

**ASSURANCE HEALTHCARE LIMITED**  
Formerly known as Revez Corporation Ltd.  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201119167Z)

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED  
30 JUNE 2024**

# ASSURANCE HEALTHCARE LIMITED

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# ASSURANCE HEALTHCARE LIMITED

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Group		Change % +/-
		6 months ended 30 June 2024 S\$'000	6 months ended 30 June 2023 S\$'000	
<b>Revenue</b>	5	305	1,799	(83%)
Other income		36	115	(69%)
Material costs and changes in inventories		-	(978)	(100%)
Salaries and employees' benefits		(388)	(1,244)	(69%)
Depreciation of property, plant and equipment		(20)	(264)	(92%)
Impairment loss on trade receivables and contract assets, net		(45)	(63)	(29%)
Other operating expenses		(352)	(1,535)	(77%)
Finance costs		(8)	(23)	(65%)
<b>Loss before income tax</b>	7	(472)	(2,193)	(78%)
Income tax		(29)	-	N.M
<b>Loss for the financial period</b>		<u>(501)</u>	<u>(2,193)</u>	(77%)
Other comprehensive income		-	-	-
<b>Total comprehensive loss for the financial period</b>		<u>(501)</u>	<u>(2,193)</u>	(77%)
<b>Loss for the financial period attributable to:</b>				
Owners of the Company		(452)	(2,193)	(79%)
Non-controlling interests		(49)	-	N.M
		<u>(501)</u>	<u>(2,193)</u>	(77%)
<b>Total comprehensive loss for the financial period attributable to:</b>				
Owners of the Company		(452)	(2,193)	(79%)
Non-controlling interests		(49)	-	N.M
		<u>(501)</u>	<u>(2,193)</u>	(77%)
<b>Loss per share:</b>				
<b>Basic and diluted (cents per share)</b>	8	<u>(0.17)</u>	<u>(1.26)</u>	

N.M: Not Meaningful

Loss per share is calculated based on the weighted average number of ordinary shares that were outstanding during the respective financial periods.

# ASSURANCE HEALTHCARE LIMITED

## CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30 Jun 2024 S\$'000	31 Dec 2023 S\$'000	30 Jun 2024 S\$'000	31 Dec 2023 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	10	37	55	2	3
Goodwill	11	4,372	4,372	-	-
Investment in subsidiary	12	-	-	4,560	4,560
		4,409	4,427	4,562	4,563
<b>Current assets</b>					
Trade and other receivables	13	1,186	1,327	198	164
Contract assets	5	19	19	-	-
Cash and bank balances	14	3,166	3,814	3,053	3,702
		4,371	5,160	3,251	3,866
<b>Total assets</b>		8,780	9,587	7,813	8,429
<b>EQUITY AND LIABILITIES</b>					
Share capital	15	28,581	28,581	71,898	71,898
Merge reserve		138	138	-	-
Accumulated losses		(21,019)	(20,567)	(64,148)	(63,771)
<b>Equity attributable to owners of the Company</b>		7,700	8,152	7,750	8,127
Non-controlling interests		93	142	-	-
<b>Total equity</b>		7,793	8,294	7,750	8,127
<b>Current liabilities</b>					
Trade and other payables	17	725	971	63	302
Loans and borrowings	16	141	143	-	-
Income tax payables		6	-	-	-
		872	1,114	63	302
<b>Non-current liabilities</b>					
Provisions		4	4	-	-
Loans and borrowings	16	111	175	-	-
		115	179	-	-
<b>Total liabilities</b>		987	1,293	63	302
<b>Total equity and liabilities</b>		8,780	9,587	7,813	8,429

