses		(5,824)	-	(5,824)	n.m.
	Finance costs		(119,393)	(142,534)	23,141	(16.2)
	Other expenses		(1,770,201)	(1,664,258)	(105,943)	6.4
	Share of results of an associate		(22,824)	-	(22,824)	n.m.
	Profit before tax	6	2,788,119	1,350,605	1,437,514	106.4
	Income tax expense	7	(192,589)	(193,547)	958	(0.5)
	Profit for the financial period, net of tax		2,595,530	1,157,058	1,438,472	124.3
	Other comprehensive (loss)/income:					
	<u>Items that may be reclassified subsequently to profit or loss:</u>					
	Exchange differences on translating foreign operations, net of tax		(111)	(187)	76	(40.6)
	Total other comprehensive (loss)/income for the period, net of tax		(111)	(187)	76	(40.6)
	Total comprehensive income for the period		2,595,419	1,156,871	1,438,548	124.3
	Profit attributable to:					
	– Owners of the parent		1,683,080	894,937	788,143	88.1
	– Non-controlling interests		912,450	262,121	650,329	248.1
	Profit for the financial period, net of tax		2,595,530	1,157,058	1,438,472	124.3
	Total comprehensive income attributable to:					
	– Owners of the parent		1,682,969	894,750	788,219	88.1
	– Non-controlling interests		912,450	262,121	650,329	248.1
	Total comprehensive income		2,595,419	1,156,871	1,438,548	124.3

*n.m denotes not meaningful



B. Condensed interim statements of financial position

	Note	Group		Company	
		31-Dec-21 S\$	30-Jun-21 S\$	31-Dec-21 S\$	30-Jun-21 S\$
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	12	6,733,658	6,962,723	86,017	150,036
Right-of-use assets		3,088,013	3,067,050	32,476	57,218
Investment properties	13	-	-	3,875,149	3,930,116
Investment in subsidiaries		-	-	5,877,632	5,877,632
Investment in an associate		607,176	-	-	-
Intangible assets	11	5,796,800	5,867,760	-	-
Deferred tax assets		47,392	47,392	-	-
Total non-current assets		16,273,039	15,944,925	9,871,274	10,015,002
<u>Current assets</u>					
Inventories		2,379,342	2,268,151	4,100	4,100
Financial assets - derivatives		8,276	8,276	-	-
Trade and other receivables		11,783,923	13,568,570	10,182,256	8,701,831
Income tax receivables		126,228	6,647	87,638	-
Other non-financial assets		552,151	606,442	66,934	34,237
Cash and cash equivalents		18,432,670	16,733,771	927,048	3,326,376
Total current assets		33,282,590	33,191,857	11,267,976	12,066,544
Total assets		49,555,629	49,136,782	21,139,250	22,081,546
EQUITY AND LIABILITIES					
<u>Equity attributable to owners of the parent</u>					
Share capital	15	14,684,250	14,684,250	14,684,250	14,684,250
Retained earnings		11,022,559	9,817,622	634,805	1,404,571
Other reserves		(4,714,949)	(4,714,838)	-	-
Equity, attributable to owners of the parent		20,991,860	19,787,034	15,319,055	16,088,821
Non-controlling interests		2,088,711	1,278,761	-	-
Other reserve		(526,136)	(526,136)	-	-
Total equity		22,554,435	20,539,659	15,319,055	16,088,821
<u>Non-current liabilities</u>					
Financial liabilities - lease liabilities		1,584,180	1,556,046	-	-
Loans and borrowings	14	4,572,346	5,008,343	2,230,754	2,346,928
Deferred tax liabilities		102,598	114,661	-	-
Total non-current liabilities		6,259,124	6,679,050	2,230,754	2,346,928
<u>Current liabilities</u>					
Income tax payable		485,337	552,685	-	-
Trade and other payables		16,802,989	17,658,316	3,322,938	3,354,283
Provision		175,000	155,000	-	-
Other non-financial liabilities		100,116	172,544	-	-
Financial liabilities - lease liabilities		1,581,868	1,581,868	32,893	57,904
Loans and borrowings	14	1,596,760	1,797,660	233,610	233,610
Total current liabilities		20,742,070	21,918,073	3,589,441	3,645,797
Total liabilities		27,001,194	28,597,123	5,820,195	5,992,725
Total equity and liabilities		49,555,629	49,136,782	21,139,250	22,081,546



C. Condensed interim statements of changes in equity

Group	Note	Attributable to owners of the parent					Non-controlling interests S\$	Other reserves S\$
		Total equity S\$	Sub-total S\$	Share capital S\$	Retained earnings S\$	Other reserves S\$		
Opening balance at 1 July 2021		20,539,659	19,787,034	14,684,250	9,817,622	(4,714,838)	1,278,761	(526,136)
Changes in equity:								
Total comprehensive income/(loss) for the period		2,595,419	1,682,969	-	1,683,080	(111)	912,450	-
Dividends paid	8	(478,143)	(478,143)	-	(478,143)	-	-	-
Dividends paid to non-controlling interests in subsidiaries		(102,500)	-	-	-	-	(102,500)	-
Closing balance at 31 December 2021		22,554,435	20,991,860	14,684,250	11,022,559	(4,714,949)	2,088,711	(526,136)
Opening balance at 1 July 2020		19,359,771	19,023,620	14,684,250	8,992,863	(4,653,493)	862,287	(526,136)
Changes in equity:								
Total comprehensive income/(loss) for the period		1,156,871	894,750	-	894,937	(187)	262,121	-
Dividends paid	8	(706,820)	(706,820)	-	(706,820)	-	-	-
Dividends paid to non-controlling interests in subsidiaries		(25,500)	-	-	-	-	(25,500)	-
Closing balance at 31 December 2020		19,784,322	19,211,550	14,684,250	9,180,980	(4,653,680)	1,098,908	(526,136)
Company	Note	Total equity S\$		Share capital S\$		Retained earnings S\$		
Opening balance at 1 July 2021		16,088,821		14,684,250		1,404,571		
Changes in equity:								
Total comprehensive loss for the period		(291,623)		-		(291,623)		
Dividends paid	8	(478,143)		-		(478,143)		
Closing balance at 31 December 2021		15,319,055		14,684,250		634,805		
Opening balance at 1 July 2020		15,730,527		14,684,250		1,046,277		
Changes in equity:								
Total comprehensive loss for the period		(256,191)		-		(256,191)		
Dividends paid	8	(706,820)		-		(706,820)		
Closing balance at 31 December 2020		14,767,516		14,684,250		83,266		



