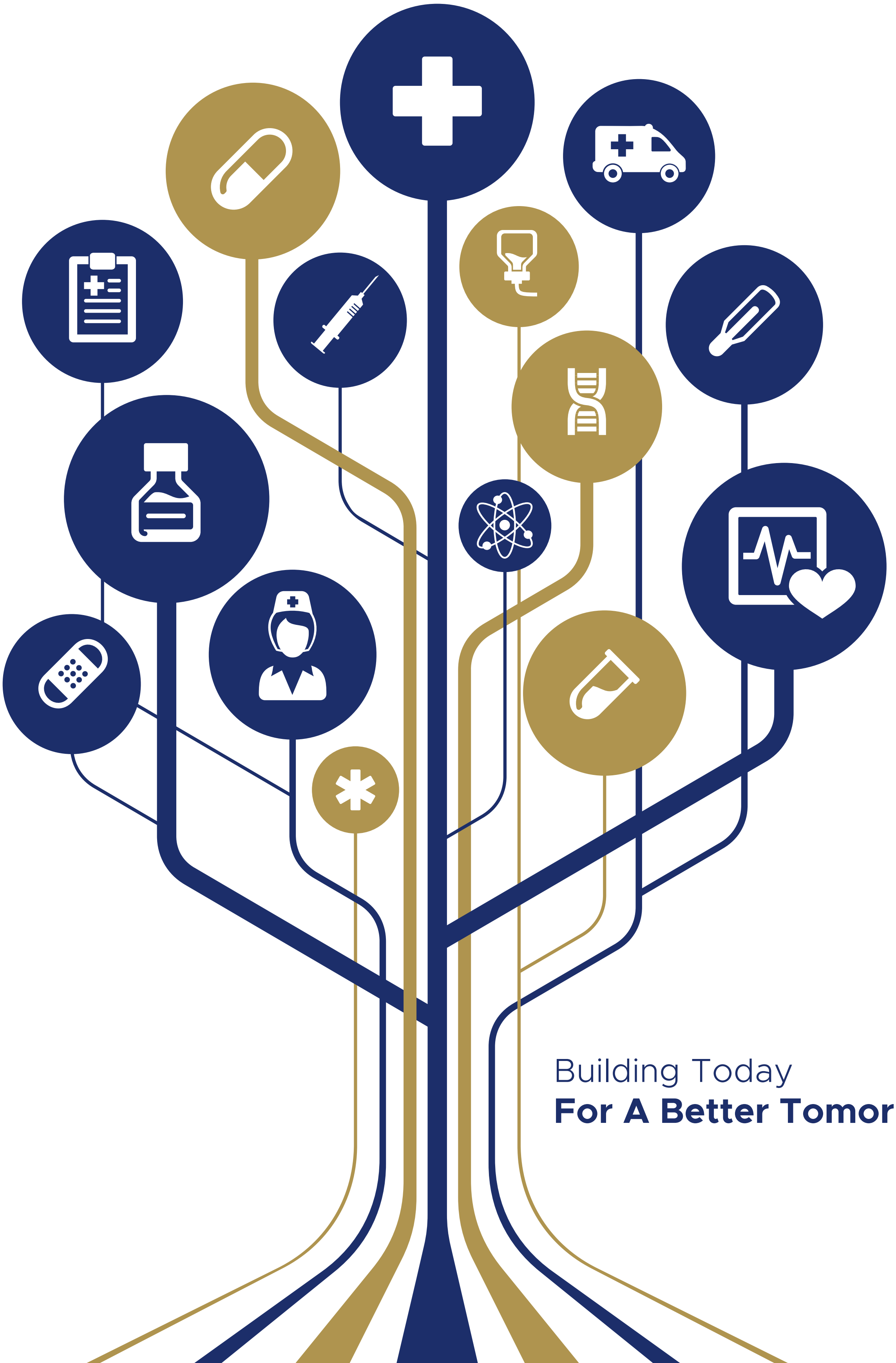
ALLIANCE

2023
Annual Report



Building Today
For A Better Tomorrow

CORPORATE PROFILE

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OUR VISION

We will empower people to lead healthy and vibrant lives in the community through our integrated ecosystem of care.

OUR MISSION

Be a leading healthcare innovation company that personalises and simplifies care delivery in the community.

Alliance is a reliable medical brand with both GP and in-house specialist clinics, a healthcare organisation specialising in corporate health solutions, a wholesale pharmaceutical company facilitating timely access of medications to the region, and a progressive healthcare company making quality medical care within reach through mobile and home care service.

As a physician-led and physician-driven healthcare organisation, we know what is important to those who matter to us – our patients. Since our inception, quality healthcare and evidence-based medical treatment for our patients have always been our priorities.

At Alliance, we strive to be a next-generation healthcare company that harnesses the power of technology and to provide cost-effective and personalised services for our patients and corporate clients. We believe that technology-driven business provides us with insights into disease trends and healthcare utilisation, which empower us to help our corporate clients and insurance partners to maximise their returns on their health dollar as well as improve the delivery of healthcare.

Since our establishment in 1994, Alliance has grown from a humble clinic into an integrated healthcare organisation that leverages technology to provide a broad suite of healthcare services primarily in Singapore.

At Alliance, keeping our patients healthy and happy is our top priority.

Jaga-Me is a mobile health company that enables patients to obtain healthcare services comfortably and safely, at home or at the workplace. Our digital platform and specialised care management programs connect patients to an extensive ecosystem of over 500 skilled healthcare professionals, including nurses, doctors and caregivers for quality, personalised care in the comfort of their home.

Jaga-Me partners with providers and insurers in order to help high- cost and high-risk patients navigate the healthcare system. Its wide array of services help users and their families to get the right care, in the right setting, at an affordable cost.

Since 2020, Jaga-Me has continued to be a key partner to the National Cancer Centre in administering cancer treatment to patients at home. This programme has garnered positive feedback from patients and doctors based on the level of services delivered by Jaga-Me.

During the year, Jaga-Me successfully clinched a Mobile Inpatient Care ("MIC") contract with Sengkang General Hospital and renewed our partnership with National University Health System for MIC@Home, where eligible patients are able to recuperate and heal within the familiar surroundings of their own home. Jaga-Me was also awarded the President's Certificate of Commendation (COVID-19) in recognition of its exceptional efforts which had a significant impact in Singapore's fight against COVID-19.

Jaga-Me offers various programmes and initiatives:

Jaga-LifeStyle – promotes wellbeing and preventive care strategies
Jaga-At-Heart – offers a full range of professional mobile care including medical, nursing, and activities of daily living management
Jaga-Dignity – serves as a one-stop service for palliative care

HeyAlly, Alliance's proprietary digital health app, provides instant access to our panel of doctors with personalised treatment plans available right at their fingertips. The digital health app provides user access to services such as on-demand medical advice through tele-consultation, second opinion and a comprehensive panel of medical services. It also comes with an online store which provides access to a range of healthcare and wellness solutions.

We have a team of family doctors, medical specialists, dentists and traditional medicine practitioners from over 800 partner clinics to provide medical services at a preferential rate.

HeyAlly aims to empower users to take charge of their own and family's health to receive quality and affordable healthcare services that echo their lifestyle and needs.

HeyAlly is available for download on Google Play and the Apple App Store.

MILESTONE KEY EVENTS

1994
Opened the 1st GP clinic under the "Serene Family Clinic" name (now known as "My Family Clinic (Tanglin Halt)").

1999
Opened GP clinics in Choa Chu Kang and Woodlands under the "My Family Clinic" name.

2000
Incorporation of Alliance Medical to consolidate the businesses and operations of the three clinics under the "My Family Clinic" name and to serve as our platform to grow our brand of primary healthcare services in Singapore.

2005
Incorporation of Alliance Medinet, marking our entry into the managed healthcare solutions business.

2006
Incorporation of the holding company, Alliance Healthcare Group. Appointed by AXA Insurance Pte. Ltd., our first insurance company, to provide them with managed healthcare solutions.

2008
Appointed by The Great Eastern Life Assurance Company Limited as their medical network administrator. Incorporation of Alliance Pharm to undertake the wholesale supply of pharmaceutical products and medical supplies to hospitals, pharmacies and clinics in Singapore.

2012
Entered into an agreement with Tan Tock Seng Hospital and National University Health System to provide cashless medical services for insured members or policyholders of insurance companies with whom we have entered into arrangements at their specialist outpatient clinics.

2013
Singapore Health Services (SingHealth) and Khoo Teck Puat Hospital agreed to provide cashless medical services for such insurance companies.

2014
Incorporation of Alliance Specialist Group to provide specialist care services. Acquisition of 100% equity interest in Ho Kok Sun Colorectal and Lim Jit Fong Colorectal. Incorporated My ENT Specialist, through which we established our first ENT clinics.

MILESTONE KEY EVENTS

2015

Developed and introduced our proprietary IT system, SIMS, to assist insurance companies in their hospital claims management, thereby enabling them to address the challenge of the escalating costs of private hospital admissions.

2016

Entered into arrangements with Aviva Ltd, an ISP provider, to provide them with managed healthcare solutions.

2018

Acquisition of 100% equity interests in Lee Clinic PL (subsequently renamed "My Family Clinic (Clementi 325)"), and the assets and business of a GP clinic (which was subsequently renamed "My Family Clinic (St George)"). Entered into an arrangement with QBE Insurance (Singapore) Pte. Ltd., to provide them with managed healthcare solutions. Awarded HRM Asia's Readers' Choice Award in the "Best Corporate – Healthcare Group" category. Opened specialist clinic, Elite Orthopaedics.

2019

Listed on the Catalist.
Entered into arrangement with Cigna Europe Insurance Company S.A. - N.V. Singapore Branch and EQ Insurance Company Ltd to provide them with managed healthcare solutions.

2020

Acquisition of 55% equity interest in Jaga-Me Pte. Ltd. an award-winning digital healthcare platform that enables consumers to use a mobile web application to obtain healthcare services comfortably and safely, at home or at the workplace.

Won contract to provide managed healthcare solutions to major healthcare institutions including Changi General Hospital, Singapore General Hospital and National Health Group Polyclinics, serving employees of these healthcare institutions and their dependants.

Entered into exclusive regional collaboration with Inova Care to explore regional health and dental benefit administration opportunities.

Won contract to provide medical services including claims processing, outpatient medical services and healthcare screening services to SMRT Group and/or their dependents who are eligible.

Established collaboration with DBS Bank to engage in joint marketing activities to promote each other's products, services and/or platforms including the provision of Allycare Programme to customers of DBS who purchase an insurance policy.

2021

Acquisition of 20% stake in SG IMED Pte. Ltd. ("SGIMED"), which develops and leases its proprietary software, Hummingbird Software – a fully-integrated and configurable B2B clinic management and electronic medical record solution for medical service providers.

Entered into an outsourcing agreement with Aviva Ltd, to provide services including managed healthcare solutions, claim administrative services, customer services, and nursing, home care and other medical supports to the Aviva's patient care programme.

2022

Received certificate of appreciation from the Ministry of Manpower for the support that Jaga-Me Mobile Health has rendered during the COVID-19 pandemic.

Awarded the Data Protection Trustmark certification by IMDA.

Launched Ally E-Services for private clinics in collaboration with SGIMED.

2023

My Family Clinic (Tanglin Halt) relocated to Margaret Drive.

Alliance Medinet Pte. Ltd. entered into a master supply and services agreement with Marina Bay Sands Pte. Ltd. for the provision of outpatient medical services and managed healthcare services.

CHAIRMAN'S MESSAGE

Our commitment to a comprehensive suite of healthcare services has fortified our market position.

DR. BARRY THNG LIP MONG
Executive Chairman and CEO

DEAR SHAREHOLDERS,

I am honoured to present the annual report of Alliance Healthcare Group Limited ("AHG" and subsidiaries, the "Group") for the financial year ended 30 June 2023 ("FY2023") on behalf of our esteemed Board of Directors.

FINANCIAL PERFORMANCE

In the wake of the post-pandemic phase in Singapore, the demand for COVID-19-related medical services has significantly reduced. This transition to the post-pandemic phase, and inflation-driven increases in drug and staffing costs, had impacted the Group's financials. The Group's revenue witnessed a year-on-year growth of 5.9% in FY2023, amounting to S$58.0 million, primarily driven by sales growth in key business segments, namely, managed healthcare solutions, pharmaceutical services and specialist care services. However, revenue from mobile and digital health services and GP clinic services experienced a decline.

The Group recorded a net profit of S$2.0 million and net profit attributable to owners of S$2.1 million in FY2023. Our commitment to a comprehensive suite of healthcare services has fortified our market position.

CHAIRMAN'S MESSAGE

DIVIDEND

In light of our positive performance, we proposed a first and final dividend of 0.3 Singapore cents, reflecting a payout ratio of 30%.

DECENTRALIZATION OF HEALTHCARE SERVICES

The pace of decentralization of healthcare services in Singapore has accelerated, as epitomised by the Healthier SG initiative. This initiative underscores health prevention and endeavours to foster enduring relationships between Singaporeans and their family doctors.

The Mobile Inpatient Care@Home ("MIC@Home") pilot, initiated in April 2022, has gained momentum. This initiative aims to bring hospital-level care to patients in their homes, leveraging the lessons learned from the COVID-19 pandemic, during which many treatments were provided within the community. Subsequently, Ministry of Health ("MOH") will allow MediSave claims for homebound patients through subvented home medical and home nursing providers starting from October 1, 2023. MOH's plans for enhancing subsidies and removing MediSave withdrawal limits for home palliative care and day hospice patients who use their own MediSave, will further promote accessibility to palliative care.

BUSINESS OUTLOOK

The Group envisions significant growth opportunities as Singapore grapples with an ageing population and escalating healthcare costs. The acceleration of healthcare service decentralization is viewed as a strategic approach to managing healthcare costs and providing viable alternatives for patient care. The Healthier SG initiative will allow primary care physicians to provide continuing care for their patients across the entire health continuum and is expected to increase demand for our GP services.

The MIC@Home program is expected to generate significant demand for our mobile care services when it evolves into a mainstream service offered by public and private hospitals. This transition will require some time, partly due to the complexities of implementing necessary healthcare financing changes.

APPRECIATION

As we navigate the post-pandemic landscape, I extend my heartfelt appreciation to our remarkable team for their resilience and dedication to our vision of enabling individuals to lead healthy and vibrant lives within our community. On behalf of the Board of Directors, I sincerely thank our shareholders, employees, and well-wishers for their unwavering support over the years.

BARRY THNG LIP MONG
Executive Chairman and CEO

OPERATING AND FINANCIAL REVIEW

FINANCIAL PERFORMANCE OF THE GROUP

REVENUE

Revenue increased by approximately S$3.2 million or 5.9% from S$54.8 million in FY2022 to S$58.0 million in FY2023.

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

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

(a) MANAGED HEALTHCARE SOLUTIONS

Revenue from managed healthcare solutions business segment increased by approximately S$3.0 million or 54.5% from S$5.5 million in FY2022 to S$8.5 million in FY2023, mainly due to higher patient volume, more corporate clients engaged and an additional in-house corporate clinic established in January 2023.

(b) PHARMACEUTICAL SERVICES

Revenue from pharmaceutical services increased by approximately S$4.2 million or 36.2% from S$11.6 million in FY2022 to S$15.8 million in FY2023. Local sales within Singapore and overseas sales increased by S$3.2 million and S$1.0 million respectively. The increase was mainly due to an increase in demand for medical supplies from certain hospitals, institutions and overseas clients.

(c) SPECIALIST CARE SERVICES

Revenue from specialist care services increased by approximately S$2.6 million or 24.1% from S$10.8 million in FY2022 to S$13.4 million in FY2023, mainly due to more local and overseas patients seeking procedures after the post-pandemic phase.

(d) MOBILE AND DIGITAL HEALTH SERVICES

Revenue from mobile and digital health services decreased by approximately S$5.9 million or 67.0% from S$8.8 million in FY2022 to S$2.9 million in FY2023. This was mainly due to a decrease in demand for COVID-19 related healthcare services in view of further easing of COVID-19 measures in Singapore and globally. The decrease was partially offset by an increase in demand for telemedicine services during the year.

OPERATING AND FINANCIAL REVIEW

(e) GP CLINIC SERVICES

Revenue from GP clinic services decreased by approximately S$0.9 million or 5.0% from S$18.1 million in FY2022 to S$17.2 million in FY2023, mainly due to less patient visit for pre-departure test ("PDT") after the removal of PDT requirements in April 2022 and the temporary closure of My Family Clinic (Tanglin Halt) ("MFC(TH)") since December 2021 due to Housing Development Board's clearance programme. MFC(TH) has been relocated to Margaret Drive and commenced operation in June 2023.

OTHER INCOME AND GAINS

Other income and gains, mainly consisting of government grants and incentives, decreased by approximately S$0.7 million or 35.0% from S$1.8 million in FY2022 to S$1.1 million in FY2023, mainly due to the cessation of the rental rebates for most of the clinics from July 2022 onwards. In FY2022, after the Court granted a discharge amounting to acquittal for all charges faced by the Relevant Clinics (as defined in the Company's announcement dated 29 June 2021), the Group reversed the provision of estimated legal fees and possible penalties of S$0.3 million made in FY2021 relating to the charges concerning a locum doctor.

CONSUMABLES AND MEDICAL SUPPLIES USED

Consumables and medical supplies used increased by approximately S$2.7 million or 16.8% from S$15.6 million in FY2022 to S$18.3 million in FY2023, mainly due to an increase of consumables and medical supplies used for the pharmaceutical services business segment and the specialist care service business segment in line with the increase in their revenue. The increase was partially offset by less consumables and medical supplies used for mobile and digital health services and GP clinics in line with the decrease in their revenue.

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.

Employee benefits expense increased by approximately S$1.9 million or 6.5% from S$29.4 million in FY2022 to S$31.3 million in FY2023. This was mainly due to the net effect of the following:

(a) an increase of approximately S$4.5 million mainly due to the increase in salaries and defined contribution plan of employees as a result of an increase in headcount of employees and doctors and increase in business activities in the Managed Healthcare Solutions and Specialist Care Services business segments; and

(b) a decrease of approximately S$2.6 million relating to locum doctors and locum nurses in line with the decrease in business activities in the mobile and digital health services business segments.

DEPRECIATION AND AMORTISATION EXPENSE

Depreciation and amortisation expense amounted to approximately S$2.8 million in FY2023 which was comparable to the amount reported in FY2022.

FINANCE COSTS

Finance costs increased by approximately S$0.2 million or 84.7% from S$0.2 million in FY2022 to S$0.4 million in FY2023, due to additional loan drawn down and increased interest rate during the year.

OTHER EXPENSES

Other expenses increased by approximately S$0.7 million or 21.0% from S$3.4 million in FY2022 to S$4.1 million in FY2023, mainly due to higher marketing expense and distribution costs amid general global inflation in FY2023.

SHARE OF RESULTS OF AN ASSOCIATE

The Group's share of losses from an associate in FY2023 was S$82,000 as compared to the share of losses of S$66,000 in FY2022.

PROFIT BEFORE TAX

As a result of the above, profit before tax decreased by approximately S$2.8 million or 56.5% from S$5.0 million in FY2022 to S$2.2 million in FY2023.

INCOME TAX

The Group incurred an income tax expense of approximately S$0.1 million in FY2023 compared to an income tax expense of approximately S$0.6 million in FY2022. This was the net effect of lower profit before tax and tax refund received in respect of Group relief and utilisation of trade losses of prior years in FY2023.

OPERATING AND FINANCIAL REVIEW

PROFIT ATTRIBUTABLE TO OWNERS OF PARENT, NET OF TAX

As a result of the above, net profit attributable to owners of the Company decreased by approximately S$1.0 million from S$3.1 million in FY2022 to S$2.1 million in FY2023.

FINANCIAL PERFORMANCE BY OPERATING SEGMENTS

In FY2023, the managed healthcare solutions, GP clinic services, specialist care services, pharmaceutical services and mobile and digital health services business segments contributed 14.7%, 29.8%, 23.1%, 27.3% and 5.1% of the Group's revenue, respectively. In FY2022, the managed healthcare solutions, GP clinic services, specialist care services, pharmaceutical services and mobile and digital health services business segments contributed 10.0%, 33.0%,19.7%,21.2% and 16.1% of the Group's revenue, respectively.

Compared to FY2022, the net profit before tax margins of the pharmaceutical services had improved while the net profit before tax margin of the GP clinic services and specialist care services business segment had decreased. Managed healthcare solutions business segment turned profitable in FY2023 with higher volume of patient visits as Singapore entered the post-pandemic phase and an additional in-house corporate clinic was established since January 2023. However, mobile and digital health services business segment recorded a loss in FY2023 due to the decline in demand for COVID-19 related services in view of further easing of COVID-19 measures in Singapore as well as globally.

The Group's revenue is primarily generated from its operations in Singapore. The revenue generated from overseas mainly relates to its pharmaceutical services business segment. In FY2023, Singapore and overseas markets contributed approximately 93.6% and 6.4% of the Group's revenue respectively.

FINANCIAL POSITION OF THE GROUP

NON-CURRENT ASSETS

Non-current assets increased by approximately S$2.6 million to S$18.6 million as at 30 June 2023 mainly as a net result of an increase in the carrying value of property, plant and equipment ("PPE") and right-of-use assets of approximately S$2.7 million as a result of additions of PPE and renewal of leases partially offset by depreciation and amortisation, a loan of S$0.2 million to an associate and share of losses from an associate of approximately S$82,000 for FY2023.

CURRENT ASSETS

Current assets increased by approximately S$10.7 million to S$46.3 million as at 30 June 2023. This was the net effect of an increase in trade and other receivables of approximately S$10.4 million, an increase of other non-financial assets of $0.7 million and an increase of inventory of S$0.8 million, partially offset by a decrease in cash and cash equivalents of S$1.1 million.

The increase in trade and other receivables was mainly due to the increased service provision, increased sales of medical supplies and increased medical claims towards end of FY2023 which were pending for verification and reimbursement by insurers and corporate clients as at 30 June 2023.

The increase in other non-financial assets was mainly due to the deposit paid for the new warehouse leased for our pharmaceutical business segment.

The increase of inventory was in line with the increased sales of medical supplies, commencement of an additional corporate clinic in January 2023, reopening of MFC(TH) in June 2023 and opening an additional corporate clinic in July 2023.

TOTAL EQUITY

Shareholders' equity increased by S$0.6 million to S$22.8 million as at 30 June 2023 mainly as a net result of an increase in retained earnings of S$1.1 million (net profit attributable to equity holders of the Company of S$2.0 million, offset by the payment of dividends of S$0.9 million), recognition of value of employee services amounting to S$80,200 for Group's performance shares awarded on 3 January 2023 to certain employees of the Group pursuant to the Alliance Healthcare Group Performance Share Plan 2022, acquisition of 1 million of the Company's ordinary shares by way of on-market purchase for a total consideration of S$173,960 and acquisition of additional shares from certain non-controlling shareholder of which a capital reserve of S$0.5 million was recorded.

NON-CURRENT LIABILITIES

Non-current liabilities increased by S$4.0 million to S$9.7 million as at 30 June 2023 mainly due to additional non-current loans and borrowings of S$2.9 million for business operation and acquisition of leasehold properties, and additional non-current lease liabilities of S$1.2 million in line with additional and renewal of leases during the year.

OPERATING AND FINANCIAL REVIEW

CURRENT LIABILITIES

Current liabilities increased by S$9.4 million to S$31.5 million as at 30 June 2023, mainly due to an increase in trade and other payables of S$8.3 million largely attributable to the managed healthcare solutions and pharmaceutical services business segments, additional loans and borrowings of S$0.7 million after netting loan repayments and increased lease liabilities of S$0.4 million partially offset by a decrease in other non-financial liabilities following the expiring of the put option on 30 June 2023.

CASH FLOW

The Group generated net cash of S$2.5 million from operating activities in FY2023, mainly due to operating cash flows before changes in the working capital of S$5.5 million, partially offset by net working capital outflows of S$2.8 million and income taxes paid of S$0.2 million.

The net working capital outflows was mainly a result of an increase in trade and other receivables by S$10.5 million and an increase in inventories by S$0.8 million, partially offset by an increase in trade and other payables by S$8.6 million.

Net cash flows used in investing activities during FY2023 amounted to S$3.3 million were mainly due to the purchase of property, plant and equipment of S$2.3 million, the acquisition of Jaga-Me shares from a Jaga-Me Co-Founder and Put Option Shares for a cash consideration of S$0.8 million and S$20,200 respectively and the disbursement of a loan amounted S$0.2 million to an associate.

Net cash flows used in financing activities amounted to S$0.3 million during FY2023, mainly due to the payment of lease liabilities of S$2.0 million, the repayment of bank borrowings and interest of S$1.1 million and S$0.3 million respectively, the payment of dividends of S$0.9 million and S$0.4 million to equity holders of the Company and non-controlling shareholders respectively and share buyback of S$0.2 million, repayment of non-controlling shareholders' loan of S$0.1 million, partially offset by the new loan of S$4.7 million.

LIST OF CLINICS

GENERAL PRACTITIONER CLINICS

1. **MY FAMILY CLINIC (ANCHORVALE)**
Blk 326A Anchorvale Road
#01-260
Singapore 541326
Tel: 6702 3963

2. **MY FAMILY CLINIC (ANGSANA BREEZE @ YISHUN)**
Blk 507 Yishun Avenue 4
#01-05
Singapore 760507
Tel: 6753 0178

3. **MY FAMILY CLINIC (CHOA CHU KANG)**
Blk 475 Choa Chu Kang Ave 3
#02-01 Sunshine Place
Singapore 680475
Tel: 6767 4566

4. **MY FAMILY CLINIC (CLEMENTI)**
Blk 420A Clementi Avenue 1
#01-05 Casa Clementi
Singapore 121420
Tel: 6694 2574

5. **MY FAMILY CLINIC (CLEMENTI 325)**
Blk 325 Clementi Avenue 5
#01-139
Singapore 120325
Tel: 6778 4608

6. **MY FAMILY CLINIC (HOUGANG CENTRAL)**
Blk 804 Hougang Central
#01-118
Singapore 530804
Tel: 6385 2117

7. **MY FAMILY CLINIC (PIONEER)**
Blk 638 Jurong West St 61
#02-09 Pioneer Mall
Singapore 640638
Tel: 6861 1182

8. **MY FAMILY CLINIC (PUNGGOL CENTRAL)**
Blk 301 Punggol Central
#01-02
Singapore 820301
Tel: 6853 7351

LIST OF CLINICS

9. **MY FAMILY CLINIC (RIVERVALE)**
11 Rivervale Crescent
#02-11A Rivervale Mall
Singapore 545082
Tel: 6881 1978

10. **MY FAMILY CLINIC (SEGAR)**
Blk 485 Segar Road
#01-508
Singapore 670485
Tel: 6710 7269

11. **MY FAMILY CLINIC (SENJA)**
Blk 628 Senja Road
#01-04 Senja Grand
Singapore 670628
Tel: 6314 0638

12. **MY FAMILY CLINIC (ST GEORGE)**
2 St George's Road
Singapore 328023
Tel: 6292 2128

13. **MY FAMILY CLINIC (TANGLIN HALT)**
Blk 40 Margaret Drive
#01-01
Singapore 140040
Tel: 6473 8920

14. **MY FAMILY CLINIC (TOA PAYOH CENTRAL)**
Blk 79D Toa Payoh Central
#01-53
Singapore 314079
Tel: 6238 0301

15. **MY FAMILY CLINIC (WOODLANDS)**
Blk 768 Woodlands Ave 6
#02-07 Woodlands Mart
Singapore 730768
Tel: 6884 0658

16. **MY FAMILY CLINIC (WOODLANDS GLEN)**
Blk 573 Woodlands Drive 16
#01-09 Woodlands Glen
Singapore 730573
Tel: 6732 1520

SPECIALIST CLINICS

1. **ELITE ORTHOPAEDICS**
Mount Elizabeth Medical
Centre 3 Mount Elizabeth
#12-10
Singapore 228510
Tel: 6836 8000

2. **HO KOK SUN COLORECTAL**
Mount Elizabeth Medical
Centre 3 Mount Elizabeth
#12-09
Singapore 228510
Tel: 6737 2778

3. **LIM JIT FONG COLORECTAL CENTRE**
Gleneagles Medical Centre
6 Napier Rd, #09-09
Singapore 258499
Tel: 6476 0181

4. **MY ENT SPECIALIST**
Mount Elizabeth Novena
Specialist Centre
38 Irrawaddy Road,
#09-24,
Singapore 329563

5. **MY ENT SPECIALIST**
Farrer Park Hospital
1 Farrer Park Station
Road, #10-20 Connexion,
Singapore 217562
Tel: 6397 5280

CORPORATE CLINICS

1. **SMRT MEDICAL CLINIC @ WOODLANDS DEPOT**
60 Woodlands Industrial Park E4
Singapore 757705
Tel: 9299 8563

2. **SMRT MEDICAL CLINIC @ BISHAN DEPOT**
300 Bishan Road
Singapore 579828
Tel: 9139 8667

3. **MY CORPORATE CLINIC @ GLOBALFOUNDRIES**
60 Woodlands Industrial Park D St. 2,
Singapore 738406
Tel: 6670 3333

4. **MBS-ALLIANCE IN-HOUSE CLINIC**[1]
10 Bayfront Avenue Marina Bay Sands
Singapore 018956
Tel: 6688 1651

Note:
1. Date of commencement: 1 July 2023

FINANCIAL HIGHLIGHTS

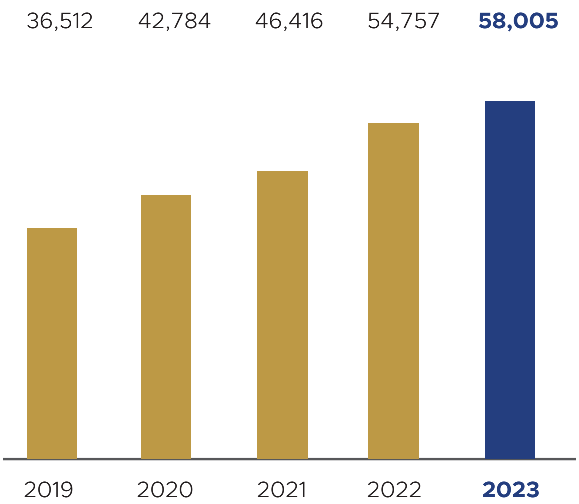
REVENUE
58,005 (S$'000)

EBITDA[1]
5,463 (S$'000)

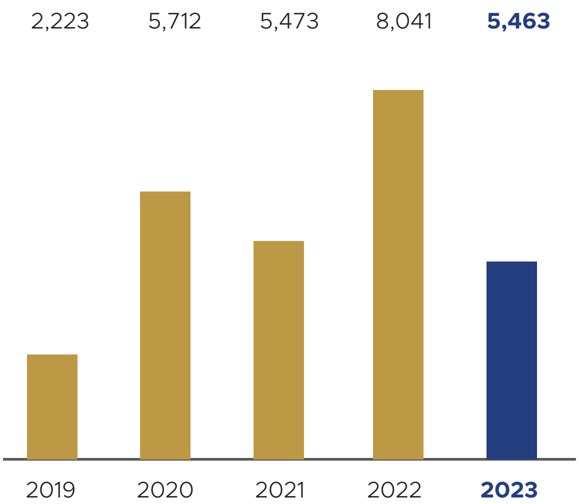
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT, NET OF TAX
2,091 (S$'000)

EQUITY, ATTRIBUTABLE TO OWNERS OF THE PARENT
22,814 (S$'000)

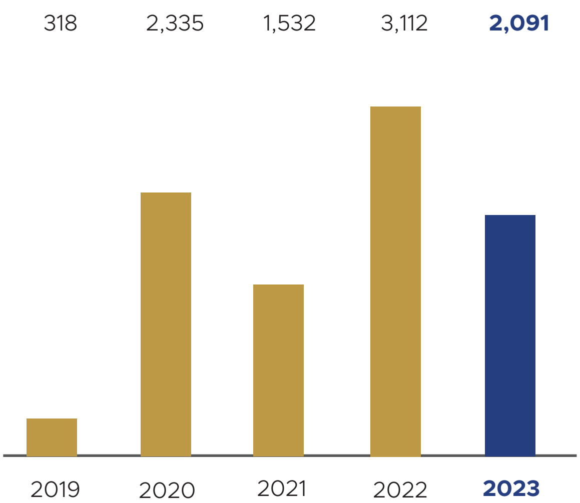
REVENUE
(S$'000)



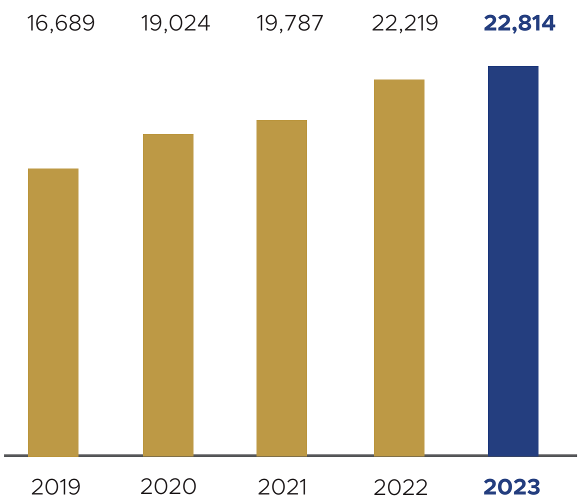
EBITDA
(S$'000)



PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT, NET OF TAX
(S$'000)



EQUITY, ATTRIBUTABLE TO OWNERS OF THE PARENT
(S$'000)



Note:
1. EBITDA: Earnings before Interest, Tax, Depreciation and Amortisation.