## ASSURANCE HEALTHCARE LIMITED

### CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

<--- Attributable to equity owners of the Company --->

<u>Group</u>	Share capital S\$'000	Merger reserve S\$'000	Other reserve S\$'000	Accumulated losses S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>At 1 January 2024</b>	28,581	138	-	(20,567)	8,152	142	8,294
Loss for the financial period	-	-	-	(452)	(452)	(49)	(501)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss for the financial period	-	-	-	(452)	(452)	(49)	(501)
<b>At 30 June 2024</b>	<b>28,581</b>	<b>138</b>	<b>-</b>	<b>(21,019)</b>	<b>7,700</b>	<b>93</b>	<b>7,793</b>
<b>At 1 January 2023</b>	18,713	138	-	(17,534)	1,317	-	1,317
Issuance of ordinary shares	3,163	-	-	-	3,163	-	3,163
Reversal of dividend payables	-	-	510	-	510	-	510
Loss for the financial period	-	-	-	(2,193)	(2,193)	-	(2,193)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss for the financial period	-	-	-	(2,193)	(2,193)	-	(2,193)
<b>At 30 June 2023</b>	<b>21,876</b>	<b>138</b>	<b>510</b>	<b>(19,727)</b>	<b>2,797</b>	<b>-</b>	<b>2,797</b>

<u>Company</u>	Share capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
<b>At 1 January 2024</b>	71,898	(63,771)	8,127
Loss for the financial period	-	(377)	(377)
Other comprehensive income	-	-	-
Total comprehensive loss for the financial period	-	(377)	(377)
<b>At 30 June 2024</b>	<b>71,898</b>	<b>(64,148)</b>	<b>7,750</b>
<b>At 1 January 2023</b>	62,030	(61,443)	587
Issuance of ordinary shares	3,163	-	3,163
Loss for the financial period	-	(1,167)	(1,167)
Other comprehensive income	-	-	-
Total comprehensive loss for the financial period	-	(1,167)	(1,167)
<b>At 30 June 2023</b>	<b>65,193</b>	<b>(62,610)</b>	<b>2,583</b>

# ASSURANCE HEALTHCARE LIMITED

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	6 months ended 30 Jun 2024 S\$'000	6 months ended 30 Jun 2023 S\$'000
<b>Cash flows from operating activities:</b>		
Loss before income tax	(472)	(2,193)
Adjustments for:		
Depreciation for property, plant and equipment	20	264
Loss on disposal of property, plant and equipment	-	49
Property, plant and equipment written off	-	3
Impairment loss of trade and other receivables and contract assets, net	57	63
Interest income	(33)	(6)
Interest expense	8	23
Operating cash flows before change in working capital	(420)	(1,797)
Change in working capital:		
Trade and other receivables	117	1,138
Contract assets	-	(285)
Trade and other payables	(246)	729
Contract liabilities	-	(49)
Cash used in operations	(549)	(264)
Interest received	-	6
Income tax paid	(23)	-
<b>Net cash used in operating activities</b>	(572)	(258)
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(2)	(7)
Proceeds from disposal of property, plant and equipment	-	120
Increase in bank deposit with maturity period of more than 3 months	-	(756)
<b>Net cash used in investing activities</b>	(2)	(643)
<b>Cash flows from financing activities:</b>		
Advances from investors	-	4,808
Loan from controlling shareholder	-	2,000
Issuance of shares	-	3,163
Repayment of bank borrowings	(49)	(252)
Principal payment of lease liabilities	(17)	(124)
Interest paid	(8)	(23)
<b>Net cash (used in)/generated from financing activities</b>	(74)	9,572
<b>Net (decrease)/increase in cash and cash equivalents</b>	(648)	8,671
<b>Cash and cash equivalents at beginning of period</b>	3,814	1,807
<b>Cash and cash equivalents at end of period</b>	3,166	10,478

# ASSURANCE HEALTHCARE LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

### 1 GENERAL INFORMATION

Assurance Healthcare Limited (formerly known as Revez Corporation Ltd.) (the “Company”) is a public limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activity of the Company is that of investment holding. The principal activities of the subsidiary are (a) the development, distribution and provision of (i) healthcare products, services, digital health and telemedicine, and (ii) managed healthcare and wellness solutions, and (b) healthcare investment and innovation.

### 2 BASIS OF PREPARATION

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”)1-34 *Interim Financial Reporting*. 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 change in the Group’s financial position and performance of the Group since the last financial statements for the financial year ended 31 December 2023. The financial statements are presented in Singapore dollars (“S\$”), which is the Company’s functional currency, and all values are rounded to the nearest thousand (S\$’000) as indicated.