D. Condensed interim consolidated statement of cash flows

	Note	Group	
		6 months ended 31 December	
		2021	2020
		S\$	S\$
<u>Cash flows from operating activities</u>			
Profit before tax		2,788,119	1,350,605
Adjustments for:			
Depreciation of property, plant and equipment		400,053	435,006
Depreciation of right-of-use assets		947,885	925,653
Amortisation of intangible assets		70,960	70,960
Interest expense		63,415	80,130
Lease interest expense		55,978	62,404
Rental rebates		(377,933)	(224,430)
Interest income		-	(7,391)
Share of results of an associate		22,824	-
Operating cash flows before changes in working capital		3,971,301	2,692,937
<u>Changes in working capital:</u>			
Inventories		(111,191)	630,817
Trade and other receivables		2,084,647	(1,780,614)
Other non-financial assets		54,291	10,725
Trade and other payables		(810,098)	841,747
Other non-financial liabilities		(72,428)	13,465
Provision		10,000	10,000
Net effect of exchange rate changes in consolidating foreign operations		(209)	(187)
Net cash flows from operations		5,126,313	2,418,890
Income tax paid		(391,581)	(191,511)
Net cash flows from operating activities		4,734,732	2,227,379
<u>Cash flows from investing activities</u>			
Interest received		-	7,391
Acquisition of an associate	17	(630,000)	-
Loan to an associate		(300,000)	-
Purchase of property, plant and equipment	12	(160,994)	(157,043)
Net cash flows used in investing activities		(1,090,994)	(149,652)
<u>Cash flows from financing activities</u>			
Lease liabilities – principal and interest paid		(618,655)	(748,241)
Movements in amount due to related parties		(246,129)	(54,330)
Decrease in borrowings		(401,893)	(511,550)
Finance lease repayments		(34,104)	(34,104)
Dividends paid to equity holders of the Company		(478,143)	(706,820)
Dividends paid to non-controlling interests		(102,500)	(25,500)
Interest paid		(63,415)	(80,130)
Net cash flows used in financing activities		(1,944,839)	(2,160,675)



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

	Group	
	6 months ended 31 December	
	2021	2020
Note	S\$	S\$
Net increase/(decrease) in cash and cash equivalents	1,698,899	(82,948)
Cash and cash equivalents, statement of cash flows, beginning balance	16,708,771	16,311,400
Cash and cash equivalents, statement of cash flows, ending balance ⁽¹⁾	18,407,670	16,228,452

Note (1):

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

	Group	
	31 December	
	2021	2020
	S\$	S\$
Cash and bank balances	18,432,670	16,253,452
Less: Bank deposits pledged (a)	(25,000)	(25,000)
Cash and cash equivalents per consolidated statement of cash flows	18,407,670	16,228,452

(a) Bank deposits are pledged as security for merchant agreement between the bank and the group.

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Alliance Healthcare Group Limited (the “**Company**”) is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars. These condensed interim consolidated financial statements as at and for the six months ended 31 December 2021 comprise the Company (referred to as “**parent**”) and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Group are:

- a) investment holding company and provision of administrative and management services;
- b) the provision of managed healthcare solutions;
- c) the wholesale of pharmaceutical products;
- d) the provision of medical services; and
- e) the provision of mobile and digital health services.



2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 2021 have been prepared in accordance with the Singapore Financial Reporting Standards (International) SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2021.

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

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

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2021.

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

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Note 11.1 – Assessment of impairment of goodwill

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

- Note 11.1 – Impairment test of goodwill: key assumptions underlying recoverable amounts



3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors.

4. Segment and revenue information

For management purposes, the reporting entity is organised into the following major strategic operating segments that offer different products and services:

- 1) GP clinic services;
- 2) Specialist care services;
- 3) Managed healthcare solutions;
- 4) Pharmaceutical services;
- 5) Mobile and digital health services; and
- 6) Others.

These operating segments are reported in a manner consistent with internal reporting provided to Dr. Barry Thng Lip Mong, Chief Executive Officer, who is responsible for allocating resources and assessing performance of the operating segments.



