



ALLIANCE HEALTHCARE GROUP LIMITED

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

Alliance Healthcare Group Limited and its Subsidiaries

Condensed interim financial statements
For the six months ended 31 December 2023

*This announcement has been reviewed by the Company's sponsor, RHB Bank Berhad, through its Singapore branch (the "**Sponsor**") in accordance with Rule 226(2)(b) of the Catalist Rules. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr Alvin Soh, Head, Corporate Finance, RHB Bank Berhad, Singapore branch, at 90 Cecil Street, #03-00 Singapore 069531, Telephone: +65 6320 0627*



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Reporting Period

Current Reporting Period: 6 months ended 31 December 2023 (“**HY2024**”)

Corresponding period of the immediately preceding financial year: 6 months ended 31 December 2022 (“**HY2023**”)



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

	Note	Group 6 months ended 31 December		Variance S\$	%
		2023 S\$	2022 S\$		
Revenue	4	33,670,631	28,920,022	4,750,609	16.4
Interest income		34,658	-	34,658	n.m.
Other income and gains		479,104	548,335	(69,231)	(12.6)
Consumables and medical supplies used		(10,471,320)	(9,064,935)	(1,406,385)	15.5
Employee benefits expense		(18,121,767)	(14,851,376)	(3,270,391)	22.0
Depreciation and amortisation expense		(1,825,774)	(1,375,829)	(449,945)	32.7
Other losses		(152)	(2,923)	2,771	(94.8)
Finance costs		(413,439)	(146,197)	(267,242)	182.8
Other expenses		(2,333,063)	(2,247,519)	(85,544)	3.8
Share of results of an associate		(118,319)	(6,548)	(111,771)	n.m.
Profit before tax	6	900,559	1,773,030	(872,471)	(49.2)
Income tax income	7	69,213	187,541	(118,328)	(63.1)
Profit for the financial period, net of tax		969,772	1,960,571	(990,799)	(50.5)
Other comprehensive loss:					
<u>Items that may be reclassified subsequently to profit or loss:</u>					
Exchange differences on translating foreign operations, net of tax		(1,544)	(4,808)	3,264	(67.9)
Other comprehensive loss for the period, net of tax		(1,544)	(4,808)	3,264	(67.9)
Total comprehensive income for the period		968,228	1,955,763	(987,535)	(50.5)
Profit/(loss) attributable to:					
– Owners of the parent		1,068,508	1,920,336	(851,828)	(44.4)
– Non-controlling interests		(98,736)	40,235	(138,971)	n.m.
Profit for the financial period, net of tax		969,772	1,960,571	(990,799)	(50.5)
Total comprehensive income/(loss) attributable to:					
– Owners of the parent		1,066,964	1,915,528	(848,564)	(44.3)
– Non-controlling interests		(98,736)	40,235	(138,971)	n.m.
Total comprehensive income for the period		968,228	1,955,763	(987,535)	(50.5)

*n.m denotes not meaningful



B. Condensed interim statements of financial position

	Note	Group		Company	
		31-Dec-23 S\$	30-Jun-23 S\$	31-Dec-23 S\$	30-Jun-23 S\$
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	12	9,386,687	7,568,610	153,300	144,090
Right-of-use assets		5,955,056	4,183,098	54,897	-
Investment properties	13	-	-	4,621,244	4,690,736
Investment in subsidiaries		-	-	5,877,632	5,877,632
Investment in an associate		362,978	481,297	-	-
Intangible assets	11	5,538,000	5,595,856	-	-
Trade and other receivables		1,062,473	762,473	500,000	200,000
Deferred tax assets		47,392	47,392	-	-
Total non-current assets		22,352,586	18,638,726	11,207,073	10,912,458
<u>Current assets</u>					
Inventories		3,418,966	3,201,807	-	-
Financial assets - derivatives		88,475	88,475	-	-
Trade and other receivables		28,347,275	22,114,370	17,452,344	15,658,637
Income tax receivables		-	-	287,737	106,072
Other non-financial assets		1,392,591	1,352,705	137,477	106,568
Cash and cash equivalents		18,166,696	19,551,617	1,130,651	1,370,298
Total current assets		51,414,003	46,308,974	19,008,209	17,241,575
Total assets		73,766,589	64,947,700	30,215,282	28,154,033
EQUITY AND LIABILITIES					
<u>Equity attributable to owners of the parent</u>					
Share capital	15	14,684,250	14,684,250	14,684,250	14,684,250
Treasury shares	15	(373,360)	(373,360)	(373,360)	(373,360)
Retained earnings		14,067,961	13,616,698	3,519,299	3,666,117
Other reserves		(5,355,497)	(5,114,060)	160,428	80,214
Equity, attributable to owners of the parent		23,023,354	22,813,528	17,990,617	18,057,221
Non-controlling interests		594,871	939,462	-	-
Total equity		23,618,225	23,752,990	17,990,617	18,057,221
<u>Non-current liabilities</u>					
Financial liabilities - lease liabilities		3,960,765	2,402,153	25,584	-
Loans and borrowings	14	8,753,815	7,260,912	5,156,672	4,904,448
Deferred tax liabilities		58,602	68,438	-	-
Total non-current liabilities		12,773,182	9,731,503	5,182,256	4,904,448
<u>Current liabilities</u>					
Income tax payable		582,245	767,829	-	-
Trade and other payables		30,864,610	26,316,259	4,962,469	3,991,538
Provision		189,000	185,000	-	-
Other non-financial liabilities		36,445	66,679	-	-
Financial liabilities - lease liabilities		2,154,591	1,892,075	29,509	-
Loans and borrowings	14	3,548,291	2,235,365	2,050,431	1,200,826
Total current liabilities		37,375,182	31,463,207	7,042,409	5,192,364
Total liabilities		50,148,364	41,194,710	12,224,665	10,096,812
Total equity and liabilities		73,766,589	64,947,700	30,215,282	28,154,033