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

#### 2.1 Adoption of New and Revised Standards

In the current financial period, the Group has adopted the new and revised SFRS(I) and Interpretations of SFRS(I) (“SFRS(I) INT”) that are relevant to its operations and effective for the current financial period. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not result in substantial changes to the Group’s and Company’s accounting policies and had no material effect on the financial results or position.

## ASSURANCE HEALTHCARE LIMITED

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

#### 3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the application of the Group's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying the accounting policies

Management is of the opinion that in the preparation of the financial statements there are no critical judgements made in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

*Impairment of goodwill*

For the purpose of impairment testing, the recoverable amount of the cash-generating unit ("CGU") to which goodwill has been allocated to is determined based on its value in use ("VIU"). Estimating the VIU requires the Company to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

*Impairment of investment in subsidiaries*

Management reviews the Company's investment in subsidiary at each reporting date to determine whether there is any indication that the investment may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amount of the investment is assessed as the higher of fair value less costs of disposal and value in use.

*Loss allowance for trade receivables and contract assets*

The Group measures the loss allowance for trade receivables and contract assets at an amount equal to lifetime expected credit losses ("ECLs"). The ECLs on trade receivables are estimated using a provision matrix which involves grouping receivables based on characteristics which have historically influenced asset recoverability, such as credit ratings, customer-industry group and customer geography, and applying a historic provision rate which is based on days past due for groupings of various customer segments that have similar loss patterns. In devising such a provision matrix, the Group uses its historical credit loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions) to estimate the lifetime expected credit losses on the trade receivables and contract assets. At every reporting date, the historical default rates are updated and the impact of forward-looking information is re-analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**4 SEASONAL OPERATIONS**

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial period.

**5 REVENUE**

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the delivery of the following goods and services and the Group's revenue are predominantly attributed to Singapore:

	<b>Group</b>	
	<b>6 months ended 30 Jun 2024 S\$'000</b>	<b>6 months ended 30 Jun 2023 S\$'000</b>
<u>Revenue – timing of revenue recognition</u>		
Revenue from service contracts – over time	-	696
Revenue from distribution of IT products – at a point in time	-	701
Revenue from digital media services – over time	-	402
Revenue from managed healthcare solutions services – at a point in time	305	-
	<u>305</u>	<u>1,799</u>

(b) Contract balances

	<b>Group</b>	
	<b>30 Jun 2024 S\$'000</b>	<b>31 Dec 2023 S\$'000</b>
<u>Contract assets</u>		
Managed healthcare solutions services	19	19

Contract assets relate to managed healthcare solutions services representing the Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when invoices are billed to the customer.

## **ASSURANCE HEALTHCARE LIMITED**

### **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

#### **6 SEGMENT INFORMATION**

The Group has determined the operating segments based on the internal reports reviewed by the executive management for the purpose of resource allocation and assessment of segment performance.

The Group's reportable operating segments are as follows:

- Managed healthcare solutions

Managed healthcare solutions segment includes providing managed healthcare solutions to corporations by establishing an extensive network of medical service providers to deliver healthcare services to the employees of corporations.

- Corporate

Corporate segment consists of investment holding company which does not meet any of the quantitative threshold for determining a reportable operating segment.

In November 2023, the Company disposed of the wholly owned subsidiaries, Revez Motion Pte Ltd and PGK Digital Networks Pte Ltd. As such, the Group's reportable business segments of IT Solutions and Digital Media Network have been discontinued on the date of disposals.

Information regarding the results of each reportable operating segment is included below. Segment assets and liabilities are presented net of inter-segment balances. Inter-segment pricing is determined on mutually agreed terms.

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**6 SEGMENT INFORMATION (Cont'd)**

Information about operating segments

<b>Group</b>	<u>Managed healthcare solutions</u> S\$'000	<u>Corporate</u> S\$'000	<u>Total</u> S\$'000
<u>6 months ended 30 Jun 2024</u>			
<i>Revenue</i>			
Total revenue	305	-	305
Inter-segment revenue	-	-	-
External revenue	<u>305</u>	<u>-</u>	<u>305</u>
<i>Results</i>			
Loss before income tax	(64)	(408)	(472)
Income tax	(29)	-	(29)
Loss for the financial period	<u>(93)</u>	<u>(408)</u>	<u>(501)</u>
<i>Assets and liabilities</i>			
Segment assets	5,622	3,158	8,780
Segment liabilities	<u>(924)</u>	<u>(63)</u>	<u>(987)</u>
<i>Other segment information</i>			
Expenditure for property, plant and equipment	(2)	-	(2)
Other non-cash items:			
Depreciation of property, plant and equipment	(19)	(1)	(20)
Impairment loss on trade receivables and contract assets, net	<u>(45)</u>	<u>-</u>	<u>(45)</u>