4. Segment and revenue information (cont'd)

4.1 Reportable segments

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



4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

	6 months ended 31 December 2020							
	GP clinics services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceuti- cal services S\$	Mobile and digital health services S\$	Others S\$	Eliminations S\$	Group S\$
Revenue by segment								
External sales	6,621,023	4,792,408	2,286,259	7,530,906	1,845,201	-	-	23,075,797
Inter-segment sales	1,430	-	83,737	1,020,488	6,500	1,252,548	(2,364,703)	-
Total revenue	<u>6,622,453</u>	<u>4,792,408</u>	<u>2,369,996</u>	<u>8,551,394</u>	<u>1,851,701</u>	<u>1,252,548</u>	<u>(2,364,703)</u>	<u>23,075,797</u>
EBITDA	1,263,234	765,904	(55,928)	810,904	225,180	(84,536)	-	2,924,758
Finance costs	(61,669)	(12,038)	(359)	(6,581)	(47,184)	(14,703)	-	(142,534)
Depreciation and amortisation	(721,653)	(257,194)	(69,951)	(85,848)	(154,453)	(142,520)	-	(1,431,619)
Profit (loss) before tax	479,912	496,672	(126,238)	718,475	23,543	(241,759)	-	1,350,605
Income tax expense								(193,547)
Profit, net of tax								<u>1,157,058</u>
Segment assets	<u>11,242,787</u>	<u>4,674,319</u>	<u>14,651,907</u>	<u>6,138,782</u>	<u>6,755,731</u>	<u>18,326,331</u>	<u>(15,722,961)</u>	<u>46,066,896</u>
Segment liabilities	<u>(6,597,267)</u>	<u>(2,754,685)</u>	<u>(12,366,268)</u>	<u>(2,502,804)</u>	<u>(6,141,697)</u>	<u>(5,755,552)</u>	<u>9,835,699</u>	<u>(26,282,574)</u>
Other material items and reconciliations								
Expenditures for property, plant and equipment	18,050	12,120	51,618	760	65,650	8,845	-	157,043



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue

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

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



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue (cont'd)

	Group					
	6 months ended 31 December 2020					
	GP clinics services S\$	Specialist care services S\$	Managed healthcare S\$	Pharmaceutic al services S\$	Mobile and digital health S\$	Group S\$
Types of goods or services						
Rendering of services						
– Medical services	6,621,023	4,792,408	-	-	-	11,413,431
– Managed healthcare solutions services	-	-	2,286,259	-	-	2,286,259
– Mobile and digital health services	-	-	-	-	1,845,201	1,845,201
Sales of goods	-	-	-	7,530,906	-	7,530,906
Total revenue	6,621,023	4,792,408	2,286,259	7,530,906	1,845,201	23,075,797
Timing of revenue recognition:						
At a point in time	6,621,023	4,792,408	2,286,259	7,530,906	1,845,201	23,075,797
Total revenue	6,621,023	4,792,408	2,286,259	7,530,906	1,845,201	23,075,797
Geographical information:						
Singapore	6,621,023	4,792,408	2,282,881	6,234,295	1,845,201	21,775,808
Others ⁽¹⁾	-	-	3,378	1,296,611	-	1,299,989
Total revenue	6,621,023	4,792,408	2,286,259	7,530,906	1,845,201	23,075,797

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



5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 December 2021 and 30 June 2021:

	Group		Company	
	31-Dec-21 S\$	30-Jun-21 S\$	31-Dec-21 S\$	30-Jun-21 S\$
Financial Assets:				
Financial assets at amortised cost	30,216,593	30,302,341	11,109,304	12,028,207
Financial assets at fair value through profit or loss (FVTPL)	8,276	8,276	-	-
At end of the period	30,224,869	30,310,617	11,109,304	12,028,207
Financial Liabilities:				
Financial liabilities at amortised cost	25,259,581	26,723,671	5,820,195	5,992,725
Financial liabilities at fair value through profit or loss (FVTPL)	878,562	878,562	-	-
At end of the period	26,138,143	27,602,233	5,820,195	5,992,725

6. Profit before taxation

6.1 Significant items

	Group	
	6 months ended 31 December	
	2021 S\$	2020 S\$
Income		
Other income ⁽¹⁾	(382,530)	(228,336)
Government grants ⁽²⁾	(365,152)	(965,963)
Interest income	-	(7,391)
Reversal of allowance for impairment on trade receivables	-	(1,926)
Foreign exchange gains	(45,582)	(48,210)
Expenses		
Interest expense	63,415	80,130
Lease interest expense	55,978	62,404
Amortisation of intangible assets	70,960	70,960
Depreciation of property, plant and equipment	400,053	435,006
Depreciation of right-of-use assets	947,885	925,653
Bad debts written off trade receivables	317	-
Allowance for impairment on trade receivables	5,507	-

Notes:

- (1) Other income mainly relates to rental rebates received from the various landlords during the period.
(2) Government grants mainly relate to Jobs Growth Incentive, Rental Support Scheme and Senior Employment Credit and in respect of HY2021, Jobs Support Scheme and Special Employment Credit.



6.2 Related party transactions

There are transactions and arrangements between the Group and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements.