CORPORATE STRUCTURE

ALLIANCE HEALTHCARE GROUP LIMITED

- 100% ALLIANCE MEDICAL GROUP PTE LTD
  - 100% MY FAMILY CLINIC (CCK) PTE. LTD.
  - 100% MY FAMILY CLINIC (TH) PTE. LTD.
  - 100% MY FAMILY CLINIC (WD) PTE. LTD.
  - 100% MY FAMILY CLINIC (RV) PTE. LTD.
  - 100% MY FAMILY CLINIC (PN) PTE. LTD.
  - 100% MY FAMILY CLINIC (SJ) PTE. LTD.
  - 100% MY FAMILY CLINIC (TPY) PTE. LTD.
  - 100% MY FAMILY CLINIC (PUNGGOL CENTRAL) PTE. LTD.
  - 75% MY FAMILY CLINIC (HOUGANG CENTRAL) PTE. LTD.
  - 80% ALLIANCE HEALTH INVESTMENT PTE. LTD.
    - 70% MY FAMILY CLINIC (CLEMENTI) PTE. LTD.
    - 100% MY FAMILY CLINIC (SEGAR) PTE. LTD.
    - 60% MY FAMILY CLINIC (ANCHORVALE) PTE. LTD.
    - 100% MY FAMILY CLINIC (PUNGGOL WATERWAY TERRACE) PTE. LTD.[1]
  - 60% MY FAMILY CLINIC (ANGSANA BREEZE @ YISHUN) PTE. LTD.
  - 100% MY FAMILY CLINIC (CLEMENT 325) PTE. LTD.
  - 100% MY FAMILY CLINIC (ST GEORGE) PTE. LTD.
  - 100% MY FAMILY CLINIC (WOODLANDS GLEN) PTE. LTD.
  - 100% MY CORPORATE CLINIC PTE. LTD.
- 100% ALLIANCE PHARM PTE. LTD.
- 100% ALLIANCE MEDINET PTE. LTD.
  - 100% ALLIANCE MEDINET (M) SDN. BHD.
- 100% ALLIANCE HEALTHCARE PTE. LTD.
  - 20% SG IMED PTE. LTD.
  - 75.3% JAGA-ME PTE. LTD.
    - 100% JAGA-ME MEDICAL PTE. LTD.
- 100% ALLIANCE SPECIALIST GROUP PTE. LTD.
  - 100% HO KOK SUN COLORECTAL PTE. LTD.
  - 100% LIM JIT FONG COLORECTAL CENTRE PTE. LTD.
  - 100% MY ENT SPECIALIST PTE. LTD.
  - 51% ELITE ORTHOPAEDICS PTE. LTD.

Note:

1. My Family Clinic (Punggol Waterway Terrace) Pte. Ltd. has been struck off from the Register on 7 August 2023.

BOARD OF DIRECTORS

DR. BARRY THNG LIP MONG
Executive Chairman and CEO

Dr. Barry Thng Lip Mong is our Executive Chairman and CEO and was appointed to our Board on 6 June 2006.

He is a founder of our Group and is responsible for the overall business and strategic direction of our Group. As Head of the GP Clinic Services business segment, Dr. Thng also oversees the strategic direction and day-to-day management of this segment.

Dr. Thng graduated from the National University of Singapore with a Bachelor of Medicine and Bachelor of Surgery in 1991 and obtained a Master of Medicine (Family Medicine) from the National University of Singapore in 1998. He also received a Graduate Diploma in Family Practice Dermatology from the National University of Singapore in 2000. Dr. Thng has been a fellow of the College of Family Physicians, Singapore and the Academy of Medicine, Singapore since 2002 and 2014, respectively.

DR. MOK KAN HWEI, PAUL
Executive Director

Dr. Mok Kan Hwei, Paul is our Executive Director and was appointed to our Board on 28 March 2019.

He assists Dr. Thng with the overall corporate strategy and strategic planning of our Group and oversees the specialist care services business segment of our Group. As Head of the Specialist Care Services business segment, Dr. Mok also oversees the strategic direction and day-to-day management of this segment. Dr. Mok is also the Medical Director of our subsidiary, My ENT Specialist Pte. Ltd..

Dr. Mok graduated from the National University of Singapore with a Bachelor of Medicine and Bachelor of Surgery in 1991. He obtained a Diploma of Fellowship from the Royal College of Surgeons and Physicians of Glasgow in 1997.

Dr. Mok is currently Chairman of the Chapter of Otorhinolaryngologist, College of Surgeons, Academy of Medicine Singapore. He is also the committee member of Otorhinolaryngology Residency Advisory Committee of the Specialists Accreditation Board.

BOARD OF DIRECTORS

MR. WONG HIN SUN, EUGENE
Lead Independent Director

Mr. Wong Hin Sun, Eugene is our Lead Independent Director and was appointed to our Board on 28 March 2019.

He founded Sirius Venture Capital Pte. Ltd., a venture investment company, in September 2002, and has been its managing director since its incorporation. He is currently Chairman of Tangram Asia Capital LLP and non-executive Deputy Chairman of NTUC Learninghub Pte Ltd. He is also non-executive Vice-Chairman of Japan Foods Holding Ltd, Deputy non-executive Chairman of Jason Marine Group Limited and lead independent director of APAC Realty Limited. He sits on the board of Singapore Cruise Centre Pte Ltd.

Mr. Wong graduated from the National University of Singapore with a bachelor of business administration (first-class honours) in 1992, and obtained a master of business administration from the Imperial College of Science, Technology and Medicine at the University of London in 1998. In 2011, Mr Wong completed the Owners President Management Program from the Harvard Business School. He has been qualified as a Chartered Financial Analyst (CFA) since 2001. He is a Fellow of the Singapore Institute of Directors (SID), UK Institute of Directors (IoD) and Australia Institute of Company Directors (AICD).

MR. LIM HENG CHONG BENNY
Independent Director

Mr. Lim Heng Chong Benny is our Independent Director and was appointed to our Board on 28 March 2019.

Mr. Lim has been in legal practice in Singapore as an Advocate and Solicitor of the Supreme Court of Singapore for more than 20 years. He is currently a partner at Chris Chong & CT Ho LLP where he focuses his practice on fund management and investment advisory matters, financial services regulatory compliance as well as the structuring and establishment of Singapore and offshore funds. His other main areas of practice include corporate finance, mergers and acquisitions, cross-border joint ventures and investments, and regulatory compliance for listed companies and registered charities.

Mr. Lim holds a Bachelor of Laws and a Master of Laws, both from the National University of Singapore.

DR. LEONG PENG KHEONG ADRIAN FRANCIS
Independent Director

Dr. Leong Peng Kheong Adrian Francis is our Independent Director and was appointed to our Board on 27 February 2019.

Dr. Leong has more than 40 years of experience in the medical industry. He was Chief of the Department of Surgery at the National University Hospital as well as Vice Chairman of the Medical Board. He was also an elected member of the Singapore Medical Council.

Dr. Leong graduated from the National University of Singapore with a Bachelor of Medicine and Bachelor of Surgery in 1983 and obtained a Master of Medicine (Surgery) in 1988.

KEY MANAGEMENT

MS. KAREN JI CUIHUA
Chief Financial Officer

Ms. Karen Ji Cuihua joined the Group in August 2021 and is responsible for overseeing the financial matters and corporate affairs of our Group. Ms. Ji started her accounting career with Deloitte & Touche LLP and subsequently worked in the internal audit department at Ministry of Health. Prior to joining our Group, she has worked with various SGX listed companies as a chief financial officer.

Ms. Ji holds a Bachelor of Science (First Class Honours) in Applied Accounting from Oxford Brookes University. She is a member of the Institute of Singapore Chartered Accountants.

MS. JENNY OH
Chief Operating Officer

Ms. Jenny Oh joined our Group in January 2019 and oversees and manages the operations of our Group. Prior to joining our Group, she has worked with various insurers holding senior management positions, gaining deep experience in the insurance industry.

Ms. Oh holds a Bachelor of Business from Monash University.

MS. ONG KAI KOON, KAREN
Head of Managed Healthcare Solutions
Executive Vice-President of Alliance Medinet

Ms. Ong Kai Koon, Karen has been with our Group since 2017 and is responsible for overseeing our Group's Managed Healthcare business unit and operations. Prior to joining our Group, she was with various corporate solution providers holding senior management position.

Ms. Ong holds a Diploma in Marketing Management from the Management Development Institute of Singapore and a Certificate in Health Insurance Examination from Singapore College of Insurance.

MR. WONG CHIEN YEH
Head of Pharmaceutical Services

Mr. Wong Chien Yeh has been with our Group since 2008 and is responsible for overseeing the pharmaceutical services business unit of our Group. Prior to joining our Group, Mr. Wong has worked with other pharmacies as well as pharmaceutical trading company.

Mr. Wong is a Registered Pharmacist and holds a Bachelor of Science (Pharmacy) from the National University of Singapore.

FINANCIAL CONTENT

SUSTAINABILITY REPORT

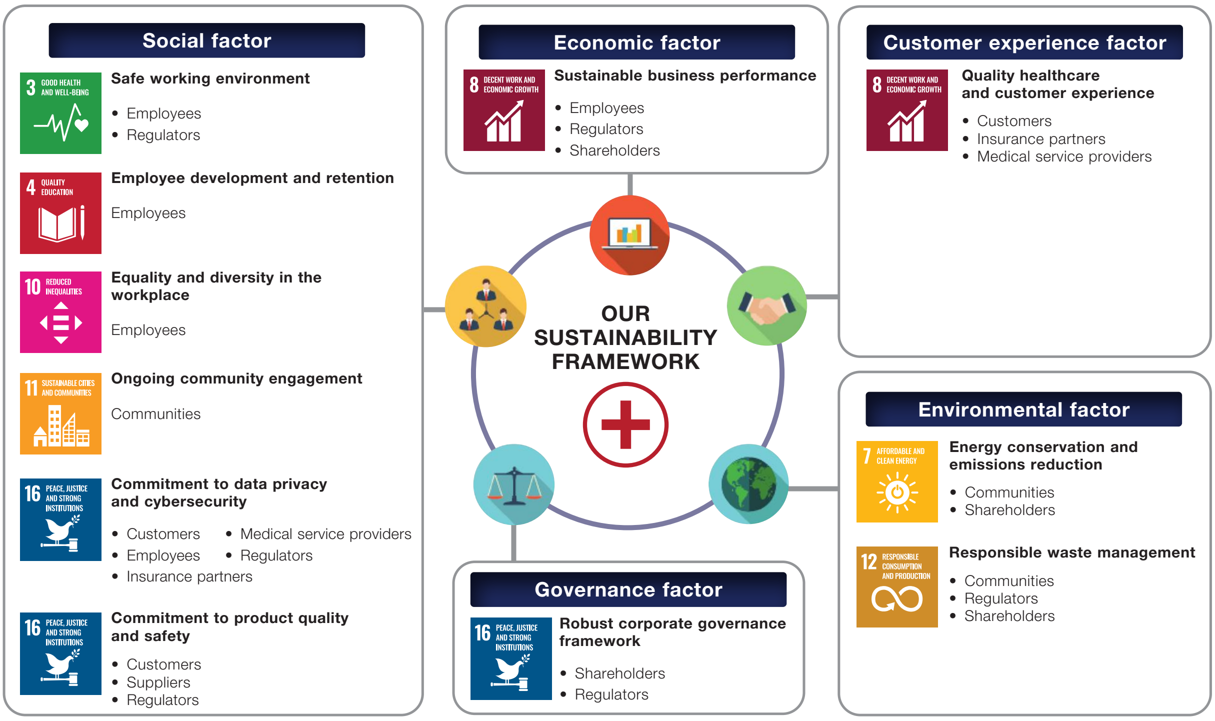
1. BOARD STATEMENT

The Board of Directors ("Board") reaffirms our commitment to sustainability with the publication of our sustainability report ("Report"). For this Report, we provide insights into the way we do business, while highlighting our environmental, social, governance ("ESG") factors, economic performance and customer experience (collectively as "Sustainability Factors").

The Board is committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure a long-term future of Alliance Healthcare Group Limited (the "Company" and together with its subsidiaries, the "Group"). In line with our commitment, the Board have considered sustainability issues as part of its strategic formulation, determined the material Sustainability Factors and overseen the management and monitoring of the material Sustainability Factors.

A sustainability policy ("SR Policy") covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors has been put in place and serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, taking into account the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

Our sustainability framework communicates our commitment towards supporting the United Nations' Sustainable Development Goals ("SDGs" or "Global Goals") and is supported by our key stakeholders. We work closely with stakeholders in our value chain and their inputs drive our sustainability focus on our material Sustainability Factors and the SDGs as follows:



SUSTAINABILITY REPORT

A summary of our key sustainability performance in FY2023 is as follows:

Sustainability factor	Performance indicator	Sustainability performance	
		FY2023	**FY2022**
Customer experience	Negative customer feedback rate	**Less than 1%**	Less than 1%
Economic	Tax to government	**S$0.15 million**	S$0.64 million
	Employee benefits expense	**S$31.33 million**	S$29.42 million
	Dividends paid to shareholders	**S$0.93 million**	S$0.48 million
	Reinvestment via retained earnings	**S$1.16 million**	S$2.63 million
Environmental	Greenhouse gas ("GHG") emissions (tonnes CO_2e)	**179.67**	191.45
	GHG emissions intensity (tonnes CO_2e/revenue S$'000)	**0.003**	0.003
	Number of non-compliance incident with environmental laws and/or regulations	**–**	–
Social	Number of substantiated complaints concerning breaches of customer privacy and loss of customer data[1]	**–**	–
	Number of reported incident of unlawful discrimination[2] against employees	**–**	–
	Number of workplace fatalities	**–**	–
	Number of high-consequence[3] work-related injuries	**–**	–
	Number of recordable work-related injuries	**–**	–
	Number of recordable work-related ill-health[4]	**–**	–
Governance	Number of complaint on serious offence[5]	**–**	–

The Group envisions significant growth opportunities as Singapore grapples with an ageing population and escalating healthcare costs. The acceleration of healthcare service decentralization is viewed as a strategic approach to managing healthcare costs, providing viable alternatives for patient care and promoting the long-term sustainability of healthcare services. The Healthier SG initiative will allow primary care physicians to provide continuing care for their patients across the entire health continuum and is expected to increase demand for our GP services.

The Mobile Inpatient Care@Home is expected to generate significant demand for our mobile care services when it evolves into a mainstream service offered by public and private hospitals. This transition will require some time, partly due to the complexities of implementing necessary healthcare financing changes.

2. REPORTING FRAMEWORK

This Report has been prepared in accordance with 711A and 711B of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist and with reference to the Global Reporting Initiative ("GRI") Standards. We have adopted the GRI reporting framework for its robust regime and detailed guidance on which offers an internationally recognised benchmark for the disclosure of governance approaches, the environmental, social and economic performance and impacts on organisations. The GRI content index and relevant references are provided at the end of the Report.

[1] A substantiated complaint refers to a complaint that has been investigated by the Personal Data Protection Commission and violation of regulations has been established.
[2] Unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to the Company.
[3] High-consequence work-related injuries refer to injuries from which the worker cannot recover or cannot recover fully to pre-injury health status within 6 months.
[4] Work-related ill health cases refer to negative impacts on health arising from exposure to hazards at work.
[5] A serious offence is defined as one that involves fraud or dishonesty amounting to not less than S$100,000 and punishable by imprisonment for a term of not less than 2 years which is being or has been committed against the Company by its officers or employees.

SUSTAINABILITY REPORT

As part of our continual efforts to align our sustainability reporting with relevant market standards, we have mapped our sustainability efforts to the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015 ("UN Sustainability Agenda"). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all countries – developed and developing – in a global partnership. We have incorporated the SDGs, where applicable, as a supporting framework to shape and guide our sustainability strategy. We are also guided by the recommendations of the Task Force for Climate-related Financial Disclosures ("TCFD") in our climate-related disclosures.

The Board of the Group has complied with the Singapore Exchange Regulation in attending the Sustainability training. All directors have attended the Sustainability training required as at the date of this report.

While we have not sought external assurance for this Report, we have relied on internal data monitoring and verification to ensure accuracy. We have also added the scope on reviewing sustainability reporting process in our mid-term rotational internal audit plan.

3. REPORTING PERIOD AND SCOPE

This Report is applicable for our financial year from 1 July 2022 to 30 June 2023 ("FY2023" or "Reporting Period"). A sustainability report will be published annually in accordance with our SR Policy.

This Report covers the following business segments within the Group which contributed to all of our revenue for the Reporting Period:

- General Practitioner ("GP") clinic services;
- Specialist care services;
- Pharmaceutical services;
- Managed healthcare solutions; and
- Mobile and digital health services.

4. FEEDBACK

We welcome feedback from all stakeholders on this Report and a dedicated feedback form has been set up for this purpose ("SR Feedback Form"). The SR Feedback Form can be found at https://www.alliancehealthcare.com.sg/investor-relations/. Alternatively, you may send the related questions, comments or suggestions to our investor relations email account: investor.relations@alliancehealthcare.com.sg.

5. OUR BUSINESS

GP clinic services and Specialist care services

Suppliers

Suppliers for medicines and medical devices

Operations

GP clinic

Provision of individual and workplace healthcare medical services by general practitioners under the name of My Family Clinics

Specialist care

Provision of medical diagnosis and medical or surgical treatments of colorectal, ear nose throat ("ENT") and orthopaedic conditions

Customers

Customers comprise individuals and corporate clients

SUSTAINABILITY REPORT

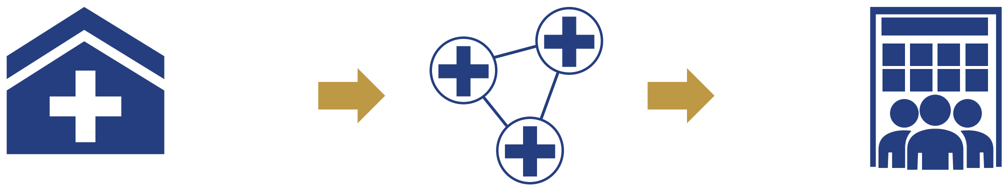
Pharmaceutical services

Suppliers
Suppliers for medicines, health supplements and medical devices

Operations
Wholesale of pharmaceutical products and medical devices

Customers
Customers comprise clinics, hospitals, pharmacies and drug manufacturers

Managed healthcare solutions

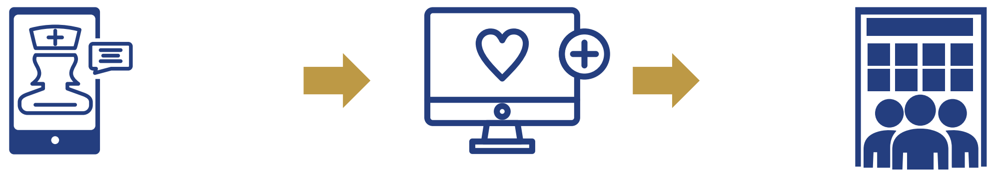


Suppliers or service providers
Panel clinics and in-house clinics

Operations
Establish a network of medical service providers to provide corporate healthcare solutions and third-party administration

Customers
Customers comprise corporate clients and insurance partners

Mobile and digital health services



Suppliers or service providers
Mobile, digital healthcare, nursing service providers and medicine suppliers

Operations
Provision of telemedicine consultations, mobile medical, home care medical and nursing services and sale of healthcare packages and products

Customers
Customers comprise individuals and corporate customers

6. MEMBERSHIP OF ASSOCIATIONS AND REGULATORY BODIES

The following is a non-exclusive and non-exhaustive list of associations which we are members:

- Human Capital Partner
- Singapore Business Federation
- Singapore Medical Association
- Singapore Medical Council
- Singapore National Employers Federation
- Singapore Nursing Association

SUSTAINABILITY REPORT

7. STAKEHOLDER ENGAGEMENT

Through an internal stakeholder mapping exercise, we identified key stakeholder groups which we prioritise our engagements with. These include entities or individuals whose interests are affected or could be affected significantly by our activities or whose actions affects or could affect our ability to implement our strategies to achieve our objectives.

Our efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprise communities, customers comprising patients and corporate clients (collectively as “Customers”), employees, insurance partners, medical service providers, regulators, shareholders, and suppliers. Key stakeholders are determined for each material Sustainability Factor identified, based on the extent to which their interests are affected or could potentially be affected by our operations.

We actively engage our key stakeholders through the following channels:

S/N	Key stakeholder	Engagement channel	Frequency of engagement	Key concern raised by stakeholder
1	Communities	Community campaigns	Ongoing	■ Social inclusion ■ Environmental compliance
2	Customers	■ Face-to-face care ■ Phone calls ■ Website ■ Survey form ■ Site visits and meetings ■ Emails	Daily	■ Quality patient care ■ Wide selection of professional and reliable medical services providers ■ Clean and safe environment ■ Good customer service ■ Prompt response for enquiries and feedback
3	Employees	Staff assessments	Yearly	■ Equal employment opportunity ■ Career development ■ Workplace safety and health ■ Job security and remuneration
		■ Emails ■ Staff meetings	Daily	
		Conversation with Senior management	Periodically	
		Employee health screening and wellness talks	As and when required	
4	Insurance partners	■ Site visits and meetings ■ Phone calls ■ Emails	Daily	■ Quality patient care ■ Good customer service ■ Timely and accurate claim processing ■ Prompt response for enquiries and feedback
5	Medical service providers	■ Site visits and meetings ■ Phone calls ■ Emails	Daily	■ Good customer service ■ Timely and accurate claim processing ■ Prompt response for enquiries and feedback
6	Regulators	■ Consultations and briefings organised by key regulatory bodies ■ Phone calls ■ Emails	As and when required	Compliance with regulations
7	Shareholders	■ Group annual report ■ General meetings ■ SR Feedback Form	Annually	■ Sustainable business performance ■ Market valuation ■ Dividend payment ■ Corporate governance
		Group result announcements	Half-yearly	
		Press releases	As and when required	
8	Suppliers	■ Site visits and meetings ■ Phone calls ■ Emails	Daily	Demand volatility (applicable for pharmaceutical services)

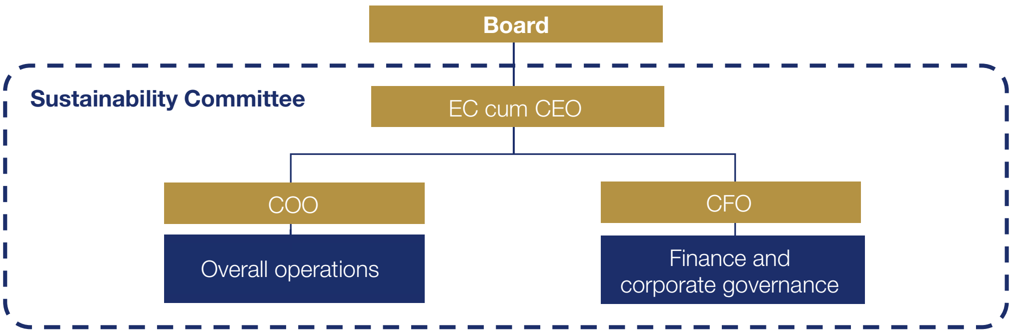
Through the above channels, we seek to understand the views of key stakeholders, communicate effectively with them and respond to their concerns.

SUSTAINABILITY REPORT

8. POLICY, PRACTICE AND PERFORMANCE REPORTING

8.1 Reporting structure

Our sustainability strategy is developed and directed by the senior management in consultation with the Board. The Group's Sustainability Committee, which includes senior management executives, is led by the Executive Chairman cum Chief Executive Officer ("EC cum CEO") and tasked to develop the sustainability strategy, review our material impacts, consider stakeholder priorities and set goals and targets, as well as collect, verify, monitor and report performance data for this Report. The Group's Sustainability Committee comprises our EC cum CEO, Chief Operating Officer ("COO") and Chief Financial Officer ("CFO").



8.2 Sustainability reporting processes

Under our SR policy, our sustainability process begins with an understanding of the Group's business context. This is followed by the ongoing identification and assessment of the Group's impacts by the relevant factors. Relevant factors are then prioritised and reported in line with the significance of their impact on the Group. The result of this process is a list of material Sustainability Factors disclosed in this Report. Processes involved are as shown in the chart below:

SUSTAINABILITY REPORT

8.3 Materiality assessment

The materiality assessment considers the likelihood of the occurrence of potential negative and positive impacts ("Likelihood of Impact") and significance of impacts on the economy, environment, people and their human rights, which include our contribution to sustainable development ("Significance of Impact").

8.4 Performance tracking and reporting

We track the progress of our material Sustainability Factors by identifying the relevant data points (i.e. the information source of the relevant factor) and measuring them. In addition, performance targets that are aligned with our strategy are set to ensure that we maintain the right course in our path to sustainability. We also consistently enhance our performance-monitoring processes and improve our data capturing systems.

9. MATERIAL FACTORS

Our materiality assessment performed for FY2023 involved our senior management in identifying Sustainability Factors deemed material to our businesses and our stakeholders so as to allow us to channel our resources judiciously to create sustainable value for our stakeholders.

Presented below are a list of material Sustainability Factors applicable to the Group:

S/N	Material Sustainability Factor	SDG	Key stakeholder
Customer experience			
1	Quality healthcare and customer experience	Decent work and economic growth	■ Customers ■ Insurance partners ■ Medical service providers
Economic			
2	Sustainable business performance	Decent work and economic growth	■ Employees ■ Regulators ■ Shareholders
Environmental			
3	Energy conservation and emissions reduction	Affordable and clean energy	■ Communities ■ Shareholders
4	Responsible waste management	Responsible consumption and production	■ Communities ■ Regulators ■ Shareholders
Social			
5	Commitment to data privacy and cybersecurity	Peace, justice and strong institutions	■ Customers ■ Employees ■ Insurance partners ■ Medical service providers ■ Regulators
6	Commitment to product quality and safety	Peace, justice and strong institutions	■ Customers ■ Regulators ■ Suppliers
7	Equality and diversity in the workplace	Reduced inequalities	■ Employees
8	Employee development and retention	Quality training and on the on-the-job skills development	■ Employees
9	Safe working environment	Good health and well-being	■ Employees ■ Regulators
10	Ongoing community engagement	Sustainable cities and communities	■ Communities
Governance			
11	Robust corporate governance framework	Peace, justice and strong institutions	■ Shareholders ■ Regulators

We will update the Sustainability Factors on an annual basis to reflect changes in business operations, environment, stakeholder's feedback and sustainability trends.

SUSTAINABILITY REPORT

The details of each material Sustainability Factor are presented as follows:

9.1 Quality healthcare and customer experience

Our mission is to be a leading healthcare innovation company that personalises and simplifies care delivery in the community. We adopt the following strategies to fulfil this mission:

Continuous innovation to deliver healthcare solutions

Information technology ("IT") is widely adopted within the Group to deliver service offering to patients and corporate clients that personalises and simplifies care delivery as follows:

- Our managed healthcare solutions segment is supported by various proprietary IT systems, including MEDINET, Specialist Inpatient Management System ("SIMS"), Specialist Appointment Request System ("ARS") and our mobile application, Alliance iCare (collectively referred to as "Medinet IT Platforms"). These Medinet IT Platforms enable the provision of end-to-end seamless healthcare solutions to our stakeholders comprising corporations, their employees, insurance companies and medical services providers;

- Our subsidiary, Jaga-Me, operates a proprietary digital platform that allows consumers to schedule and pay for home-based healthcare services and related consumables through our web application. This platform also enables remote collaboration between Jaga-Me and over 500 licensed healthcare professionals, granting them secure access to health data, clinical reports and workflows. As a result, personalised care can be delivered simultaneously to multiple patients nationwide. Since 2020, Jaga-Me has been selected as a key partner by the National Cancer Centre Singapore (NCCS) to administer home-based treatment to patients enrolled in the NCCS Home Care Programme. During the year, Jaga-Me successfully clinched a Mobile Inpatient Care ("MIC") contract with Sengkang General Hospital and renewed our partnership with National University Health System ("NUHS") for MIC@Home, where eligible patients are able to recuperate and heal within the familiar surroundings of their own home;

- Our ongoing AllyCare programme is delivered through HeyAlly mobile application which provides patient access to medical care for acute and chronic conditions, medical advisory and second medical opinion through telemedicine. Should the patients require a face-to-face consultation at the clinic, they can access Alliance Healthcare network easily by locating it through HeyAlly application. What makes our telemedicine unique is, it supports telecollaboration for us to provide good chronic disease care management by our doctors and nurse practitioners through both physical and teleconsultation. With an ageing population and increasing incidence of chronic disease, telemedicine helps to improve access to care for patients, by helping to bridge the constraints of distance, time and cost both for the patients and their caregivers; and

- In April 2022, we launched Ally E-Services in collaboration with SG IMED Pte. Ltd. ("SGiMED") at My Family Clinics to accelerate the digitalisation of their operations. The service allows My Family Clinics and private medical clinics to provide patient with access to essential time-saving tools, such as remote queue system, e-appointment, e-payment service and a teleconsultation platform.

Harnessing synergies between business units to deliver affordable and personalised healthcare services

With our capability in sourcing and distribution under the pharmaceutical service business, we are able to secure products at market-competitive prices and thus provide affordable healthcare services to the patients of our GP Clinics and Specialist Care Services segments.

For our insurance partners and corporate clients, synergies between the managed healthcare solutions segment and Jaga-Me have resulted in differentiated and cost-effective solutions for medical needs such as hospitalisation, critical illness care, and chronic care – further strengthening our product portfolio and competitive advantage in an environment where patients are demanding higher level of convenience and personalisation through smartphone technology.

SUSTAINABILITY REPORT

Provide a wide and diverse network of service providers for our patients and corporate clients

As one of the key players in the managed healthcare industry, we are consistently increasing the number of medical services providers and broadening our suite of medical specialties.

The acquisition of Jaga-Me added a network of over 500 licensed healthcare professionals, with the majority of these professionals being registered nurses, complemented by therapists and certified caregivers.

We are one of the largest chains of family clinics operating in the heartlands of Singapore, with an established network of 16 self-owned GP Clinics and 3 in-house corporate clinics. We have also recently signed a contract with Marina Bay Sands Pte. Ltd. ("MBS") to provide outpatient medical services and managed healthcare services starting from 1 July 2023. Additionally, we also own and operate five clinics in Singapore providing Specialist Care Services in the specialities of orthopaedic care, colorectal and ENT.

Proactively gather feedback to enhance service quality

In line with our commitment to continuously enhance service quality, we strive to respond positively and improve our processes from feedback provided by our customers. Key related initiatives which we have taken are as follows:

- For our clinic services, we have put in place procedures and guidelines for incident reporting and response plan of incidents such as complaints received from patients during our medical operations. Feedback from our patients is collated and evaluated by our service quality team;
- For our in-house corporate clinics, we conducted survey to understand our patients' experience with our doctors, staff and overall clinic experience;
- For our mobile and digital health services and our managed healthcare solutions, we conducted surveys to understand our customers' experience and expectations.

During the Reporting Period, we have successfully maintained a negative customer feedback rate of less than 1% (FY2022: less than 1%) for our mobile and digital health services and managed healthcare solutions.