C. Condensed interim statements of changes in equity

Group	Note	Total equity S\$	Attributable to owners of the parent					Non-controlling interests S\$	Other reserves S\$
			Sub-total S\$	Share capital S\$	Treasury shares S\$	Retained earnings S\$	Other reserves S\$		
Opening balance at 1 July 2023		23,752,990	22,813,528	14,684,250	(373,360)	13,616,698	(5,114,060)	939,462	-
Changes in equity:									
Total comprehensive income/(loss) for the period		968,228	1,066,964	-	-	1,068,508	(1,544)	(98,736)	-
Performance share plan	6	80,214	80,214	-	-	-	80,214	-	-
Dividends paid	8	(617,245)	(617,245)	-	-	(617,245)	-	-	-
Dividends paid to non-controlling interests in subsidiaries		(41,875)	-	-	-	-	-	(41,875)	-
Incorporation of subsidiary		8,000	-	-	-	-	-	8,000	-
Acquisition of non-controlling interest without a change in control	16	(532,087)	(320,107)	-	-	-	(320,107)	(211,980)	-
Closing balance at 31 December 2023		23,618,225	23,023,354	14,684,250	(373,360)	14,067,961	(5,355,497)	594,871	-
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 period		1,955,763	1,915,528	-	-	1,920,336	(4,808)	40,235	-
Share buyback	15	(173,960)	(173,960)	-	(173,960)	-	-	-	-
Dividends paid	8	(925,868)	(925,868)	-	-	(925,868)	-	-	-
Dividends paid to non-controlling interests in subsidiaries		(328,000)	-	-	-	-	-	(328,000)	-
Closing balance at 31 December 2022		24,440,040	23,034,422	14,684,250	(373,360)	13,446,201	(4,722,669)	1,500,196	(94,578)



C. Condensed interim statements of changes in equity (cont'd)

Company	Note	Total equity S\$	Share capital S\$	Treasury shares S\$	Retained earnings S\$	Other reserves S\$
Opening balance at 1 July 2023		18,057,221	14,684,250	(373,360)	3,666,117	80,214
Changes in equity:						
Total comprehensive income for the period		470,426	-	-	470,426	-
Performance share plan	6	80,214	-	-	-	80,214
Dividends paid	8	(617,244)	-	-	(617,244)	-
Closing balance at 31 December 2023		17,990,617	14,684,250	(373,360)	3,519,299	160,428
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 period		2,403,857	-	-	2,403,857	-
Share buyback	15	(173,960)	-	(173,960)	-	-
Dividends paid	8	(925,868)	-	-	(925,868)	-
Closing balance at 31 December 2022		17,476,862	14,684,250	(373,360)	3,165,972	-



D. Condensed interim consolidated statement of cash flows

	Group	
	6 months ended 31 December	
Note	2023 S\$	2022 S\$
<u>Cash flows from operating activities</u>		
Profit before tax	900,559	1,773,030
Adjustments for:		
Performance share plan expense	80,214	-
Depreciation of property, plant and equipment	537,364	401,332
Depreciation of right-of-use assets	1,230,554	903,537
Amortisation of intangible assets	57,856	70,960
Loss on disposal of plant and equipment	-	250
Lease modification	(3,259)	-
Interest expense	289,980	96,851
Lease interest expense	123,459	49,346
Interest income	(34,658)	-
Share of results of an associate	118,319	6,548
Operating cash flows before changes in working capital	3,300,388	3,301,854
<u>Changes in working capital:</u>		
Inventories	(217,159)	(23,373)
Trade and other receivables	(6,232,905)	(7,176,140)
Other non-financial assets	95,173	28,193
Trade and other payables	4,598,353	3,585,555
Other non-financial liabilities	(30,234)	(100,239)
Net effect of exchange rate changes in consolidating foreign operations	(611)	(4,271)
Net cash flows from (used in) operations	1,513,005	(388,421)
Income tax paid	(126,207)	(5,426)
Net cash flows from (used in) operating activities	1,386,798	(393,847)
<u>Cash flows from investing activities</u>		
Interest received	34,658	-
Acquisition of non-controlling interest without a change in control	(532,087)	-
Loan to an associate	(300,000)	-
Purchase of property, plant and equipment	12 (2,352,537)	(271,466)
Advance payment for plant and equipment	12 (135,059)	(147,387)
Net cash flows used in investing activities	(3,285,025)	(418,853)



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

	Group	
	6 months ended 31 December	
Note	2023 S\$	2022 S\$
Cash flows from financing activities		
Contribution by non-controlling interests	8,000	-
Lease liabilities – principal and interest paid	(1,301,421)	(954,902)
Movements in amount due to related parties	141,998	(145,731)
Proceeds from loans and borrowings	3,525,250	1,700,000
Repayments of loans and borrowings	(823,414)	(438,899)
Finance lease repayments	(88,007)	(34,104)
Dividends paid to equity holders of the Company	(617,245)	(925,868)
Dividends paid to non-controlling interests	(41,875)	(328,000)
Share buyback	-	(173,960)
Interest paid	(289,980)	(96,851)
Net cash flows from (used in) financing activities	<u>513,306</u>	<u>(1,398,315)</u>
Net decrease in cash and cash equivalents	(1,384,921)	(2,211,015)
Cash and cash equivalents, statement of cash flows, beginning balance	19,526,617	20,689,704
Cash and cash equivalents, statement of cash flows, ending balance ⁽¹⁾	<u>18,141,696</u>	<u>18,478,689</u>

Note (1):

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

	Group	
	31 December	
	2023 S\$	2022 S\$
Cash and bank balances	18,166,696	18,503,689
Less: Bank deposits pledged (a)	(25,000)	(25,000)
Cash and cash equivalents per consolidated statement of cash flows	<u>18,141,696</u>	<u>18,478,689</u>

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



E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Alliance Healthcare Group Limited (the “**Company**”) is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars. These condensed interim consolidated financial statements as at and for the six months ended 31 December 2023 comprise the Company (referred to as “**parent**”) and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Group are:

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

2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 2023 have been prepared in accordance with the Singapore Financial Reporting Standards (International) SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2023.