	Group	
	6 months ended 31 December	
	2021	2020
	S\$	S\$
<u>Related parties:</u>		
Administrative fees income from an associate	3,677	-
Professional fees expenses	1,561,035	1,610,166
Payments in respect of a lease for premises	25,350	21,675

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	6 months ended 31 December	
	2021	2020
	S\$	S\$
<u>Current income tax expense</u>		
Deferred income tax expense relating to origination and reversal of temporary differences	(12,063)	(12,064)
Income tax expense	204,652	205,611
	192,589	193,547

8. Dividends

	Group	
	6 months ended 31 December	
	2021	2020
	S\$	S\$
<u>Ordinary dividends paid:</u>		
First & final one-tier tax-exempt dividend paid	478,143	706,820
Dividend per share (net of tax)	0.0023	0.0034



9. Earnings per share

	Group	
	6 months ended 31 December 2021	2020
Earnings attributable to equity holders of the Company	1,683,080	894,937
Weighted average number of Shares used in computation of basic earnings per share ("EPS")	207,888,352	207,888,352
Basic EPS attributable to equity holders of the Company (cents) ⁽¹⁾	0.81	0.43
Fully diluted EPS attributable to equity holders of the Company (cents) ⁽²⁾	0.81	0.43

Notes:

- (1) Basic EPS is computed by dividing the Group's earnings attributable to the equity holders of the Company in each financial period by the weighted average number of Shares outstanding during the respective financial period.
- (2) Fully diluted EPS are the same as the basic EPS for the financial periods presented in the table above as the Company did not have any outstanding instruments convertible into rights to subscribe for, and options in respect of its Shares during these financial periods.

10. Net asset value per share

	Group		Company	
	31-Dec-21	30-Jun-21	31-Dec-21	30-Jun-21
Net asset value ("NAV") per ordinary share (cents)	10.10	9.52	7.37	7.74
Number of Shares used in computation of NAV	207,888,352	207,888,352	207,888,352	207,888,352

Net asset value (for the Company and the Group) per ordinary share are computed based on the total number of issued shares (excluding treasury shares, if any) as at the end of the relevant financial period.



11. Intangible assets

	Group			Total S\$
	Goodwill S\$	Customer relationship S\$	Unpatented technology S\$	
At 30 June 2021				
Cost	5,190,858	131,027	810,000	6,131,885
Accumulated amortisation and impairment	-	(90,552)	(173,573)	(264,125)
Net book amount	5,190,858	40,475	636,427	5,867,760
6 months ended 31 December 2021				
Opening net book amount	5,190,858	40,475	636,427	5,867,760
Amortisation charge	-	(13,103)	(57,857)	(70,960)
Closing net book amount	5,190,858	27,372	578,570	5,796,800
At 31 December 2021				
Cost	5,190,858	131,027	810,000	6,131,885
Accumulated amortisation and impairment	-	(103,655)	(231,430)	(335,085)
Net book amount	5,190,858	27,372	578,570	5,796,800

11.1 Goodwill impairment

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units ("CGU") represents the Group's investment in the following subsidiaries:

Name of subsidiary:	Group	
	31- Dec-2021 S\$	30-Jun-2021 S\$
"My Family Clinic"		
Alliance Medical Group Pte. Ltd. ^(a)	1,101,541	1,101,541
My Family Clinic (PN) Pte. Ltd.	128,951	128,951
My Family Clinic (Hougang Central) Pte. Ltd.	780,000	780,000
My Family Clinic (Clementi 325) Pte. Ltd.	596,071	596,071
Sub-total	<u>2,606,563</u>	<u>2,606,563</u>
Jaga-Me Pte. Ltd.	2,584,295	2,584,295
Sub-total	<u>2,584,295</u>	<u>2,584,295</u>
Total	<u>5,190,858</u>	<u>5,190,858</u>

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

No impairment indicators were identified as at 31 December 2021 based on the CGU's business performance. The Group performed its annual impairment test in June 2021. The key assumptions used to determine the recoverable amount for the CGU were disclosed in note 17 of the audited annual consolidated financial statements for the year ended 30 June 2021.

12. Property, plant and equipment

During the six months ended 31 December 2021, the Group acquired assets amounting to S\$160,994 (31 December 2020: S\$157,043) and disposed of assets amounting to S\$3,100 (31 December 2020: S\$2,513).



13. Investment properties

The Group does not have any investment properties.

In the Company's balance sheet, the leasehold properties located at 25 Bukit Batok Crescent, Singapore 658066, are classified as investment properties as they are mostly leased out to subsidiaries. However, in the Group's consolidated balance sheet, these leasehold properties are classified as property, plant and equipment.

	Company	
	2021 S\$	2020 S\$
<u>Cost:</u>		
At 1 July and 31 December	4,693,069	4,233,069
<u>Accumulated depreciation:</u>		
At 1 July	762,953	663,693
Depreciation for the period	54,967	48,563
At 31 December	817,920	712,256
<u>Carrying value:</u>		
At 31 December	3,875,149	3,520,813

14. Loans and borrowings

	Group			
	As at 31 December 2021		As at 30 June 2021	
	Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
Amount repayable in one year or less, or on demand	861,960	734,800	861,960	935,700
Amount repayable after one year	4,572,346	-	5,008,343	-
Total	5,434,306	734,800	5,870,303	935,700

Details of any collaterals:

Term loans from DBS Bank Ltd. ("DBS Loans")

The DBS Loans amounting to S\$2.0 million as at 31 December 2021 (S\$2.1 million as at 30 June 2021) are secured by a first legal mortgage over certain of the Group's leasehold properties.

Term loan 1 from Oversea-Chinese Banking Corporation Limited ("OCBC Loan 1")

The OCBC Loan 1 amounting to S\$1.2 million as at 31 December 2021 (S\$1.3 million as at 30 June 2020) is secured by a first legal mortgage over the Group's leasehold property at Blk 325 Clementi Avenue 5, #01-139, Singapore 120325.

Term loan 2 from Oversea-Chinese Banking Corporation Limited ("OCBC Loan 2")

The OCBC Loan 2 amounting to S\$0.03 million as at 30 June 2021 was secured by a memorandum of charge (third party) over the shares of My Family Clinic (Clementi 325) Pte. Ltd. and My Family Clinic (St George) Pte. Ltd. OCBC Loan 2 is fully repaid as at 31 December 2021.