Emphasis on customer health and safety

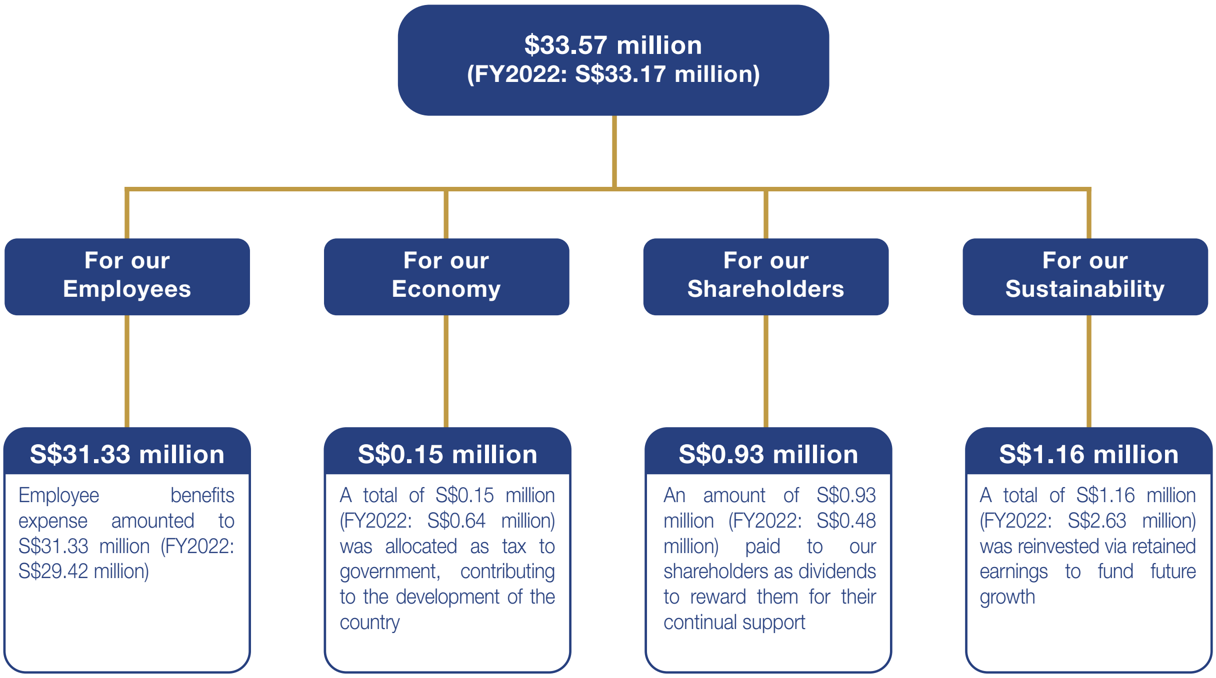
As customer health and safety is our top priority, we uphold hygiene standards and adhere to the guidelines and measures passed by the local laws and regulations.

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain or improve market presence subject to market conditions	Target met as follows: No material changes in our market presence	Maintain or improve market presence subject to market conditions

SUSTAINABILITY REPORT

9.2 Sustainable business performance

We are committed to provide value to various stakeholders through relevant and meaningful ways. In line with this commitment, value created in FY2023 is distributed as follows to enable a more sustainable future:



Details of the Group's economic performance can be found in the financial contents and audited financial statements of this Annual Report.

Target for FY2023	Performance in FY2023	Target for FY2024
Improve or maintain total value distributed subject to market conditions	Target met as follows: Increase in total value distributed to stakeholders	Improve or maintain total value distributed subject to market conditions

9.3 Energy conservation and emissions reduction

We are committed to responsible usage of energy resources and emissions reduction to combat climate change. To run our operations, we rely on electricity to operate essential equipment such as medical equipment, refrigerator, lighting and air conditioning in our clinics, warehouse and offices.

Key statistics on electricity consumption during the Reporting Period are as follows:

Performance indicator	Unit of measurement	FY2023	FY2022
Energy consumption			
Electricity consumption	kWh	446,433	472,611
Electricity consumption intensity	kWh/revenue S$'000	7.70	8.63
GHG emissions			
GHG emissions (Scope 2[6])	tonnes CO_2e	179.67	191.45
GHG emissions intensity	tonnes CO_2e/revenue S$'000	0.003	0.003

[6] GHG emissions from electricity purchased by the Company (Scope 2) are calculated based on the average emissions factors published by the Energy Market Authority.

SUSTAINABILITY REPORT

The decrease in electricity consumption intensity was the net result of decreased electricity consumption and increased revenue. GHG emissions intensity remained unchanged.

We track and review spending on energy consumption regularly to control usage and ensure that corrective actions are taken when there are unusual consumption patterns. We optimise electricity efficiency using high-efficiency lighting at certain areas and constantly remind our staff on basic and socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use and enabling power saving modes.

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain or reduce energy consumption rate	Target met as follows: ▪ Decrease in electricity consumption intensity ▪ Maintain GHG emissions intensity	▪ Maintain or reduce energy consumption intensity ▪ Maintain or reduce GHG emissions intensity

9.4 Responsible waste management

We believe that responsible waste management helps to preserve the environment in which we operate in. Accordingly, we are committed to improve the management of waste generated in operations.

Our businesses are subject to various environmental laws and regulations on proper disposal of medical waste. We have established internal policies and implemented systems designed to comply with such requirements, including guidelines in relation to the handling of equipment, needle-sticks, sharp objects and medical waste.

During the Reporting Period, our biohazard waste is disposed by licensed waste collectors and there is no reported non-compliance incident with environmental laws and/or regulations which resulted in significant monetary fines[7], non-monetary sanctions or cases brought through dispute resolution mechanisms for non-compliance (FY2022: zero incident).

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain zero incident of non-compliance with environmental laws and/or regulations which resulted in significant monetary fines, non-monetary sanctions or cases brought through dispute resolution mechanisms for non-compliance	Target met as follows: Maintained zero incident of non-compliance with environmental laws and/or regulations which resulted in significant monetary fines, non-monetary sanctions or cases brought through dispute resolution mechanisms for non-compliance	On-going and long-term target Maintain zero incident of non-compliance with environmental laws and/or regulations which resulted in significant monetary fines, non-monetary sanctions or cases brought through dispute resolution mechanisms for non-compliance

9.5 Commitment to data privacy and cybersecurity

Data privacy is of utmost importance to us as our business is required to handle, store and manage personal information pertaining to our patients, as well as transmit personal, confidential and proprietary information, such as customers' credit card details, over public networks.

In Singapore, we are required to abide by the Personal Data Protection Act ("PDPA"), which comprises various rules governing collection, use, disclosure and care of personal information. We have been awarded the Data Protection Trustmark ("DPTM") by the Infocomm Media Development Authority, demonstrating that we have a

[7] Significant monetary fines refer to those in excess of S$10,000.

robust data protection regime in place to protect personal data collected during the course of our business. As a DPTM-certified company, customers and employees can be rest assured that their data is secured with our stringent protection policies and practices.

We adopt the following strategies to protect personal information:

Proactive management of personal data

In line with our commitment to data privacy, we have implemented the following measures:

- Set up internal rules requiring our employees to maintain strict confidentiality of medical and personal information gathered in the course of our operations; and

- The email address of our data protection officer is published on the Company's website to provide an avenue for reporting data breaches and answering of enquiries, as well as for updating and deleting personal data.

Implement cybersecurity measures to protect our data

To protect our proprietary platforms and safeguard customer privacy, all our proprietary IT systems are developed based on a three-tier infrastructure, with each tier equipped with its own firewall protocols and antivirus software. Third party access to our network is protected by cybersecurity controls which include intrusion detection and protection measures such as IP whitelisting. On a regular basis, we also conduct patch management based on the updates provided by our external IT system vendors. Our sensitive data is stored at an external data centre maintained by a reputable service provider.

During the Reporting Period, there are no reported substantiated complaints concerning breaches of data privacy and losses of personal data (FY2022: zero).

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain zero incident of substantiated complaint concerning breaches of data privacy and losses of personal data	Target met as follows: Maintained zero incident of substantiated complaint concerning breaches of data privacy and losses of personal data	Maintain zero incident of substantiated complaint concerning breaches of data privacy and losses of personal data

9.6 Commitment to product quality and safety

We are committed to deliver quality and safe products to our customers as we distribute pharmaceutical products to hospitals, pharmacies and clinics in Singapore and other overseas markets under our pharmaceutical services segment.

Key measures adopted to manage product quality and safety are as follows:

Adoption of market standards

We operate under a wholesaler's license issued by Health Science Authority ("HSA") under the Health Product Act. As a licensed wholesaler, we are required to ensure that all our health products distributed in Singapore meet the required standards on safety, quality and efficacy. To meet the required standards, we have implemented a quality management system that is designed to meet the requirements of the Guidance Notes on Good Distribution Practice (the "Guidance Notes") issued by the HSA to ensure that our products are properly stored, handled and transported.

SUSTAINABILITY REPORT

Implementation of standard operating procedures

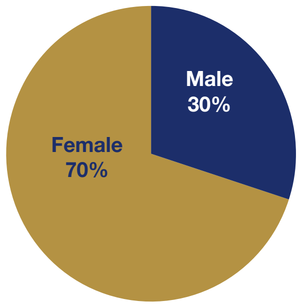
We have also put in place stringent procedures to ensure that the products are properly handled, stored, transported and in compliance with the requirements of the HSA.

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain our wholesaler's license issued by the HSA	Target met as follows: Maintained our wholesaler's license issued by the HSA	Maintain our wholesaler's license issued by the HSA

9.7 Diversity, equality and inclusion in the workplace

People are the heart of our success and our most valued asset, we embrace and value their differences in ethnic and cultural background, gender, age, diversity of thoughts and talent. We believe that an inclusive, diverse and equitable workforce creates a workplace that thrives and contributes to our transformation development and ongoing business success. Accordingly, we are committed to the goals of diversity, equality and inclusion ("DEI") in employment. The total number of full-time employees in the Group as at 30 June 2023 is 320 (FY2022: 242).

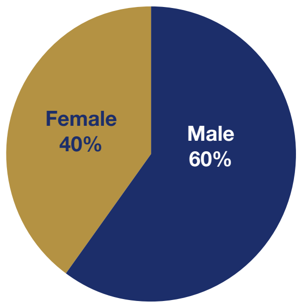
Gender diversity (full-time employees)



Gender diversity

For gender diversity, as at 30 June 2023, 70% of our employees were female employees (FY2022: 71%), and 40% of our managers were female managers (FY2022: 37%).

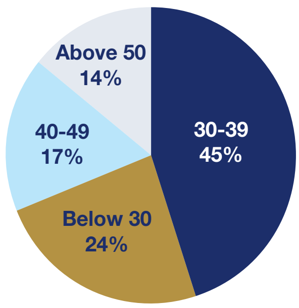
Gender diversity (managers)



Generational diversity and age inclusion

Building a sustainable workforce is crucial in light of a shrinking working age population. We believe that multigenerational teams with complementary skills, abilities and perspectives will generate better solutions, creativity, innovation and growth. 69% (FY2022: 67%) of our employees are below 40 years old, representing the largest group in our workforce. Mature employees of age above 50 represent 14% of our workforce (FY2022: 16%)

Age diversity (full-time employees)



Governance and respectful workplace

Our core values inspire us to make Alliance a fair, respectful, safe and inclusive workplace. Our policies on code of business conduct and respectful workplace as well as our culture playbook reinforce our commitment to maintain an inclusive workplace that is safe from discrimination, harassment and bullying. As at 30 June 2023, we have no (FY2022: zero) reported incident of unlawful discrimination from employees.

SUSTAINABILITY REPORT

Fair Employment Practices

Diversity, equality and inclusion is core to our people practices.

We employ on equal and fair grounds, fully endorse the Singapore Fair Consideration Framework and adopt the employment practices in accordance with the Tripartite guidelines on fair employment practices.

- We regularly review our recruitment and selection process to ensure employees are recruited based on merit and competency and there is no discrimination.

- We provide our employees with equal opportunities for their professional and career development. Career advancements are considered based on employees' abilities, achievement and experience. Our performance management process promotes meaningful conversations to empower growth and learning and includes self-evaluation, performance and development evaluation to facilitate remuneration and career decisions, including promotions and recognitions.

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain zero reported incident of unlawful discrimination against employees	Target met as follows: Maintained zero reported incident of unlawful discrimination against Employees	On-going and long-term target Maintain zero reported incident of unlawful discrimination against employees

9.8 Employee development and retention

We place a high priority on the competency development of our employees. We believe that continuous learning is essential to our existence and highly skilled employees are vital to the long-term success of our business.

Our overarching aim is to live the essence of our corporate values, to provide learning opportunities that support individual and organisational growth. Our goal is to embed learning as an important part of our thriving culture to continuously develop our talents to help them grow and thrive.

To shape the learning culture, we continue to elevate the learning experience to our employees providing opportunity to hone the knowledge and skills through on-the-job assignments, experiential learning, transformative projects and flexible learning programs. Our performance evaluation program encourages our employees to take ownership of their professional development and career to drive excellence.

During this Reporting Period, we deployed skills-based program and introduced a digital learning platform empowering our people to discover and develop skills for their professional development.

Under the Continuing Medical Education Programme administered by the Singapore Medical Council (of which we are an accredited member), medical practitioners in Singapore are required to continually upgrade their knowledge and skills in order to maintain their competency to practise. Our medical specialists are encouraged to attend workshops and seminars both locally and overseas to keep abreast of developments in the medical sector and their areas of specialty. On a quarterly basis, in-house continuing medical education is also conducted for doctors operating the "My Family Clinics". They are required to undergo orientation to familiarise themselves with our corporate vision, service standards, policies and procedures.

SUSTAINABILITY REPORT

As part of our continual efforts to upgrade the knowledge of our directors on sustainability reporting and to meet the requirement of Catalist Rule 720 (6) of SGX-ST, we confirm that all our Directors have attended one of the approved sustainability training courses. In addition, the other members of the Sustainability Committee have also voluntarily attended one of the approved sustainability training courses.

Target for FY2023	Performance in FY2023	Target for FY2024
Continuously identify opportunities to upskill workforce	Target met as follows: Provided various training opportunities for our employees	Continuously identify opportunities to upskill workforce

9.9 Safe working environment

A safe working environment allows our employees to work safely without the fear of getting injured or infected. This helps to build loyalty amongst our employees and support the sustainability of the Group. Accordingly, we are committed to prioritise on maintaining a safety and security conscious culture amongst our employees of all levels. We attained bizSAFE Level 3 certification issued by the Workplace Safety and Health Council. This certification recognises our continuous efforts to embed a positive health and safety culture in our operations.

Key measures adopted to manage health and safety in the workplace environment are as follows:

- A set of safety rules and regulations is in place;
- Safety management officers are assigned to conduct regular inspection on safe work practices;
- Employees are briefed on safety procedures regularly; and
- First aid kits are placed at key locations with easy access.

During the Reporting Period, we recorded no (FY2022: zero) workplace fatalities, no (FY2022: zero) high-consequence work-related injuries, no (FY2022: zero) recordable work-related injuries and no (FY2022: zero) recordable work-related ill health cases.

In view that our medical practitioners continue to be on the frontline of the Pandemic, we continue to practise stringent infection control protocols to prevent person-to-person contamination, such as providing proper guidance for our medical practitioners on the use of personal protective equipment and requirements for patients to complete a health declaration form.

In addition, a business continuity policy ("BCP") is in place and annual training on business continuity measures is conducted to ensure that employees are prepared to recover critical business processes in a timely and effective manner during the Pandemic.

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain zero incident of work-related injury	Target met as follows: Maintained zero incident of workplace fatalities, high consequence work-related injuries, recordable work-related injuries and ill health cases	<u>On-going and long-term target</u> Maintain zero incident of workplace fatalities, high-consequence work-related injuries, recordable work-related injuries and ill health cases

SUSTAINABILITY REPORT

9.10 Ongoing community engagement

We strive to set a good example and encourage our employees to embrace the spirit of giving as we recognise that the long-term success of our business is closely related with the health and prosperity of the community which we operate in. During the Reporting Period, we engaged in the following initiatives to help the communities:

Festive Cheers

Our team is generous, caring and driven to contribute to people in our community who have little or may be at risk. We believe that giving back to and growing along with our communities is crucial for a sustainable tomorrow.

Guided by our core values of Care, we continue to support good causes and community programs focusing on essential needs, providing festive cheers goodie bags to vulnerable families in Clementi neighborhood. This annual event in partnership with People's Association creates opportunity for our people to engage in socially responsible initiative to foster social cohesion and living the spirit of giving.

Earth Day 2023 and Global Cleanup Movement

We believe that every act of green makes a difference to the place we work and live in and are dedicated to environmental improvements to preserve a livable and safe environment.

Our Hike and Plogging event and recycling project are environmental initiatives in support of Earth Day campaign and the Great Cleanup Movement, a global campaign to create a waste-free world.

What is better than contributing to our environment while getting fit? Incorporating green activity to outdoor team adventure, our people were called to action to carry out litter picking on the hiking path to reduce waste and plastic pollution. A meaningful activity that gives rewarding satisfaction and aimed at inspiring our team and public that with little effort everyone can make a positive change to our environment.

At our workplace, with an objective towards becoming increasingly green, recycling bins were set up encouraging recycling efforts and reducing carbon print.

Through these initiatives and collective efforts, we seek to engage and advocate environmental stewardship contributing to a cleaner and healthier community.

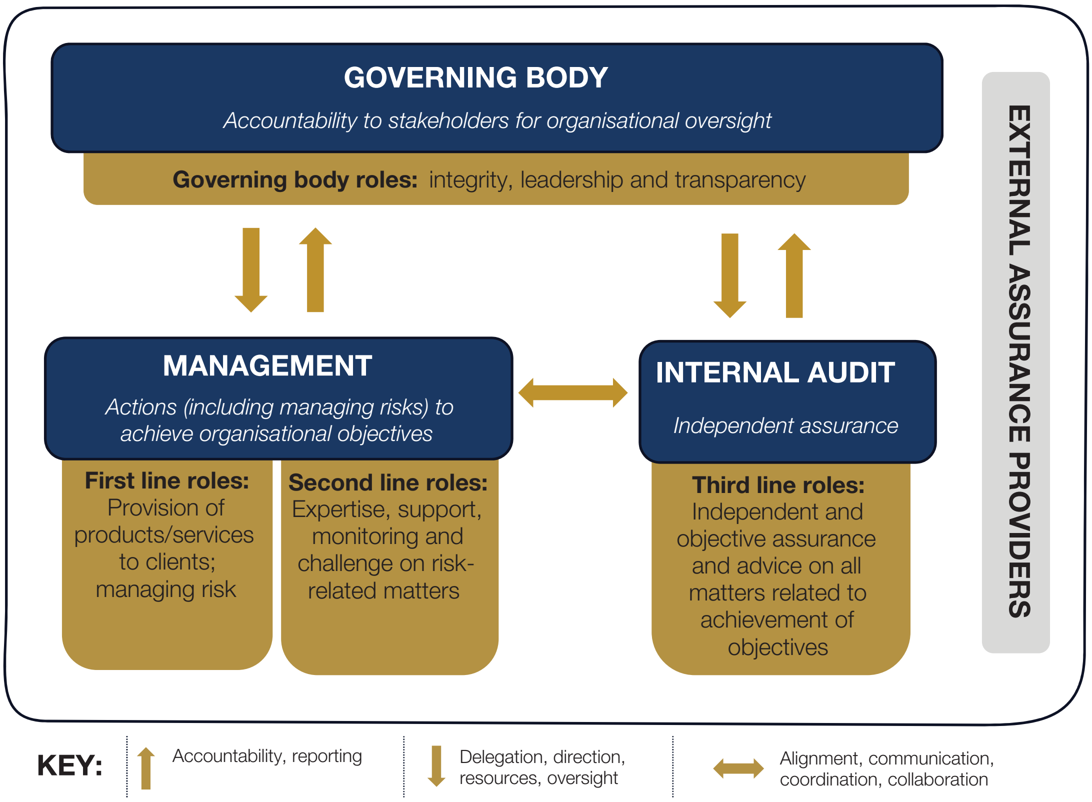
SUSTAINABILITY REPORT

Target for FY2023	Performance in FY2023	Target for FY2024
Initiate, involve and/or participate in community engagement campaigns	Target met as follows: Initiated, involved and/or participated in community engagement campaigns	Initiate, involve and/or participate in community engagement campaigns

9.11 Robust corporate governance framework

We are committed to high standards of corporate governance and believe that a high standard of corporate governance is integral in ensuring sustainability of our business as well as safeguarding shareholders' interests and maximising long-term shareholder's value.

We aligned our corporate governance and risk management approach with the Three Lines Model issued by the Institute of Internal Auditors ("IIA"). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first and second line roles), internal audit (third line roles) and the relationship among them are defined as follows:



Source: Three Lines Model issued by the IIA

We have a whistle blowing policy to provide a mechanism for employees to raise concerns through accessible and confidential disclosure channels about possible improprieties in matters of financial reporting and others. In FY2023, there was no incident of serious offence reported (FY2022: zero).

SUSTAINABILITY REPORT

The Group adopts a zero-tolerance approach towards fraud, bribery and corruption. As such, we have the following policies in place to ensure that the Group's business is conducted in an ethical manner:

- Code of business conduct policy;
- Anti-bribery and corruption policy; and
- Conflict of interest policy.

Refer to the Corporate Governance Report of the Annual Report for details on our corporate governance practices.

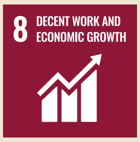
Target for FY2023	Performance in FY2023	Target for FY2024
Maintain zero incident of serious offence	Target met as follows: Maintained zero incident of serious offence	<u>On-going and long-term target</u> Maintain zero incident of serious offence

10. SUPPORTING THE UN SUSTAINABLE DEVELOPMENT GOALS

We have incorporated the SDGs under the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, where appropriate, as a supporting framework to shape and guide our sustainability strategy. The results shown below are how our Sustainability Factors relate to these SDGs:

SDG	Our effort (Sustainability Factor)
3 GOOD HEALTH AND WELL-BEING Ensure healthy lives and promote well-being for all at all ages	We implement measures to ensure that the environment our employees work in is both safe and secure. **(Section 9.9 Safe working environment)**
4 QUALITY EDUCATION Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	We empower our employees by investing in training, education and development to enhance our business competencies. **(Section 9.8 Employee development and retention)**
7 AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable and modern energy for all	We implement measures to reduce our energy consumption as not only does it help to improve energy efficiency, it also helps us to reduce our carbon footprint. **(Section 9.3 Energy conservation and emissions reduction)**

SUSTAINABILITY REPORT

SDG	Our effort (Sustainability Factor)
 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	■ We place heavy emphasis on quality healthcare and customer experience as part of our strategy for the continued success of our business. **(Section 9.1 Quality healthcare and customer experience)** ■ We contribute to economic growth through creating long-term value for our stakeholders. **(Section 9.2 Sustainable business performance)**
 Reduce inequality within and among countries	We ensure equal opportunity for all regardless of age and gender, by establishing various human resource related policies and processes to facilitate this target. **(Section 9.7 Diversity, equality and inclusion in the workplace)**
 Make cities and human settlements inclusive, safe, resilient and sustainable	We initiate various campaigns to give back to the communities where we operate in and promote sustainable communities. **(Section 9.10 Ongoing community engagement)**
 Ensures sustainable consumption and production patterns	We manage and dispose our medical waste responsibly in compliance with health and safety standards. **(Section 9.4 Responsible waste management)**
 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	■ We maintain commercially reasonable physical, electronic and procedural safeguards to protect personal data in accordance with the requirements of data protection legislation. **(Section 9.5 Commitment to data privacy and cybersecurity)** ■ We ensure that our pharmaceutical products meet necessary quality and safety standards to maintain the continued success of our business and promote effective and accountable institutions. **(Section 9.6 Commitment to product quality and safety)** ■ We are committed to high standards of corporate governance and believe that a high standard of corporate governance is integral in ensuring sustainability of our business as well as safeguarding shareholders' interests and maximising long-term shareholder's value. **(Section 9.11 Robust corporate governance framework)**

11. SUPPORTING THE TCFD

We are committed to support the recommendations by the TCFD and have disclosed some of our climate-related financial disclosures in the following key areas as recommended by the TCFD:

Key area	Our approach
Governance	The Board oversees the management and monitoring of the Sustainability Factors and considers climate-related issues in determining the Group's strategic direction and policies. Our sustainability strategy is developed and directed by the Sustainability Committee in consultation with the Board. The Sustainability Committee, which includes key management executives, is led by our Executive Chairman cum Chief Executive Officer. The responsibilities of the Sustainability Committee include considering climate-related issues in the development of sustainability strategy, target setting, as well as collection, monitoring and reporting of performance data.
Strategy	The climate-related risks and opportunities identified by the Group during the climate-related risk assessment exercise include the following: ▪ The reputational and financial risks for not meeting the demands of regulators and shareholders amidst the enhanced emissions reporting requirements. On the other hand, such obligations raise climate awareness amongst our employees and with more defined job responsibilities and training, the Group will be in a better position to meet the rising needs and expectation of our customers on the environment. ▪ With rising concerns over the effects of climate change, shifting consumer preferences for sustainable products that are less carbon intensive may arise especially amongst younger consumers. A failure to adapt to shifting consumer preferences may adversely affect customer satisfaction, demand of our existing product offerings and the Group's financial performance. Nevertheless, this encourages us to constantly source for sustainable and eco-friendly health foods and supplements to renew and invigorate interests of new and younger customers. We are currently looking into conducting climate-related scenario analysis consistent with the TCFD's recommendation, wherever possible, using commonly agreed sector/subsector scenarios and time horizons, to anticipate and manage climate change impacts.
Risk management	The Group's climate related risks and opportunities are identified and assessed during the climate-related risk assessment exercise. We also manage our climate-related risks by monitoring the trend of climate-related performance indicators.
Metrics and targets	We track, measure and report on our environmental performance, including energy consumption, GHG emissions and waste management and disclose related metrics in our Report. Monitoring and reporting these metrics help us in identifying areas with material climate-related risks and enabling us to be more targeted in our efforts. To support the climate change agenda, we disclose our Scope 2 GHG emissions in the sustainability report and set climate-related targets such as those related to energy, GHG emissions and waste management. We will continue to monitor our emissions and disclose Scope 3 GHG emissions wherever applicable and practicable.

SUSTAINABILITY REPORT

12. GRI CONTENT INDEX

Statement of use	The Company has reported the information cited in the Global Reporting Initiative ("GRI") content index for the period from 1 July 2022 to 30 June 2023 with reference to the GTI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE TITLE		LOCATION	PAGE
GRI 2: General Disclosures 2021	**The organisation and its reporting practices**			
	2-1	Organisational details	SR Section 1	18
	2-2	Entities included in the organisation's sustainability reporting	SR Section 3	20
	2-3	Reporting period, frequency and contact point	SR Section 3 & 4	20
	2-4	Restatements of information	None	–
	2-5	External assurance	SR Section 2	20
	Activities and workers			
	2-6	Activities, value chain and other business relationships	SR Section 5 & 7 Corporate profile	20-22
	2-7	Employees	SR Section 9.7 & 9.8	30-32
	Governance			
	2-9	Governance structure and composition	SR Section 8.1 & 9.11 Corporate Governance Report ("CG Report"): Principle 1 & 2	23 34-35 41-45
	2-10	Nomination and selection of the highest governance body	CG Report: Principle 4	46-56
	2-11	Chair of the highest governance body	SR Section 8.1 CG Report: Principle 1	23 41
	2-12	Role of the highest governance body in overseeing the management of impacts	SR Section 8.1	23
	2-13	Delegation of responsibility for managing impacts	SR Section 8.1	23
	2-14	Role of the highest governance body in sustainability reporting	SR Section 8.1 CG Report: Principle 1	23 41
	2-15	Conflicts of interest	SR Section 9.11 CG Report: Principle 1	35 43
	2-16	Communication of critical concerns	SR Section 9.11	34-35
	2-17	Collective knowledge of the highest governance body	SR Section 9.8 CG Report: Principle 2	32 44
	2-18	Evaluation of the performance of the highest governance body	CG Report: Principle 5	56

SUSTAINABILITY REPORT

GRI STANDARD	DISCLOSURE TITLE		LOCATION	PAGE
	2-19	Remuneration policies	CG Report: Principle 6	56-57
	2-20	Process to determine remuneration	CG Report: Principle 7	57
	2-21	Annual total compensation ratio	Information is not provided due to confidentiality constraints	–
	Strategy, policies and practices			
	2-22	Statement on sustainable development strategy	SR Section 1	18-19
	2-23	Policy commitments	SR Section 9.11, 10 & 11	34-37
	2-24	Embedding policy commitments	SR Section 9.11	34-35
	2-25	Processes to remediate negative impacts	SR Section 9.11	34-35
	2-26	Mechanisms for seeking advice and raising concerns	SR Section 9.11	34-35
	2-27	Compliance with laws and regulations	SR Section 9.1 & 9.4	26, 28
	2-28	Membership associations	SR Section 6	21
	Stakeholder engagement			
	2-29	Approach to stakeholder engagement	SR Section 7	22
	2-30	Collective bargaining agreements	None of our employees are covered by collective bargaining agreements	–
GRI 3: Material Topics 2021	3-1	Process to determine material topics	SR Section 8.2	23
	3-2	List of material topics	SR Section 9	24
	3-3	Management of material topics	SR Section 9	25-35
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	SR Section 9.2	27
			Operating and financial review	06-09
			Consolidated statement of profit or loss and other comprehensive income	74
			Statements of financial position	75

SUSTAINABILITY REPORT

GRI STANDARD	DISCLOSURE TITLE		LOCATION	PAGE
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	SR Section 9.11	34-35
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	SR Section 9.3	27-28
	302-3	Energy intensity	SR Section 9.3	27-28
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	SR Section 9.3	27-28
	305-4	GHG emissions intensity	SR Section 9.3	27-28
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	SR Section 9.4	28
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	SR Section 9.9	32
	403-10	Work-related ill health	SR Section 9.9	32
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	SR Section 9.8	31-32
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	SR Section 9.7	30-31
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	SR Section 9.7	30-31
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	SR Section 9.10	33-34
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR Section 9.5	28-29

CORPORATE GOVERNANCE REPORT

The board of directors (the "Board") of Alliance Healthcare Group Limited (the "Company" and together with its subsidiaries, the "Group") is committed to achieving high standards of corporate governance practices. Good corporate governance is essential for the long-term success and sustainable growth of the Group.

This corporate governance report outlines the Company's corporate governance processes and activities that were in place for the financial year ended 30 June 2023 (the "FY2023"), with specific reference to the principles and provisions of the Singapore Code of Corporate Governance 2018 (the "Code") and the accompanying Practice Guidance (the "Guidance").

The Code aims to promote high levels of corporate governance by putting forth principles of good corporate governance and provisions which companies are expected to comply. The Guidance complements the Code by providing guidance on the application of the principles and provisions and setting out best practices for companies.

The Company is generally in compliance with the principles and provisions set out in the Code and the Guidance. Where there are deviations from the Code and Guidance, the Board has considered and is of the view that the alternative practices adopted are sufficient to meet the underlying objectives of the Code and Guidance. Appropriate explanations have been provided in the relevant sections where there are deviations.

The Board is pleased to confirm that for FY2023, the Group has adhered to the principles and provisions as outlined in the Code except for the following where the deviations and explanations have been provided:

(i) Provision 3.1 – Chairman and Chief Executive Officer are Separate Persons
(ii) Provision 8.1 – Disclosure on Remuneration

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 management for the long-term success of the Group.

The Board is entrusted with the responsibility for the overall governance, performance and strategic direction of the Group. As at the date of this report, the Board comprises five directors, three of whom are independent, as follows:

Dr. Barry Thng Lip Mong ("Dr. Thng")	Executive Chairman and Chief Executive Officer ("CEO")
Dr. Mok Kan Hwei, Paul ("Dr. Mok")	Executive Director
Wong Hin Sun, Eugene ("Mr. Wong")	Lead Independent Director
Lim Heng Chong Benny ("Mr. Lim")	Independent Director
Dr. Leong Peng Kheong Adrian Francis ("Dr. Leong")	Independent Director

The profile of each director can be found on pages 14 and 15 of the Annual Report.

The duties and responsibilities of the Board are:

- to supervise and approve strategic direction of the Group;
- to review management performance of the Group;
- to review business practices and risk management of the Group;
- to review financial plans and performance of the Group;
- to approve matters beyond the authority of the management;
- to ensure that there are policies and safeguards in the internal controls system to preserve the integrity of the assets;
- to ensure compliance with legal and regulatory requirements;
- to deliberate on and approve recommendations made by the Audit and Risk Management Committee (the "ARMC"), Nominating Committee (the "NC") and Remuneration Committee (the "RC"); and
- to consider sustainability issues such as environmental and social factors, as part of the Group's strategic formulation.

CORPORATE GOVERNANCE REPORT

The Board has adopted a set of internal guidelines on matters requiring board approval. Matters that are specifically reserved for the approval of the Board include, among others, any material acquisitions and disposals of assets, corporate or financial restructuring, share issuances and proposing of dividends, annual budgets, significant legal and financial issues, announceable matters, interested person transactions, succession planning, appointment and replacement of directors and key management personnel, determination of their remuneration, and other matters as may be considered by the Board from time to time.