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

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

2.1 New and amended standards adopted by the Group

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

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2023.

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



2.2 Use of judgements and estimates (cont'd)

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

- Note 11.1 – Assessment of impairment of goodwill

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

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

3. Seasonal operations

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

4. Segment and revenue information

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

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

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



4. Segment and revenue information (cont'd)

4.1 Reportable segments

	6 months ended 31 December 2023							
	GP clinic services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceuti cal services S\$	Mobile and digital health services S\$	Others S\$	Eliminations S\$	Group S\$
Revenue by segment								
External sales	8,461,991	7,146,101	7,284,179	8,660,089	2,094,710	23,561	-	33,670,631
Inter-segment sales	28,637	-	198,270	1,817,463	145,281	2,914,824	(5,104,475)	-
Total revenue	8,490,628	7,146,101	7,482,449	10,477,552	2,239,991	2,938,385	(5,104,475)	33,670,631
EBITDA								
EBITDA	2,074,055	868,339	685,758	1,263,943	(847,023)	(786,981)	-	3,258,091
Finance costs	(77,331)	(22,883)	(34,187)	(35,808)	(149,194)	(94,036)	-	(413,439)
Depreciation and amortisation	(763,784)	(313,313)	(201,724)	(244,606)	(173,966)	(128,381)	-	(1,825,774)
Share of results of an associate	-	-	-	-	(118,319)	-	-	(118,319)
Profit (loss) before tax	1,232,940	532,143	449,847	983,529	(1,288,502)	(1,009,398)	-	900,559
Income tax expense								69,213
Profit, net of tax								969,772
Segment assets								
Segment assets	14,457,071	6,793,553	38,083,057	8,666,790	8,015,886	27,088,002	(29,337,770)	73,766,589
Segment liabilities								
Segment liabilities	6,538,167	5,835,877	33,025,655	3,553,755	12,967,836	11,936,929	(23,709,855)	50,148,364
Other material items and reconciliations								
Expenditures for property, plant and equipment	659,899	705,020	56,046	837,937	34,527	63,108	-	2,356,537



4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

	6 months ended 31 December 2022							
	GP clinic services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceuti cal services S\$	Mobile and digital health services S\$	Others S\$	Eliminations S\$	Group S\$
Revenue by segment								
External sales	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	-	28,920,022
Inter-segment sales	11,964	-	158,889	1,324,178	9,871	4,847,681	(6,352,583)	-
Total revenue	9,076,674	6,779,166	3,801,292	9,146,314	1,612,151	4,857,008	(6,352,583)	28,920,022
EBITDA								
EBITDA	2,311,027	996,805	377,143	1,160,957	(872,644)	(671,684)	-	3,301,604
Finance costs	(50,500)	(15,799)	(615)	(1,850)	(75,870)	(1,563)	-	(146,197)
Depreciation and amortisation	(667,932)	(253,499)	(56,650)	(76,595)	(232,868)	(88,285)	-	(1,375,829)
Share of results of an associate	-	-	-	-	(6,548)	-	-	(6,548)
Profit (loss) before tax	1,592,595	727,507	319,878	1,082,512	(1,187,930)	(761,532)	-	1,773,030
Income tax credit								187,541
Profit, net of tax								1,960,571
Segment assets								
Segment assets	12,162,005	5,117,713	24,223,716	6,444,915	10,065,702	23,521,322	(24,791,164)	56,744,209
Segment liabilities								
Segment liabilities	(5,122,552)	(3,984,967)	(19,954,139)	(2,147,564)	(11,312,048)	(9,447,604)	19,664,705	(32,304,169)
Other material items and reconciliations								
Expenditures for property, plant and equipment	20,121	18,222	87,289	1,285	107,625	36,924	-	271,466



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue

	Group						Group S\$
	6 months ended 31 December 2023						
	GP clinic services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceutical services S\$	Mobile and digital health services S\$	Others S\$	
Types of goods or services							
Rendering of services							
– Medical services	8,461,991	7,146,101	-	-	-	-	15,608,092
– Managed healthcare solutions services	-	-	7,284,179	-	-	-	7,284,179
– Mobile and digital health services	-	-	-	-	2,094,710	-	2,094,710
Sales of goods	-	-	-	8,660,089	-	-	8,660,089
Others	-	-	-	-	-	23,561	23,561
Total revenue	8,461,991	7,146,101	7,284,179	8,660,089	2,094,710	23,561	33,670,631
Timing of revenue recognition:							
At a point in time	8,461,991	7,146,101	7,284,179	8,660,089	2,094,710	23,561	33,670,631
Total revenue	8,461,991	7,146,101	7,284,179	8,660,089	2,094,710	23,561	33,670,631
Geographical information:							
Singapore	8,461,991	7,146,101	7,281,699	7,270,117	2,094,710	23,561	32,278,179
Others ⁽¹⁾	-	-	2,480	1,389,972	-	-	1,392,452
Total revenue	8,461,991	7,146,101	7,284,179	8,660,089	2,094,710	23,561	33,670,631