14. Loans and borrowings (cont'd)

Term loan from United Overseas Bank Limited (“UOB Loan 1”)

The UOB Loan 1 amounting to S\$1.7 million as at 31 December 2021 (S\$1.9 million as at 30 June 2021) is secured by a first fixed charge over 55% shares in the share capital of Jaga-Me Pte. Ltd. and a deed of subordination of all current and future non-trade loans/advances which are owing from Alliance Healthcare Pte. Ltd. to its shareholders/related parties.

Term loan from United Overseas Bank Limited (“UOB Loan 2”)

The UOB Loan amounting to S\$0.4 million as at 31 December 2021 (S\$0.4 million as at 30 June 2021) is a 20-year commercial property loan. It is secured by a first legal mortgage over certain of the Group’s leasehold property at 25 Bukit Batok Crescent, The Elitist, Singapore 658066.

Finance lease

Finance lease amounting to S\$0.1 million as at 31 December 2021 (S\$0.1 million as at 30 June 2021) relates to contracts undertaken by the Group for motor vehicles and equipment.

15. Share capital

	Group and Company			
	31 December 2021		30 June 2021	
	Number of shares	S\$	Number of shares	S\$
Beginning & end of period	207,888,352	14,684,250	207,888,352	14,684,250

There was no change in the Company’s share capital between 30 June 2021 (being the end of the previous period reported on) and 31 December 2021. The Company did not have any outstanding options or convertible instruments as at 31 December 2021 and 30 June 2021.

The Company did not have any treasury shares and subsidiary holdings as at 31 December 2021 and 30 June 2021.

The total number of issued shares, excluding treasury shares, as at 31 December 2021 and 30 June 2021, was 207,888,352.

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

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

All capitalised terms used herein shall have the same meaning as ascribed thereto in the announcement by the Company dated 19 December 2019 in relation to the proposed acquisition of 55% shareholding interest in Jaga-Me by the Company’s wholly-owned subsidiary, Alliance Healthcare Pte. Ltd. (“**AHPL**”).

Pursuant to the terms of the Amended and Restated SHA, AHPL shall have a Call Option to purchase all (and not only some) of the Jaga-Me Shares held by the Relevant Shareholders. Each Relevant Shareholder shall have a Put Option to sell all (and not only some) of such Relevant Shareholder’s respective Jaga-Me Shares to AHPL. The Call Option and Put Option, if exercised by AHPL or all of the Relevant Shareholders, comprise 292,854 of Jaga-Me Shares.



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

The Put Option is exercisable within 3 months from the date of Jaga-Me's audited accounts for the previous, most recently completed financial year which indicates:

- (i). Jaga-Me's net operating profit after tax ("**NOPAT**") is S\$1.5 million or higher, in which case the Put Option shall be exercisable at S\$4.80 per Jaga-Me Share; or
- (ii). Jaga-Me's NOPAT is below S\$1.5 million, but its operating revenue is S\$4 million or higher, in which case the Put Option shall be exercisable at S\$3.00 per Jaga-Me Share.

In any event, if the Put Option is not exercised on or before 30 June 2023, the Put Option shall irrevocably expire and shall lapse and shall cease to be exercisable.

The Put Option Consideration shall be satisfied, at the sole discretion of AHPL, by way of (i) a cash consideration; and/or (ii) shares in AHG; or (iii) a combination of a cash consideration and shares in AHG.

Based on Jaga-Me's audited accounts for the financial year ended 30 June 2021, its NOPAT was below S\$1.5 million but its operating revenue was above S\$4 million. Hence, the Put Option was exercisable at S\$3.00 per Jaga-Me Share.

During the period from 22 December 2021 to 3 January 2022, certain of the Relevant Shareholders ("**Exercising Shareholders**") exercised the Put Option by delivery of the duly signed Put Option Exercise Notice to AHPL. On 5 January 2022 the Exercising Shareholders and AHPL executed the instruments of transfer, pursuant to which the Exercising Shareholders have sold an aggregate of 240,210 Jaga-Me Shares ("**Put Option Shares**") at S\$3.00 per Jaga-Me Share for an aggregate cash consideration of S\$720,630 ("**Put Option Consideration**") to AHPL (the "**Transaction**"). The net asset value represented by such Put Option Shares as at 30 June 2021 is approximately S\$241,176.

The Put Option Shares represent approximately 9.6% of the issued share capital of Jaga-Me. Accordingly, following completion of the Transaction, the Group's shareholding interest in Jaga-Me has increased from 55.0% to 64.6%.

In accordance to the Amended and Restated SHA, AHPL shall pay to the Exercising Shareholders the Put Option Consideration within three (3) months from the date of the Put Option Exercise Notice. The Company intends to use the proceeds raised from its initial public offering to fund the Put Option Consideration.

The Transaction is not expected to have any material financial impact on the consolidated earnings per share and consolidated net tangible assets per share of Group for the current financial year ending 30 June 2022. None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Transaction (other than through their shareholdings in the Company).



17. Acquisition of an associate

Acquisition

On 22 September 2021, the Group through its wholly-owned subsidiary Alliance Healthcare Pte. Ltd. (“**AHPL**”), acquired 20% of the share capital in SG IMED Pte. Ltd. (“**SGiMed**”) for an aggregate cash consideration of S\$630,000 (the “**Acquisition**”). The net asset value represented by such shares is approximately S\$13,000. From that date the Group gained significant influence and the investee became an associate. The transaction was accounted for by the equity method of accounting.