Certain functions of the Board have been delegated to the Board committees, namely ARMC, NC and RC, which are chaired by Mr. Wong, Mr. Lim and Dr. Leong respectively.

Each committee has its own written terms of reference, with actions reported to and monitored by the Board. The names of the members of the Board committee, the key terms of reference and a summary of the committees' activities, are set out in this report.

There are key matters that are reserved for the Board's decision, such as:

- the setting-up of the corporate strategies;
- the making of any decision to cease, to operate all or any material part of the business of the Group or to extend the Group's activities into new business;
- the approval of any material acquisition or disposal of any investment, asset or business by the Company or any of its subsidiaries;
- the approval of any changes relating to the Company's share capital structure, including share issues and reduction of capital;
- the approval of material unbudgeted capital expenditures;
- the approval of material capital borrowings and financial commitments;
- the approval of interested person transactions of the Group;
- the approval of the Company's financial results and audited financial statements;
- the recommendation of the payment of any dividend;
- the appointment or removal of a director from the Board;
- the appointment or removal of a company secretary;
- the approval of remuneration packages of key executives of the Company recommended by the RC;
- the convene of shareholders' meetings; and
- any matter required to be considered or approved by the Board as a matter of law or regulation.

The Board has put in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company.

The Board, together with the CEO and other chief executives of the Group, are responsible for upholding the workplace safety and health standards within the Group. The Board reviews the workplace safety and health measures and practices of the Group annually to ensure the work environment is safe, and conducts risk assessments to identify and mitigate workplace risks and hazards. The Board takes into account workplace safety and health issues in its business decisions.

Each Board member is encouraged to constantly keep abreast of developments in regulatory requirements, corporate governance and accounting standards that are of relevance to the Group. Such updates are given at Board meetings and where necessary via presentations by the Company's external professionals, auditors and management. The directors are encouraged to undergo external training seminars and courses. The costs incurred for seminars and trainings shall be borne by the Company.

The management recognises the importance of circulating information on a timely basis to ensure that the Board has adequate time to review the materials to facilitate a constructive and effective discussion during the meeting.

CORPORATE GOVERNANCE REPORT

To assist the Board on discharging its duties, board papers are distributed in advance of Board meetings so that the directors would have sufficient time to understand the matters which are to be discussed.

In addition, the Board is also provided with annual budget and reports for corporate exercises on a timely basis. It has direct access to the management, sponsor, external auditors and company secretaries and will request for additional information as and when needed.

The attendance record of the directors at the 2022 Annual General Meeting, Board and committee meetings held during FY2023 is as follows:

	Annual General Meeting	**Board**	**ARMC**	**NC**	**RC**
Number of Meeting(s) Held	**1**	**3**	**4**	**3**	**3**
Name of Directors	**No. of Meeting(s) Attended**				
Dr. Barry Thng Lip Mong	1	3	4*	3*	3*
Dr. Mok Kan Hwei, Paul	1	3	4*	3*	3*
Wong Hin Sun, Eugene	1	3	4	3	3
Dr. Leong Peng Kheong Adrian Francis	1	3	4	3	3
Lim Heng Chong Benny	1	3	4	3	3

* By invitation

The Company's Constitution allows a Board meeting to be conducted by way of telephone or video conference. The Company holds at least two Board meetings every year and additional meetings will be convened as and when necessary. At every meeting of the Board, all directors are free to speak and openly challenge the views presented by management and other directors.

During the year under review, the Board met three times to approve, amongst others, the Group's half-yearly results announcements and various Board reserved matters, including reviewing the business strategies of the Group. The sponsor, external auditor, company secretaries and other professionals were invited to join these Board meetings.

Where Board meetings are not convened, the Board may use circular resolution in writing to sanction certain decisions. Directors facing conflicts of interest will recuse themselves from discussions and decisions involving the issues of conflict.

The Board has direct access to management and holds management accountable for the performance of the Group. The Board may also communicate directly with the sponsor, external auditor, internal auditor and company secretaries on all matters as and when they deem necessary, to ensure adherence to the Board procedures and relevant rules and regulations which are applicable to the Group. Any director may, on a case-to-case basis, propose to the Board for independent and professional advice, at the Company's expense.

Directors are given full access to the management team and company secretaries, minutes of Board and Board committee meetings and information whenever required. Board members are provided with all relevant information on material events and transactions to enable them to be fully cognisant of the decisions and actions.

Detailed board papers are prepared for each Board meeting and circulated in advance of each meeting to enable the Directors to obtain further information, where necessary. The Directors are also regularly updated on the business activities, significant developments or events of the Group.

Independent directors are always available to provide guidance to management on business issues and in areas which they specialise. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company.

The company secretaries assist the Chairman and the Chairman of each Board committee in the development of the agenda for the various meetings. The company secretaries attend Board and committee meetings and prepare minutes of meetings. They are also responsible for, among others, ensuring that Board procedures are observed and that the Companies Act and relevant regulations are generally complied with. The appointment and the removal of a company secretary is a matter for the Board as a whole.

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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.

The Company endeavours to maintain a strong and independent element on the Board. The Board is led by Dr. Thng, the Chairman and CEO and in compliance with Provision 2.2 and Provision 2.3 of the Code, independent non-executive directors make up a majority of the Board.

As set out under the Code, an independent director is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. The NC deliberates annually to determine the independence of a director bearing in mind the salient factors set out under the provisions as well as all other relevant circumstances and facts. To facilitate the NC in its review of the independent status of the directors, each non-executive director will confirm his independence on a yearly basis. Executive Directors are considered non-independent. None of the independent directors has any relationships or circumstances which may affect their judgement and ability to discharge their duties and responsibilities as independent directors. Please also refer to Principle 4 below for details.

All Board appointments are made based on merit, in the context of skills, experience, core competencies, independence and other relevant factors, having due regard for the benefits of diversity on the Board and the contribution that the selected candidates bring to the Board. The Company provides a formal letter to the newly appointed directors upon their appointment setting out their statutory duties and responsibilities as executive or independent directors. The directors are reminded of their fiduciary duties to act objectively in the best interests of the Company. They are expected to act in good faith, be honest and diligent in exercising their independent judgement in overseeing the business and affairs of the Company. In addition, new directors are also provided with background information about the Group's history and core values, its strategic direction and industry specific knowledge.

The Board and Board committees are of an appropriate size and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity, so as to avoid groupthink and foster constructive debate.

The Board comprises Directors who as a group provide an appropriate balance and diversity of skills and experience including financial, accounting, legal, corporate governance, industry knowledge, strategic planning and customer-based experience, and collectively possesses the necessary core competence to lead the Company effectively. Please refer to "Board of Directors" on pages 14 to 15 for the details of the Directors' experience.

The Board has adopted a Board Diversity Policy which sets out the framework for promoting diversity on the Board. It recognises and embraces the benefits of diversity on the Board and is committed to building a diverse culture in the Board. All aspects of diversity are taken into consideration, which includes core competencies as set out above, age, gender and other skills and experience.

The NC conducts a review of the Board composition annually to assess if the Board has the appropriate mix of expertise and experience, and meets the Board Diversity Policy. At the nominating committee meeting held in August 2023, the NC reviewed the Board composition and is of the view that the current Board, as a whole, is of appropriate size and possesses balance and diversity of skillsets, experience and knowledge which are required for the Board to function effectively, although it does not achieve gender diversity. Should the NC be of the view that there is a need for Board renewal, the Board will strive to ensure that female candidates are included for consideration whenever the Board wishes to identify a new director. When reviewing and assessing the composition of the Board, the NC and the Board will consider all aspects of diversity in order to arrive at an optimum balance composition of the Board.

The independent directors provide, amongst others, strategic guidance to the Company based on their professional knowledge, in particular, assisting to constructively develop proposals on business strategy. The independent directors also help to review the performance of the management in meeting goals and objectives and monitor their performance.

The independent directors meet without the presence of the management as and when required. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

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During FY2023, the independent directors had met with the external and internal auditors without the presence of the management, in order to provide them with an avenue to candidly express any concerns they may have, including those relating to their ability to perform their work without restraint or interference.

As of the date of this report, there is no independent director who has served for an aggregate period of nine years or more from the date of his first appointment.

Principle 3: Chairman and CEO

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.

The Chairman and the CEO are to be separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making. As Dr. Thng is the Executive Chairman and also the CEO of the Company, the Company has not complied with Provision 3.1. The role of the Chairman and CEO is not separate as the Board is of the view that it is in the best interests of the Company to adopt a single leadership structure. This ensures that the decision-making process of the Company would not be unnecessarily impeded, and the Company will be able to grasp business opportunities promptly as they arise. Although the roles are not separated, the Board committees are chaired by independent directors. In addition, the Board believes that there are sufficient safeguards and checks in place to ensure that the process of decision making by the Board is independent and based on collective decisions, without any individual or group of individuals exercising any considerable concentration of power or influence. All major decisions are made in consultation with the Board as a whole.

The Board has established and set out in writing the division of responsibilities between the role of Chairman and the role of CEO notwithstanding that these roles are assumed by the same person.

As the Executive Chairman, Dr. Thng is responsible for, amongst others:

(a) leading the Board to ensure its effectiveness on all aspects of its role, scheduling meetings of the Board and setting the Board meeting agenda in consultation with the management;

(b) exercising control over quality, quantity and timeliness of the flow of information between management and the Board;

(c) ensuring the Board meets the management for informal meeting as and when needed;

(d) assisting in ensuring compliance with the Company’s guidelines on corporate governance;

(e) ensuring effective communication with shareholders;

(f) encouraging constructive relations between the Board and management as well as between executive directors and independent directors;

(g) facilitating the effective contribution of independent directors; and

(h) promoting high standards of corporate governance and assisting in ensuring compliance of the Company’s guidelines on corporate governance.

The responsibilities of the CEO are set out in a service agreement entered into between the Company and the CEO. The CEO is responsible for the development and expansion of the Group’s business and is responsible for the Group’s entire operations, strategic planning, major decision-making, as well as developing the business and vision of the Group.

Given that the Executive Chairman and the CEO is the same person and part of the management team, Mr. Wong has been appointed as Lead Independent Director in accordance the provision 3.3. Mr. Wong is available to shareholders should they have concerns which cannot be resolved through the normal channels of the Chairman for which such contact is inappropriate. He acts as a counter-balance in the decision-making process.

The Lead Independent Director is also responsible for leading the meetings of independent directors without presence of the other directors, as and when required. Feedback will be given to the Chairman after such meetings.

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In addition, Mr. Wong's other specific roles as Lead Independent Director are to:

(a) lead the independent directors to provide non-executive perspectives in circumstance where it would be inappropriate for the Chairman to serve in such capacity and to contribute a balanced viewpoint to the Board; and

(b) advise the Chairman as to the quality, quantity and timeliness of the information provided and/or submitted by management that is necessary or appropriate for the independent directors to effectively and efficiently perform their duties.

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.

All the NC members are independent directors. The NC members comprise the following directors:

Lim Heng Chong, Benny	Chairman and Independent Director
Wong Hin Sun, Eugene	Lead Independent Director
Dr. Leong Peng Kheong Adrian Francis	Independent Director

The NC is established for, inter alia, the purposes of ensuring that there is a formal and transparent process for all Board appointments, taking into account the need for progressive renewal of the Board. It has adopted written terms of reference defining its membership, administration and duties.

The salient terms of reference of the NC includes:

(a) to review and decide whether or not a director is able to and has been adequately carrying out his duties as director, having regard to the competing time commitments that are faced by the director when serving on multiple boards and discharging his duties towards other principal commitments;

(b) to review the directors' mix of skills, experience, core competencies and knowledge of the Group that the Board requires to function competently and efficiently;

(c) to review and recommend the Board on the appointment of directors and key management including re-nomination of existing directors for re-election, having regard to the Director's contribution and performance;

(d) to review and approve the employment of persons related to the directors and/or substantial shareholders and proposed terms of their employment;

(e) to determine annually whether or not a director is independent;

(f) to review the training and professional development programs for the Board;

(g) to review succession plans for directors, the CEO and key management;

(h) to determine and recommend to the Board the maximum number of listed company board representations which any director may hold;

(i) to make recommendation to the Board the performance criteria and appraisal process to be used for evaluation of the effectiveness of the Board as a whole, its committees and directors; and

(j) to address how the Board has enhanced long-term shareholders' value and to assess the contribution of each director to the effectiveness of the Board.

The Board noted that the independence of directors shall be reviewed by the NC annually, confirming their independence in accordance with the Code and SGX-ST Listing Manual Section B: Rules of Catalist of SGX-ST (the "Catalist Rules"). The independent directors have undertaken to inform the Company immediately if there is any change which could interfere with the exercise of their independent judgement or ability to act in the best interest of the Company.

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Mr. Wong, Mr. Lim and Dr. Leong, the independent directors of the Company, have each confirmed that they and their immediate family members are not employed or have been employed by the Company or any of its related corporations for the current and any of the past three financial years and whose remuneration is determined by the RC. They have also confirmed that they do not have any relationship with the Company, its related companies, its substantial shareholders or its officers or face any circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement with a view to the best interests of the Group.

At the NC meeting held in August 2023, the NC has reviewed and is satisfied that all three independent directors of the Company are independent and further, that no individual or small group of individuals dominate the Board's decision-making process. None of the independent directors has a relationship as stated in the Code that would otherwise deem such director not to be independent.

The NC has resolved that a director of the Company who is a professional director with no full-time employment shall have appointments in no more than five listed companies and a director with full-time employment shall have appointments in no more than three listed companies. During FY2023 and as at the date of this report, none of the Company's directors has exceeded the limits set by the NC. The directorships and principal commitments of all directors are set out at the last section of this Principle 4.

The NC is of the view that despite some of the directors having multiple board representations, it is satisfied that these directors are able to and have adequately carried out their duties as directors of the Company. The Board has experienced minimal competing time commitments among its members as meetings are planned and scheduled well in advance of the meeting dates. The NC would review the board representations of each director annually to ensure that the directors continue to meet the demands of the Group and are able to discharge their duties adequately. 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, and is satisfied that all directors have discharged their duties adequately for FY2023. During the year under review, all members of the Board committees attended the meetings held.

The process for the shortlisting, selection and appointment of new directors is spearheaded by the NC. The NC would first consider the needs of the Board before determining the appropriate criteria and/or desired competencies used to identify and select potential candidates. In the selection and nomination of new directors, the NC taps on the resources of the directors' personal contacts for recommendations of candidates. External help (for example, Singapore Institute of Directors, search consultants) could be used to source for potential candidates. Interviews are set up with potential candidates so that the NC is able to assess each prospective candidate before a decision is made for recommendation to the Board for final approval. The NC ensures that new directors are aware of their duties and obligations. It also decides if a director is able to and has been adequately carrying out his duties as a director of the Company.

During FY2023, the NC met to review and/or approve, amongst others, the re-appointment of directors who are subject to retirement at the forthcoming annual general meeting. All NC members participated in the meetings and discussion.

The Constitution of the Company states that one-third of the directors have to retire and subject themselves for re-election by the shareholders at each annual general meeting of the Company. In addition, each director of the Company shall retire from office and subject themselves for re-nomination and re-appointment at least once every three years.

When an existing director is required to retire from office by rotation and offers himself/herself for re-election, the NC takes factors such as attendance, preparedness, participation and candour into consideration when evaluating the past performance and contributions of a director and making its recommendations to the Board. The Board reviews and recommends the re-election of the directors who have offered themselves for re-election as directors of the Company to the shareholders for approval. The director who is subject to retirement by rotation shall abstain from all discussion and decision making of his own re-election.

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Dr. Thng and Mr. Wong are the Directors seeking re-election at the forthcoming annual general meeting. Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the retiring Directors as set out in the Appendix 7F of the Catalist Rules is disclosed below:

	Dr. Barry Thng Lip Mong	**Wong Hin Sun, Eugene**
Date of Appointment	6 June 2006	28 March 2019
Date of last re-appointment	28 October 2020	21 October 2021
Age	57	55
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered, among others, the recommendation of the NC, with Dr. Thng abstaining from the discussion and decision making, has reviewed and considered the contribution, performance, attendance, preparedness, participation and suitability of Dr. Thng for re-election as director of the Company and concluded that Dr. Thng possesses the experience, expertise knowledge and skills to contribute towards the core competencies of the Board.	The Board has considered, among others, the recommendation of the NC, with Mr. Wong abstaining from the discussion and decision making, and has reviewed and considered the contribution, performance, attendance, preparedness, participation and suitability of Mr. Wong for re-election as director of the Company and concluded that Mr. Wong possesses the experience, expertise knowledge and skills to contribute towards the core competencies of the Board. The Board considers Mr. Wong to be independent for the purpose of Rule 704(7) of the Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Executive Dr. Thng is responsible for the overall business and strategic direction of the Group. As Head of the GP Clinic Services business segment, Dr. Thng oversees the strategic direction and day-to-day management of this business segment.	Non-Executive and Independent
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman and Chief Executive Officer	Lead Independent Director ARMC Chairman NC Member RC Member
Professional qualifications	Master of Medicine (Family Medicine), National University of Singapore ("NUS") Bachelor of Medicine and Bachelor of Surgery, NUS Graduate Diploma in Family Practice Dermatology, NUS Fellow – College of Family Physicians, Singapore Fellow – Academy of Medicine, Singapore	Bachelor of Business Administration (First Class Honours), NUS Owner President Management Program, Harvard Business School Chartered Financial Analyst, Association for Investment Management & Research Chartered Director, Institute of Directors, United Kingdom Fellow – Australian Institute of Company Directors

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	Dr. Barry Thng Lip Mong	Wong Hin Sun, Eugene
		Fellow – Singapore Institute of Directors Master of Business Administration in Management, University of London, Imperial College of Science, Technology and Medicine
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	No
Conflict of Interest (including any competing business)	No	No
Working experience and occupation(s) during the past 10 years	Jun 2006 – Present Alliance Healthcare Group Limited Executive Chairman and Chief Executive Officer of the Group	Mar 2023 – Present Tangram Asia Capital LLP Chairman Jun 2020 – Present NTUC Learninghub Pte Ltd Deputy Chairman Jul 2019 – Present APAC Realty Limited Lead Independent Director Mar 2019 – Present Alliance Healthcare Group Limited Lead Independent Director Oct 2014 – Present Singapore Cruise Centre Pte. Ltd. Non-executive Director Sep 2009 – Present Jason Marine Group Limited Deputy Non-executive Chairman Nov 2008 – Present Japan Foods Holding Ltd. Non-executive Vice Chairman Sep 2002 – Present Sirius Venture Capital Pte. Ltd. Founder & Managing Director Jun 2013 – Apr 2018 Singapore Kitchen Equipment Limited Non-executive Director Aug 2012 – Oct 2015 TMC Education Corporation Ltd. (now known as Global Dragon Limited) Independent Director

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	Dr. Barry Thng Lip Mong	Wong Hin Sun, Eugene
		Jun 2012 – Jul 2018 Neo Group Limited Non-executive Director Jan 2012 – Jan 2021 Crimsonlogic Pte. Ltd. Non-executive Chairman Mar 2007 – Feb 2016 Ajisen (China) Holdings Limited Non-executive Director
Undertaking submitted to the listed issuer in the form of Appendix 7H (Catalist Rule 720(1))	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest – 8,578,223 Ordinary Shares in the Company. Deemed interest – 133,450,000 Ordinary Shares in the Company held by Alpine Investment Holdings Pte. Ltd. ("AIPL") by virtue of his holding more than 20% of the total issued shares in AIPL.	Direct Interest – 100,000 Ordinary Shares in the Company.
Other Principal Commitments* Including Directorships# **Notes:** *** "Principal Commitments" has the same meaning as defined in the Code**		
Past (for the last 5 years)	My Family Clinic (Punggol Waterway Terrace) Pte. Ltd. (struck-off)	Agri-Food & Veterinary Authority Dining Collective Pte. Ltd SCC Travel Services Pte. Ltd. (dissolved in a members' voluntary winding up) Agfunder Asia Pte. Ltd. Agfunder Rocket Seeder Pte Ltd Agfunder Grow Asia Fund Pte Ltd Cargo Community Network Pte. Ltd. Crimsonlogic Pte. Ltd. Enterprise Singapore Gets Global Pte. Ltd. Hargol FoodTech Ltd. Sirius Angel Fund Pte. Ltd. (dissolved in a members' voluntary winding up) Sirius Investment Inc.
Present	• Alpine Investment Holdings Pte. Ltd. • Alliance Healthcare Pte. Ltd. • Alliance Medinet Pte. Ltd. • Alliance Specialist Group Pte. Ltd. • Elite Orthopaedics Pte. Ltd. • Evoque Medical Aesthetics Pte. Ltd. • Ho Kok Sun Colorectal Pte. Ltd.	• Japan Food Holdings Ltd • Jason Marine Group Limited • APAC Realty Limited • Sirius Venture Capital Pte Ltd • Sirius SME Growth Partners I Limited • Singapore Cruise Centre Pte. Ltd. • Mekhala Pte Ltd • NTUC Learninghub Pte Ltd • Aerospring Gardens Pte. Ltd.

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	Dr. Barry Thng Lip Mong	Wong Hin Sun, Eugene
	• Lim Jit Fong Colorectal Centre Pte. Ltd. • My Corporate Clinic Pte. Ltd. • My ENT Specialist Pte. Ltd. • My Family Clinic (St George) Pte. Ltd. • My Family Clinic (Woodlands Glen) Pte. Ltd. • My Family Clinic (Anchorvale) Pte. Ltd. • My Family Clinic (Angsana Breeze @ Yishun) Pte. Ltd. • My Family Clinic (CCK) Pte. Ltd. • My Family Clinic (Clementi) Pte. Ltd. • My Family Clinic (Hougang Central) Pte. Ltd. • My Family Clinic (Clementi 325) Pte. Ltd. • My Family Clinic (PN) Pte. Ltd. • My Family Clinic (Punggol Central) Pte. Ltd • My Family Clinic (RV) Pte. Ltd. • My Family Clinic (Segar) Pte. Ltd. • My Family Clinic (SJ) Pte. Ltd. • My Family Clinic (TH) Pte. Ltd. • My Family Clinic (TPY) Pte. Ltd. • My Family Clinic (WD) Pte. Ltd. • Jaga-Me Pte. Ltd. • Alliance Health Investments Pte. Ltd. • B & J Consultancy Pte. Ltd. • SG IMED Pte Ltd.	• Sirius Ocean Pte Ltd • Tangram Asia Capital LLP • Digital Mission Ventures Pte. Ltd. • Gardens by the Bay
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

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		Dr. Barry Thng Lip Mong	Wong Hin Sun, Eugene
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c)	Whether there is any unsatisfied judgment against him?	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

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	Dr. Barry Thng Lip Mong	Wong Hin Sun, Eugene
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:		
i any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No

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	Dr. Barry Thng Lip Mong	Wong Hin Sun, Eugene
ii any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
iii any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
iv any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

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Mr. Wong, upon re-election as a director of the Company, shall remain as Chairman of the ARMC and a member of the NC and RC. The Board considers Mr. Wong to be independent for the purpose of Rule 704(7) of the Catalist Rules. Mr. Wong does not have any relationship including immediate family relationships between himself and the other directors, the Company and its substantial shareholders, or relationship that could interfere or to be reasonably perceived to interfere with the exercise of independent judgment.

The key information of the directors as at the date of this report is set out below:

Name of Directors	Date of Initial Appointment as Director and Date of Last Re-election/ Re-appointment as Director	Directorship in Other Listed Companies		Principal Commitments
		Current	Past 3 Years	
Dr. Barry Thng Lip Mong (Executive Chairman and CEO)	6 Jun 2006 /28 Oct 2020	–	–	• Subsidiary(ies) of Alliance Healthcare Group (Executive Director)
Dr. Mok Kan Hwei, Paul (Executive Director)	28 Mar 2019 /21 Oct 2021	–	–	• Subsidiary(ies) of Alliance Healthcare Group (Executive Director) • ENTDoctors Pte. Ltd. (Executive Director)
Wong Hin Sun, Eugene (Lead Independent Director)	28 Mar 2019 /21 Oct 2021	• Japan Foods Holding Ltd. (Non-executive Vice Chairman) • Jason Marine Group Limited (Non-executive Vice Chairman) • APAC Realty Limited (Independent Director)	–	• Sirius Venture Capital Pte. Ltd. (Managing Director) • Sirius SME Growth Partners I Limited (Non-executive Director) • Singapore Cruise Centre Pte. Ltd. (Non-executive Director) • Mekhala Pte Ltd (Non-executive Director) • Aerospring Gardens Pte. Ltd. (Non-executive Director) • Sirius Ocean Pte Ltd (Director) • Tangram Asia Capital LLP (Chairman) • NTUC Learninghub Pte. Ltd. (Deputy Chairman) • Gardens by the Bay (Board Member)
Lim Heng Chong Benny (Independent Director)	28 Mar 2019 /27 Oct 2022	• China Sunsine Chemical Holdings Ltd (Independent Director)	–	• Chris Chong & CT Ho LLP (Partner) • Fund Services Network Pte Ltd (Non-executive Director)
Dr. Leong Peng Kheong Adrian Francis (Independent Director)	27 Feb 2019 /27 Oct 2022	–	–	–

Currently, none of the directors appoint any alternate director to the Board of the Company.

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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.

The NC has established an appraisal process to assess the performance and effectiveness of the Board (including all Board committees) and individual director on a yearly basis with inputs from the Chairman and other Board members. The appraisal process has been endorsed by the Board.

The NC has completed its evaluation in respect of FY2023. The Board reviewed the evaluation results during its meeting held on 28 August 2023 and concluded that it was generally satisfied with the overall effectiveness of the Board and Board committees, the contribution and performance of each director, the current size, composition as well as the mix of skill sets of the Board and the independence of its Independent Directors.

The evaluation for Board as a whole focuses on a set of criteria which include Board's structure, information to the Board, Board processes, risk management and internal controls, accountability of CEO and top management and standards of conduct. The performance criteria for individual director's assessment covers Board contribution and knowledge, strategy and risk management, preparedness, participation and commitment, responsibility and accountability and interaction. The performance criteria are not expected to be changed from year to year except when deemed necessary and justifiable.

As part of the process, all directors will complete appraisal forms which will be collated by the company secretaries. The results of the performance evaluation will be provided to the NC for review. All NC members will abstain from the voting or review process of any matters in connection with the assessment of his own performance.

The NC has established the methodology for reviewing the effectiveness of the Board as a whole (including all Board committees) and individual director assessment. The review of the Board and Board committees' performance as well as individual director will be conducted by the NC annually.

No external facilitator has been engaged for the purposes to assess the Board's performance for 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.

The RC comprises the following members:

Dr. Leong Peng Kheong Adrian Francis	Chairman and Independent Director
Wong Hin Sun, Eugene	Lead Independent Director
Lim Heng Chong Benny	Independent Director

All RC members are independent directors. The RC has access to internal and external expert and/or professional advice on human resource, whenever there is a need for such consultation.

The RC is established for, inter alia, the purposes of ensuring that there is a formal and transparent procedure for fixing the remuneration packages of individual directors. The overriding principle is that no director should be involved in deciding his own remuneration. The RC has adopted written terms of reference that defines its membership, roles and functions and administration.

The key terms of reference of the RC includes:

(a) to advise the Board on the framework of remuneration policies for the directors and key executives;

(b) to determine the specific remuneration package of the CEO and executive directors;

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(c) to review and ensure that the remuneration of non-executive directors is appropriate to the level of contribution by them, taking into account factors such as effort and time spent, and responsibilities of the directors;

(d) to review the remuneration packages of all managerial staff that are related to any of the directors, substantial shareholders and the CEO, if any;

(e) to recommend to the Board the key executives' and other employees' share option schemes or any long-term incentive scheme, if any; and

(f) to review the Company's obligation arising in the event of termination of the executive directors and key executives' contract of services, to ensure that such contract of services contain fair and reasonable clauses which are not overly generous.

Remuneration matters of the directors and CEO are the responsibility of the RC who will review and make necessary recommendations to the Board for approval. In respect of remuneration matters relating to senior management level, the CEO will make recommendations for the RC's consideration and review. The role of RC also includes the review of executive directors and key executives' contracts to ensure that such contracts of services contain reasonable termination clauses.

There was no remuneration consultant engaged for FY2023.

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.

The annual review covers all aspects of remuneration including salaries, fees, allowances, bonuses, options and benefits-in-kind, taking into consideration the long-term interests of the Group. In setting remuneration packages, the RC will take into account the performance of the Group as well as the executive directors and key executives aligning their interests with those of shareholders and linking rewards to corporate and individual performance as well as industry benchmarks. Performance related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company. The RC's recommendations are made in consultation with the Chairman of the Board and submitted for endorsement by the entire Board. No director shall participate in decisions on his own remuneration. The payment of directors' fees is subject to the approval of the Company's shareholders.

The remuneration of the independent directors is in the form of a fixed fee which is fixed after taking into consideration factors such as effort, time spent and responsibilities of the directors. Independent directors' fees are subject to shareholders' approval at the annual general meeting.

Annual reviews are carried out by the RC to ensure that the directors and key executives are appropriately rewarded, having due regard to the financial and commercial health and business needs of the Group.

The Board obtained Shareholders' approval for the Proposed Adoption of Alliance Performance Share Plan (the "Alliance Performance Share Plan") at the annual general meeting held on 27 October 2022. On 3 January 2023, 2,140,000 share awards were granted to eligible employees who are not related to any director or controlling shareholder of the Company (including their associates). In relation to each award, share shall only be released to the participant at the end of the relevant vesting period or on the relevant vesting date, subject to the Nominating Committee and Remuneration Committee, which jointly administer the Alliance Performance Share Plan, having determined that the performance conditions have been satisfied at the end of the relevant performance period.

The Company does not have any contractual provisions which allow it to reclaim incentives from the executive directors and key executives in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the Group and/or Company (and not on forward-looking results) as well as the actual performance of its executive directors and key executives, "claw-back" provisions in the service agreements may not be relevant or appropriate.

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Principle 8: Disclosure on Remuneration

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedures for setting remuneration, and the relationships between remuneration, performance and value creation.

The Group adopts a remuneration policy for staff comprising both fixed and variable components. The fixed component is in the form of a base salary and the variable component is in the form of a variable bonus that is linked to the Company's and individual's performance. Certain employees are also entitled to other benefits. The management moderates and allocates the variable bonus based on the individual performance of employees and their contributions towards the achievement of the Group's performance.

The remuneration package of executive directors and key executives consists of:

(a) Fixed salary – Fixed salary is determined based on the complexity of the required responsibilities and tasks, along with data on market and sector comparatives and includes employer's contributions to CPF.

(b) Bonus and incentives – Variable remuneration depends on revenue/profit targets, sales incentives and other relevant performance indicators.

(c) Other benefits – Other benefits comprise of transport allowances and benefits-in-kind.

The directors of the company who are controlling shareholders are not entitled to any share award under the Alliance Performance Share Plan.

The independent directors are entitled to director's fees. Under the Alliance Performance Share Plan, the award will be extended to independent directors who work closely with the Group and/or are in the position to contribute their experience, knowledge and expertise to the development and success of the Group. As of the date of this report, no share has been awarded to the independent directors.

Provision 8.1(a) of the Code states that remuneration disclosures for individual directors and the CEO should specify the names, amounts and breakdown of remuneration. The Board is of the opinion that it is in the best interest of the Company to maintain confidentiality of the exact remuneration details of the executive directors. As such, the Company has not complied with the provision. The breakdown of remuneration of the directors (in percentage terms) for FY2023 is set out below:

Remuneration Band and Name of Director[(1)]	**Salary %**	**Bonus %**	**Fees %**	**Other Benefits %**	**Total %**
S$1,000,001 to S$1,250,000					
Dr. Barry Thng Lip Mong	84.24	10.94	–	4.82	100.00
S$750,001 to S$1,000,000					
Dr. Mok Kan Hwei, Paul	72.87	25.82	–	1.31	100.00
Up to S$60,000					
Wong Hin Sun, Eugene	–	–	100.00	–	100.00
Lim Heng Chong Benny	–	–	100.00	–	100.00
Dr. Leong Peng Kheong Adrian Francis	–	–	100.00	–	100.00

Note:

(1) The remuneration disclosed in the table above includes all forms of remuneration from the Company and its subsidiaries. In deciding whether an item or benefit is to be included in the remuneration, regard has been given to the taxability of such item.

The Company has entered into service agreements with each of Dr. Thng and Dr. Mok in relation to their appointment as executive directors on 28 March 2019 and 1 December 2018, respectively. Subject to and in compliance with all applicable rules of the SGX-ST and all applicable Singapore laws and regulations, their service agreements are for a minimum period of 6 years commencing from 31 May 2019 (being the date of listing of the Company on the Catalist board of the SGX-ST) and shall automatically continue thereafter, unless otherwise agreed in writing between the

CORPORATE GOVERNANCE REPORT

parties or terminated in accordance with the respective service agreements, provided always that such employment shall terminate automatically upon the executive director ceasing to hold office as a director. During the financial year under review, the RC reviewed the service agreements of the executive directors to ensure that their remuneration packages remain competitive in the industry.