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



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue

	Group						Group S\$
	6 months ended 31 December 2022						
	GP clinic services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceutical services S\$	Mobile and digital health services S\$	Others S\$	
Types of goods or services							
Rendering of services							
– Medical services	9,064,710	6,779,166	-	-	-	-	15,843,876
– Managed healthcare solutions services	-	-	3,642,403	-	-	-	3,642,403
– Mobile and digital health services	-	-	-	-	1,602,280	-	1,602,280
Sales of goods	-	-	-	7,822,136	-	-	7,822,136
Others	-	-	-	-	-	9,327	9,327
Total revenue	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	28,920,022
Timing of revenue recognition:							
At a point in time	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	28,920,022
Total revenue	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	28,920,022
Geographical information:							
Singapore	9,064,710	6,779,166	3,639,301	5,903,178	1,602,280	9,327	26,997,962
Others ⁽¹⁾	-	-	3,102	1,918,958	-	-	1,922,060
Total revenue	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	28,920,022

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



5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 December 2023 and 30 June 2023:

	Group		Company	
	31-Dec-23 S\$	30-Jun-23 S\$	31-Dec-23 S\$	30-Jun-23 S\$
Financial Assets:				
Financial assets at amortised cost	47,576,444	42,428,460	19,082,995	17,228,935
Financial assets at fair value through profit or loss	88,475	88,475	-	-
Total	47,664,919	42,516,935	19,082,995	17,228,935
Financial Liabilities:				
Financial liabilities at amortised cost	49,282,072	40,106,764	12,224,665	10,096,812
Total	49,282,072	40,106,764	12,224,665	10,096,812

6. Profit before taxation

6.1 Significant items

	Group	
	2023 S\$	2022 S\$
Income		
Other income	(11,433)	(13,399)
Government grants	(434,107)	(472,954)
Interest income	(34,658)	-
Foreign exchange gains	(33,564)	(61,982)
Expenses		
Interest expense	289,980	96,851
Lease interest expense	123,459	49,346
Amortisation of intangible assets	57,856	70,960
Depreciation of property, plant and equipment	537,364	401,332
Depreciation of right-of-use assets	1,230,554	903,537
Performance share plan expense ⁽¹⁾	80,214	-
Bad debts written off trade receivables	152	200
Allowance for impairment on trade receivables	-	2,473
Loss on disposal of plant and equipment	-	250

Notes:

- (1) 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 the Alliance Healthcare Group Performance Share Plan 2022.



6. Profit before taxation (cont'd)

6.2 Related party transactions

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

	Group	
	6 months ended 31 December	
	30 June	
	2023	2022
	S\$	S\$
<u>An associate:</u>		
Administrative fees income	(9,000)	(9,000)
Interest income	(29,019)	(12,030)
Marketing fee income	(21,000)	(6,000)
Software subscription and system enhancement	51,587	25,437
Web based software development cost	43,800	31,025
<u>Related parties:</u>		
Professional fees expenses	2,432,815	2,292,352
Payments in respect of a lease for premises	26,715	26,034

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

7. Taxation

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

	Group	
	6 months ended 31 December	
	2023	2022
	S\$	S\$
<u>Current income tax income</u>		
Deferred income tax expense relating to origination and reversal of temporary differences	(9,836)	(12,063)
Income tax income	(59,377)	(175,478)
	<u>(69,213)</u>	<u>(187,541)</u>



8. Dividends

	Company	
	6 months ended 31 December	
	2023	2022
	S\$	S\$
Ordinary dividends paid:		
First & final one-tier tax-exempt dividend paid	617,245	925,868
Dividend per share (net of tax)	0.003	0.0045

9. Earnings per share

	Group	
	6 months ended 31 December	
	2023	2022
Earnings attributable to equity holders of the Company	1,068,508	1,920,336
Weighted average number of Shares used in computation of basic earnings per share ("EPS")	205,748,352	205,872,265
Basic EPS attributable to equity holders of the Company (cents) ⁽¹⁾	0.52	0.93
Fully diluted EPS attributable to equity holders of the Company (cents) ⁽²⁾	0.52	0.93

Notes:

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

10. Net asset value per share

	Group		Company	
	31-Dec-23	30-Jun-23	31-Dec-23	30-Jun-23
Net asset value ("NAV") per ordinary share (cents)	11.19	11.09	8.74	8.78
Number of Shares used in computation of NAV	205,748,352	205,748,352	205,748,352	205,748,352

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



11. Intangible assets

	Group			Total S\$
	Goodwill S\$	Customer relationship S\$	Unpatented technology S\$	
At 30 June 2023				
Cost	5,190,858	131,027	810,000	6,131,885
Accumulated amortisation and impairment	-	(131,027)	(405,002)	(536,029)
Net book amount	5,190,858	-	404,998	5,595,856
6 months ended 31 December 2023				
Opening net book amount	5,190,858	-	404,998	5,595,856
Amortisation charge	-	-	(57,856)	(57,856)
Closing net book amount	5,190,858	-	347,142	5,538,000
At 31 December 2023				
Cost	5,190,858	131,027	810,000	6,131,885
Accumulated amortisation and impairment	-	(131,027)	(462,858)	(593,885)
Net book amount	5,190,858	-	347,142	5,538,000

11.1 Goodwill impairment

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

<u>Name of subsidiary:</u>	Group	
	31 Dec 2023 S\$	30 Jun 2023 S\$
"My Family Clinic"		
Alliance Medical Group Pte. Ltd. ^(a)	1,101,541	1,101,541
My Family Clinic (PN) Pte. Ltd.	128,951	128,951
My Family Clinic (Hougang Central) Pte. Ltd.	780,000	780,000
My Family Clinic (Clementi 325) Pte. Ltd.	596,071	596,071
Sub-total	2,606,563	2,606,563
Jaga-Me Pte. Ltd.	2,584,295	2,584,295
Sub-total	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 Group performed its annual impairment test in June 2023. The key assumptions used to determine the recoverable amount for the CGU were disclosed in note 18 of the audited annual consolidated financial statements for the year ended 30 June 2023.



12. Property, plant and equipment

During the six months ended 31 December 2023, the Group acquired assets amounting to S\$2,353,000 (31 December 2022: S\$271,000), placed deposits of S\$135,000 (31 December 2022: S\$147,000) for fixed assets which was recorded under other non-financial assets, and disposed of assets with carrying value amounting to nil (31 December 2022: S\$250).