Loan

In conjunction with the Acquisition, AHPL also granted a 2-year term loan of S\$610,000 (the “**Loan**”) to fund the operations and growth of SGiMED (the “**Facility Agreement**”) of which S\$300,000 was drawn down on 1 October 2021.

Upon the earlier of

- (i) two (2) years from the execution of the sales and purchase agreement; or
- (ii) SGiMED achieving a clinic subscription base of 500 clinics in respect of the Hummingbird Software.

AHPL has the right (but not the obligation) to assign its rights under the Facility Agreement to the controlling shareholders of SGiMed in exchange for such number of ordinary shares in SGiMED representing 10% of the share capital in SGiMED as at the date on which the completion of such transfer of shares in SGiMED is to take place (the “**Loan Assignment**”).

Option

In addition, AHPL was granted an option (the “**Option**”) to purchase from the controlling shareholders of SGiMed such number of shares in SGiMED representing 30% of the share capital in SGiMED as at the date of which the completion of such transfer of shares in SGiMED is to take place.

The Option can only be exercised upon the earlier of

- (i) three (3) years from the execution of the sales and purchase agreement; or
- (ii) SGiMED achieving a clinic subscription base of 800 clinics in respect of the Hummingbird Software.

The consideration payable upon the exercise of the Option shall be an amount equal to the sum of S\$3,070,000. The exercise of the Option is not conditional upon the Loan Assignment.

More information on the Acquisition, Loan and Option can be found in the Company’s announcements dated 8 September 2021 and 1 October 2021 in relation to the proposed acquisition of shares in the capital of SGiMed and drawdown of the Loan pursuant to the Facility Agreement respectively.

The expenses incurred of S\$51,260 in relation to the Acquisition have been classified as other expenses in the condensed consolidated statement of profit or loss.

The Group will engage an independent valuer to determine the fair values and to complete the purchase price allocation for the investment in associate at the end of the year.



18. Subsequent events

Save for the exercise of put option by Exercising Shareholders as disclosed in Note 16, there are no subsequent events to be disclosed or which would have led to adjustments to this set of unaudited interim financial statements.



F. Other information required by Appendix 7C of the Catalyst Rules

1A. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed consolidated statement of financial position of Alliance Healthcare Group Limited and its subsidiaries as at 31 December 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six month period then ended and certain explanatory notes have not been audited or reviewed.

1B. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

1C. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

2. Review of performance of the Group

Review of financial performance of the Group for HY2022 compared to HY2021

Revenue

Revenue increased by approximately S\$5.5 million or 23.8% from S\$ 23.1 million in HY2021 to S\$28.6 million in HY2022.

The overall increase in revenue was mainly attributable to an increase in sales generated by the mobile and digital health services business segment, GP clinic services business segment and managed healthcare solutions business segment. These were partially offset by a decrease in revenue from the pharmaceutical services business segment. Revenue from specialist care services business segment in HY2022 was comparable to the amount reported in HY2021.

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

- (a) Mobile and Digital Health Services

Revenue from mobile and digital health services increased by approximately S\$4.6 million or 255.6% from S\$1.8 million in HY2021 to S\$6.4 million in HY2022. This was mainly due to increased revenue from Jaga-Me generated from the provision of COVID-19 related medical services, including home swabs, onsite vaccination and telemedicine consultations for home recovery programme.



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

Review of financial performance of the Group for HY2022 compared to HY2021 (cont'd)

(b) GP Clinic Services

Revenue from GP clinic services increased by approximately S\$1.8 million or 26.9% from S\$6.7 million in HY2021 to S\$8.5 million in HY2022, mainly due to more patient visits arising from high prevalence of COVID-19 vaccination in the population and the easing of restrictions in Singapore during the reporting period.

(c) Managed Healthcare Solutions

Revenue from managed healthcare solutions business segment increased by approximately S\$0.3 million or 13.0% from S\$2.3 million in HY2021 to S\$2.6 million in HY2022, mainly due to higher patient volume arising from high prevalence of COVID-19 vaccination in the population and easing of restrictions in Singapore during the reporting period.

(d) Pharmaceutical Services

Revenue from pharmaceutical services decreased by approximately S\$1.2 million or 16.0% from S\$7.5 million in HY2021 to S\$6.3 million in HY2022. Local sales within Singapore decreased by S\$1.1 million and overseas sales decreased by S\$0.1 million in HY2022. This was mainly due to a decrease in demand for medical supplies from certain hospitals.

(e) Specialist Care Services

Revenue from specialist care services amounted to approximately S\$4.8 million in HY2022 which was comparable to the amount reported in HY2021.

Interest income

There was no interest income in HY2022 and the interest income in HY2021 was related to interest received from fixed deposit.

Other income and gains

Other income and gains, mainly consisting of government grants and incentives, decreased by approximately S\$0.4 million or 36.3% from S\$1.2 million in HY2021 to S\$0.8 million in HY2022, mainly due to the cessation of the Jobs Support Scheme for non-Tier 1 sectors for wages paid from July 2021 onwards.

Consumables and medical supplies used

Consumables and medical supplies used mainly relate to the Group's GP clinic services, specialist care services and pharmaceutical services business segments. Consumables and medical supplies used decreased by approximately S\$0.2 million or 3.1% from S\$8.5 million in HY2021 to S\$8.3 million in HY2022, mainly due to a decrease in medical supplies used of approximately S\$1.0 million for the pharmaceutical services business segment partially offset by an increase in medical supplies used of approximately S\$0.4 million for the GP clinic services business segment and S\$0.3 million for the mobile and digital health services business segment in line with the increase in their revenue.