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**6 SEGMENT INFORMATION (Cont'd)**

Information about operating segments (cont'd)

	IT <u>Solutions</u> S\$'000	Digital Media <u>Networks</u> S\$'000	<u>Corporate</u> S\$'000	<u>Total</u> S\$'000
<b>Group</b>				
<u>6 months ended 30 Jun 2023</u>				
<i>Revenue</i>				
Total revenue	1,397	402	-	1,799
Inter-segment revenue	-	-	-	-
External revenue	<u>1,397</u>	<u>402</u>	<u>-</u>	<u>1,799</u>
<i>Results</i>				
Loss before income tax	(801)	(187)	(1,205)	(2,193)
Income tax	-	-	-	-
Loss for the financial period	<u>(801)</u>	<u>(187)</u>	<u>(1,205)</u>	<u>(2,193)</u>
<i>Assets and liabilities</i>				
Segment assets	3,406	1,118	9,805	14,329
Segment liabilities	<u>(2,901)</u>	<u>(806)</u>	<u>(7,825)</u>	<u>(11,532)</u>
<i>Other segment information</i>				
Expenditure for property, plant and equipment	-	(7)	-	(7)
Other non-cash items:				
Depreciation of property, plant and equipment	(137)	(127)	-	(264)
(Impairment loss)/Reversal of impairment loss on trade receivables and contract assets, net	(152)	89	-	(63)
Loss on disposal of property, plant and equipment	(49)	-	-	(49)
Property, plant and equipment written off	<u>(3)</u>	<u>-</u>	<u>-</u>	<u>(3)</u>

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**6 SEGMENT INFORMATION (Cont'd)**

**Geographical information**

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the entities of the Group which the goods and services are provided. Segment non-current assets are based on the geographical location of the assets.

The Group's revenue from external customers were wholly attributed to Singapore.

The Group's non-current assets for the financial years ended 30 June 2024 and 31 December 2023 were wholly attributed to Singapore.

**7 LOSS BEFORE INCOME TAX**

The following items have been included in arriving at the loss for the period:

	<b>Group</b>	
	<b>6 months ended 30 Jun 2024 S\$'000</b>	<b>6 months ended 30 Jun 2023 S\$'000</b>
<b>Other income</b>		
Government grants	3	67
Interest income	33	6
<b>Other operating expenses</b>		
Depreciation of property, plant and equipment	20	264
Impairment loss on trade receivables and contract assets, net	45	63
Loss on disposal of property, plant and equipment	-	49
Property, plant and equipment written off	-	3
Legal and professional fees	56	939

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**8 LOSS PER SHARE**

Loss per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	<b>6 months ended 30 Jun 2024</b>	<b>6 months ended 30 Jun 2023</b>
Loss per share (in SGD cents)		
- Basic <sup>(1)</sup> and fully diluted <sup>(2)</sup>	<u>(0.17)</u>	<u>(1.26)</u>

<sup>(1)</sup> Basic loss per share ("**LPS**") is calculated on the Group's loss for the period attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the reporting period of 263,320,923 shares (30 June 2023: 174,731,896 shares).

<sup>(2)</sup> As there are no dilutive potential ordinary shares issued and/or granted, the fully diluted LPS is the same as the basic LPS.

**9 NET ASSET VALUE**

Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
Net asset value per ordinary share (cents)	<u>2.92</u>	<u>3.10</u>	<u>2.94</u>	<u>3.09</u>

Net asset value per share is calculated based on share capital of 263,320,923 ordinary shares in issue as at 30 June 2024 (31 December 2023: 263,320,923).