13. Investment properties

The Group does not have any investment properties.

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

	Company	
	2023	2022
	S\$	S\$
At 1 July and 31 December	5,683,069	4,693,069
<u>Accumulated depreciation:</u>		
At 1 July	992,333	872,886
Depreciation for the period	69,492	54,967
At 31 December	1,061,825	927,853
<u>Carrying value:</u>		
At 31 December	4,621,244	3,765,216

14. Loans and borrowings

	Group			
	As at 31 Dec 2023		As at 30 Jun 2023	
	Secured	Unsecured	Secured	Unsecured
	S\$	S\$	S\$	S\$
Amount repayable in one year or less, or on demand	2,161,353	1,386,938	1,210,598	1,024,767
Amount repayable after one year	6,158,348	2,595,467	5,706,928	1,553,984
Total	8,319,701	3,982,405	6,917,526	2,578,751



14. Loans and borrowings (cont'd)

Details of loans and borrowings and their collaterals, if any:

Term loans from DBS Bank Ltd. (“DBS Term Loans”)

DBS Term Loans amounting to S\$2.7 million as at 31 December 2023 (30 June 2023: S\$1.8 million) are secured by a first legal mortgage over certain of the Group’s leasehold properties.

Revolving loan from DBS Bank Ltd. (“DBS Revolving Loan”)

DBS Revolving Loans amounting to S\$0.5 million as at 31 December 2023 (30 June 2023: S\$ nil) are secured by a first legal mortgage over certain of the Group’s leasehold properties.

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

OCBC Loan 1 amounting to S\$1.0 million as at 31 December 2023 (30 June 2023: S\$1.1 million) is secured by a first legal mortgage over a Group’s leasehold property.

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

OCBC Loan 2 amounting to S\$0.6 million as at 31 December 2023 (30 June 2023: S\$0.2million) is secured by Company’s corporate guarantee.

Term loans from United Overseas Bank Limited (“UOB Property Loans”)

UOB Property Loans amounting to S\$1.1 million as at 31 December 2023 (30 June 2023: S\$1.1 million) are secured by a first legal mortgage over certain of the Group’s leasehold properties

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

UOB Loan 1 amounting to S\$0.7 million as at 31 December 2023 (30 June 2023: S\$1.0 million) is secured by a first fixed charge over 55% shares in the share capital of Jaga-Me Pte. Ltd. (“Jaga-Me”) and a deed of subordination of all current and future non-trade loans/advances which are owing from Alliance Healthcare Pte. Ltd. to its shareholders/related parties.

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

UOB Loan 2 amounting to S\$2.5 million as at 31 December 2023 (30 June 2023: S\$1.9 million), of which \$1.7 million (30 June 2023: S\$1.9 million) is secured by a first legal mortgage over certain of the Group’s leasehold properties.

Enterprise Financing Scheme (“EFS Loans”)

EFS loans amounting to S\$1.8 million as at 31 December 2023 (30 June 2023: S\$1.8 million) are facilities under the Enterprise Financing Scheme administered by the Enterprise Singapore which the Government provides risk-sharing on these loans.

Finance leases

Finance leases amounting to S\$0.5 million as at 31 December 2023 (30 June 2023: S\$28,700) relate to hire purchase contracts undertaken by the Group for medical equipment and motor vehicles.



15. **Share capital and treasury shares**

(a) Share capital	Group and Company			
	31 December 2023		30 June 2023	
	Number of shares	S\$	Number of shares	S\$
Issued and fully paid ordinary shares				
Beginning & end of the period	207,888,352	14,684,250	207,888,352	14,684,250

There was no change in the Company's share capital between 30 June 2023 (being the end of the previous period reported on) and 31 December 2023.

The Company did not have any outstanding options or convertible instruments as at 31 December 2023 and 31 December 2022 (being the end of corresponding period of the immediately preceding financial year).

There were no subsidiary holdings as at 31 December 2023 and 31 December 2022 (being the end of corresponding period of the immediately preceding financial year).

(b) Treasury shares	Group and Company			
	31 Dec 2023		31 Dec 2022	
	Number of shares	S\$	Number of shares	S\$
At beginning of the period	2,140,000	373,360	1,140,000	199,400
Shares buy-back during the period	-	-	1,000,000	173,960
At end of the period	2,140,000	373,360	2,140,000	373,360

There was no change in the Company's treasury shares between 30 June 2023 (being the end of the previous period reported on) and 31 December 2023.

During HY2023, the Company acquired 1,000,000 of its ordinary shares by way of on-market purchase for a total consideration of S\$173,960. These share buybacks are presented under treasury shares as a component within equity.

	Group and Company		
	31 Dec 2023	30 Jun 2023	31 Dec 2022
Total number of issued shares excluding treasury shares	205,748,352	205,748,352	205,748,352
Total number of treasury shares	2,140,000	2,140,000	2,140,000
As a percentage of total issued shares excluding treasury shares	1.04%	1.04%	1.04%



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

Acquisition

On 28 December 2023, Alliance Medical Group Pte. Ltd. (“**AMG**”), a wholly-owned subsidiary of the Company executed an instrument of transfer with Dr. Tan Yan Yuan (“**Vendor**”) pursuant to which AMG acquired 3,000 ordinary shares (the “**Acquired Shares**”) of My Family Clinic (Angsana Breeze @ Yishun) Pte Ltd (“**MFC YSA**”), representing 30% of the issued and paid-up share capital in MFC YSA, from the Vendor for a cash consideration of approximately S\$532,087 (the “**Purchase Consideration**”). The Purchase Consideration was based on the valuation formula stipulated in the shareholders’ agreement entered into by MFC YSA’s Shareholders on 21 March 2017, whereunder the valuation of the Sale Shares shall be 30% of the tangible net asset value plus goodwill element of MFC YSA. The net asset value represented by such Acquired Shares as of 30 June 20223 is approximately S\$171,085. Following the acquisition, AMG’s interest in MFC YSA increased from 60% to 90%. Please refer to the Company’s announcement in relation to the transaction dated 28 December 2023 for more information.