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

Review of financial performance of the Group for HY2022 compared to HY2021 (cont'd)

Employee benefits expense

Employee benefits expense relates to salaries, bonuses, benefits, fees and other payment made to (i) the Group's employees, (ii) doctors (including locum and full-time GP doctors who may not be employees), (iii) nurses (including locum and full-time nurses who may not be employees) and (iv) specialists with whom the Group has entered into contracts for provision of medical services. In respect of such doctors (except for locum doctors and nurses who are paid on an hourly basis) and specialists with whom the Group entered into contracts, the amount of fees is generally determined based on a base salary and/or the profitability of the relevant clinic.

Employee benefits expense increased by approximately S\$3.8 million or 33.6% from S\$11.2 million in HY2021 to S\$15.0 million in HY2022, as a result of the following:

- (a) an increase of approximately S\$2.0 million relating to locum doctors and locum nurses in line with the increase in business activities in the GP clinic services and mobile and digital health services business segments;
- (b) an increase of approximately S\$1.4 million mainly due to the increase in salaries and defined contribution plan of employees as a result of an increase in headcount of employees and doctors; and
- (c) higher provision of staff performance bonus of approximately S\$0.4 million in recognition of their contribution to the Group.

Depreciation and amortisation expense

Depreciation and amortisation expense amounted to approximately S\$1.4 million in HY2022 which was comparable to the amount reported in HY2021.

Other losses

Other losses were not significant in HY2022.

Finance costs

Finance costs remained stable at S\$0.1 million in HY2021 and HY2022.

Other expenses

Other expenses increased by approximately S\$0.1 million or 6.4% from S\$1.7 million in HY2021 to S\$1.8 million in HY2022, mainly due to (i) professional fee relating to the investment in an associate; and (ii) an increase in recruitment, transport and telecommunication expenses in line with the increase in business activities in the GP clinic services business segment and mobile and digital health services business segment.

Share of results of an associate

This related to the share of the post-acquisition result of an associate which was acquired in September 2021.



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

Review of financial performance of the Group for HY2022 compared to HY2021 (cont'd)

Profit before tax

As a result of the above, profit before tax increased by approximately S\$1.4 million or 106.4% from S\$1.4 million in HY2021 to S\$2.8 million in HY2022.

Income tax

The Group incurred an income tax expense of approximately S\$0.2 million in HY2022 which was comparable to the amount reported in HY2021. This was a net effect of higher profit before tax in HY2022 and group relief utilised during HY2022.

Profit attributable to owners of parent, net of tax

As a result of the above, net profit attributable to equity holders of the Company increased by approximately S\$0.8 million from S\$0.9 million in HY2021 to S\$1.7 million in HY2022.

Financial performance by operating segments

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

In HY2021, the managed healthcare solutions, GP clinic services, specialist care services, pharmaceutical services and mobile and digital health services business segments contributed 9.9%, 28.7%, 20.8%, 32.6% and 8.0% of the Group's revenue, respectively.

Compared to HY2021, the net profit before tax margins of the GP clinic services and mobile and digital health services and the specialist care services business segment had improved while the net profit before tax margins of the pharmaceutical services and managed healthcare solutions business segments had decreased. Managed healthcare solutions business segment continued to be loss-making in HY2022 as patient volume has yet return to pre-COVID-19 level.

The Group's revenue is primarily generated from its operations in Singapore. The revenue generated from overseas mainly relate to its pharmaceutical services business segment. In HY2022, Singapore and overseas markets contributed approximately 95.7% and 4.3% of the Group's revenue respectively. In HY2021, Singapore and overseas markets contributed approximately 94.4% and 5.6% of the Group's revenue respectively.



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

Review of financial position of the Group as at 31 December 2021

Non-current assets

Non-current assets increased by approximately S\$0.4 million, from S\$15.9 million as at 30 June 2021 to S\$16.3 million as at 31 December 2021 mainly as a result of the following:

- (a) acquisition of 20% of the share capital in SGiMed for an aggregate cash consideration of S\$630,000 on 22 September 2021. From that date the Group gained significant influence and the investee became an associate. The Group shared a post-acquisition loss of approximately S\$23,000 of the associate for the period ended 31 December 2021; and
- (b) a decrease in the carry value of property, plant and equipment, right-of-use assets and intangible assets as a result of the depreciation and amortisation of S\$1.4 million, partially offset by renewal of leases of an aggregate value of S\$1.0 million and addition of new plant and equipment of S\$0.2 million.

Current assets

As at 31 December 2021, the Group's current assets amounted to S\$33.3 million which was comparable to the amount recorded as at 30 June 2021. This was the net effect of an increase in cash and cash equivalents of S\$1.7 million, an increase in inventories of S\$0.1 million mainly due to lower sales of medical supplies and a decrease in trade and other receivables of approximately S\$1.8 million as a result of better collection from corporations and insurers.

Total equity

Shareholders' equity increased by S\$1.2 million from S\$19.8 million as at 30 June 2021 to S\$21.0 million as at 31 December 2021 mainly as a result of an increase in retained earnings of S\$1.2 million (net profit attributable to equity holders of the Company of S\$1.7 million, offset by the payment of dividends of S\$0.5 million). Non-controlling interests increased by S\$0.8 million to S\$2.1 million.