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**10 PROPERTY, PLANT AND EQUIPMENT**

	<u>Office properties</u> S\$'000	<u>Computers</u> S\$'000	<u>Office equipment</u> S\$'000	<u>Total</u> S\$'000
<b>Group</b>				
<u>Cost</u>				
Balance at 1 January 2024	67	3	5	75
Additions	-	2	-	2
Balance at 30 June 2024	<u>67</u>	<u>5</u>	<u>5</u>	<u>77</u>
 <u>Accumulated depreciation</u>				
Balance at 1 January 2024	19	-	1	20
Depreciation charge	18	1	1	20
Balance at 30 June 2024	<u>37</u>	<u>1</u>	<u>2</u>	<u>40</u>
 <u>Net book value</u>				
At 30 June 2024	<u>30</u>	<u>4</u>	<u>3</u>	<u>37</u>

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**10 PROPERTY, PLANT AND EQUIPMENT (Cont'd)**

	<u>Office properties</u> S\$'000	<u>Computers</u> S\$'000	<u>Furniture and fittings</u> S\$'000	<u>Motor vehicle</u> S\$'000	<u>Office equipment</u> S\$'000	<u>Renovation</u> S\$'000	<u>Media equipment</u> S\$'000	<u>Total</u> S\$'000
<b>Group</b>								
<u>Cost</u>								
Balance at 1 January 2023	569	407	35	-	100	177	3,073	4,361
Additions	-	3	-	-	-	-	7	10
Acquisition through business combination	67	-	-	41	5	-	-	113
Disposal	-	-	(35)	(41)	(79)	(177)	-	(332)
Write off	(569)	(32)	-	-	-	-	-	(601)
Disposal of subsidiaries	-	(375)	-	-	(21)	-	(3,080)	(3,476)
Balance at 31 December 2023	<u>67</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>75</u>
<u>Accumulated depreciation and impairment losses</u>								
Balance at 1 January 2023	405	194	15	-	96	141	2,101	2,952
Depreciation charge	116	59	3	1	2	15	228	424
Disposal	-	-	(18)	(1)	(78)	(156)	-	(253)
Impairment loss	-	-	-	-	-	-	33	33
Write off	(502)	(29)	-	-	-	-	-	(531)
Disposal of a subsidiaries	-	(224)	-	-	(19)	-	(2,362)	(2,605)
Balance at 31 December 2023	<u>19</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>20</u>
<u>Net book value</u>								
At 31 December 2023	<u>48</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>55</u>

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**11 GOODWILL**

	<b>Group</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
At 1 January	4,372	-
Provisional goodwill recognised from the business combination occurred during the period/year	-	4,372
Balance as at reporting date	<u>4,372</u>	<u>4,372</u>

The goodwill arose from the acquisition of Magenta Wellness Pte Ltd ("MW") in 2023. The PPA exercise carried out by an external professional expert has been finalised as at 30 June 2024. The goodwill was allocated entirely to the relevant cash-generating unit under the managed healthcare solutions segment. The purchase consideration paid for the acquisition of MW effectively include amounts in relation to the revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. Management has assessed that no impairment loss of goodwill is required to be recognised for the six months ended 30 June 2024.

**12 INVESTMENT IN SUBSIDIARY**

	<b>Company</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Unquoted equity shares, at cost</u>		
At 1 January	4,560	48,111
Acquisition of a subsidiary	-	4,560
Disposal of subsidiaries	-	(48,111)
	4,560	4,560
<u>Less: Allowance for impairment loss</u>		
At 1 January	-	(47,495)
Less: allowance for impairment loss	-	-
Disposal of subsidiaries	-	47,495
	-	-
Balance as at reporting date	<u>4,560</u>	<u>4,560</u>

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**13 TRADE AND OTHER RECEIVABLES**

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Trade receivables:				
- third parties	902	1,078	-	-
Less: Loss allowance	(144)	(101)	-	-
	<u>758</u>	<u>977</u>	<u>-</u>	<u>-</u>
Other receivables:				
- third parties	1,341	1,383	1,341	1,331
Less: Loss allowance	(1,341)	(1,328)	(1,341)	(1,328)
	-	55	-	3
Amounts due from subsidiaries	-	-	95	28
Deposits	9	9	-	-
	9	64	95	31
GST receivables	93	93	93	93
Prepayments	326	193	10	40
	<u>1,186</u>	<u>1,327</u>	<u>198</u>	<u>164</u>

Trade receivables are unsecured, non-interest bearing and have an average credit term of 30 days.