Incorporation of subsidiaries

On 7 July 2023, AMG incorporated a wholly-owned subsidiary in Singapore known as Alliance Medical Centre (Dhoby) Pte. Ltd. (“**AMC**”) with a total paid-up capital of S\$10,000. AMC’s principal activities are that of operations of clinics and provision of other general western medical services, health screening and medical diagnostic imaging services. AMC commenced operations in January 2024.

On 14 July 2023, Alliance Specialist Group Pte. Ltd. (“**ASG**”), a wholly-owned subsidiary of the Company incorporated a subsidiary in Singapore known as Evoque Medical Aesthetics Pte. Ltd. (“**Evoque**”) with a total paid-up capital of S\$20,000. ASG holds 60% of the shares in the capital of Evoque, and the remaining 40% is held by Dr. Sanjay Ganhasan, the principal medical practitioner of the medical aesthetic practice of Evoque. Evoque’s principal activities are that of operations of clinics and provision of other general western medical services, and medical aesthetics services. Evoque commenced operations in December 2023.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the transactions (other than through their shareholdings in the Company).

17. Acquisition of an associate

There was no change in the Company’s investment in an associate between 30 June 2023 (being the end of the previous period reported on) and 31 December 2023.

18. Subsequent events

There are no subsequent events to be disclosed or which would have led to adjustments to this set of unaudited interim financial statements.



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

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

The condensed consolidated statement of financial position of Alliance Healthcare Group Limited and its subsidiaries as at 31 December 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

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

Not applicable.

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

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

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

Not applicable.

2. Review of performance of the Group

Review of financial performance of the Group for HY2024 compared to HY2023

Revenue

Revenue increased by approximately S\$4.8 million or 16.4% from S\$28.9 million in HY2023 to S\$33.7 million in HY2024.

The overall increase in revenue was mainly attributable to an increase in sales generated by the following business segments: managed healthcare solutions, pharmaceutical services, mobile and digital health services and specialist care services. These were partially offset by a decrease in revenue from the 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\$3.7 million or 102.8% from S\$3.6 million in HY2023 to S\$7.3 million in HY2024, mainly due to more programs established with business partners, higher patient volume and more corporate clients engaged.



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

Review of financial performance of the Group for HY2024 compared to HY2023 (cont'd)

(b) Pharmaceutical Services

Revenue from pharmaceutical services increased by approximately S\$0.9 million or 11.5% from S\$7.8 million in HY2023 to S\$8.7 million in HY2024. Local sales within Singapore increased by \$1.4 million and overseas sales decreased by S\$0.5 million. The increase in local sales and decrease in overseas sales were mainly due to an increase in demand for medical supplies from certain local hospitals and institutions and decrease in demand from certain overseas clients.

(c) Mobile and Digital Health Services

Revenue from mobile and digital health services increased by approximately S\$0.5 million or 31.3% from S\$1.6 million in HY2023 to S\$2.1 million in HY2024. This was mainly contributed by increased revenue from digital health service due to increase in demand for telemedicine services and increased revenue from mobile health services due to increased demand for Mobile Inpatient Care at Home ("MIC@Home") and on-site health screening services. The increase was partially offset by decreased revenue from COVID-19 related healthcare services in view of further easing of COVID-19 measures in Singapore as well as globally.

(d) Specialist Care Services

Revenue from specialist care services increased by approximately S\$0.3 million or 4.4% from S\$6.8 million in HY2023 to S\$7.1 million in HY2024, mainly due to more patients seeking procedures.

(e) GP Clinic Services

Revenue from GP clinic services decreased by approximately S\$0.6 million or 6.6% from S\$9.1 million in HY2023 to S\$8.5 million in HY2024, mainly due to less patient visits as there was no longer extra government subsidies at Public Health Preparedness Clinic ("PHPC") and polyclinics for the testing (Antigen Rapid Test ("ART") and Polymerase Chain Reaction ("PCR") test) and treatment of all respiratory infections with effect from 1 April 2023.

Other income and gains

Other income and gains, mainly consisting of government grants, incentives and foreign exchange gains. Other income and gains decreased due to decrease in government grants and lower foreign exchange gains as compared to HY2023.

Consumables and medical supplies used

Consumables and medical supplies used mainly relate to the Group's GP clinic services, specialist care services, pharmaceutical services, corporate clinics of the managed healthcare segment and mobile and digital health services business segment.

Consumables and medical supplies used increased by approximately S\$1.4 million or 15.5% from S\$9.1 million in HY2023 to S\$10.5 million in HY2024, mainly due to an increase of consumables and medical supplies sold or used for the pharmaceutical services, corporate clinics of the managed healthcare segment and the specialist care service business segment in line with the increase in their revenue.



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

Review of financial performance of the Group for HY2024 compared to HY2023 (cont'd)

Employee benefits expense

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

Employee benefits expense increased by approximately S\$3.2 million or 22.0% from S\$14.9 million in HY2023 to S\$18.1 million in HY2024, mainly due to the following:

- (a) an 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, Digital Health Care and Specialist Care Services business segments; and
- (b) staff and related cost for the new clinics which commenced operation on and after January 2023, and the medical centre and medical aesthetic clinic which was newly incorporated during HY2024.