The directors' fees for FY2023 are as follows:

Name	Amount (S$)
Wong Hin Sun, Eugene	60,000
Lim Heng Chong Benny	45,000
Dr. Leong Peng Kheong Adrian Francis	45,000

The aforesaid directors' fee has been approved by Shareholders in annual general meeting of the Company held in 2022.

Provision 8.1(b) of the Code states that remuneration disclosures for the top 5 key management personnel (who are not directors or the CEO) should specify the names, amounts and breakdown of remuneration in bands no wider than S$250,000. The Group only has 4 key executives during FY2023. The breakdown of remuneration of such personnel (in percentage terms) for FY2023 is set out below:

Remuneration Band and Name of Executive Officer[1]	Salary %	Bonus %	Fees %	Other Benefits %	Total %
S$250,001 to S$500,000					
Mr. Wong Chien Yeh	35.12	57.96	4.39	2.53	100.00
Ms. Jenny Oh	79.65	16.56	–	3.79	100.00
Up to S$250,000					
Ms. Karen Ji Cuihua	78.99	16.38	–	4.63	100.00
Ms. Ong Kai Koon, Karen	76.61	16.94	–	6.45	100.00

Note:

(1) The remuneration disclosed in the table above includes all forms of remuneration from the Company and its subsidiaries. In deciding whether an item or benefit is to be included in the remuneration, regard has been given to the taxability of such item.

	Amount (S$)
Aggregate of the total remuneration paid or payable to the top key management personnel (who are not directors of the Group or the CEO)	1,210,046

The performance conditions used to determine the entitlement of the executive directors and key executives comprise of qualitative and quantitative conditions. Examples of quantitative conditions are target revenue, target profit and years of service. Examples of qualitative conditions are on the job performance, leadership, teamwork, etc. The performance conditions are set by the RC. The RC has reviewed and is satisfied that the performance conditions of the Directors and key executives were met for FY2023.

During FY2023, the Group does not have any employee who is an immediate family member of a director, the CEO or a substantial shareholder.

The directors, the Chairman and the CEO and key management personnel are not entitled to any benefits upon termination, retirement or post-employment. The Company adopted the Alliance Performance Share Plan after the shareholder's approval during the AGM held on 27 October 2022 and currently does not have any share option scheme.

Further information on the directors and key management personnel is on pages 14 to 16 of this Annual Report.

CORPORATE GOVERNANCE REPORT

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 is responsible for the overall risk governance, risk management and internal control framework of the Group and is fully aware of the need to put in place a system of internal controls within the Group to safeguard shareholders' interests and the Group's assets and to manage risks. The Board acknowledges that no system of internal controls can provide absolute assurance against the occurrence of human and system errors, poor judgment in decision-making, losses, fraud or other irregularities. The Board has approved a Group's risk management framework for the identification of key risks within the business which is aligned with the ISO 31000:2018 risk management framework. In compliance with the provision, the roles of risk management have been delegated to the ARMC.

Based on the internal controls and risk management framework established by the Group, its assessment of work performed by the external auditor and the internal auditor, the Board, with the concurrence of the ARMC, is of the view that the Group's internal controls in addressing the financial, operational, compliance and information technology risks and the Group's risk management systems are effective and adequate for FY2023. The Board and ARMC did not identify any major concern on the Group's internal controls or risk management systems for FY2023.

The system provides reasonable assurance against material financial misstatements or loss and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practices and the identification and management of business risks.

For the financial year under review, the Company's CEO and Chief Financial Officer have provided assurance to the Board on the integrity of the financial statements of the Company and the Group. Further, the Board has received written assurance from the Company's CEO and Chief Financial Officer that:

(i) The financial records of the Company and the Group have been properly maintained and the financial statements for FY2023 give a true and fair view of the Group's operations and finances; and

(ii) The system of risk management and internal controls in place within the Group are adequate and effective in addressing the risks in the Group in its current business environment including financial, operational, compliance and information technology risks.

Principle 10: Audit and Risk Management Committee

The Board has an ARMC which discharges its duties objectively.

The ARMC comprises three members, all of whom are independent. None of the ARMC members were previous partners or directors of the Company's external audit firm within the last two years and none of them hold any financial interest in the external audit firm. At least two members, including the ARMC Chairman, have recent and relevant accounting or related financial management expertise or experience.

The members of the ARMC are:

Wong Hin Sun, Eugene	Chairman and Lead Independent Director
Lim Heng Chong Benny	Independent Director
Dr. Leong Peng Kheong Adrian Francis	Independent Director

The role of the ARMC is to, inter alia, assist the Board in discharging its responsibilities to safeguard the Company's assets, maintain adequate accounting records, develop and maintain effective systems of internal controls. The Board is of the opinion that the members of the ARMC have sufficient accounting and financial management expertise and experience in discharging their duties and responsibilities.

The Company confirms that it complies with Rules 712 and 715 of the Catalist Rules. All the subsidiaries which are incorporated in Singapore are audited by RSM Chio Lim LLP ("RSM"). Alliance Medinet (M) Sdn. Bhd., which is incorporated in Malaysia is audited by Messrs. SQ Partners PLT.

CORPORATE GOVERNANCE REPORT

The main functions and responsibilities of the ARMC include the following:

(a) to assist the Board in the discharge of its responsibilities on financial and reporting matters;

(b) to review, with the internal and external auditor, the audit plans, scope of work, their evaluation of the system of internal accounting controls, their management letter and the management's response, and results of the audits compiled by the internal and external auditor, and shall review at regular intervals with the management on the implementation by the Group of the internal control recommendations made by the internal and external auditor;

(c) to review the periodic financial statements of the Company and results announcements of the Company, focusing, in particular, on changes in policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards, the Catalist Rules and any other statutory/regulatory requirements, as well as concerns and issues arising from the audit, including any matters which the auditor may wish to discuss in the absence of the management, where necessary, before submission to the Board for approval;

(d) to review at least annually, the effectiveness and adequacy of the internal controls, including financial, operational, compliance and information technology controls and risk management systems;

(e) to review the adequacy, effectiveness, independence, scope of results and objectivity of the external audit and the internal audit function as well as consider and make recommendations to the Board on (i) the proposals to the shareholders on the appointment or re-appointment and removal of internal and external auditor and (ii) the remuneration and terms of engagement of the internal and external auditor;

(f) to review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and to ensure that the Company publicly discloses, and clearly communicates to its employees, the existence of a whistle-blowing policy and procedures for raising such concerns;

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

(h) to review the financial risk areas, with a view to providing an independent oversight of 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;

(i) to review the risk management structure and any oversight of the risk management process and activities to mitigate and manage risk at acceptable levels as determined by the Board;

(j) to review the statements to be included in the annual report concerning the adequacy and effectiveness of the risk management and internal controls systems, including financial, operational and compliance controls as well as IT controls;

(k) to review the cooperation given by the management to the internal and external auditor;

(l) to review and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

(m) to review any potential conflicts of interest and set out a framework to resolve or mitigate any potential conflicts of interest;

(n) to review and approve all hedging policies and instruments (if any) to be implemented by the Group;

(o) to 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 ARMC;

(p) to review the cash management processes of the Group;

CORPORATE GOVERNANCE REPORT

(q) to review and establish procedures for receipt, retention and treatment of complaints received by the Group involving, among others, criminal offences involving the Group or its employees and questionable accounting, auditing, business, safety or other matters that impact negatively on the Group and ensuring that there are arrangements in place for independent investigation and follow-up action(s);

(r) to review at least annually, compliance by the Group with all applicable laws, regulations, rules and guidance (including, but not limited to, the Private Healthcare Facilities and Services Act, 1998 (Act 586) of Malaysia ("PHFSA")) that are material to the Group's business and operations in Malaysia (the "Existing Malaysian Law and Regulations") in the event: (i) that Malaysia becomes a reportable geographical segment (in accordance with Singapore Financial Reporting Standards (International) (I)) in the Group's financial statements; and/or (ii) there are changes to the Existing Malaysian Law and Regulations, or new laws, regulations, rules and guidance are introduced in Malaysia that require compliance by the Group (including any specific requirements that companies (such as Alliance Medinet Pte Ltd, a subsidiary of the Company) which are neither incorporated under the Companies Act of Malaysia nor a foreign-incorporated company registered under the Companies Act of Malaysia) are to be registered as a "Managed Care Organisation", whether under the PHFSA or otherwise);

(s) to review at least annually, in consultation with the Board, relevant fee schedules for claims processing as a medical network administrator for corporations and insurance companies to take into consideration the applicable Singapore Medical Council guidelines and advisories;

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

(u) to 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 Singapore law, rules or regulations which has or is likely to have a material impact on the Group's results of operations and/or financial position. Each member of the ARMC shall abstain from voting on any resolutions in respect of matters in which he is interested.

In discharging the above duties, the ARMC confirms that it has full access to and co-operation from management and is given full discretion to invite any director to attend its meetings. In addition, the ARMC has also been given reasonable resources to enable it to perform its functions properly. The Board considers Mr. Wong well qualified to chair the ARMC.

The ARMC also reviews all non-audit services provided by the external auditor to ensure that the provision of these services does not affect the independence of the auditor. The ARMC has reviewed the non-audit services provided by RSM during FY2023 and is satisfied that the nature and extent of such services would not prejudice the independence and objectivity of the external auditor and accordingly, has recommended the re-appointment of RSM as auditor of the Company at the forthcoming annual general meeting.

The Company has put into place a whistleblowing policy, endorsed by the ARMC, where employees of the Company may, in confidence, raise concerns about possible corporate improprieties in matters of financial reporting or other matters. During the year, the ARMC reviewed the whistleblowing policy to ensure it met the requirements prescribed in the Listing Rules. The ARMC is responsible for oversight and monitoring of whistleblowing. The ARMC, upon receipt of complaints or allegations from any employee, determines if an investigation is necessary. If an investigation should be carried out, it will direct an independent investigation to be conducted on the complaint received. The ARMC and the Board will receive a report on that complaint and findings of investigation made in good faith as well as a follow-up report on actions taken. The identity of the whistleblower is kept confidential. The Company will ensure that whistleblower will be treated fairly and protected against detrimental or unfair treatment for whistleblowing in good faith.

During FY2023, there were no reported incidents under the whistleblowing policy.

The ARMC is kept abreast by the management and the professionals engaged by the Company (including the external auditor) of changes to accounting standards, Catalist Rules and other regulations which could have an impact on the Group's business and financial statements. During the year, the ARMC was briefed of the new financial reporting standards, new practice guidance issued by Accounting and Corporate Regulatory Authority to guide the directors in reviewing and approving the financial statements and key amendments to the listing rules or updates made by SGX.

The management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measure to control and mitigate these risks. Management reviews all significant control policies and procedures and highlights all significant matters to the ARMC and Board.

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The ARMC has deliberated the key audit matters identified by the external auditor. Details of the key audit matters for FY2023 are provided in the key audit matters section of the Independent Auditor's Report of the Annual Report.

The ARMC is responsible for the appointment, termination, evaluation and compensation of the performance of the internal auditor. The Group has appointed Yang Lee & Associates ("YLA" or "IA") as its internal auditor to assist the ARMC to assess and evaluate that the Group maintains a robust and effective system of internal controls by regular monitoring of key controls, conducting audits of high-risk areas and undertaking investigations as directed by the ARMC.

YLA is a professional service firm that specialises in the provision of Internal Audit, Enterprise Risk Management and Sustainability Reporting advisory services. The firm was set up in the year 2005 and currently maintains a diverse outsourced internal audit portfolio of SGX-ST listed companies across different industries including distribution, manufacturing, services, food & beverage, trading, retail and property development industries. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with sufficient expertise in corporate governance, risk management, internal controls, and other relevant disciplines. The Group's engagement with YLA stipulates that its work shall be guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

The internal auditor's primary line of reporting is to the Chairman of the ARMC. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including the ARMC, and has appropriate standing within the Company to discharge its duties effectively.

On an annual basis, the internal auditor prepares and executes a risk-aligned internal audit plan, so as to review the adequacy and effectiveness of the system of internal controls of the Group. Key audit findings are presented to the ARMC and the results of the findings are also shared with the external auditor.

YLA completed one review during FY2023 in accordance with the risk-aligned internal audit plan approved by the ARMC. The Management has adopted key recommendations of the IA set out in the IA's report or provided justifiable explanations of the alternative practices adopted by the Group.

For FY2023, the ARMC reviewed the adequacy of the internal audit function to ensure that internal audits were conducted effectively and that Management provided the necessary co-operation to the IA in its work, and is satisfied that the internal audit function is independent, adequately resourced and effective, and has appropriate authority and standing to discharge its duties and responsibilities.

During FY2023, the ARMC has met with the internal auditor and the external auditor without the presence of Management.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

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 its shareholders a balanced and understandable assessment of its performance, position and prospects.

The annual general meeting is the principal forum for dialogue with shareholders. The annual general meeting provides an open question and answer session at which shareholders may raise questions or share their views regarding the proposed resolutions and the Group's businesses and affairs. The Board encourages shareholders to attend general meetings, if possible, to ensure a greater level of shareholders' participation and to meet with the Board and the key management personnel to stay informed of the Group's developments and to raise issues and ask the directors or the management questions regarding the Group's business and operations.

The directors and the management as well as external auditors will be present at the annual general meeting to address shareholders' queries regarding, amongst others, the conduct of audit and the auditors' report. All directors of the Company attended the annual general meeting of the Company held in 2022.

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Shareholders may submit questions relating to the resolutions of the annual general meeting in advance of the meeting. The Company publishes the responses to the substantial and relevant queries from shareholders, if any, on SGXNet and the Company's website before the annual general meeting or at the annual general meeting.

Separate resolutions on each distinct issue are tabled at general meetings. "Bundling" of resolutions are kept to a minimum and done only where the resolutions are interdependent as to form one significant proposal and only where there are reasons and material implications involved. Where the resolutions are "bundled", the Company shall explain the reasons and material implications in the notice of such general meeting. All resolutions are put for vote by poll in accordance to the Catalist Rules.

Under the Constitution of the Company, absentia-voting is not allowed. The Board does not implement absentia-voting methods by mail, e-mail or fax, until issues on security and integrity are satisfactorily resolved. The Company's Constitution allows a member of the Company who is not a relevant intermediary to appoint not more than two proxies to attend and vote at general meetings. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at general meetings. For the time being, the Board is of the view that two proxies for each non-intermediary member is adequate to enable Shareholders to participate in general meetings of the Company. All shareholders have the opportunity to participate effectively in and vote at general meetings.

The voting results of each of the resolutions tabled are announced on the same day after the meeting. The total numbers of votes cast for or against the resolutions are also announced after the meetings via SGXNet.

The Company will publish minutes of general meetings of shareholders on its corporate website and SGXNet within one month and such minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meetings, and responses from the Board and management. The minutes of the annual general meeting of the Company for FY2022 were published on SGXNet and the Company's corporate website within one month after the annual general meeting, for the information of the shareholders.

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.

Shareholders' communication is maintained through dissemination of information promptly such as announcements on half-yearly and full year results, press releases on the SGXNet and the Company's corporate website.

The Company has established an investors relations policy and endeavors to communicate regularly, effectively and fairly with its shareholders. To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed via announcements in a timely manner including information pertaining to the Company's business development and financial performance so as to enable shareholders to make informed decisions in respect of their investments in the Company. The announcements released by the Company can also be found at the Company's corporate website https://www.alliancehealthcare.com.sg.

In presenting the annual financial statements and announcements of financial results to shareholders, the Board has a responsibility to present a fair assessment of the Group's financial performance and position including the prospects of the Group. The Board is mindful of the obligation to provide timely and fair disclosure of material information and price sensitive and trade sensitive information. The Board is accountable to the shareholders while the management is accountable to the Board.

Although the Company does not have an investor relations policy, the Board has discussed various methods which allow for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

The Company has an internal investor relations team, led by the Chief Financial Officer, who is responsible for the Company's communication with shareholders. Any shareholder who has queries may send an email to the Company at investor.relations@alliancehealthcare.com.sg.

CORPORATE GOVERNANCE REPORT

Principle 13: 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 Group has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations as provided in the Group's 2023 Sustainability Report, the Company has regularly engaged its stakeholders through various channels to ensure that the business interests of the Group are aligned with those stakeholders, to understand and address the concerns so as to improve services and products standards, as well as to sustain business operations for long-term growth. The Company takes a pragmatic approach in managing stakeholders' expectations to support its long-term strategy. Pertinent information and news are regularly conveyed to the stakeholders through SGXNet.

Stakeholders of the Company will be able to communicate with the Company through the contact information provided in its corporate website.

DIVIDENDS

The Company does not have a fixed dividend policy. The declaration and payment of future dividends may be recommended by the Board at their discretion after considering a number of factors, including level of cash and reserves, results of operations, business prospects, capital requirements and surplus, general financial condition, contractual restrictions, the absence of any circumstances which might reduce the amount of reserves available to pay dividends, and other factors considered relevant by the Board, including the Group's expected financial performance.

For FY2023, the Board has recommended a final tax exempt (one-tier) dividend of 0.3 Singapore cents per ordinary share for shareholders' approval at the forthcoming annual general meeting.

RISK MANAGEMENT

The Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as take appropriate measures to control and mitigate these risks. All significant control policies and procedures are reviewed by management and all significant matters are tabled to the ARMC and Board for review and deliberation.

DEALINGS IN SECURITIES

The Company has set out guidelines to the directors, officers and staff of the Group in relation to dealings in the Company's securities. These guidelines prohibit the Company, its directors, its officers and staff from dealing in the listed securities of the Company while in possession of material and/or price sensitive or trade-sensitive unpublished information and during the period one month before the announcement of the Company's half-year and full-year financial results and ending on the date of announcement of the relevant financial results. The Company, its directors and officers are also advised not to deal in the Company's securities on short-term considerations.

The Company, directors and officers of the Company are also advised to observe insider trading laws at all times even when dealing in the Company's securities within the permitted trading period.

All directors, officers and staff of the Group are required to comply with the provisions of the Securities and Futures Act, the Companies Act, the Catalist Rules and any other relevant regulations with regard to their securities transactions.

In view of the processes in place, in the opinion of the Board, the Company has complied with Rule 1204(19) of the Catalist Rules on dealings in securities.

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy in respect of any transactions with interested persons and has set out the procedures for review and approval.

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 FY2023.

CORPORATE GOVERNANCE REPORT

MATERIAL CONTRACTS

There were no material contracts of the Company or any of its subsidiary companies involving the interests of the CEO, each director or controlling shareholder of the Company, either still subsisting at the end of FY2023 or if not then subsisting, entered into since the end of the previous financial year.

NON-SPONSOR FEES

There were no non-sponsor fees paid to the Company's current sponsor, RHB Bank Berhad, through its Singapore branch for FY2023.

FEES PAID TO AUDITORS

In accordance with Rule 1204(6)(a) of the Catalist Rules, the aggregate amount of fees paid to the Company's auditor, RSM, broken down into audit and non-audit services during FY2023 are as follows:

Nature of services	**Fees (S$)**
Non-Audit	
Tax Compliance Work	73,306
Out-sourced Service Providers Assurance Review (OSPAR)	28,000
Audit	257,578
Total	358,884

UTILISATION OF IPO PROCEEDS

As at the date of this report, the status on the use of the proceeds raised from the IPO is as follows:

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

Notes:

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

(2) The Company has fully utilised the amount allocated for general working capital requirements for purchase of inventories.

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

SUSTAINABILITY REPORT

The Company's Sustainability Report for FY2023 can be found in on pages 18 to 40 of this Annual Report.

STATEMENT BY DIRECTORS

The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 30 June 2023.

1. Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and

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

The board of directors approved and authorised these financial statements for issue.

2. Directors

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

Dr. Barry Thng Lip Mong
Dr. Mok Kan Hwei, Paul
Wong Hin Sun, Eugene
Lim Heng Chong Benny
Dr. Leong Peng Kheong Adrian Francis

3. Directors' interests in shares and debentures

The directors of the company holding office at the end of the reporting year had no interests in shares in or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act 1967 ("the Act") except as follows:

Name of directors and companies in which interests are held	Direct interest At beginning of the reporting year	Direct interest At end of the reporting year	Deemed interest At beginning of the reporting year	Deemed interest At end of the reporting year
	Number of ordinary shares			
The company				
Dr. Barry Thng Lip Mong	8,578,223	8,578,223	133,450,000	133,450,000
Dr. Mok Kan Hwei, Paul	6,598,960	6,598,960	–	–
Wong Hin Sun, Eugene	100,000	100,000	–	–
Lim Heng Chong Benny	100,000	100,000	–	–
Dr. Leong Peng Kheong Adrian Francis	741,370	741,370	–	–
Parent company				
Alpine Investment Holdings Pte. Ltd.				
Dr. Barry Thng Lip Mong	973,890	973,890	–	–

By virtue of section 7 of the Act Dr. Barry Thng Lip Mong is deemed to have an interest in the company and in all the related body corporates of the company.

The directors' interests as at 21 July 2023 were the same as those at the end of the reporting year.

STATEMENT BY DIRECTORS

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

5. Options and Performance Share Plan

During the reporting year, no option to take up unissued shares of the company or other body corporate in the group was granted except as follows:

Alliance Group (2022) Performance Share Plan

(a) On 27 October 2022, the shareholders of the company approved the Alliance Group (2022) Performance Share Plan (the "Alliance 2022 PSP") at the annual general meeting. Details of the Alliance 2022 PSP were set out in the letter to shareholders dated 7 October 2022.

(b) The Alliance 2022 PSP was jointly administered by the Nominating Committee (the "NC") and the Remuneration Committee (the "RC") (jointly the "Committee"), which at the date of this statement, comprises the following directors:

Lim Heng Chong Benny (Chairman of the NC)
Dr. Leong Peng Kheong Adrian Francis (Chairman of the RC)
Wong Hin Sun, Eugene (Member of NC and RC)

(c) On 3 January 2023, share awards were granted pursuant to the Alliance 2022 PSP as follows:

	Company Number of share awards
Directors of the company	–
Employees of the group	2,140,000
	2,140,000

Controlling shareholders of the company or their associates are not eligible to participate in the Alliance 2022 PSP.

(d) Since the commencement of the Alliance 2022 PSP, no participant has received 5% or more of the total number of awards available under the Alliance 2022 PSP.

(e) Information regarding the above awards is as follows:

(i) The number of shares which are the subject of each award to be granted to a participant shall be determined at the absolute discretion of the Committee, which shall take into account, where applicable, the difficulty with which the performance condition(s) may be achieved within the performance period, his rank, job performance, year(s) of service, potential for future development, and his contribution to the success and development of the group.

(ii) In relation to each award, share shall only be released to the participant at the end of the relevant vesting period or on the relevant vesting date, subject to the Committee having determined that the performance conditions have been satisfied at the end of the relevant performance period.

(iii) Awards represent the right of the participants to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, provided that the conditions are met and upon the expiry of the vesting periods, which will be determined by the Committee on the award date.

STATEMENT BY DIRECTORS

6. **Independent auditor**

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

7. **Report of audit and risk management committee**

The members of the audit and risk management committee ("ARMC") at the date of this report are as follows:

Wong Hin Sun, Eugene (Chairman of ARMC)
Lim Heng Chong Benny
Dr. Leong Peng Kheong Adrian Francis

The ARMC performs the functions specified by section 201B (5) of the Act. Among other functions, it performed the following, where relevant with management, the external auditors and the internal auditors:

- Reviewed the audit plan of the independent external auditor.
- Reviewed the independent external auditor's evaluation of the company's internal accounting controls relevant to the statutory audit, the audit report on the financial statements and the assistance given by management to the auditor.
- Reviewed the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditor.
- Reviewed the financial statements of the group and the company prior to their submission to the directors of the company for adoption.
- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual Section B: Rules of Catalist).

Other functions performed by the ARMC are described in the report on corporate governance included in the annual report of the company. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditor provide non-audit services.

The ARMC has recommended to the board of directors that the independent auditor, RSM Chio Lim LLP, be nominated for re-appointment as the independent auditor at the next annual general meeting of the company.

8. **Directors' opinion on the adequacy of internal controls**

Based on the internal controls established and maintained by the group, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the board with the concurrence of the ARMC is of the opinion that the group's internal controls (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at 30 June 2023 to address the risks that the company considers relevant and material to its operations.

STATEMENT BY DIRECTORS

9. Subsequent developments

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 28 August 2023, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

....	....
Dr. Barry Thng Lip Mong	Dr. Mok Kan Hwei, Paul
Director	Director

2 October 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALLIANCE HEALTHCARE GROUP LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Alliance Healthcare Group Limited (the "company") and its subsidiaries (the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 30 June 2023, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including accounting policies.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS (I)") so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 30 June 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 reporting year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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 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 reporting 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.

- Assessment of impairment of goodwill

  Please refer to Note 2A "Goodwill", Note 2C on "Assessment of impairment of goodwill" for the relevant accounting policies and discussion of significant accounting estimates, and critical judgements, assumptions and estimation uncertainties and Note 18 on "Intangible assets" for the key assumptions used in impairment testing of goodwill.

  As at the end of the reporting year, the group has goodwill of $5,190,858, which amounts to approximately 8.0% of the group's total assets as at 30 June 2023. Goodwill is assessed annually for impairment. Management applied the value in use method to determine the recoverable amount of goodwill. The value in use method required management to estimate the future cash flows expected to arise from each of the cash-generating units as well as a suitable discount rate in order to measure the recoverable amount. Any shortfall of the recoverable amount against the carrying amounts would be recognised as impairment losses in profit or loss.

  In estimating the future cash flows of the cash-generating units, management forecasted the revenue, growth rates and margins based on presently available information. These estimates require judgement and the determination of the recoverable amount is a key focus area for our audit.

  We discussed with management the process over the determination of the forecasted revenue, growth rates, margins and discount rates. As the assessment process is judgmental and is based on assumptions that are affected by expected future market or economic conditions, our audit procedures included, among others, using our in-house valuation specialists to assist us in evaluating the assumptions and methodologies used by management.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALLIANCE HEALTHCARE GROUP LIMITED

Key audit matters (Cont'd)

- Assessment of impairment of goodwill (Cont'd)

  We assessed management's estimates applied in the value-in-use models based on our knowledge of the cash-generating units operations, and compared them against historical forecasts and performance and industry statistics. Our in-house valuation specialists also performed a review of the management's methodology, expectations and the discount rate applied in the impairment assessment and tested the accuracy of the computations.

  We evaluated the adequacy of the disclosures included in the financial statements.

Other information

Management is responsible for the other information. The other information comprises the information included in the statement by directors and the annual 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 the financial reporting standards, 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

a) 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALLIANCE HEALTHCARE GROUP LIMITED

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

b) 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.

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

d) 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 consolidated 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.

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

f) 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, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Tay Hui Jun, Sabrina.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

2 October 2023

Engagement partner – effective from reporting year ended 30 June 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2023

	Notes	Group 2023 $	Group 2022 $
Revenue	5	**58,004,658**	54,756,751
Interest income		**5,808**	–
Other income and gains	6	**1,144,098**	1,761,394
Consumables and medical supplies used		**(18,261,093)**	(15,636,903)
Employee benefits expense	7	**(31,325,468)**	(29,416,493)
Depreciation and amortisation expense	13,14,18	**(2,805,582)**	(2,796,216)
Other losses	6	**(6,856)**	(35,609)
Finance costs	8	**(420,608)**	(227,721)
Other expenses	9	**(4,097,741)**	(3,387,822)
Share of results of an associate	17	**(82,208)**	(66,495)
Profit before tax		**2,155,008**	4,950,886
Income tax expense	10A	**(145,463)**	(643,374)
Profit net of tax		**2,009,545**	4,307,512
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax	25B	**(10,764)**	(3,023)
Other comprehensive loss for the year, net of tax		**(10,764)**	(3,023)
Total comprehensive income		**1,998,781**	4,304,489
Profit attributable to owners of the parent, net of tax		**2,090,833**	3,112,254
(Loss)/profit attributable to non-controlling interests, net of tax		**(81,288)**	1,195,258
Profit net of tax		**2,009,545**	4,307,512
Total comprehensive income attributable to owners of the parent		**2,080,069**	3,109,231
Total comprehensive (loss)/income attributable to non-controlling interests		**(81,288)**	1,195,258
Total comprehensive income		**1,998,781**	4,304,489
Earnings per share			
Earnings per share currency unit		**Cents**	**Cents**
Basic and diluted	12	**1.02**	1.50

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

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Notes	Group 2023 $	Group 2022 $	Company 2023 $	Company 2022 $
ASSETS					
Non-current assets					
Property, plant and equipment	13	**7,568,610**	6,594,276	**144,090**	130,406
Right-of-use assets	14	**4,183,098**	2,532,043	**–**	18,332
Investment properties	15	**–**	–	**4,690,736**	3,820,183
Investment in subsidiaries	16	**–**	–	**5,877,632**	5,877,632
Investment in an associate	17	**481,297**	563,505	**–**	–
Intangible assets	18	**5,595,856**	5,725,840	**–**	–
Trade and other receivables	21	**762,473**	562,473	**200,000**	–
Deferred tax assets	10C	**47,392**	47,392	**–**	–
Total non-current assets		**18,638,726**	16,025,529	**10,912,458**	9,846,553
Current assets					
Inventories	19	**3,201,807**	2,424,060	**–**	4,100
Financial assets – derivatives	20	**88,475**	89,962	**–**	–
Trade and other receivables	21	**22,114,370**	11,655,001	**15,658,637**	11,437,247
Income tax receivables		**–**	4,350	**106,072**	–
Other non-financial assets	22	**1,352,705**	716,328	**106,568**	106,551
Cash and cash equivalents	23	**19,551,617**	20,714,704	**1,370,298**	892,500
Total current assets		**46,308,974**	35,604,405	**17,241,575**	12,440,398
Total assets		**64,947,700**	51,629,934	**28,154,033**	22,286,951
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	24	**14,684,250**	14,684,250	**14,684,250**	14,684,250
Treasury shares	24	**(373,360)**	(199,400)	**(373,360)**	(199,400)
Retained earnings		**13,616,698**	12,451,733	**3,666,117**	1,687,983
Other reserves	25	**(5,114,060)**	(4,717,861)	**80,214**	–
Equity, attributable to owners of the parent		**22,813,528**	22,218,722	**18,057,221**	16,172,833
Non-controlling interests		**939,462**	1,787,961	**–**	–
Other reserves		**–**	(94,578)	**–**	–
Total equity		**23,752,990**	23,912,105	**18,057,221**	16,172,833
Non-current liabilities					
Financial liabilities – lease liabilities	26	**2,402,153**	1,143,055	**–**	–
Loans and borrowings	27	**7,260,912**	4,433,303	**4,904,448**	2,367,545
Deferred tax liabilities	10C	**68,438**	90,535	**–**	–
Total non-current liabilities		**9,731,503**	5,666,893	**4,904,448**	2,367,545
Current liabilities					
Income tax payable		**767,829**	798,355	**–**	–
Trade and other payables	28	**26,316,259**	17,977,815	**3,991,538**	3,461,223
Provision	29	**185,000**	175,000	**–**	–
Other non-financial liabilities	30	**66,679**	104,239	**–**	–
Financial liabilities – lease liabilities	26	**1,892,075**	1,463,832	**–**	18,703
Loans and borrowings	27	**2,235,365**	1,531,695	**1,200,826**	266,647
Total current liabilities		**31,463,207**	22,050,936	**5,192,364**	3,746,573
Total liabilities		**41,194,710**	27,717,829	**10,096,812**	6,114,118
Total equity and liabilities		**64,947,700**	51,629,934	**28,154,033**	22,286,951

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

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2023

		Attributable to owners of the parent						
	Total equity $	**Subtotal $**	**Share capital $**	**Treasury shares $**	**Retained earnings $**	**Other reserves $**	**Non-controlling interests $**	**Other reserves #A $**
Group:								
Current year:								
Opening balance at 1 July 2022	23,912,105	22,218,722	14,684,250	(199,400)	12,451,733	(4,717,861)	1,787,961	(94,578)
Changes in equity:								
Total comprehensive income/(loss) for the year	1,998,781	2,080,069	–	–	2,090,833	(10,764)	(81,288)	–
Share buyback (Note 24)	(173,960)	(173,960)	–	(173,960)	–	–	–	–
Performance share plan (Note 25A)	80,214	80,214	–	–	–	80,214	–	
Dividends paid (Note 11)	(925,868)	(925,868)	–	–	(925,868)	–	–	–
Dividends paid to non-controlling interests in subsidiaries	(440,350)	–	–	–	–	–	(440,350)	–
Acquisition of non-controlling interest without a change in control (Note 31A)	(780,417)	(465,649)	–	–	–	(465,649)	(326,861)	12,093
Put options expired (Note 28A)	82,485	–	–	–	–	–	–	82,485
Closing balance at 30 June 2023	23,752,990	22,813,528	14,684,250	(373,360)	13,616,698	(5,114,060)	939,462	–

#A: This amount relates to a reserve for an obligation which arose from a put option written with certain non-controlling shareholders of Jaga-Me Pte. Ltd. ("Jaga-Me") arising from the acquisition of Jaga-Me during the previous reporting year as disclosed in Note 28A. As at end of the reporting year, the remaining unexercised put options had expired and lapsed.