The amounts due from subsidiaries are non-trade in nature, unsecured, interest-free, and repayable on demand and are to be settled in cash.

Included in the Group's/Company's other receivables is the amount of S\$1,341,000 (2023: S\$1,331,000) which is repayable between 3 and 48 months from the date of the draw down and bear a fixed interest of 2% per annum. Management assessed that the amounts due from subsidiary are unlikely to be recovered based on the financial performance and/or financial position of the relevant subsidiary, and accordingly, has fully impaired the amounts due at the prior financial year.

Prepayment mainly relates to prepaid software development costs.

**14 CASH AND BANK BALANCES**

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Cash and cash equivalents per consolidated statement of cash flows	3,166	3,814	3,053	3,702

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**15 SHARE CAPITAL**

	30 Jun 2024		31 Dec 2023	
	Number of ordinary shares	S\$'000	Number of ordinary shares	S\$'000
<b>Group</b>				
Issued and fully paid-up:				
Balance at beginning of period/year	263,320,923	28,581	167,499,937	18,713
Issuance of ordinary shares	-	-	95,820,986	9,971
Share issue costs	-	-	-	(103)
Balance at end of period/year	263,320,923	28,581	263,320,923	28,581

The Group's share capital amount differed from that of the Company as a result of the reverse acquisition completed in May 2019. The equity structure (i.e. the number and types of equity instruments issued) reflected the equity structure of the Company, being the legal parent, including the equity instruments issued by the Company to reflect the reverse acquisition.

	30 Jun 2024		31 Dec 2023	
	Number of ordinary shares	S\$'000	Number of ordinary shares	S\$'000
<b>Company</b>				
Issued and fully paid-up:				
Balance at beginning of period/year	263,320,923	71,898	167,499,937	62,030
Issuance of ordinary shares	-	-	95,820,986	9,971
Share issue costs	-	-	-	(103)
Balance at end of period/year	263,320,923	71,898	263,320,923	71,898

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

**16 LOANS AND BORROWINGS**

	Group		Company	
	30 Jun 2024 S\$'000	31 Dec 2023 S\$'000	30 Jun 2024 S\$'000	31 Dec 2023 S\$'000
<u>Current liabilities</u>				
Lease liabilities	29	31	-	-
Bank borrowing – Temporary bridging loans	112	112	-	-
	141	143	-	-
<u>Non-current liabilities</u>				
Lease liabilities	-	15	-	-
Bank borrowing – Temporary bridging loans	111	160	-	-
	111	175	-	-

The temporary bridging loans are used for the Group's working capital requirements, which are repayable over 60 monthly instalments and bear a fixed interest at 2.5% to 4.25% per annum. The loans are secured by a deed of guarantee and indemnity for all monies from the non-controlling interests of the Group.

**ASSURANCE HEALTHCARE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

**17 TRADE AND OTHER PAYABLES**

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Trade payables - third parties	632	568	-	-
Other payables - third parties	12	53	-	15
Accrued operating expenses	77	320	63	287
	<b>721</b>	<b>941</b>	<b>63</b>	<b>302</b>
GST payables	4	30	-	-
	<b>725</b>	<b>971</b>	<b>63</b>	<b>302</b>

Trade payables are unsecured, non-interest bearing and are settled on an average term of 30 days.

**18 RELATED PARTIES TRANSACTIONS**

The Group entered into transactions with related parties on terms agreed between the parties, as shown below.

	<b>Group</b>	
	<b>30 Jun 2024</b>	<b>30 Jun 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Loan from a shareholder	-	2,000

**19 SUBSEQUENT EVENTS**

There are no known significant subsequent events which have led to adjustment to this set of interim financial statements.

# ASSURANCE HEALTHCARE LIMITED

## OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

- 1 (i) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	30 Jun 2024	
	Number of ordinary shares	S\$'000
<b>Company</b>		
Issued and fully paid-up:		
Balance as at 1 January 2024 and 30 June 2024	263,320,923	71,898

The Company did not have any treasury shares, subsidiary holdings or other convertibles as at 30 June 2024 and 31 December 2023.