Depreciation and amortisation expense

Depreciation and amortisation expense increased by approximately S\$0.4 million or 32.7%, from S\$1.4 million in HY2023 to S\$1.8 million in HY2024, due to the following:

- (a) depreciation of additional rights-of-use assets resulting from leases for our newly established medical centre, medical aesthetic clinic and warehouse for our pharmaceutical business in addition to the relocation for one of our My Family Clinics;
- (b) depreciation of renovation, furniture and fittings associated with new leases mentioned in the above paragraph; and
- (c) depreciation of additional leasehold properties, computer and office equipment purchased on and after January 2023.

Other losses

Other losses were not significant in HY2024 and HY2023.

Finance costs

Finance costs increased by approximately S\$0.3 million or 182.8% from S\$0.1 million in HY2023 to S\$0.4 million in HY2024, due to additional loan drawn down, increased interest rate and interest expenses for the additional lease liabilities relating to the rights-of-use assets added during the period.

Other expenses

Other expenses increased by approximately S\$0.1 million or 3.8% from S\$2.2 million in HY2023 to S\$2.3 million in HY2024, mainly due to higher server and computer system maintenance expenses.

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

Review of financial performance of the Group for HY2024 compared to HY2023 (cont'd)

Share of results of an associate

The Group's share of losses from an associate in HY2024 was S\$118,000 as compared to the share of losses of S\$7,000 in HY2023, mainly due to higher cost incurred to upgrade its clinic management system ("CMS"), Hummingbird, to be accredited as Tier 1 CMS which is HSG-compatible.

Profit before tax

As a result of the above, profit before tax decreased by approximately S\$0.9 million or 49.2% from S\$1.8 million in HY2023 to S\$0.9 million in HY2024.

Income tax

The Group recorded a tax credit of approximately S\$69,000 in HY2024 compared to an income tax credit of S\$0.2 million in HY2023. This was the net effect of current tax expense and tax refund received in respect of Group relief and utilisation of trade losses of prior years.

Profit attributable to owners of parent, net of tax

As a result of the above, together with the aggregate expenses from our newly established medical centre and medical aesthetic clinic of \$0.3 million and 0.2 million respectively, net profit attributable to equity holders of the Company decreased by approximately S\$0.8 million from S\$1.9 million in HY2023 to S\$1.1 million in HY2024.

Financial performance by operating segments

In HY2024, the managed healthcare solutions, GP clinics services, specialist care services, pharmaceutical services and mobile and digital health services business segments contributed 21.6%, 25.2%, 21.2%, 25.8% and 6.2% of the Group's revenue, respectively.

In HY2023, the managed healthcare solutions, GP clinic services, specialist care services, pharmaceutical services and mobile and digital health services business segments contributed 12.6%, 31.4%, 23.4%, 27.1% and 5.5% of the Group's revenue, respectively.

Compared to HY2023, the net profit before tax margins have decreased mainly due to higher manpower and operating costs. The overall decrease was a result of the following:

- (a) Decreased net profit before tax for GP clinic services was mainly due to the operating cost incurred by the newly established medical centre, which commenced operation in January 2024. Additionally, there were fewer patient visits due to the cessation of the extra government subsidies at PHPC and polyclinics for the testing (ARTs and PCRs) and treatment of all respiratory infections with effect from 1 April 2023.
- (b) Decreased net profit before tax for specialist care services was mainly due to the operating cost incurred for the newly established medical aesthetic clinic which commenced operation in December 2023.
- (c) Increased net profit before tax for managed healthcare solutions was mainly due to higher revenue attributable to more programs established with business partners, higher patient volume and more corporate clients engaged. However, the net profit before tax margin decreased due to higher manpower cost.



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

Review of financial performance of the Group for HY2024 compared to HY2023 (cont'd)

- (d) Decreased net profit before tax for pharmaceutical services was mainly due to higher depreciation and staff costs associated with the newly rented warehouse for our pharmaceutical business.
- (e) Mobile and digital health services business segment continued to experience a loss in HY2024. This was mainly due to decreased contribution from COVID-19 related healthcare services in view of further easing of COVID-19 measures. However, the decrease was partially offset by increased contribution from telemedicine services, MIC@Home and on-site health screening services.

The Group's revenue is primarily generated from its operations in Singapore. The revenue generated from overseas mainly relate to its pharmaceutical services business segment. In HY2024, Singapore and overseas markets contributed approximately 95.9% and 4.1% of the Group's revenue respectively. In HY2023, Singapore and overseas markets contributed approximately 93.4% and 6.6% of the Group's revenue respectively.

Review of financial position of the Group as at 31 December 2023

Non-current assets

Non-current assets increased by approximately S\$3.8 million, from S\$18.6 million as at 30 June 2023 to S\$22.4 million as at 31 December 2023 mainly as a result of the following: an increase in the carrying value of property, plant and equipment and right-of-use assets of approximately S\$3.6 million mainly as a result of 1) acquisition of medical equipment, furniture and fittings, warehouse equipment and renovation for our newly established medical centre, medical aesthetic clinic and warehouse for our pharmaceutical business of an aggregate value of \$2.1 million, 2) new leases for the above mentioned medical centre, medical aesthetic clinic and warehouse and renewal of leases of an aggregate value of S\$3.0 million, 3) partially offset by the depreciation and amortisation of S\$1.8 million charged for property, plant and equipment and right-of-use assets; and an additional loan of S\$0.3 million to an associate.

Current assets

Current assets increased by approximately S\$5.1 million, from S\$46.3 million as at 30 June 2023 to S\$51.4 million as at 31 December 2023. This was the net effect of an increase in trade and other receivables of approximately S\$6.2 million, an increase of inventory of S\$0.2 million and a decrease in cash and cash equivalents of S\$1.4 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 HY2024 which were pending for verification and reimbursement by insurers and corporate clients as at 31 December 2023.

The increase of inventory was in line with the commencement of operation for an additional corporate clinic in July 2023, commencement of operation for our newly established medical aesthetic clinic in December 2023 and opening the medical centre in January 2024.