Non-current liabilities

Non-current liabilities decreased by S\$0.4 million from S\$6.7 million as at 30 June 2021 to S\$6.3 million as at 31 December 2021 mainly due to repayment of non-current loans and borrowings of S\$0.4 million.

Current liabilities

Current liabilities decreased by S\$1.2 million, from S\$21.9 million as at 30 June 2021 to S\$20.7 million as at 31 December 2021, mainly due to a decrease in trade and other payables of S\$0.9 million largely attributable to the pharmaceutical services business segment in line with lower medical supplies purchased and repayment of non-controlling shareholders' loan of S\$0.3 million.



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

Review of statement of cash flow for HY2022

The Group generated net cash of S\$4.7 million from operating activities in HY2022, mainly due to operating cash flows before changes in the working capital of S\$4.0 million, net working capital inflows of S\$1.2 million and income taxes paid of S\$0.4 million.

The net working capital inflows was a result of mainly a decrease in trade and other receivables by S\$2.1 million, partially offset by a decrease in trade and other payables by S\$0.8 million and an increase in inventories by S\$0.1 million.

Net cash flows used in investing activities during HY2022 amounted to S\$1.1 million due to the net cash outflow arising from the acquisition of 20% of the share capital in SGiMed for an aggregate cash consideration of S\$0.6 million, the disbursement of a loan amounted S\$0.3 million to fund the operations and growth of SGiMed and the purchase of property, plant and equipment.

Net cash flows used in financing activities amounted to S\$1.9 million during HY2022, mainly due to the payment of lease liabilities of S\$0.6 million, the repayment of bank borrowings of S\$0.4 million, repayment of non-controlling shareholders' loan of S\$0.3 million and the payment of dividends of S\$0.5 million and S\$0.1 million to equity holders of the Company and non-controlling shareholders respectively.

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

There has not been any forecast or prospect statement in relation to the Group's results for the six months ended 31 December 2021 previously disclosed to shareholders.

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

Amidst Singapore's economic recovery and reopening, the Group observed an improvement in its businesses, particularly its managed healthcare solutions and GP clinic services segments, recording an increase in the number of visits to its self-owned and panel GP clinics.

The Group's mobile and digital health services segment has seen growth due to services related to Covid-19. We see the potential in this segment. We will continue to strengthen our digital technology capabilities to maintain our competitive advantage.



5. Dividend Information

5(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

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

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

No.

5(c) Date Payable

Not applicable.

5(d) Books Closure Date

Not applicable.

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

The Board is not recommending any interim dividend in respect of HY2022 as the Board wished to take into consideration the Group's full-year results of operations in view of the current uncertain COVID-19 situation and economic outlook.

7. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company did not obtain any general mandate from its shareholders in respect of any interested person transaction. The Company did not have any interested person transaction equal to or exceeding S\$100,000 during HY2022.

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

We, Barry Thng Lip Mong and Eugene Wong Hin Sun, being directors of the Company ("Directors"), hereby confirm on behalf of the board of Directors that, to the best of the Directors' knowledge, nothing has come to the attention of the board of Directors which may render the unaudited consolidated financial statements of the Group for the six months ended 31 December 2021 to be false or misleading in any material aspect.



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

The Company confirms that it has already procured signed undertakings from all of its Directors and relevant executive officers in the format as set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules.

10. Utilisation of proceeds from the Company's initial public offering ("IPO")

As at the date of this announcement, the status on the use of the IPO proceeds, after taking into account the Put Option Consideration of S\$720,630 (as detailed in note 16 to the condensed interim financial statements) is as follows:

	Allocated S\$'000	Utilised S\$'000	Balance S\$'000
(i) To expand business through (a) the expansion of network of self-owned GP clinics, specialist care services and medical facilities in Singapore as well as (b) acquisitions, joint ventures and/or strategic alliances	3,000	2,701	299
(ii) To invest in technology systems as part of the digital transformation of the delivery of healthcare services	500	500	–
(iii) To expand pharmaceutical services business	200	200	–
(iv) For general working capital requirements ⁽¹⁾⁽²⁾	1,028	1,028	–
(v) For payment of underwriting and placement commissions as well as listing expenses ⁽¹⁾	1,672	1,672	–
(vi) Gross proceeds from IPO	6,400	6,101	299

Notes:

- (1) The Company incurred actual IPO expenses of S\$1.672 million. The amount of S\$189,000 in excess of the estimated IPO expenses of S\$1.861 million has been re-allocated for general working capital purposes.
- (2) The Company has fully utilised the amount allocated for general working capital requirements for purchase of inventories.

The above utilisation is in accordance with the intended use of proceeds from the IPO as stated in the offer document dated 24 May 2019.

11. Acquisition or sale of shares in subsidiaries and/or associated companies under Rule 706(A)

Save as disclosed in note 16 and 17 to the condensed interim financial statements, there is no other acquisition and/or sale of shares in any subsidiaries or associated companies of the Group since 30 June 2021 (being the end of the previous period reported on) and up to the date hereof which is required to be reported under Rule 706(A) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules").



BY ORDER OF THE BOARD

BARRY THNG LIP MONG
Executive Chairman and CEO

10 February 2022

*This announcement has been reviewed by the Company's sponsor, RHB Bank Berhad, through its Singapore branch (the "**Sponsor**") in accordance with Rule 226(2)(b) of the Catalist Rules. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr Alvin Soh, Head, Corporate Finance, RHB Bank Berhad, Singapore branch, at 90 Cecil Street, #04-00 Singapore 069531, Telephone: +65 6320 0627*