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

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2023

		Attributable to owners of the parent						
	Total equity $	Subtotal $	Share capital $	Treasury shares $	Retained earnings $	Other reserves $	Non-controlling interests $	Other reserves $
<u>Group:</u>								
Current year:								
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 year	4,304,489	3,109,231	–	–	3,112,254	(3,023)	1,195,258	–
Share buyback (Note 24)	(199,400)	(199,400)	–	(199,400)	–	–	–	–
Dividends paid (Note 11)	(478,143)	(478,143)	–	–	(478,143)	–	–	–
Dividends paid to non-controlling interests in subsidiaries	(254,500)	–	–	–	–	–	(254,500)	–
Acquisition of non-controlling interest without a change in control (Note 28A)	–	–	–	–	–	–	(431,558)	431,558
Closing balance at 30 June 2022	23,912,105	22,218,722	14,684,250	(199,400)	12,451,733	(4,717,861)	1,787,961	(94,578)

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

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2023

	Total equity $	Share capital $	Treasury shares $	Retained earnings $	Other reserves $
Company					
Current year:					
Opening balance at 1 July 2022	**16,172,833**	**14,684,250**	**(199,400)**	**1,687,983**	**–**
Changes in equity:					
Total comprehensive income for the year	**2,904,002**	**–**	**–**	**2,904,002**	**–**
Share buyback (Note 24)	**(173,960)**	**–**	**(173,960)**	**–**	**–**
Performance share plan (Note 25A)	**80,214**	**–**	**–**	**–**	**80,214**
Dividends paid (Note 11)	**(925,868)**	**–**	**–**	**(925,868)**	**–**
Closing balance at 30 June 2023	**18,057,221**	**14,684,250**	**(373,360)**	**3,666,117**	**80,214**
Previous year:					
Opening balance at 1 July 2021	16,088,821	14,684,250	–	1,404,571	–
Changes in equity:					
Total comprehensive income for the year	761,555	–	–	761,555	–
Share buyback (Note 24)	(199,400)	–	(199,400)	–	–
Dividends paid (Note 11)	(478,143)	–	–	(478,143)	–
Closing balance at 30 June 2022	16,172,833	14,684,250	(199,400)	1,687,983	–

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

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2023

	Group 2023 $	Group 2022 $
Cash flows from operating activities		
Profit before tax	**2,155,008**	4,950,886
Adjustments for:		
Performance share plan expense	**80,214**	–
Depreciation of property, plant and equipment	**790,601**	810,949
Depreciation of right-of-use assets	**1,884,997**	1,843,347
Amortisation of intangible assets	**129,984**	141,920
Loss on disposal of plant and equipment	**521**	–
Plant and equipment written off	**–**	459
Interest expense	**307,561**	125,981
Lease interest expense	**113,047**	101,740
Rental rebates	**–**	(400,547)
Interest income	**(5,808)**	–
Fair value gain on derivative financial instruments, net	**(53,767)**	(34,159)
Share of results of an associate	**82,208**	66,495
Operating cash flows before changes in working capital	**5,484,566**	7,607,071
Inventories	**(777,747)**	(155,909)
Trade and other receivables	**(10,459,369)**	1,913,569
Other non-financial assets	**(97,044)**	(109,886)
Trade and other payables	**8,560,129**	1,051,605
Other non-financial liabilities	**(37,560)**	(68,305)
Net effect of exchange rate changes in consolidating foreign operations	**(9,562)**	(2,878)
Net cash flows from operations	**2,663,413**	10,235,267
Income tax paid	**(193,736)**	(419,533)
Net cash flows from operating activities	**2,469,677**	9,815,734
Cash flows from investing activities		
Interest received	**5,808**	–
Acquisition of non-controlling interest without a change in control (Note 16)	**(800,610)**	(720,630)
Acquisition of an associate (Note 17)	**–**	(630,000)
Loan to an associate (Note 3)	**(200,000)**	(610,000)
Purchase of property, plant and equipment (Notes 13 and 23B)	**(1,756,777)**	(423,110)
Advance payment for plant and equipment (Note 22)	**(539,333)**	–
Net cash flows used in investing activities	**(3,290,912)**	(2,383,740)
Cash flows from financing activities		
Lease liabilities – principal and interest paid	**(1,961,639)**	(1,540,556)
Movements in amount due to related parties	**(125,731)**	(213,376)
Movements in amount due to directors	**–**	(75,000)
Increase in borrowings	**4,715,543**	300,000
Decrease in other financial liabilities	**(1,084,078)**	(795,897)
Finance lease repayments	**(38,208)**	(68,208)
Dividends paid to equity holders of the company	**(925,868)**	(478,143)
Dividends paid to non-controlling interests	**(440,350)**	(254,500)
Share buyback	**(173,960)**	(199,400)
Interest paid	**(307,561)**	(125,981)
Net cash flows used in financing activities	**(341,852)**	(3,451,061)
Net (decrease) increase in cash and cash equivalents	**(1,163,087)**	3,980,933
Cash and cash equivalents, statement of cash flows, beginning balance	**20,689,704**	16,708,771
Cash and cash equivalents, statement of cash flows, ending balance (Note 23A)	**19,526,617**	20,689,704

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

1. GENERAL

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the company (referred to as "parent") and the subsidiaries.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the company is that of investment holding and health related services.

The company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activities of the subsidiaries are described in the notes to financial statements below.

The registered office is: 25 Bukit Batok Crescent #07-12 The Elitist, Singapore 658066. The company is situated in Singapore.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") and the related Interpretations to SFRS(I) ("SFRS (I) INT") as issued by the Singapore Accounting Standards Committee. They are in compliance with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

Basis of presentation and principles of consolidated financial statements

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

1. GENERAL (CONT'D)

Basis of presentation and principles of consolidated financial statements (Cont'd)

The company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the company's separate statement of profit or loss and other comprehensive income is not presented.

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

2A. Significant accounting policies

Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, and modifications), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sale of goods – Revenue from the sale of consumables and medical supplies, pharmaceutical products (including medicines and healthcare supplements) as well as medical devices, are recognised at a point in time when the performance obligation is satisfied by transferring a promised good to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods.

Services – Revenue from the rendering of medical services and managed healthcare solutions is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute for the Singapore employees to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). Certain subsidiaries overseas have defined contribution retirement benefit plans in which employees are entitled to join upon fulfilling certain conditions. The assets of the fund may or may not be held separately from those of the entity in an independently administered fund. The entity contributes an amount equal to a fixed percentage of the salary of each participating employee. For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (Cont'd)

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowings. Interest expense is calculated using the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Translation of financial statements of other entities

Each entity in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

Income tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (Cont'd)

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The useful lives are as follows:

Leasehold properties	–	34 to 59 years
Computers and office equipment	–	2 to 3 years
Warehouse equipment	–	3 years
Furniture and fittings	–	3 years
Medical equipment	–	3 years
Motor vehicles	–	6 years
Renovation	–	3 years
Website and IT software	–	3 to 10 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The annual rate of depreciation is as follows:

Office space, clinic premises and warehouses	–	2 to 5 years

Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded (or included in property, plant and equipment). Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Leases of lessor

For a lessor each of lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (Cont'd)

Investment properties

Investment properties are properties (land or a building or part of a building or both) owned or held under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business. It includes an investment property in the course of construction. After initial recognition at cost including transaction costs the cost model is used to measure the investment property using the treatment for property, plant and equipment, that is, at cost less any accumulated depreciation and any accumulated impairment losses. An investment property that meets the criteria to be classified as held for sale is carried at the lower of carrying amount and fair value. For disclosure purposes only, the fair values are measured periodically on a systematic basis by external independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The useful lives are as follows:

Leasehold properties	–	Over the remaining leasehold period of between 34 to 44 years from initial recognition

Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The useful lives is as follows:

Customer relationship	–	5 years
Unpatented technology	–	7 years

Identifiable intangible assets acquired as part of a business combination are initially recognised separately from goodwill if the asset's fair value can be measured reliably, irrespective of whether the asset had been recognised by the acquiree before the business combination. An intangible asset is considered identifiable only if it is separable or if it arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity 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. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary 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. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (Cont'd)

Associates

An associate is an entity including an unincorporated entity in which the reporting entity has a significant influence and that is neither a subsidiary nor a joint arrangement of the reporting entity. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. An investment in an associate includes goodwill on acquisition, which is accounted for in accordance with the financial reporting standard on business combinations. However the entire carrying amount of the investment is tested under the financial reporting standard on impairment, by comparing its recoverable amount (higher of value in use and fair value) with its carrying amount, whenever application of the requirements in the financial reporting standard on financial instruments indicates that the investment may be impaired.

In the consolidated financial statements, the accounting for investments in an associate is on the equity method. Under the equity method the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The carrying value and the net book value of the investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Losses of an associate in excess of the reporting entity's interest in the relevant associate are not recognised except to the extent that the reporting entity has an obligation. Profits and losses resulting from transactions between the reporting entity and an associate are recognised in the financial statements only to the extent of unrelated reporting entity's interests in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are changed where necessary to ensure consistency with the policies adopted by the reporting entity. The reporting entity discontinues the use of the equity method from the date that when its investment ceases to be an associate and accounts for the investment in accordance with the financial reporting standard on financial instruments from that date. Any gain or loss is recognised in profit or loss. Any investment retained in the former associate is measured at fair value at the date that it ceases to be an associate.

Non-controlling interests

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the reporting entity as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is recognised as of the acquisition date measured as the excess of (a) over (b); (a) being the aggregate of: (i) the consideration transferred which generally requires acquisition-date fair value; (ii) the amount of any non-controlling interest in the acquiree measured in accordance with the financial reporting standard on business combinations (measured either at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets); and (iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and (b) being the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with the financial reporting standard on business combinations.

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised. Irrespective of whether there is any indication of impairment, goodwill and also any intangible asset with an indefinite useful life or any intangible asset not yet available for use are tested for impairment at least annually. Goodwill impairment is not reversed in any circumstances.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (Cont'd)

Goodwill (Cont'd)

For the purpose of impairment testing and since the acquisition date of the business combination, goodwill is allocated to each cash-generating unit, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and is not larger than a segment.

Inventories

Inventories are measured at the lower of cost (weighted average method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Carrying amounts of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

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

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Recognition and derecognition of financial instruments: (Cont'd)

Financial assets are classified into (1) Financial asset classified as measured at amortised cost; (2) Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI); (3) Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI); and (4) Financial asset classified as measured at fair value through profit or loss (FVTPL). At the end of the reporting year, the reporting entity had the following financial assets:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

- Financial asset classified as measured at fair value through profit or loss (FVTPL): All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Derivative financial instruments

A derivative financial instrument is a financial instrument with all three of the following characteristics (a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices, credit ratings or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract; (b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and (c) it is settled at a future date. The derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently classified as measured at FVTPL unless the derivative is designated and effective as a hedging instrument.

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (Cont'd)

Fair value measurement (Cont'd)

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

2B. Other explanatory information

Segment reporting

The reporting entity discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Put option financial liability

Where the group writes put options with non-controlling shareholders of subsidiaries, entitling the non-controlling shareholders concerned to sell their equity interests in the subsidiaries back to the group for settlement in cash or another financial asset within a stipulated period upon the occurrence of specified conditions or events, the group recognises a liability based on the present value of the redemption amount of the put options. Subsequent to initial recognition of the financial liability, the group has adopted an accounting policy to recognise the changes in the present value of the put option financial liabilities in equity. If the put option expires unexercised, then the put option financial liability is derecognised, with a corresponding credit to equity.

Treasury shares

Where the entity reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental cost is deducted from equity attributable to the entity's owners until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the entity's owners and no gain or loss is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2C. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assessment of impairment of goodwill:

The amount of goodwill is tested annually for impairment. This annual impairment test is material and the process is complex and highly judgmental and is based on assumptions that are affected by expected future market or economic conditions. As a result, judgement is required in evaluating the assumptions and methodologies used by management, in particular those relating to the forecasted revenue growth and profit margins. The disclosures about goodwill are included in Note 18, which explains that small changes in the key assumptions used could give rise to an impairment of the goodwill balance in the future. Actual outcomes could vary from these estimates.

Assessing expected credit loss allowance on trade receivables:

The assessment of the expected credit losses (ECL) requires a degree of estimation and judgement. In measuring the expected credit losses. Management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of future economic conditions. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the Note 21 on trade and other receivables.

Estimating Income tax amounts:

The entity recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues 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 tax recognised and the extent to which amounts should or can be recognised. A deferred tax asset is recognised for unused tax losses if it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. As a result, due to their inherent nature assessments of likelihood are judgemental and not susceptible to precise determination. The income tax amounts are disclosed in the Note 10 on income tax.

Useful lives of plant and equipment:

The estimates for the useful lives and related depreciation charges for plant and equipment are based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset at the end of the reporting year affected by the assumption is $950,456 (2022: $811,147).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

The financial reporting standard on related party requires the reporting entity to disclose: (a) related party relationships, transactions and outstanding balances, including commitments (if any), (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

3A. Members of a group:

Name	Relationship	Country of incorporation
Alpine Investment Holdings Pte. Ltd.	Parent company and ultimate parent company	Singapore

Related companies in these financial statements include the members of the above group of companies.

The ultimate controlling party is Dr. Barry Thng Lip Mong, a director and significant shareholder.

3B. Related party transactions:

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

Significant related party transactions:

	Group	
	2023	2022
	$	$
Associate:		
Administrative fees income	**18,000**	14,177
Interest income	**26,227**	6,825
Marketing fee income	**20,500**	2,000
Software subscription and system maintenance fee	**(122,679)**	(54,900)
Web based software development cost	**(57,375)**	(75,780)
Related parties:		
Professional fees expenses	**(4,709,525)**	(3,356,765)
Rental expenses	**(52,748)**	(50,700)

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

NOTES TO THE FINANCIAL STATEMENTS

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3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONT'D)

3C. Key management compensation:

	2023 $	2022 $
Group:		
Salaries and other short-term employee benefits	**3,233,962**	2,875,166

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	2023 $	2022 $
Group:		
Fees to directors of the company	**150,000**	150,000
Remuneration of directors of the company	**1,873,916**	1,776,472

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

3D. Other receivables from and other payables to related parties:

The trade transactions and the related receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from and other payables to related parties are as follows:

	Group and Company Directors	
	2023 $	2022 $
Other payables:		
At beginning of the year	**(75,000)**	(150,000)
Amounts paid out and settlement of liabilities on behalf of directors	**–**	75,000
At end of the year (Note 28)	**(75,000)**	(75,000)

	Group Related parties	
	2023 $	2022 $
Other payables:		
At beginning of the year	**(123,753)**	(60,229)
Amounts paid in and settlement of liabilities on behalf of the group	**(60,000)**	(123,753)
Amounts paid out and settlement of liabilities on behalf of related parties	**123,753**	60,229
At end of the year (Note 28)	**(60,000)**	(123,753)

NOTES TO THE FINANCIAL STATEMENTS

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3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONT'D)

3D. Other receivables from and other payables to related parties: (Cont'd)

	Group Associate		Company Associate	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Other receivables:				
At beginning of the year	**562,473**	–	**–**	–
Loan	**200,000**	610,000	**200,000**	–
Fair value adjustment	**–**	(47,527)	**–**	–
At end of the year (Note 21)	**762,473**	562,473	**200,000**	–

	Company Subsidiaries	
	2023	**2022**
	$	**$**
Other receivables:		
At beginning of the year	**5,945,630**	3,035,000
Amounts paid out and settlement of liabilities on behalf of the subsidiaries	**1,950,000**	3,420,630
Amounts paid in and settlement of liabilities on behalf of company	**(210,000)**	(510,000)
At end of the year (Note 21)	**7,685,630**	5,945,630

The related parties' other payables amount are owing to non-controlling interests of certain subsidiaries and shareholders of the ultimate parent company.

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

4A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

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.

Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4A. Information about reportable segment profit or loss, assets and liabilities (Cont'd)

The segments and the types of products and services are as follows:

The GP clinic services segment is in the business of provision of primary healthcare medical services by general practitioners.

The specialist care services segment is in the business of provision of medical services by specialists.

The managed healthcare solutions segment is in the business of providing managed healthcare solutions to corporations and insurance companies by establishing an extensive network of medical service providers to deliver healthcare services to the employees of corporations, or as the case may be, insured members of policyholders of insurance companies or by providing direct medical services to the employees of corporations concerned.

The pharmaceutical services segment is in the business of wholesale of pharmaceutical products services (including medicines and health supplements) as well as medical devices.

The mobile and digital health services segment is in the business of making medical care within reach through mobile and home care services.

The others segment is in the business of investment holding and provision of administrative and management services.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the reporting entity are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the significant accounting policies.

The management reporting system evaluates performances based on a number of factors. However the primary financial performance measurement to evaluate segment's operating results comprises one major financial indicator: earnings before interest expense, tax, depreciation and amortisation ("EBITDA"). The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

4. **FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)**

4B. **Primary analysis by business segment**

	GP clinic services $	Specialist care services $	Managed healthcare solutions $	Pharmaceutical services $	Mobile and digital health services $	Others $	Eliminations $	Group $
2023								
Revenue by segment								
External sales	17,249,734	13,422,033	8,517,390	15,847,142	2,946,425	21,934	–	58,004,658
Inter-segment sales	13,197	–	561,574	2,801,831	25,820	7,608,368	(11,010,790)	–
Total revenue	17,262,931	13,422,033	9,078,964	18,648,973	2,972,245	7,630,302	(11,010,790)	58,004,658
EBITDA	4,013,721	1,885,896	935,543	2,486,481	(2,220,741)	(1,637,494)	–	5,463,406
Finance costs	(114,383)	(31,638)	(1,566)	(11,026)	(194,252)	(67,743)	–	(420,608)
Depreciation and amortisation	(1,380,786)	(502,881)	(147,176)	(164,393)	(426,636)	(183,710)	–	(2,805,582)
Share of results of an associate	–	–	–	–	(82,208)	–	–	(82,208)
Profit (loss) before tax	2,518,552	1,351,377	786,801	2,311,062	(2,923,837)	(1,888,947)	–	2,155,008
Income tax expense								(145,463)
Profit, net of tax								2,009,545
Segment assets	13,033,937	5,141,194	27,706,748	8,767,659	8,863,615	25,402,293	(23,967,746)	64,947,700
Segment liabilities	(5,453,229)	(4,238,572)	(23,420,029)	(4,134,049)	(12,475,512)	(9,983,463)	18,510,144	(41,194,710)
Other material items and reconciliations								
Expenditures for property, plant and equipment	137,775	33,137	318,895	16,699	149,222	1,111,049	–	1,766,777

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4B. Primary analysis by business segment (Cont'd)

	GP clinic services $	Specialist care services $	Managed healthcare solutions $	Pharmaceutical services $	Mobile and digital health services $	Others $	Eliminations $	Group $
2022								
Revenue by segment								
External sales	18,113,172	10,762,069	5,493,224	11,585,377	8,790,231	12,678	–	54,756,751
Inter-segment sales	47,000	–	292,908	2,243,850	28,382	5,048,928	(7,661,068)	–
Total revenue	18,160,172	10,762,069	5,786,132	13,829,227	8,818,613	5,061,606	(7,661,068)	54,756,751
EBITDA	5,356,619	1,846,970	111,350	1,169,406	943,911	(1,386,938)	–	8,041,318
Finance costs	(87,324)	(20,883)	(1,141)	(7,124)	(90,373)	(20,876)	–	(227,721)
Depreciation and amortisation	(1,354,654)	(493,477)	(116,489)	(202,909)	(421,033)	(207,654)	–	(2,796,216)
Share of results of an associate	–	–	–	–	(66,495)	–	–	(66,495)
Profit (loss) before tax	3,914,641	1,332,610	(6,280)	959,373	366,010	(1,615,468)	–	4,950,886
Income tax expense								(643,374)
Profit, net of tax								4,307,512
Segment assets	13,166,652	5,187,879	16,599,755	4,997,167	10,315,384	20,694,801	(19,331,704)	51,629,934
Segment liabilities	(5,583,237)	(3,520,733)	(14,352,989)	(1,618,768)	(10,495,192)	(6,114,120)	13,967,210	(27,717,829)
Other material items and reconciliations								
Expenditures for property, plant and equipment	26,039	31,071	65,065	15,083	199,901	105,951	–	443,110

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4C. Geographical information

	Revenue		Non-current assets	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Singapore	**54,286,439**	52,054,760	**18,434,321**	15,963,765
Others[1]	**3,718,219**	2,701,991	**204,405**	61,764
Total	**58,004,658**	54,756,751	**18,638,726**	16,025,529

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

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located.

4D. Information about major customers

The major customers of the group by revenue are as follows:

	2023	**2022**
	$	**$**
Top 1 customer	**1,704,264**	1,733,738
Top 2 customer	**1,477,480**	1,374,479
Top 3 customer	**936,010**	1,233,946

5. REVENUE

	Group	
	2023	**2022**
	$	**$**
Rendering of services		
– Medical services	**30,671,767**	28,875,241
– Managed healthcare solutions services	**8,517,390**	5,493,224
– Mobile and digital health services	**2,946,425**	8,790,231
Sale of goods	**15,847,142**	11,585,377
Others	**21,934**	12,678
Total revenue	**58,004,658**	54,756,751

The revenue from rendering of medical services (including the sale of consumables and medical supplies), managed healthcare solutions services, mobile and digital health services (including the sale of consumables and medical supplies) and sale of goods comprising pharmaceutical products (including medicines and health supplements) as well as medical devices, are recognised based on point in time. The customers are medical services providers, insurance companies, corporate entities and individuals.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

6. OTHER INCOME AND GAINS AND (OTHER LOSSES)

	Group 2023 $	Group 2022 $
Allowance for impairment on trade receivables	**(1,779)**	(5,498)
Bad debts written off trade receivables	**(4,366)**	(22,864)
Foreign exchange transaction gains	**71,345**	102,028
Government grants	**1,001,434**	829,645
Loss on disposal of plant and equipment	**(521)**	–
Other income[(a)]	**7,612**	388,227
Plant and equipment written off	**–**	(459)
Rental rebates	**9,750**	400,547
Fair value loss on derivative financial instruments	**(190)**	(6,788)
Fair value gain on derivative financial instruments	**53,957**	40,947
Net	**1,137,242**	1,725,785
Presented in profit and loss as:		
Other income and gains	**1,144,098**	1,761,394
Other losses	**(6,856)**	(35,609)
Net	**1,137,242**	1,725,785

(a) Included in other income for FY2022 was the reversal of FY2021 provision of estimated legal fee and possible penalties amounting to $320,000.

7. EMPLOYEE BENEFITS EXPENSE

	Group 2023 $	Group 2022 $
Short-term employee benefits expense	**28,426,216**	27,089,993
Contributions to defined contribution plan	**2,260,143**	1,962,604
Performance share plan	**80,214**	–
Other benefits	**558,895**	363,896
Total employee benefits expense	**31,325,468**	29,416,493

Employee benefits expense includes fees paid to locum doctors for medical services rendered and professional fees for medical services rendered.

8. FINANCE COSTS

	Group 2023 $	Group 2022 $
Interest expense	**307,561**	125,981
Lease interest expense	**113,047**	101,740
	420,608	227,721

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

9. OTHER EXPENSES

The material and other selected components include the following:

	Group 2023 $	Group 2022 $
Advertising and marketing expenses	**655,197**	622,838
IT maintenance and licensing expenses	**475,839**	298,104
Server and website expenses	**395,605**	182,937
Administrative fee expense	**356,253**	219,868
Short-term rental charges	**128,027**	67,807

10. INCOME TAX

10A. Components of tax expense recognised in profit or loss include:

	Group 2023 $	Group 2022 $
Current tax expense:		
Current tax expense	**886,588**	715,765
Over adjustments in respect of prior periods	**(145,138)**	(48,265)
Subtotal	**741,450**	667,500
Deferred tax income:		
Deferred tax income	**(22,097)**	(24,126)
Previously unrecognised deferred tax assets recognised this year	**(573,890)**	–
Subtotal	**(595,987)**	(24,126)
Total income tax expense	**145,463**	643,374

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate. The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2022: 17%) to profit or loss before income tax as a result of the following differences:

	Group 2023 $	Group 2022 $
Profit before tax	**2,155,008**	4,950,886
Share of loss from associate	**82,208**	66,495
	2,237,216	5,017,381

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

10. INCOME TAX (CONT'D)

10A. Components of tax expense recognised in profit or loss include: (Cont'd)

	Group	
	2023	**2022**
	$	**$**
Income tax expense at the above rate	**380,327**	852,955
Income not subject to tax	**(9,890)**	(125,962)
Expenses not deductible for tax purposes	**54,515**	79,864
Over adjustments in respect of prior periods	**(145,138)**	(48,265)
Previously unrecognised deferred tax assets utilised for group relief this year	**(501,564)**	–
Previously unrecognised deferred tax assets recognised this year	**(72,326)**	–
Adjustment to prior year unrecognised deferred tax[(a)]	**323,083**	–
Unrecognised deferred tax assets	**254,617**	47,375
Tax exemptions	**(221,388)**	(228,731)
Others	**83,227**	66,138
Total income tax expense	**145,463**	643,374

(a) This mainly relates to utilisation of tax losses during the year in relation to an approval of waiver of shareholding test for tax losses in a subsidiary prior to acquisition.

10B. Deferred tax expense recognised in profit or loss includes:

	Group	
	2023	**2022**
	$	**$**
Excess of book over tax depreciation on plant and equipment	**23,349**	(8,832)
Excess of tax over book depreciation on plant and equipment	**43,507**	15,502
Intangible assets arising from acquisition of subsidiaries	**(41,736)**	(19,671)
Tax losses carryforwards	**(309,769)**	(69,518)
Productivity innovation credits	**65,445**	–
Others	**(57,510)**	11,018
Previously unrecognised deferred tax assets recognised this year	**(573,890)**	–
Unrecognised deferred tax assets	**254,617**	47,375
Total deferred tax income recognised in profit or loss	**(595,987)**	(24,126)

10C. Deferred tax balance in the statement of financial position:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
From deferred tax (liabilities) asset recognised in profit or loss:				
Excess of net book value of plant and equipment over tax values	**(56,354)**	(33,005)	**–**	–
Excess of tax values over net book value of plant and equipment	**311,983**	355,490	**119,161**	177,780
Productivity innovation credits	**110,869**	176,314	**108,566**	176,314
Tax losses carryforwards	**1,070,297**	760,528	**411,387**	340,164
Others	**97,729**	40,219	**–**	–
Unrecognised deferred tax assets	**(1,499,910)**	(1,245,293)	**(639,114)**	(694,258)
Subtotal	**34,614**	54,253	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

10. INCOME TAX (CONT'D)

10C. Deferred tax balance in the statement of financial position: (Cont'd)

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
From deferred tax liabilities arising from acquisition of subsidiaries:				
Intangible assets arising from acquisition of subsidiaries	**(55,660)**	(97,396)	**–**	–
Net total of deferred liabilities	**(21,046)**	(43,143)	**–**	–

	Group	
	2023	**2022**
	$	**$**
Presented in statement of financial position as:		
Deferred tax liabilities	**(68,438)**	(90,535)
Deferred tax assets	**47,392**	47,392
	(21,046)	(43,143)

Unrecognised deferred tax assets relates to the following items:

	Group	
	2023	**2022**
	$	**$**
Unused tax losses available	**6,295,865**	4,473,696
Unutilised capital allowances	**1,503,700**	1,896,971
Others	**1,023,435**	954,588
	8,823,000	7,325,255

No deferred tax assets for the tax losses (including deductible temporary differences, unused tax losses and unused tax credits) has been recognised in respect of the remaining for the above balance, as the future profit streams are not probable against which the deductible temporary difference can be utilised. The above are in respect of Singapore companies and the realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined. There are no income tax consequences of dividends to owners of the company.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

11. DIVIDENDS ON EQUITY SHARES

	Rate per share – cents			
	2023	**2022**	**2023** **$**	**2022** **$**
Company:				
Final tax-exempt dividend paid	**0.45**	0.23	**925,868**	478,143
Total dividends paid in the year	**0.45**	0.23	**925,868**	478,143

The directors have proposed that a final tax-exempt dividend of 0.30 cents per ordinary share with a total of $617,245 be paid for the financial year ended 30 June 2023. This dividend is subject to approval by shareholders at the next annual general meeting to be held on 30 October 2023 and has not been included as a liability in these financial statements.

12. EARNINGS PER SHARE

The following table illustrates the numerators and denominators used to calculate basic and diluted amount per share of no par value:

	2023 **$**	**2022** **$**
Numerators:		
Profit attributable to owners of the parent, net of tax	**2,090,833**	3,112,254
Denominators: weighted average number of equity shares		
Basic	**205,810,818**	207,633,092

The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

The basic amount per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year.

Diluted earnings per share are the same as basic earnings per share as there were no potential dilutive ordinary shares existing during the respective reporting years.

13. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold properties $	Computers and office equipment $	Warehouse equipment $	Furniture and fittings $	Medical equipment $	Motor vehicles $	Renovation $	Website and IT software $	Total $
Cost:									
At 1 July 2021	6,795,169	2,256,520	67,998	682,803	542,468	152,453	1,145,921	2,618,013	14,261,345
Additions	–	139,620	–	38,550	17,250	–	70,901	176,789	443,110
Disposals	–	(214)	–	–	–	–	–	–	(214)
Write off	–	(30,236)	–	(13,693)	(17,003)	–	(5,233)	–	(66,165)
Foreign exchange adjustments	–	(740)	–	(61)	–	–	(368)	(144)	(1,313)
At 30 June 2022	6,795,169	2,364,950	67,998	707,599	542,715	152,453	1,211,221	2,794,658	14,636,763
Additions	990,000	329,134	–	53,136	52,672	–	156,189	185,646	1,766,777
Disposals	–	(1,250)	–	–	–	–	–	–	(1,250)
Write off	–	(347,590)	–	–	(800)	–	(13,680)	–	(362,070)
Foreign exchange adjustments	–	(2,525)	–	(751)	–	–	(1,584)	(453)	(5,313)
At 30 June 2023	**7,785,169**	**2,342,719**	**67,998**	**759,984**	**594,587**	**152,453**	**1,352,146**	**2,979,851**	**16,034,907**
Accumulated depreciation:									
At 1 July 2021	866,578	2,163,480	29,374	600,663	456,238	90,304	1,023,107	2,068,878	7,298,622
Depreciation for the year	145,462	147,195	19,869	44,853	49,640	20,870	73,367	309,693	810,949
Disposals	–	(214)	–	–	–	–	–	–	(214)
Write off	–	(30,236)	–	(13,448)	(16,789)	–	(5,233)	–	(65,706)
Foreign exchange adjustments	–	(615)	–	(37)	–	–	(368)	(144)	(1,164)
At 30 June 2022	1,012,040	2,279,610	49,243	632,031	489,089	111,174	1,090,873	2,378,427	8,042,487
Depreciation for the year	154,975	183,428	13,184	43,960	42,357	5,504	70,445	276,748	790,601
Disposals	–	(729)	–	–	–	–	–	–	(729)
Write off	–	(347,590)	–	–	(800)	–	(13,680)	–	(362,070)
Foreign exchange adjustments	–	(2,147)	–	(211)	–	–	(1,181)	(453)	(3,992)
At 30 June 2023	**1,167,015**	**2,112,572**	**62,427**	**675,780**	**530,646**	**116,678**	**1,146,457**	**2,654,722**	**8,466,297**
Carrying value:									
At 1 July 2021	5,928,591	93,040	38,624	82,140	86,230	62,149	122,814	549,135	6,962,723
At 30 June 2022	5,783,129	85,340	18,755	75,568	53,626	41,279	120,348	416,231	6,594,276
At 30 June 2023	**6,618,154**	**230,147**	**5,571**	**84,204**	**63,941**	**35,775**	**205,689**	**325,129**	**7,568,610**

The leasehold properties of the group at a carrying value of $6,618,155 (2022: $5,783,129) are mortgaged or pledged as security for bank facilities (see Note 27).