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

Review of financial position of the Group as at 31 December 2023 (cont'd)

Total equity

Shareholders' equity increased by S\$0.2 million from S\$22.8 million as at 30 June 2023 to S\$23.0 million as at 31 December 2023 mainly as a net result of the following:

- (a) an increase in retained earnings of S\$0.5 million (net profit attributable to equity holders of the Company of S\$1.1 million, offset by the payment of dividends of S\$0.6 million);
- (b) value of employee services amounting to S\$80,200 was recognised 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; and
- (c) acquisition of additional shares from certain non-controlling shareholder of which a capital reserve of S\$0.3 million was recorded.

Non-controlling interests decreased by S\$0.3 million to S\$0.6 million mainly as a result of the following: payment of dividends of S\$50,000 to non-controlling interests, increase in Group's shareholding interest in MFC YSA of S\$0.2 million and net loss attributable to non-controlling interests of the Company of S\$0.1 million.

Non-current liabilities

Non-current liabilities increased by S\$3.1 million from S\$9.7 million as at 30 June 2023 to S\$12.8 million as at 31 December 2023 mainly due to additional non-current loans and borrowings of S\$1.5 million for business operation and acquisition of medical equipment for the newly established medical centre and medical aesthetic clinic, and additional noncurrent lease liabilities of S\$1.6 million in line with additional and renewal of leases during the period.

Current liabilities

Current liabilities increased by S\$5.9 million, from S\$31.5 million as at 30 June 2023 to S\$37.4 million as at 31 December 2023, mainly due to an increase in trade and other payables of S\$4.6 million largely attributable to the business segment of managed healthcare solutions in line with increase of medical claims towards end of the HY2024 and payables for medical equipment and renovation cost incurred for the newly established medical centre and medical aesthetic clinic, additional loans and borrowings of \$1.3 million after netting loan repayments and increased lease liabilities of S\$0.3 million in line with additional and renewal of leases during the period, partially offset by a decrease in income tax payable of S\$0.2 million in line with lower profit before tax in HY2024 and tax refund received in respect of Group relief and utilisation of trade losses for prior years.

Review of statement of cash flow for HY2024

The Group generated net cash of S\$1.4 million from operating activities in HY2024, mainly due to operating cash flows before changes in the working capital of S\$3.3 million, partially offset by net working capital outflows of S\$1.8 million and income taxes paid of S\$0.1 million. The net working capital outflows was a result of an increase in trade and other receivables by S\$6.2 million and an increase in inventories by S\$0.2 million, partially offset by an increase in trade and other payables by S\$4.6 million.



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

Review of statement of cash flow for HY2024 (cont'd)

Net cash flows used in investing activities during HY2024 amounted to S\$3.3 million were mainly due to the renovation and purchase of property, plant and equipment of S\$2.5 million mainly for the newly established medical centre and medical aesthetic clinic, the acquisition of additional shares in MFC YSA for a cash consideration of S\$0.5 million and the disbursement of a loan amounted S\$0.3 million to an associate.

Net cash flows from financing activities amounted to S\$0.5 million during HY2024, mainly due to the net effect of the following: proceeds from bank borrowings of S\$3.5 million, net proceeds from borrowings from non-controlling shareholder of S\$0.1 million, payment of lease liabilities of S\$1.3 million, repayment of bank borrowings and interest of S\$0.8 million and S\$0.3 million respectively, and payment of dividends of S\$0.6 million and S\$42,000 to equity holders of the Company and non-controlling shareholders respectively.

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

There has not been any forecast or prospect statement previously disclosed to shareholders.

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

Like the rest of the industry, we are continuing to face inflation-led increase in drug and staffing costs. It may not be possible to pass on the cost increases entirely to the consumers. As such, we are working towards increasing productivity and digitalisation of processes to mitigate the increasing costs.

Healthcare trends in Singapore indicate a growing emphasis on community-based care and cost containment. The Group continues to see increased demand for primary care and home care services as the nation's healthcare priorities are now focused on helping people stay healthy and keeping seniors out of hospitals and nursing homes.

Initiatives like the Healthier SG program, launched in July 2023, has since gained traction with Singaporeans and GP clinics in the community. This programme will be progressively rolled out to other Singapore Citizens and Permanent Residents and is expected to benefit over two million Singapore residents aged 40 and above by the end of 2024. This may provide opportunities, such as continuing care services for our primary care clinics.

The Mobile Inpatient Care@Home pilot, initiated in 2022, reflects a shift towards home-based patient care, reducing reliance on traditional hospital settings. With policy changes promoting palliative care at home, there is a notable trend towards decentralizing healthcare services. This should augur well for Jaga-Me's business.



5. Dividend Information

5(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

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

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

No.

5(c) Date Payable

Not applicable.

5(d) Books Closure Date

Not applicable.

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

The Board is not recommending any interim dividend in respect of HY2024 as the Board wished to take into consideration the Group's full-year results of operations in view of the Group's capital requirement and current uncertain economic outlook.

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

The Company did not obtain any general mandate from its shareholders in respect of any interested person transaction. The Company did not have any interested person transaction equal to or exceeding S\$100,000 during HY2024.

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

We, Barry Thng Lip Mong and Eugene Wong Hin Sun, being directors of the Company ("Directors"), hereby confirm on behalf of the board of Directors that, to the best of the Directors' knowledge, nothing has come to the attention of the board of Directors which may render the unaudited consolidated financial statements of the Group for the six months ended 31 December 2023 to be false or misleading in any material aspect.

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

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



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

Save as disclosed in notes 16 and 17 to the condensed interim financial statements, there is no other acquisition and/or sale of shares in any subsidiaries or associated companies of the Group since 30 June 2023 (being the end of the previous period reported on) and up to the date hereof which is required to be reported under Rule 706(A) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).

BY ORDER OF THE BOARD

BARRY THNG LIP MONG
Executive Chairman and CEO

13 February 2024