- 1 (ii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares as at end of 30 June 2024 and 31 December 2023 was 263,320,923 shares.

The Company did not have treasury shares as at the end of the respective financial period/year.

- 1 (iii) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

- 1 (iv) A statement showing all sales, transfers, disposals, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

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

The figures have not been audited nor reviewed by the auditors.

## ASSURANCE HEALTHCARE LIMITED

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

- 3A 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

Not applicable

- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed

Not applicable

- 4 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The financial data from last year was derived from the IT business operations disposed of last year, whereas the current year's results reflect our business operations in the healthcare sector. Due to the distinct nature of these industries, the financial results are not directly comparable.

### REVIEW OF GROUP'S PERFORMANCE

#### Revenue

The Group generated revenue of S\$305,000 for the six months ended 30 June 2024 ("6M2024"), attributable to the healthcare segment by Magenta Wellness Pte Ltd ("MW"). The revenue of S\$1,799,000 for the six months ended 30 June 2023 ("6M2023") was generated from IT solutions and digital media networks segments that were discontinued in the second half of the previous year.

#### Other income

Other income decreased by S\$79,000 or 69% from S\$115,000 in 6M2023 to S\$36,000 in 6M2024. The decrease was primarily due to a decrease in government grant income.

#### Salaries and employees' benefits

Salaries and employees' benefits declined by S\$856,000 or 69% from S\$1,244,000 in 6M2023 to S\$388,000 in 6M2024, due to reducing headcounts.

#### Depreciation of property, plant and equipment

Depreciation decreased from S\$264,000 in 6M2023 to S\$20,000 in 6M2024 due to disposal of IT business operations in the previous year.

#### Impairment loss on trade receivables and contract assets, net

Impairment loss of trade receivables and contract assets, net of S\$45,000 was recognised based on the expected credit losses assessment done by management as at 30 June 2024.

#### Other operating expenses

Other operating expenses decreased by S\$1,183,000 or 77% from S\$1,535,000 in 6M2023 to S\$352,000 in 6M2024, mainly attributable to a decrease in legal and professional fees incurred in the current financial period.

## ASSURANCE HEALTHCARE LIMITED

### **Finance costs**

Finance costs decreased by S\$15,000 or 65% from S\$23,000 in 6M2023 to S\$8,000 in 6M2024 due to a decrease in bank loans as well as a decrease in interest on lease liabilities during the period under review.

### **Loss for the financial period**

As a result of those mentioned above, the Group reported a net loss of S\$501,000 for 6M2024 as compared to a net loss of S\$2,193,000 in 6M2023.

## **REVIEW OF FINANCIAL POSITION**

### **Non-current assets**

The Group's non-current assets stood at S\$4,409,000 as at 30 June 2024, compared to S\$4,427,000 as at 31 December 2023. The decrease in non-current assets of S\$18,000 was wholly attributable to a decrease in property, plant and equipment due to depreciation during the current financial period.

### **Current assets**

The current assets stood at S\$4,371,000 as at 30 June 2024, compared to S\$5,160,000 as at 31 December 2023. Overall, the decrease in current assets of S\$789,000 was mainly attributable to a decrease in cash and cash equivalent of S\$648,000 and a decrease in trade and other receivables of S\$141,000. The reduction in cash and cash equivalent is primarily attributed to the outflow of funds required to cover operating expenses. The trade and other receivables decreased due to the acceleration of the collection process and the successful recovery of long outstanding receivables.

### **Current liabilities**

The current liabilities stood at S\$872,000 as at 30 June 2024, compared to S\$1,114,000 as at 31 December 2023. The net decrease in current liabilities of S\$242,000 was mainly due to a reduction in trade and other payables of S\$246,000. The decrease in trade and other payables resulted mainly from the payment of accrued operating expenses.

### **Non-current liabilities**

The current liabilities stood at S\$115,000 as at 30 June 2024, compared to S\$179,000 as at 31 December 2023. The decrease of S\$64,000 in non-current liabilities was mainly due to repayment of bank borrowings during the period under review.

Overall, the Group's net assets stood at S\$7,793,000 as at 30 June 2024, compared to S\$8,294,000 as at 31 December 2023.