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13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Computers and office equipment $	Furniture and fittings $	Renovation $	IT software $	Total $
Cost:					
At 1 July 2021	1,331,072	238,328	301,314	823,300	2,694,014
Additions	41,220	26,422	38,309	–	105,951
Write off	–	(3,100)	–	–	(3,100)
At 30 June 2022	1,372,292	261,650	339,623	823,300	2,796,865
Additions	96,514	9,950	14,585	–	121,049
Disposal	(600)	–	–	–	(600)
Write off	(85,320)	–	(13,680)	–	(99,000)
At 30 June 2023	**1,382,886**	**271,600**	**340,528**	**823,300**	**2,818,314**
Accumulated depreciation:					
At 1 July 2021	1,251,027	231,048	293,805	768,098	2,543,978
Depreciation for the year	75,246	8,646	9,107	32,582	125,581
Write off	–	(3,100)	–	–	(3,100)
At 30 June 2022	1,326,273	236,594	302,912	800,680	2,666,459
Depreciation for the year	57,230	12,169	16,645	21,071	107,115
Disposal	(350)	–	–	–	(350)
Write off	(85,320)	–	(13,680)	–	(99,000)
At 30 June 2023	**1,297,833**	**248,763**	**305,877**	**821,751**	**2,674,224**
Carrying value:					
At 1 July 2021	80,045	7,280	7,509	55,202	150,036
At 30 June 2022	46,019	25,056	36,711	22,620	130,406
At 30 June 2023	**85,053**	**22,837**	**34,651**	**1,549**	**144,090**

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14. RIGHT-OF-USE ASSETS

The right-of-use assets in the statement of financial position as follows:

	Group Office, clinic premises and warehouses $	Company Office $
Cost:		
At 1 July 2021	5,650,041	101,686
Additions	1,308,446	–
Disposal	(1,893,408)	(50,412)
Other adjustments	(900)	–
At 30 June 2022	5,064,179	51,274
Additions	3,539,765	–
Disposal	(2,248,074)	(51,274)
Other adjustments	(7,383)	–
At 30 June 2023	**6,348,487**	**–**
Accumulated depreciation:		
At 1 July 2021	2,582,991	44,468
Depreciation for the year	1,843,347	38,886
Disposal	(1,893,408)	(50,412)
Other adjustments	(794)	–
At 30 June 2022	2,532,136	32,942
Depreciation for the year	1,884,997	18,332
Disposal	(2,248,074)	(51,274)
Other adjustments	(3,670)	–
At 30 June 2023	**2,165,389**	**–**
Carrying value:		
At 1 July 2021	3,067,050	57,218
At 30 June 2022	2,532,043	18,332
At 30 June 2023	**4,183,098**	**–**

NOTES TO THE FINANCIAL STATEMENTS

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15. INVESTMENT PROPERTIES

	Company $
Cost:	
At 1 July 2021	4,233,069
Addition	460,000
At 30 June 2022	4,693,069
Addition	990,000
At 30 June 2023	**5,683,069**
Accumulated depreciation:	
At 1 July 2021	762,953
Depreciation for the year	109,933
At 30 June 2022	872,886
Depreciation for the year	119,447
At 30 June 2023	**992,333**
Carrying value:	
At 1 July 2021	3,470,116
At 30 June 2022	3,820,183
At 30 June 2023	**4,690,736**

	Company 2023 $	Company 2022 $
Fair value for disclosure purposes only:		
Fair value at end of the year	**7,129,000**	5,510,000
Rental income from investment properties	**303,052**	303,052
Direct operating expenses (including repairs and maintenance) arising from:		
– Rental generating properties	**81,104**	76,941
– Non-rental generating properties	**17,606**	16,702
	98,710	93,643

The fair values of the investment properties for the reporting year ended 30 June 2023 and 30 June 2022 were assessed by management based on a valuation of a unit purchased in the same building made by GB Global Pte Ltd, a firm of independent professional valuers, in March 2023 and June 2022 respectively based on the direct comparison method to reflect the actual market state and circumstances as of the end of the reporting year. Management determined that the direct comparison of the asset is the current use and that it would provide maximum value to market participants principally through its use in combination with other assets.

NOTES TO THE FINANCIAL STATEMENTS
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15. INVESTMENT PROPERTIES (CONT'D)

For fair value measurements categorised within the fair value hierarchy below, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows:

Asset:	Leasehold properties at 25 Bukit Batok Crescent, Singapore 658066
Tenure:	60 years from 13 March 1997 (expiring 12 March 2057)
Fair Value and Fair value hierarchy – Level:	$7,129,000 (2022: $5,510,000). Level 3 (2022: Level 3)
Valuation technique for recurring fair value measurements:	Direct comparison method
Significant observable inputs:	Price per square foot: $571 (2022: $515)
Sensitivity on management's estimates – 10% variation from estimate:	Impact – lower/higher by $713,000 (2022: lower/higher by $551,000)

The investment properties are mortgaged or pledged as security for bank facilities (see Note 27).

The leasehold properties are classified as investment properties in the company's balance sheet as they are majority leased out to certain subsidiaries of the group. However, in the group's consolidated balance sheet, these leasehold properties are classified as property, plant and equipment (Note 13).

16. INVESTMENT IN SUBSIDIARIES

	Company	
	2023	2022
	$	$
Movements during the year. At cost:		
At beginning and at end of the year	**5,877,632**	5,877,632
Carrying value in the books of the company comprising:		
Unquoted equity shares at cost	**5,877,632**	5,877,632
Cost at end of the year	**5,877,632**	5,877,632

The subsidiaries held by the company are listed below:

Name of subsidiaries	Effective percentage of equity held by group 2023	2022	Cost of investment 2023	2022
	%	%	$	$
Alliance Medinet Pte. Ltd.[(a)]	**100**	100	**830,000**	830,000
Alliance Specialist Group Pte. Ltd.[(b)]	**100**	100	**1,729,740**	1,729,740
Alliance Healthcare Pte. Ltd.[(h)]	**100**	100	**8,000**	8,000
Alliance Pharm Pte. Ltd.[(c)]	**100**	100	**1,762,090**	1,762,090
Alliance Medical Group Pte Ltd[(b)]	**100**	100	**1,547,802**	1,547,802
Held through Alliance Medinet Pte. Ltd.				
Alliance Medinet (M) Sdn. Bhd.[(a) (d)]	**100**	100		
Held through Alliance Specialist Group Pte. Ltd.				
Ho Kok Sun Colorectal Pte. Ltd.[(e)]	**100**	100		
Lim Jit Fong Colorectal Centre Pte. Ltd.[(e)]	**100**	100		
My ENT Specialist Pte. Ltd.[(e)]	**100**	100		
Elite Orthopaedics Pte. Ltd.[(e)]	**51**	51		
Held through Alliance Healthcare Pte. Ltd.				
Jaga-Me Pte. Ltd.[(f) (j)]	**75.3**	64.6		
Jaga-Me Medical Pte. Ltd.[(g)]	**100**	100		

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16. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Effective percentage of equity held by group 2023 %	2022 %
Held through Alliance Medical Group Pte Ltd		
My Family Clinic (RV) Pte. Ltd.[e]	**100**	100
My Family Clinic (CCK) Pte. Ltd.[e]	**100**	100
My Family Clinic (WD) Pte. Ltd.[e]	**100**	100
My Family Clinic (TH) Pte. Ltd.[e]	**100**	100
My Family Clinic (PN) Pte. Ltd.[e]	**100**	100
My Family Clinic (SJ) Pte. Ltd.[e]	**100**	100
My Family Clinic (TPY) Pte. Ltd.[e]	**100**	100
My Family Clinic (Punggol Central) Pte. Ltd.[e]	**100**	100
My Family Clinic (Hougang Central) Pte. Ltd.[e]	**75**	75
My Family Clinic (Angsana Breeze@Yishun) Pte. Ltd.[e]	**60**	60
My Family Clinic (St George) Pte. Ltd.[e]	**100**	100
My Family Clinic (Clementi 325) Pte. Ltd.[e]	**100**	100
My Family Clinic (Woodlands Glen) Pte. Ltd.[e]	**100**	100
My Corporate Clinic Pte. Ltd.[e]	**100**	100
Alliance Health Investments Pte. Ltd.[b]	**80**	80
Held through Alliance Health Investments Pte. Ltd.		
My Family Clinic (Clementi) Pte. Ltd.[e]	**56**	56
My Family Clinic (Segar) Pte. Ltd.[e]	**80**	80
My Family Clinic (Anchorvale) Pte. Ltd.[e]	**48**	48
My Family Clinic (Punggol Waterway Terrace) Pte. Ltd.[e] [i]	**80**	80

All the subsidiaries are incorporated and operate in Singapore and are audited by RSM Chio Lim LLP except for Alliance Medinet (M) Sdn. Bhd. (incorporated in Malaysia).

(a) The principal activities of these subsidiaries are the provision of managed healthcare solutions.

(b) The principal activities of these subsidiaries are those of an investment holding company and provision of administrative and management services.

(c) The principal activities of this subsidiary is wholesale of pharmaceutical products.

(d) The subsidiary was audited by Messrs. SQ Partners PLT.

(e) The principal activities of these subsidiaries are provision of medical services.

(f) The principal activities of this subsidiary are the provision of health care services.

(g) The principal activities of this subsidiary are the operation of clinics and the provision of other general western medical services.

(h) The principal activities of this subsidiary are the operation of clinics and the provision of other general western medical services and development of software and application.

(i) My Family Clinic (Punggol Waterway Terrace) Pte. Ltd. has been dormant since 14 July 2018. It was struck off on 7 August 2023.

(j) On 9 January 2023, certain non-controlling shareholders of Jaga-Me ("Exercising Shareholders") exercised their put option and sold an aggregate of 6,731 Jaga-Me Shares ("Put Option Shares") at $3.00 per Jaga-Me Share for an aggregate cash consideration of $20,193 to Alliance Healthcare Pte. Ltd. ("AHPL"). The Put Option Shares represent approximately 0.3% of the issued share capital of Jaga-Me. On the same day, the group acquired additional shares of 260,139 from a shareholder for an aggregate cash consideration of $780,417. Accordingly, following this acquisition, the group's shareholding interest in Jaga-Me increased from 64.6% to 75.3%.

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17. INVESTMENT IN AN ASSOCIATE

	Group 2023 $	Group 2022 $
Movements in carrying value:		
Balance at beginning of the year	**563,505**	–
Additions	**–**	630,000
Share of loss for the year	**(82,208)**	(66,495)
Balance at end of the year	**481,297**	563,505
Carrying value comprising:		
Equity shares at cost[(a)]	**630,000**	630,000
Share of loss	**(148,703)**	(66,495)
Balance at end of the year	**481,297**	563,505

(a) The investment in equity shares in the associate at cost includes goodwill of $515,637.

The associate held by the group is listed below:

Name of associate	Effective percentage of equity held by group 2023 %	Effective percentage of equity held by group 2022 %
SG IMED Pte. Ltd.[(a)]	**20**	20

Singapore
Development of software and applications

(a) Audited by RSM Chio Lim LLP.

Acquisition

On 22 September 2021, the group through its wholly-owned subsidiary AHPL, acquired a 20% of the share capital in SG IMED Pte. Ltd. ("SGiMED") for an aggregate cash consideration of $630,000 (the "Acquisition"). Following this transaction, the group gained significant influence and the investee became an associate. The transaction was accounted for by the equity method of accounting.

The expenses incurred of 2023: $Nil (2022: $56,358) in relation to the acquisition have been included in profit or loss under other expenses.

Loan

In conjunction with the Acquisition, AHPL also granted a 2-year term loan of $610,000 (the "Loan") to fund the operations and growth of SGiMED (the "Loan Facility"). The Loan has been fully drawn down during the year.

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) (the "Loan Facility's Option Component") to assign its rights under the Loan Facility 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").

17. INVESTMENT IN AN ASSOCIATE (CONT'D)

The group recognised the fair value of the Loan Facility's Option Component of $47,527 (2022: $47,527), which was net off from the principal of the Loan as at the end of the reporting year, based on the probability assessed by management on achieving the above conditions.

Call Option

In addition, AHPL was granted an 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 "Call Option").

The Call 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 Call Option shall be an amount equal to the sum of $3,070,000. The exercise of the Call Option is not conditional upon the Loan Assignment. The group recognised the fair value of the Call Option asset of $88,475 (2022: $88,475), based on the probability assessed by management on achieving the above conditions.

The call option remains unexercised as at 30 June 2023.

18. INTANGIBLE ASSETS

Group	Goodwill $	Customer relationship $	Unpatented technology $	Total $
Cost:				
At 1 July 2021 and 30 June 2022 and 30 June 2023	**5,190,858**	**131,027**	**810,000**	**6,131,885**
Accumulated amortisation:				
At 1 July 2021	–	90,552	173,573	264,125
Amortisation for the year	–	26,205	115,715	141,920
At 30 June 2022	–	116,757	289,288	406,045
Amortisation for the year	–	14,270	115,714	129,984
At 30 June 2023	**–**	**131,027**	**405,002**	**536,029**
Carrying value:				
At 1 July 2021	5,190,858	40,475	636,427	5,867,760
At 30 June 2022	5,190,858	14,270	520,712	5,725,840
At 30 June 2023	**5,190,858**	**–**	**404,998**	**5,595,856**

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18. INTANGIBLE ASSETS (CONT'D)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating unit represents the group's investment in the following subsidiaries:

	Group	
	2023	**2022**
	$	**$**
Name of subsidiary:		
"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
Subtotal	**2,606,563**	2,606,563
Jaga-Me Pte. Ltd.	**2,584,295**	2,584,295
Subtotal	**2,584,295**	2,584,295
Total	**5,190,858**	5,190,858

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

The goodwill for each of the cash generating unit was tested for impairment at the end of the reporting year. No impairment allowance was recognised because the carrying amount of each of the cash-generating units were lower than their estimated recoverable amounts.

The value in use for each cash-generating unit was measured by management. The value in use is a recurring fair value measurement (Level 3). The quantitative information about the value in use measurement using significant unobservable inputs for the cash-generating units are consistent with those used for the measurement last performed, where relevant, and are set out as follows:

CGU – Entities operating under "My Family Clinic" Valuation technique and Unobservable inputs Discounted cash flow method:	**2023**	**2022**
1. Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the CGUs.	**15.5%**	12.5%
2. Cash flow forecasts derived from the most recent financial budgets and growth rates approved by management.	**5 years** **4%**	5 years 4% – 8%[(1)]
3. Terminal growth rates not exceeding the average long-term growth rate for the relevant markets.	**2.0%**	2.2%

(1) 2023 forecasted growth at 8% to normalise business to pre-COVID level

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18. INTANGIBLE ASSETS (CONT'D)

CGU – Jaga-Me Pte. Ltd. ("Jaga-Me")
Valuation technique and Unobservable inputs
Discounted cash flow method:

	2023	2022
1. Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the CGUs.	**18%**	15%
2. Cash flow forecasts derived from the most recent financial budgets and growth rates approved by management.	**5 years** **38% – 111%[(3)]**	5 years (46%) – 116%[(2)]
3. Terminal growth rates not exceeding the average long-term growth rate for the relevant markets.	**2.0%**	2.2%

(2) 2023 forecasted a negative 46% growth to anticipate less COVID related services following Singapore's move towards endemic. 2024 forecasted at 116% growth in view of a dip in 2023. Excluding these two years, the growth rates ranges from 39% to 60%.

(3) 2025 and 2026 forecasted a 111% and 79% growth respectively. This is in anticipation of the growing demand in homecare services. Excluding these two years, the growth rates ranges from 38% to 52%.

Actual outcomes could vary from these estimates. If the revised estimated gross margin at the end of the reporting year had been 5% less favourable than management's estimates at the end of the reporting year, the estimated recoverable amount would still be higher than the carrying amount of goodwill. If the revised estimated pre-tax discount rate applied to the discounted cash flows had been 5 percent point less favourable than management's estimates, the estimated recoverable amount would still be higher than the carrying amount of goodwill.

19. INVENTORIES

	Group		Company	
	2023 **$**	**2022** **$**	**2023** **$**	**2022** **$**
Consumables and medical/pharmaceutical goods for resale	**3,201,807**	2,424,060	**–**	4,100
The write-downs of inventories charged to profit or loss included in consumables and medical supplies used	**34,990**	103,695	**–**	–

There are no inventories pledged as security for liabilities.

20. FINANCIAL ASSETS – DERIVATIVES

	Group	
	2023 **$**	**2022** **$**
Derivatives not designated as hedging instruments:		
Call option asset I	**–**	1,487
Call option asset II	**88,475**	88,475
	88,475	89,962

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20. FINANCIAL ASSETS – DERIVATIVES (CONT'D)

	2023		2022	
	Call option asset I	**Call option asset II**	**Call option asset I**	**Call option asset II**
Movements during the year:				
At beginning of the year	**1,487**	**88,475**	8,275	–
Additions (Note 17)	**–**	**–**	–	88,475
Exercised (Note 28A)	**(190)**	**–**	(6,788)	–
Lapsed (Note 28A)	**(1,297)**	**–**	–	–
At end of the year	**–**	**88,475**	1,487	88,475

Call option asset I relates to Jaga-Me (also see Note 28A).

Call option asset II relates to SGiMED (also see Note 17).

The fair values of the call options were estimated using the Black-Scholes pricing model.

21. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 $	**2022 $**	**2023 $**	**2022 $**
Trade receivables:				
Outside parties	**21,658,117**	11,660,244	**2,728,858**	1,592,148
Less allowance for impairment	**(4,947)**	(10,940)	**–**	–
Subsidiaries	**–**	–	**4,789,779**	3,898,481
Net trade receivables – subtotal	**21,653,170**	11,649,304	**7,518,637**	5,490,629
Other receivables:				
Subsidiaries (Note 3)	**–**	–	**7,685,630**	5,945,630
Outside parties	**450,162**	5,697	**454,370**	988
Accrued income	**11,038**	–	**–**	–
Associate (Note 3) (Note 21A)	**762,473**	562,473	**200,000**	–
Other receivables – subtotal	**1,223,673**	568,170	**8,340,000**	5,946,618
Total trade and other receivables	**22,876,843**	12,217,474	**15,858,637**	11,437,247
Presented in financial statements:				
Trade and other receivables, current	**22,114,370**	11,655,001	**15,658,637**	11,437,247
Trade and other receivables, non-current (Note 21A)	**762,473**	562,473	**200,000**	–
Total	**22,876,843**	12,217,474	**15,858,637**	11,437,247
Movements in above allowance on trade receivables:				
At beginning of the year	**10,940**	5,759	**–**	–
Charge for trade receivables to profit or loss included in other losses	**1,779**	5,498	**–**	–
Used	**(7,772)**	(317)	**–**	–
At end of year	**4,947**	10,940	**–**	–

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21. TRADE AND OTHER RECEIVABLES (CONT'D)

The expected credit losses (ECL) on the above trade receivables are based on the simplified approach to measuring expected credit losses (ECL) which uses a lifetime ECL allowance approach for all trade receivables recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL. The allowance matrix is based on the historical observed default rates (over a period of 36 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates including the impact of current economic conditions. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The ageing of the assets is as follows:

	Gross amount		Loss allowance	
	2023	2022	2023	2022
	$	$	$	$
Group				
Trade receivables:				
Current	**13,511,684**	7,332,452	**–**	–
1 to 60 days past due	**6,623,712**	3,431,072	**–**	–
61 to 90 days past due	**253,756**	393,155	**–**	–
Over 90 days past due	**1,268,965**	503,565	**4,947**	10,940
Total	**21,658,117**	11,660,244	**4,947**	10,940
Company				
Trade receivables:				
Current	**1,995,570**	1,201,880	**–**	–
1 to 60 days past due	**1,492,987**	1,036,213	**–**	–
61 to 90 days past due	**169,561**	138,568	**–**	–
Over 90 days past due	**3,860,519**	3,113,968	**–**	–
Total	**7,518,637**	5,490,629	**–**	–

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period. There is no collateral held as security and other credit enhancements for the trade receivables.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade customers is about 30 days (2022: 30 days). But some customers take a longer period to settle the amounts. The balances include amounts due from credit card companies and NETS. For these, the average credit period generally granted is a few days.

Concentration of trade receivable customers as at the end of reporting year:

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Top 1 customer	**4,482,303**	672,638	**3,628,045**	3,165,379
Top 2 customers	**7,264,478**	1,771,413	**5,516,158**	4,264,255
Top 3 customers	**9,152,591**	3,044,676	**6,158,151**	4,625,864

The other receivables shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The other receivables can be graded for credit risk individually. At inception they are recorded net of expected 12 month credit losses. At each reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk. At the end of the reporting year, a loss allowance is recognised at an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition including the impact of the current economic condition. No loss allowance was necessary.

Other receivables are normally with no fixed terms and therefore there is no maturity.

NOTES TO THE FINANCIAL STATEMENTS
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21. TRADE AND OTHER RECEIVABLES (CONT'D)

21A. Other receivable from an associate

Other receivable from an associate relates to $562,473 from AHPL (Note 17) and $200,000 loan from the company which is repayable over 45 monthly instalments from July 2024 till March 2028. The $200,000 loan is charged with floating interest rate.

22. OTHER NON-FINANCIAL ASSETS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Deposits to secure services[(a)]	**1,098,252**	443,278	**39,093**	61,070
Prepayments	**254,453**	273,050	**67,475**	45,481
	1,352,705	716,328	**106,568**	106,551

(a) Deposit consists of the advance payment of $539,333 for capital expenditure for a subsidiary.

23. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Not restricted in use	**19,526,617**	20,689,704	**1,370,298**	892,500
Cash pledged for bank facilities[#a]	**25,000**	25,000	**–**	–
Cash at end of the year	**19,551,617**	20,714,704	**1,370,298**	892,500

#a. This is for amounts held by the bankers as security for the Merchant Agreement between the bank and the group.

The interest earning balances are not significant.

23A. Cash and cash equivalents in the consolidated statement of cash flows:

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

	Group	
	2023	**2022**
	$	**$**
Amount as shown above	**19,551,617**	20,714,704
Less: Bank deposits pledged	**(25,000)**	(25,000)
Cash and cash equivalents for statement of cash flows purposes at the end of the year	**19,526,617**	20,689,704

23B. Non-cash transactions:

There were capitalisation of reinstatement costs of $10,000 during the year under property, plant and equipment (2022: $20,000).

NOTES TO THE FINANCIAL STATEMENTS

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23. CASH AND CASH EQUIVALENTS (CONT'D)

23C. Reconciliation of liabilities arising from financial activities:

	Group			
	2022 $	Cash flows $	Non-cash changes $	2023 $
Directors	75,000	–	–	**75,000**
Related parties	782,553	(125,731)	–	**656,822**
Loans and borrowings	5,239,317	3,631,465	–	**8,870,782**
Lease liabilities[#a]	2,606,887	(1,961,639)	3,648,980	**4,294,228**
Finance lease liabilities	66,881	(38,208)	–	**28,673**

	2021 $	Cash flows $	Non-cash changes $	2022 $
Directors	150,000	(75,000)	–	75,000
Related parties	995,929	(213,376)	–	782,553
Loans and borrowings	5,735,214	(495,897)	–	5,239,317
Lease liabilities[#a]	3,137,914	(1,540,556)	1,009,529	2,606,887
Finance lease liabilities	135,089	(68,208)	–	66,881

#a. Lease liabilities relates to group's leases accounted under SFRS(I) 16 (Note 26).

24. SHARE CAPITAL

	Group and Company			
	Number of shares issued	Share Capital $	Treasury Shares $	Total $
Ordinary shares of no par value:				
At 1 July 2021	207,888,352	14,684,250	–	14,684,250
Share buyback	(1,140,000)	–	(199,400)	(199,400)
At end of the year 30 June 2022	206,748,352	14,684,250	(199,400)	14,484,850
Share buyback	(1,000,000)	–	(173,960)	(173,960)
At end of the year 30 June 2023	**205,748,352**	**14,684,250**	**(373,360)**	**14,310,890**

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements. During the financial year, the company acquired 1,000,000 (2022: 1,140,000) of its ordinary shares by way of on-market purchase for a total consideration of $173,960 (2022: $199,400).

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

24. SHARE CAPITAL (CONT'D)

The group and company are in a net cash and cash equivalents position (borrowings less cash and cash equivalents) at the end of the current reporting year and for the previous reporting year, and there are significant borrowings but these are secured by specific assets. The debt-to-adjusted capital ratio may not provide a meaningful indicator of the risk from borrowings.

In order to maintain its listing on the SGX-ST, the company has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

Performance Share Plan

Under the Alliance Group (2022) Performance Share Plan (the "Alliance 2022 PSP"), a participant may be granted award of shares. The eligibility of the participants, the number of shares which are the subject of each award to be granted to a participant and the vesting period shall be determined at the discretion of the Committee, taking into account inter alia certain prescribed performance conditions, if any.

In January 2023, the company granted share awards to eligible employees of the group and total aggregate number of shares is 2,140,000. The shares were granted to 13 employees of the group at the market price of the company's shares on date of grant of $0.173 with a vesting period to 3 years. The details are as follows:

Date of grant	**3 January 2023**	**3 January 2023**	**3 January 2023**
Number of options granted	214,000	428,000	1,498,000
Share price	$0.173	$0.173	$0.173
Vesting period	3 January 2024	3 January 2025	3 January 2026

The release of the shares is subject to satisfaction of any applicable performance conditions for each participant.

25. OTHER RESERVES

	Group		**Company**	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Capital reserves (Note 25A)	**(5,098,806)**	(4,713,371)	**80,214**	–
Foreign currency translation reserve (Note 25B)	**(15,254)**	(4,490)	**–**	–
	(5,114,060)	(4,717,861)	**80,214**	–

25. OTHER RESERVES (CONT'D)

25A. Capital reserves

	Group 2023 $	Group 2022 $	Company 2023 $	Company 2022 $
At beginning of the year	**(4,713,371)**	(4,713,371)	**–**	–
Acquisition of a non-controlling interest without a change in control (Note 31A)[a]	**(465,649)**	–	**–**	–
Performance share plan reserve[b]	**80,214**	–	**80,214**	–
	(5,098,806)	(4,713,371)	**80,214**	–

(a) This is in respect of the acquisition or disposal of equity interests in subsidiaries without change in control. This is not available for cash dividends until realised.

(b) Performance share plan expense related to the value of employee services recognised for group's performance shares awarded on 3 January 2023 to certain employees of the group pursuant to Alliance 2022 PSP (Note 24).

25B. Foreign currency translation reserve

	Group 2023 $	Group 2022 $
At beginning of the year	**(4,490)**	(1,467)
Exchange differences on translating foreign operations	**(10,764)**	(3,023)
At end of the year	**(15,254)**	(4,490)

26. FINANCIAL LIABILITIES – LEASE LIABILITIES

Lease liabilities are presented in the statement of financial position as follows:

	Group 2023 $	Group 2022 $	Company 2023 $	Company 2022 $
Lease liabilities, current	**1,892,075**	1,463,832	**–**	18,703
Lease liabilities, non-current	**2,402,153**	1,143,055	**–**	–
	4,294,228	2,606,887	**–**	18,703

The leases are for office space, clinic premises and warehouses. The lease contracts are usually for fixed periods of 3 to 5 years but may have extension options. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The lease liabilities above do not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-to-use assets.

Only variable lease payments that depend on an index or a rate; payments that vary to reflect changes in market rental rates are included in the measurement of the lease liability. Such variable amounts that are unpaid at the commencement date are included in the measurement of lease liability. Variable lease payments would also include extension options and termination options; residual value guarantees; and leases not yet commenced to which the lessee is committed. The variable lease payments that based on revenue are recognised in profit or loss in the year in which the condition that triggers those payments occurs.

Lease liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

26. FINANCIAL LIABILITIES – LEASE LIABILITIES (CONT'D)

Other information about the leasing activities relating to the right-of-use assets are summarised as follows:

	Office space, clinic premises and warehouses	
	2023	**2022**
Group:		
Number of right-of-use assets	**24**	25
Remaining term – range	**1 to 4.75 years**	1 to 3 years
Remaining term – average	**1.75 years**	1.17 years
Number of leases with extension options	**24**	20
Weighted average incremental borrowing rate applied to lease liabilities	**4.5% to 4.7%**	2.9% to 4.5%
Number of leases with variable payments linked to an index	**24**	25
Number of leases with termination options	**24**	25

A summary of the maturity analysis of lease liabilities is disclosed in Note 33E. Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use-assets are disclosed in Note 14.

Total cash outflow for leases are shown in the statement of cash flows.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

Other disclosures on leases:

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	Group	
	2023	**2022**
	$	**$**
Expense relating to short-term leases included in other expenses	**128,027**	67,807
Total commitments on short-term leases at year end date	**2,205**	18,330

NOTES TO THE FINANCIAL STATEMENTS

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27. LOANS AND BORROWINGS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Non-current:				
Lease liabilities with fixed interest rates:				
Lease liabilities (Note 27A)	**20,465**	28,673	**–**	–
Term loans F (unsecured) (Note 27G)	**1,375,295**	234,803	**652,718**	234,803
Subtotal	**1,395,760**	263,476	**652,718**	234,803
Loans with floating interest rates:				
Term loans A (secured) (Note 27B)	**1,669,194**	1,798,222	**1,669,194**	1,798,222
Term loan B (unsecured) (Note 27C)	**178,688**	–	**–**	–
Term loan C (secured) (Note 27D)	**986,665**	1,093,331	**–**	–
Term loan D (secured) (Note 27E)	**448,069**	943,754	**–**	–
Term loans E (secured) (Note 27F)	**1,082,536**	334,520	**1,082,536**	334,520
Term loan G (secured) (Note 27H)	**1,500,000**	–	**1,500,000**	–
Subtotal	**5,865,152**	4,169,827	**4,251,730**	2,132,742
Subtotal – non-current	**7,260,912**	4,433,303	**4,904,448**	2,367,545
Current:				
Lease liabilities with fixed interest rates:				
Lease liabilities (Note 27A)	**8,208**	38,208	**–**	30,001
Term loans F (unsecured) (Note 27G)	**383,090**	56,588	**190,083**	56,588
Subtotal	**391,298**	94,796	**190,083**	86,589
Loans with no interest:				
Related parties (Note 3) (Note 27I)	**596,822**	658,800	**–**	–
Subsidiaries (Note 27I)	**–**	–	**425,000**	–
Subtotal	**596,822**	658,800	**425,000**	–
Loans with floating interest rates:				
Term loans A (secured) (Note 27B)	**138,970**	163,770	**138,970**	163,770
Term loan B (unsecured) (Note 27C)	**44,855**	–	**–**	–
Term loan C (secured) (Note 27D)	**110,899**	107,968	**–**	–
Term loan D (secured) (Note 27E)	**505,748**	490,073	**–**	–
Term loans E (secured) (Note 27F)	**39,997**	16,288	**39,997**	16,288
Term loan G (secured) (Note 27H)	**406,776**	–	**406,776**	–
Subtotal	**1,247,245**	778,099	**585,743**	180,058
Subtotal – current	**2,235,365**	1,531,695	**1,200,826**	266,647
Total	**9,496,277**	5,964,998	**6,105,274**	2,634,192
The non-current portion is repayable as follows:				
Due within two to five years	**4,695,447**	2,519,015	**2,898,958**	1,119,922
Due after five years	**2,565,465**	1,914,288	**2,005,490**	1,247,623
Total	**7,260,912**	4,433,303	**4,904,448**	2,367,545

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

27. LOANS AND BORROWINGS (CONT'D)

The range of floating rate interest rates paid were as follows:

	%	%	%	%
Term loans A (secured)	1.9 – 8.2	1.5 – 2.1	1.9 – 8.2	1.5 – 2.1
Term loan B (unsecured)	6.0	–	–	–
Term loan C (secured)	1.3 – 4.9	1.3	–	–
Term loan D (secured)	2.9 – 6.7	2.9 – 3.5	–	–
Term loans E (secured)	1.5 – 4.5	1.5	1.5 – 4.5	1.5
Term loan G (secured)	4.5 – 6.1	–	4.5 – 6.1	–

The fixed rate interest rates paid were as follows:

	%	%	%	%
Term loans F (unsecured)	3.8 – 5.4	3.8	3.8 – 5.4	3.8

The fair values are reasonable approximation of the carrying amounts.