## **REVIEW OF CASH FLOWS**

The Group recorded net cash flows used in operating activities of S\$572,000 in 6M2024 mainly due to operating losses incurred, and cash outflow from trade and other payables, partially offset by cash inflow from trade and other receivables during the period under review.

The Group's net cash used in investing activities of S\$2,000 in 6M2024 was mainly due to purchase of property, plant and equipment.

The net cash flow used in financing activities of S\$74,000 in 6M2024 was mainly attributable to the repayment of bank borrowings and lease liabilities during the period under review.

On account of the above, the Group's cash and cash equivalents in the interim consolidated statement of cash flows as of 30 June 2024 amounted to S\$3,166,000.

## ASSURANCE HEALTHCARE LIMITED

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

No specific forecast or prospect statement was previously disclosed to shareholders.

**6 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 reporting period and the next 12 months.**

The outlook for Third-Party Administrator (TPA) services (which is the main services provided by Magenta Wellness Pte Ltd) focuses on cost management and efficiency. There is a growing demand for TPAs to help employers and insurers manage rising healthcare costs. Technological adoption is playing a pivotal role in transforming TPA services. Automated systems for administrative tasks are being implemented to improve accuracy and efficiency, benefiting providers and patients. As healthcare regulations and data protection laws evolve, TPAs must invest in robust cybersecurity measures to safeguard sensitive information. Collaboration with healthcare providers is essential for TPAs to improve care coordination and patient outcomes.

Despite the positive developments, several challenges and opportunities lie ahead for TPA services. Economic factors such as inflation and economic uncertainty may impact healthcare spending and insurance coverage. Technological advancements necessitate continuous adaptation and investment, posing both opportunities and challenges. Additionally, rising consumer expectations for transparency, access to services, and quality of care will drive further improvements in the industry.

Overall, the TPA services are likely to see continued growth and transformation. This growth will be driven by technology, regulatory changes, and the ongoing need to manage costs while improving care quality and accessibility.

**7 Dividend**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended).**

None.

**(b) (i) Current financial period reported on**

There were no dividends declared for the current financial period reported on.

**(ii) Corresponding period of the immediately preceding financial year**

Not applicable. No dividend was declared in HY2023.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**

Not applicable.

**(d) The date the dividend is payable**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.**

Not applicable.

## ASSURANCE HEALTHCARE LIMITED

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

No dividend has been declared/recommended for the current financial period as the Company has adopted a prudent approach to conserve cash amidst the current challenging business environment.

### 9 **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) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate from shareholders for interested person transactions.

There were no disclosable interested person transactions entered into between the Group and any other interested person during the period.

### 10 **Update on use of proceeds**

The Company had on 22 September 2023 issued new ordinary shares in respect of the subscription of the Company's shares by the subscriber in accordance with the subscription agreements dated on 14 August 2023. The Company has raised net proceeds of approximately S\$1.4 million from the allotment and issuance of 14,155,986 Shares. As at the date of this announcement, the proceeds have been utilised as follows:

<b>Description</b>	<b>Placement proceeds allocation S\$'000</b>	<b>Utilisation up to 12 Aug 2024 S\$'000</b>	<b>Balance S\$'000</b>
Acquisition as part of the Company's expansion into the Healthcare Business	918	163	755
General working capital of the Group <sup>(1)</sup>	493	448	45
<b>Total</b>	<b>1,411</b>	<b>611</b>	<b>800</b>

<sup>(1)</sup> Working capital includes professional fees, payroll and general overheads.

The use of the proceeds as disclosed above is consistent with the intended use of the proceeds as disclosed in the Circular dated 5 September 2023.

### 11 **Disclosure pursuant to Rule 706A of the Catalist Listing Manual**

The Company did not acquire or dispose of shares in any companies during the current financial period.

### 12 **Negative Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules**

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results for the six months ended 30 June 2024 to be false or misleading in any material aspect.

## ASSURANCE HEALTHCARE LIMITED

### 13 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company hereby confirms that it has procured all the required undertakings from all the Directors and Executive Officer of the Company (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

By Order of the Board  
**ASSURANCE HEALTHCARE LIMITED**

Jennifer Zhang Dan  
Executive Director

Date: 12 August 2024

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*This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited ("Sponsor").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("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. Lance Tan, Senior Vice President at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.*