27A. Lease liabilities

	Minimum payments $	Finance charges $	Present value $
Group:			
2023:			
Minimum lease payments payable:			
Due within one year	**9,924**	**(1,716)**	**8,208**
Due within 2 to 5 years	**24,756**	**(4,291)**	**20,465**
Total	**34,680**	**(6,007)**	**28,673**
Net book value of motor vehicle under finance lease			**35,775**
2022:			
Minimum lease payments payable:			
Due within one year	42,612	(4,404)	38,208
Due within 2 to 5 years	34,680	(6,007)	28,673
Total	77,292	(10,411)	66,881
Net book value of equipment and motor vehicle under finance lease			41,279
Company:			
2023:			
Minimum lease payments payable:			
Due within one year	**–**	**–**	**–**
Total	**–**	**–**	**–**
Net book value of equipment under finance lease			**–**
2022:			
Minimum lease payments payable:			
Due within one year	32,688	(2,687)	30,001
Total	32,688	(2,687)	30,001
Net book value of equipment under finance lease			–

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

27. LOANS AND BORROWINGS (CONT'D)

27A. Lease liabilities (Cont'd)

There are leased assets under finance leases. All leases are on a fixed repayment basis and no arrangements have been entered into contingent rental payments. The obligations under finance leases are secured by the lessor's charge over the leased assets. Other details are as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Average lease term, in years	**5**	5	**–**	3
Average effective borrowing rate per year	**5.68%**	5.68%	**–**	5.66%

27B. Term loans A (secured)

The bank loans are secured by a first legal mortgage over certain of the group's leasehold properties (Note 13).

The bank loans are repayable by equal monthly instalments over 15 years from April 2012 and over 20 years from January 2018.

27C. Term loan B (unsecured)

The bank loan is guaranteed by the company. The loan is repayable by equal monthly instalments over 5 years from August 2023.

27D. Term loan C (secured)

The bank loan is covered by a corporate guarantee and secured by a legal mortgage over the group's leasehold property at Blk 325 Clementi Avenue 5 #01-139 Singapore 120325.

The bank loan is repayable by equal monthly instalments over 15 years from August 2018.

27E. Term loan D (secured)

The bank loan is covered by a corporate guarantee and secured by a memorandum of charge (first party) over the shares of a subsidiary, Jaga-Me or such other financial instruments acceptable to the bank as required by the bank.

The bank loan is repayable by equal monthly instalments over 5 years from April 2020.

27F. Term loans E (secured)

The bank loans are secured by a first legal mortgage over certain of the group's leasehold properties at 25 Bukit Batok Crescent, The Elitist, Singapore 658066.

The bank loans are repayable by equal monthly instalments over 20 years from May 2021, January 2023 and May 2023.

27G. Term loans F (unsecured)

The bank loans are facilities under the Enterprise Financing Scheme Temporary Bridging Loan Programme administered by the Enterprise Singapore which the Government provides 90% risk-share on these loans.

The bank loans are covered by the company's corporate guarantee and is repayable by equal monthly instalments over 5 years from May 2022, September 2022 and December 2022.

NOTES TO THE FINANCIAL STATEMENTS
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27. LOANS AND BORROWINGS (CONT'D)

27H. Term loan G (secured)

The bank loan is secured by a first legal mortgage over certain of the group's leasehold properties at 25 Bukit Batok Crescent, The Elitist, Singapore 658066.

The bank loan is repayable by 20 instalments from February 2023.

27I. Related parties and subsidiaries

The loans are from non-controlling interests of certain subsidiaries and subsidiaries for working capital purposes. The loans are unsecured, interest-free and repayable on demand.

28. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Trade payables:				
Outside parties and accrued liabilities	**24,965,075**	16,758,540	**1,028,834**	1,352,015
Subsidiaries	**–**	–	**2,737,294**	1,857,936
Trade payables – subtotal	**24,965,075**	16,758,540	**3,766,128**	3,209,951
Other payables:				
Other payables	**354,146**	320,065	**132,607**	158,469
Related parties (Note 3)	**60,000**	123,753	**–**	–
Directors (Note 3)	**75,000**	75,000	**75,000**	75,000
Deposits received	**862,038**	542,525	**17,803**	17,803
Put option liability payable consideration (Note 28A)	**–**	157,932	**–**	–
Other payables – subtotal	**1,351,184**	1,219,275	**225,410**	251,272
Total trade and other payables	**26,316,259**	17,977,815	**3,991,538**	3,461,223

28A. Put option liability payable consideration

	Group	
	2023	**2022**
	$	**$**
At beginning of the year	**157,932**	878,562
Put option exercised	**(20,193)**	(720,630)
Put option expired	**(137,739)**	–
At end of the year	**–**	157,932

The group had call and put options with certain non-controlling shareholders of Jaga-Me. The call option provided the group the right to require the non-controlling shareholders concerned of Jaga-Me to sell the shares owned by them, and the put option provided the non-controlling shareholders concerned the right to require the group to acquire shares owned by them.

On the expiry of the put options in the current reporting year, the group reversed $82,485 from other reserves which related to the acquisition of Jaga-Me and recognised a fair value gain on the derivative financial instrument of $55,254.

NOTES TO THE FINANCIAL STATEMENTS

28. TRADE AND OTHER PAYABLES (CONT'D)

28A. Put option liability payable consideration (Cont'd)

The put options were exercisable for financial years ended 30 June 2022 or 2023 if the following conditions were met:

(i) Jaga-Me's net operating profit after tax ("NOPAT") was $1.5 million or higher; exercisable at $4.80 per ordinary share; or

(ii) Jaga-Me's NOPAT was below $1.5 million, but its operating revenue was $4 million or higher; exercisable at $3.00 per ordinary share.

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

On 5 January 2022, certain non-controlling shareholders of Jaga-Me ("Exercising Shareholders") exercised their put options and sold an aggregate of 240,210 Jaga-Me Shares ("Put Option Shares") at $3.00 per Jaga-Me Share for an aggregate cash consideration of $720,630 to AHPL. The put options exercised represented 9.6% of the issued share capital of Jaga-Me. Accordingly, following this acquisition, the group's shareholding interest in Jaga-Me increased from 55.0% to 64.6%. Changes in the ownership interest in a subsidiary that do not result in loss of control and are accounted for as transactions with owners in their capacity as owners (as equity transactions). As at the end of the previous reporting year, the unexercised put options amounted to 52,644 Jaga-Me shares.

On 9 January 2023, existing shareholders of Jaga-Me exercised their put options and sold an aggregate of 6,731 Put Option Shares at $3.00 per Jaga-Me Share for an aggregate cash consideration of $20,193 to AHPL (also see Note 16). Changes in the ownership interest in a subsidiary that do not result in loss of control and are accounted for as transactions with owners in their capacity as owners (as equity transactions). The unexercised put options amounting to 45,913 Jaga-Me shares expired at the end of the current reporting year.

29. PROVISION

	Group	
	2023	**2022**
	$	**$**
At beginning of the year	**175,000**	155,000
Additions	**10,000**	20,000
At end of the year	**185,000**	175,000

Provision for reinstatement costs is recognised when the group enters into a lease agreement for the premises. It includes the estimated cost of demolishing and removing all the leasehold improvements made by the group to the premises, where reinstatement is required. The premises shall be reinstated to the condition set up in the lease agreements upon the expiration of the lease agreements.

30. OTHER NON-FINANCIAL LIABILITIES

	Group	
	2023	**2022**
	$	**$**
Customers advances	**66,679**	104,239

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

31. ACQUISITIONS OF BUSINESS AND SUBSIDIARIES

31A. Acquisitions of interest in subsidiaries without a change in control

Jaga-Me Pte. Ltd.

On 9 January 2023, AHPL acquired an additional 260,139 shares or 10.4% shareholding interest in Jaga-Me from an existing shareholder of Jaga-Me for a cash consideration of $780,417. Following this acquisition, the interest in Jaga-Me increased to 75.3% (Also see Note 16). Changes in the ownership interest in a subsidiary that do not result in losing control are accounted for as transactions with owners (equity transactions). 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 interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent. The schedule below shows the effects of the changes.

Group:	Before $	After $	Change $
Proportionate share of the carrying amount of the net assets of subsidiary by non-controlling interests	1,063,401	748,633	(314,768)
Loss on acquisition included in other reserves	–	(465,649)	(465,649)

32. CAPITAL COMMITMENTS

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	Group	
	2023 $	2022 $
Commitments to purchase plant and equipment	**251,122**	25,510

33. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS

33A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2023 $	2022 $	2023 $	2022 $
Financial assets:				
Financial assets at amortised cost	**42,428,460**	32,932,178	**17,228,935**	12,329,747
Financial assets at fair value through profit or loss (FVTPL)	**88,475**	89,962	**–**	–
At end of the year	**42,516,935**	33,022,140	**17,228,935**	12,329,747
Financial liabilities:				
Financial liabilities at amortised cost	**40,106,764**	26,391,768	**10,096,812**	6,114,118
Financial liabilities at fair value through profit or loss (FVTPL)	**–**	157,932	**–**	–
At end of the year	**40,106,764**	26,549,700	**10,096,812**	6,114,118

Further quantitative disclosures are included throughout these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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33. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

33B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

33C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

33D. Credit risk on financial assets

Financial assets are principally from cash balances with banks, cash equivalents and receivables at amortised cost. They are potentially subject to credit risk due to failures by counterparties to discharge their obligations in full or in a timely manner. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances and any other financial instruments with banks and other financial institutions is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses (ECL) on financial assets, the general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the ECL allowance. Under this general approach the financial assets move through the three stages as their credit quality change. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. However, for trade receivables that do not contain a significant financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a significant financing component, the reporting entity applies the simplified approach in calculating ECL as is permitted by the financial reporting standard on financial instruments. Under the simplified approach, the reporting entity does not track changes in credit risk, but instead recognises the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life at each reporting date. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

33E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 90 days (2022: 90 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

33. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

33E. Liquidity risk – financial liabilities maturity analysis (Cont'd)

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

Group	**Less than 1 year** $	**2 to 5 years** $	**More than 5 years** $	**Total** $
Non-derivative financial liabilities:				
2023:				
Gross loans and borrowings	**2,674,254**	**5,693,274**	**3,392,170**	**11,759,698**
Gross lease liabilities	**2,046,987**	**2,553,159**	**–**	**4,600,146**
Trade and other payables	**26,316,259**	**–**	**–**	**26,316,259**
At end of the year	**31,037,500**	**8,246,433**	**3,392,170**	**42,676,103**
Non-derivative financial liabilities:				
2022:				
Gross loans and borrowings	1,608,260	2,601,470	2,231,197	6,440,927
Gross lease liabilities	1,560,798	1,197,846	–	2,758,644
Trade and other payables	17,977,815	–	–	17,977,815
At end of the year	21,146,873	3,799,316	2,231,197	27,177,386

Company	**Less than 1 year** $	**2 to 5 years** $	**More than 5 years** $	**Total** $
Non-derivative financial liabilities:				
2023:				
Gross loans and borrowings	**1,067,119**	**3,676,166**	**2,772,868**	**7,516,153**
Trade and other payables	**3,991,538**	**–**	**–**	**3,991,538**
At end of the year	**5,058,657**	**3,676,166**	**2,772,868**	**11,507,691**
Non-derivative financial liabilities:				
2022:				
Gross loans and borrowings	287,527	1,138,806	1,537,359	2,963,692
Gross lease liabilities	51,565	–	–	51,565
Trade and other payables	3,461,223	–	–	3,461,223
At end of the year	3,800,315	1,138,806	1,537,359	6,476,480

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 90 days (2022: 90 days). The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

33. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

33E. Liquidity risk – financial liabilities maturity analysis (Cont'd)

Financial guarantee contracts – For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the reporting year no claims on the financial guarantees are expected to be payable. The following table shows the maturity analysis of the contingent liabilities from financial guarantees:

Company	2023 $	2022 $
Non-derivative financial liabilities:		
Financial guarantee contracts – bank guarantee in favour of subsidiaries (Note 3)	**3,219,181**	2,672,006

Bank facilities:

	Group and Company	
	2023 $	2022 $
Undrawn borrowing facilities	**12,805,089**	936,408

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

33F. Interest rate risk

The interest rate risk exposure is from changes in fixed interest rates and floating interest rates and it mainly concerns financial liabilities. The interest from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group		Company	
	2023 $	2022 $	2023 $	2022 $
Financial liabilities:				
Floating rates	**7,112,397**	4,947,926	**4,837,473**	2,312,800
Fixed rates	**6,081,286**	2,965,159	**842,801**	340,095
At end of the year	**13,193,683**	7,913,085	**5,680,274**	2,652,895

The analysis has been performed for floating interest rate over a year for financial instruments. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

Sensitivity analysis: The effect on pre-tax profit is not material.

33G. Foreign currency risk

There is no significant exposure to foreign currency risk as part of its normal business.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

34. ITEMS IN PROFIT OR LOSS

	Group	
	2023	**2022**
	$	**$**
Audit fees to the independent auditor of the company	**257,578**	250,788
Audit fees to the other independent auditor	**2,611**	2,511
Other fees to the independent auditor of the company	**101,306**	97,780

35. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Committee. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

SFRS (I) No.	Title
SFRS (I) 1-16	Property, Plant and Equipment: Proceeds before Intended Use – Amendments to
SFRS (I) 3	Definition of a Business – Reference to the Conceptual Framework – Amendments to
Various	Annual Improvements to SFRS (I)s 2018-2020 – IFRS 9 Financial Instruments; SFRS(I) 16 Leases.

36. NEW OR AMENDED STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Committee and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any material modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

SFRS (I) No.	Title	Effective date for periods beginning on or after
SFRS (I) 1-1	Presentation of Financial Statements - amendment relating to Classification of Liabilities as Current or Non-current	1 January 2024
SFRS (I) 1-1	Disclosure of Accounting Policies – Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2 Making Materiality Judgements	1 January 2023
SFRS (I) 1-8	Definition of Accounting Estimates – Amendments to	1 January 2023
SFRS(I) 1-12, SFRS(I) 1	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to	1 January 2023
SFRS (I)10 and SFRS (I) 1-28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture	To be determined

STATISTICS OF SHAREHOLDINGS

AS AT 15 SEPTEMBER 2023

No. of Issued and Paid-up Shares	:	207,888,352
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per share/No vote for treasury shares
No. and percentage of Treasury Shares[(1)]	:	2,140,000 (1.04%)
No. of Subsidiary Holdings	:	Nil

Size of Holdings	No. of Shareholders	%	No. of Shares	%[(1)]
1 – 99	–	–	–	–
100 – 1,000	55	17.46	49,500	0.02
1,001 – 10,000	93	29.52	524,600	0.26
10,001 – 1,000,000	155	49.21	15,880,058	7.72
1,000,001 and Above	12	3.81	189,294,194	92.00
Grand Total	**315**	**100.00**	**205,748,352**	**100.00**

TOP TWENTY SHAREHOLDERS

No.	Name of Top Twenty Shareholders	No. of Shares	%[(1)]
1	ALPINE INVESTMENT HOLDINGS PTE LTD	133,450,000	64.86
2	CITIBANK NOMINEES SINGAPORE PTE LTD	9,323,385	4.53
3	THNG LIP MONG	8,578,223	4.17
4	28 HOLDINGS PTE. LTD.	8,000,000	3.89
5	LIM JIT FONG	7,128,185	3.46
6	WONG CHIEN YEH (HUANG JIANYE)	6,630,860	3.22
7	MOK KAN HWEI PAUL	6,598,960	3.21
8	DBS NOMINEES PTE LTD	3,202,265	1.56
9	YUN KOK ONN	2,461,087	1.20
10	LOH CHER ZOONG	1,528,343	0.74
11	ANG HAO YAO (HONG HAOYAO)	1,206,900	0.59
12	GOH CHEE HWEI (WU ZHIHUI)	1,185,986	0.58
13	JIN SONGQIAO	1,000,000	0.49
14	LIM CHEOK PENG	1,000,000	0.49
15	GOH TIONG JIN	934,531	0.45
16	TAN EILEEN	800,000	0.39
17	LEONG PENG KHEONG ADRIAN FRANCIS	741,370	0.36
18	GOH KHOON LIM	716,000	0.35
19	ONG MENG HUAT	524,500	0.25
20	YEO THOONT KIAT	431,157	0.21
		195,441,752	**95.00**

Notes:

(1) Percentage is calculated based on the total number of issued shares, excluding treasury shares.

STATISTICS OF SHAREHOLDINGS
AS AT 15 SEPTEMBER 2023

SUBSTANTIAL SHAREHOLDERS (AS SHOWN IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)

	Direct Interest		Deemed Interest	
Name of Substantial Shareholders	**No. of Shares**	**%[1]**	**No. of Shares**	**%[1]**
Alpine Investment Holdings Pte Ltd	133,450,000	64.86	–	–
Thng Lip Mong[2]	8,578,223	4.17	133,450,000	64.86

Notes:

(1) Percentage is calculated based on the total number of issued shares, excluding treasury shares.

(2) Dr. Barry Thng Lip Mong is deemed to be interested in 133,450,000 ordinary shares of the Company held by Alpine Investment Holdings Pte. Ltd. by virtue of his holding more than 20% of the total issued shares in Alpine Investment Holdings Pte. Ltd..

PUBLIC SHAREHOLDING

As at 15 September 2023, approximately 13.93% of the issued shares of Alliance Healthcare Group Limited is in the hands of the public. The Company has complied with Rule 723 of the SGX-ST Listing Manual Section B: Rules of the Catalist.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be convened and held at The Chevrons, 48 Boon Lay Way, Singapore 609961 on Monday, 30 October 2023 at 2.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 30 June 2023 and the Auditor's Report thereon. **(Resolution 1)**

2. To declare a first and final one-tier tax-exempt dividend of S$0.003 per ordinary share for the financial year ended 30 June 2023. **(Resolution 2)**

3. To re-elect Dr. Barry Thng Lip Mong, who is retiring pursuant to Regulation 97 of the Constitution of the Company, as director of the Company. *(See Explanatory Note 1)* **(Resolution 3)**

4. To re-elect Mr. Wong Hin Sun, Eugene, who is retiring pursuant to Regulation 97 of the Constitution of the Company, as director of the Company. *(See Explanatory Note 2)* **(Resolution 4)**

5. To approve Directors' fees of S$150,000 for the financial year ending 30 June 2024. **(Resolution 5)**

6. To re-appoint RSM Chio Lim LLP as auditors of the Company and authorise the Directors to fix their remuneration. **(Resolution 6)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions with or without any modifications:

7. **Authority to allot and issue shares and convertible securities** **(Resolution 7)**

   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 of the Company, authority be and is hereby given to the Directors to:

   (i) issue shares whether by way of rights, bonus or otherwise;

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) 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

   (iii) (notwithstanding the authority conferred by this resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors while this resolution was in force, provided that:

      (a) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this resolution) and Instruments to be issued pursuant to this resolution shall not exceed 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be issued (including shares to be issued pursuant to the Instruments) other than on a pro rata basis to existing shareholders shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (b) below);

      (b) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares (including shares to be issued pursuant to the Instruments) that may be issued under sub-paragraph (a) above, the percentage of shares that may be issued shall be based on the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) at the time of the passing of this resolution, after adjusting for (i) new shares arising from the conversion or exercise of the Instruments or any convertible securities; and (ii) any subsequent bonus issue, consolidation or sub-division of shares;

NOTICE OF ANNUAL GENERAL MEETING

(c) in exercising such authority, 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 the Constitution for the time being of the Company; and

(d) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until (i) the conclusion of the next AGM of the Company; or (ii) the date by which the next AGM of the Company is required by law to be held, whichever is the earlier. *(See Explanatory Note 3)*

8. **Authority to allot and issue shares under the Alliance Performance Share Plan ("Alliance PSP")** **(Resolution 8)**

That pursuant to Section 161 of the Act, the Directors of the Company be and are hereby authorised to:

(a) grant awards ("**Awards**") in accordance with the rules of the Alliance PSP; and

(b) subject to the provisions of the Act and the Constitution of the Company, from time to time to allot and issue such number of ordinary shares of the Company ("**Shares**") and/or transfer such number of treasury shares as may be required to be delivered pursuant to the vesting of such Awards, provided that the total number of Shares which may be issued and/or transferred pursuant to Awards granted under the Alliance PSP on any date, when aggregated with the total number of Shares issued and/or transferred in respect of all Awards granted under the Alliance PSP, and all options and awards granted under any other share incentive scheme(s) implemented by the Company and for the time being in force, shall not exceed 15% of the total number of Shares (excluding treasury shares and subsidiary holdings) on the day preceding the Award Date. *(See Explanatory Note 4)*

9. **The proposed renewal of Share Buyback Mandate** **(Resolution 9)**

That:

(i) for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Percentage (as defined below), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as defined below), whether by way of:

(a) on-market purchases on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted ("**Other Exchange**") ("**On-Market Purchases**"); and/or

(b) off-market purchases (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act ("**Off-Market Purchases**"),

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

(ii) the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earliest of:

(a) the conclusion of the next AGM of the Company;

(b) the date by which the next AGM of the Company is required by law to be held;

NOTICE OF ANNUAL GENERAL MEETING

(c) the date on which the Share Purchases are carried out pursuant to the Share Buyback Mandate to the full extent mandated; or

(d) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied.

(iii) in this Ordinary Resolution:

"**Maximum Percentage**" means that number of issued Shares representing not more than 10% of the total number of issued Shares as at date of the passing of this Ordinary Resolution (excluding any treasury shares and subsidiary holdings as at that date);

"**Maximum Price**" in relation to a Share to be purchased or otherwise acquired, means the purchase price as determined by the Directors (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) and not exceeding:

(a) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and

(b) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares.

For the above purposes of determining the Maximum Price:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the date of the On-Market Purchase by the Company or, as the case may be, the date of the making of the offer (as defined below) pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchases are made.

"**date of making of the offer**" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

(iv) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution. *(See Explanatory Note 5)*

BY ORDER OF THE BOARD

Dr. Barry Thng Lip Mong
Executive Chairman and Chief Executive Officer

10 October 2023

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

1. Dr. Barry Thng Lip Mong ("**Dr. Thng**") will, upon re-election, remain as Executive Chairman and Chief Executive Officer of the Company. The detailed information of Dr. Thng can be found under "Board of Directors" and "Corporate Governance Report" in the Company's Annual Report 2023.

2. Mr. Wong Hin Sun, Eugene ("**Mr. Wong**") will, upon re-election, remain as the Lead Independent Director of the Company and continue to serve as Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and Nominating Committee. He is considered independent for the purpose of Rule 704(7) of the Catalist Rules. Mr. Wong does not have any relationship with the Company, its related companies, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent judgement with a view to the best interests of the Group. The detailed information of Mr. Wong can be found under "Board of Directors" and "Corporate Governance Report" in the Company's Annual Report 2023.

3. The Resolution 7, if passed, will authorise and empower the Directors, from the date of this AGM until the next AGM, to allot and issue new shares and/or convertible securities in the Company including a rights or bonus issue without seeking further approval from shareholders in general meeting for such purposes as the directors consider would be in the best interests of the Company. The maximum number of shares which the directors may issue pursuant to this Resolution shall not exceed the quantum set out in the Resolution 7.

4. The Resolution 8, if passed, will empower the Directors, from the date of this AGM until the next AGM, to grant awards and to allot and issue from time to time such number of fully-paid Shares in accordance with the Alliance PSP. The maximum number of shares which the directors may issue pursuant to Resolution 8 shall not exceed the quantum set out in Resolution 8.

5. The Resolution 9, if passed, will empower the Directors, from the date of this AGM until the next AGM, to make purchases or acquire issued ordinary shares in the capital of the Company from time to time subject to and in accordance with the guidelines set out in the letter to shareholders dated 10 October 2023 which is appended to this Notice of AGM ("**Appendix**"), rules and regulations set forth in the Act and the Catalist Rules. Please refer to Appendix for further information. All capitalised terms used in Resolution 9 which are not defined herein shall have the same meanings ascribed to them in the Appendix, unless otherwise defined herein or where the context otherwise requires.

Notes:

General

1. The AGM will be held in a wholly physical format. **There will be no option for the members to participate virtually.**

2. In line with the Company's sustainability strategy, the Company will not be despatching printed copies of the Annual Report and the Appendix, which have been or will be published on the Company's website at http://www.alliancehealthcare.com.sg/investor-relations/ and SGX website at https://www.sgx.com/securities/company-announcements. Printed copies of this Notice of AGM, proxy form and the form to request for a physical copy of the Annual Report and Appendix 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.

3. **Please bring along your NRIC/passport so as to enable the Company to verify your identity.**

Submission of Proxy Form

1. A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.

2. A proxy need not to be a member of the Company.

3. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.

4. The instrument appointing a proxy or proxies (the "**proxy form**") must be 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 seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the proxy form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the proxy form.

5. Completion and return of the proxy form shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy/proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.

6. The proxy form, together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be submitted either:

   (a) if sent personally or by post, the proxy form must be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898; or

   (b) if by email, the proxy form must be received at sg.is.proxy@sg.tricorglobal.com,

   in either case, by 2.30 p.m. on 27 October 2023 (being 72 hours before the time fixed for the AGM), and in default the instrument of proxy shall not be treated as valid.

NOTICE OF ANNUAL GENERAL MEETING

7. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

8. For investors who hold shares through relevant intermediaries, including Central Provident Fund Investment Schemes ("**CPF Investors**") and/or Supplementary Retirement Scheme ("**SRS Investors**") should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least 7 working days before the AGM. CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

9. 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 instrument.

Submission of Questions prior to the AGM

1. A member may submit questions relating to the resolutions to be tabled for approval at the AGM no later than 6 p.m. on 17 October 2023 via email to the Company at investor.relation@alliancehealthcare.com.sg or by post to the registered office of the Company at 25 Bukit Batok Crescent, #07-12 The Elitist, Singapore 658066.

2. When sending in the question, please provide (i) your full name, (ii) identification/registration number and (iii) the manner in which you hold shares in the Company (e.g. via The Central Depository, CPF, or SRS) for verification purpose, failing which, the submission will be treated as invalid.

3. The Company will publish its response to the substantial and relevant questions no later than 48 hours before the closing date and time for the lodgement of the proxy forms, via an announcement on SGXNet and the Company's website at http://www.alliancehealthcare.com.sg/investor-relations/.

Personal Data Privacy

Where a member of the Company submits a proxy form to vote at the AGM and/or any adjournment thereof, the member (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) 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), 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) of the personal data of such proxy(ies) and/or representatives 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.

RECORD DATE AND DIVIDEND PAYMENT DATE
FOR FIRST AND FINAL ONE-TIER TAX-EXEMPT DIVIDEND

Subject to approval of shareholders of the Company being obtained for the first and final one-tier tax-exempt dividend of S$0.003 per ordinary share (the "**Dividend**") for the financial year ended 30 June 2023 at the AGM, the Register of Members and Share Transfer Books of the Company will be closed on 3 November 2023 at 5.00 p.m. for the purpose of preparing dividend warrants.

Duly completed registrable transfers of shares received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #02-00, Singapore 068898 up to 5.00 p.m. on 3 November 2023 will be registered to determine shareholders' entitlement to the Dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 3 November 2023 will be entitled to the Dividend.

Payment of the Dividend, if approved by Shareholders at the AGM of the Company, will be made on 15 November 2023.

*This Notice 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 Notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this presentation, including the correctness of any of the statements or opinions made or reports contained in this presentation. The contact person for the Sponsor is Mr Alvin Soh, Head, Corporate Finance, RHB Bank Berhad, Singapore branch, at 90 Cecil Street, #03-00 Singapore 069531, Telephone: +65 6320 0627.*

ALLIANCE HEALTHCARE GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200608233K)

IMPORTANT:

1. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. A CPF/SRS investor who wishes to attend the Annual General Meeting as proxy has to submit his request to his CPF and/or SRS Approved Nominees so that his CPF and/or SRS Approved Nominees may appoint him as its proxy within the specified timeframe.

Personal Data Privacy:

By submitting a proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 10 October 2023.

PROXY FORM

*I/We, ______________________ (Name) ______________________ (NRIC/Passport/Co Reg No.)

of ____ (Address)

being a member/members of Alliance Healthcare Group Limited (the "**Company**"), hereby appoint:

	Name	Address	NRIC/Passport No.	Proportion of shareholdings (%)
(a)				

and/or (delete as appropriate)

(b)				

or failing *him/them, the Chairman of the annual general meeting of the Company ("**Meeting**" or "**AGM**") as *my/our *proxy to vote for *me/us on *my/our behalf, at the AGM to be held at The Chevrons, 48 Boon Lay Way, Singapore 609961 on Monday, 30 October 2023 at 2.30 p.m. and at any adjournment thereof.

* *Delete where applicable.*

Please indicate with a "✓" in the spaces provided whether you wish your vote(s) to be cast for or against (or abstain from voting on) the resolutions as set out in the notice of Meeting. In the absence of specific directions, the proxy(ies) (including the Chairman of the Meeting if he is appointed by a member) will vote or abstain from voting as he/they may think fit.

No.	Ordinary Resolutions relating to:	For	Against	Abstain
Ordinary Business				
1.	To adopt the Directors' Statement and Audited Financial Statements for the financial year ended 30 June 2023			
2.	To declare a first and final one-tier tax-exempt dividend of S$0.003 per ordinary share for the financial year ended 30 June 2023			
3.	To re-elect Dr. Barry Thng Lip Mong as director of the Company			
4.	To re-elect Mr. Wong Hin Sun, Eugene as director of the Company			
5.	To approve Directors' fees of S$150,000 for the financial year ending 30 June 2024			
6.	To re-appoint RSM Chio Lim LLP as Auditors of the Company			
Special Business				
7.	To authorise Directors to allot and issue shares and convertible securities			
8.	To authorise Directors to allot and issue shares under the Alliance Performance Share Plan			
9.	To approve the renewal of Share Buyback Mandate			

Dated this ________ day of ____________________ 2023

Total Number of shares held in:	
a) CDP Register	
b) Register of Members	

____
Signature(s) of member(s)
or Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF.

Notes:

1. A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.

2. A proxy need not to be a member of the Company.

3. 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 ("**SFA**")), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number of shares is inserted, this proxy form will be deemed to relate to all the shares held by you.

4. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.

5. The instrument appointing a proxy or proxies (the "**proxy form**") must be 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 seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the proxy form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the proxy form.

6. Completion and return of this proxy form shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy/proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.

7. The proxy form, together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be submitted either:

   (a) if sent personally or by post, the proxy form must be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898; or

   (b) if by email, the proxy form must be received at sg.is.proxy@sg.tricorglobal.com,

   in either case, **by 2.30 p.m. on 27 October 2023** (being 72 hours before the time fixed for the AGM), and in default the instrument of proxy shall not be treated as valid.

8. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

9. For investors who hold shares through relevant intermediaries, including Central Provident Fund Investment Schemes ("**CPF Investors**") and/or Supplementary Retirement Scheme ("**SRS Investors**") should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least **7 working days** before the AGM. CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy 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 Meeting, as certified by the CDP to the Company.

11. By submitting a proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 10 October 2023.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Barry Thng Lip Mong
Executive Chairman and CEO

Dr. Mok Kan Hwei, Paul
Executive Director

Mr. Wong Hin Sun, Eugene
Lead Independent Director

Mr. Lim Heng Chong Benny
Independent Director

Dr. Leong Peng Kheong Adrian Francis
Independent Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Mr. Wong Hin Sun, Eugene, Chairman
Dr. Leong Peng Kheong Adrian Francis, Member
Mr. Lim Heng Chong Benny, Member

NOMINATING COMMITTEE

Mr. Lim Heng Chong Benny, Chairman
Dr. Leong Peng Kheong Adrian Francis, Member
Mr. Wong Hin Sun, Eugene, Member

REMUNERATION COMMITTEE

Dr. Leong Peng Kheong Adrian Francis, Chairman
Mr. Lim Heng Chong Benny, Member
Mr. Wong Hin Sun, Eugene, Member

COMPANY SECRETARIES

Ms. Low Mei Wan, ACIS
Ms. Lin Moi Heyang, ACIS

REGISTERED OFFICE

25 Bukit Batok Crescent
#07-12 The Elitist
Singapore 658066
Tel: +65 6697 7700
Fax: +65 6697 7757
Email: investor.relations@alliancehealthcare.com.sg

SHARE REGISTRAR

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte. Ltd.)
80 Robinson Road
#02-00
Singapore 068898

AUDITORS

RSM Chio Lim LLP
8 Wilkie Road
#04-08 Wilkie Edge
Singapore 228095
Partner-in-charge: Ms. Tay Hui Jun, Sabrina
(since reporting year ended 30 June 2022)

PRINCIPAL BANKERS

DBS Bank Ltd.
Oversea-Chinese Banking Corporation Limited
United Overseas Bank Limited

CATALIST SPONSOR

RHB Bank Berhad, through its Singapore branch
90 Cecil Street
#03-00 RHB Bank Building
Singapore 069531

ALLIANCE

Alliance Healthcare Group Limited

25 Bukit Batok Crescent
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