



ASIAMEDIC LIMITED

ASIAMEDIC LIMITED

(Incorporated in the Republic of Singapore)
(Registration No. 197401556E)

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

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A CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Group		Increase/(Decrease)	
		6 months ended 30.06.2024 ("1H2024") (Unaudited) \$	6 months ended 30.06.2023 ("1H2023") (Unaudited) \$	\$	%
Revenue	N4	13,160,380	10,734,011	2,426,369	23%
Other income		388,660	381,768	6,892	2%
Items of expense					
Consumables used		(1,012,175)	(702,242)	309,933	44%
Personnel expenses		(7,288,779)	(5,604,908)	1,683,871	30%
Depreciation of non-current assets					
- Plant and equipment		(404,057)	(421,351)	(17,294)	-4%
- Right-of-use assets		(736,739)	(540,535)	196,204	36%
Operating lease expenses		(58,888)	(58,827)	61	0%
Maintenance of equipment		(501,307)	(466,693)	34,614	7%
Laboratory and consultancy fees		(2,204,284)	(1,420,350)	783,934	55%
Finance costs		(241,001)	(198,816)	42,185	21%
Other operating expenses		(1,342,669)	(1,301,197)	41,472	3%
Share of results of associate		136,428	230,425	(93,997)	-41%
(Loss)/Profit before tax	N5	(104,431)	631,285	(735,716)	-117%
Income tax expense	N6	-	-	-	0%
(Loss)/Profit for the period, representing total comprehensive income for the period, attributable to owners of the Company		(104,431)	631,285	(735,716)	-117%
(Loss)/Earnings per share for profit for the period attributable to the owners of the Company					
Basic (SGD in cent)	N7	(0.009)	0.056		
Diluted (SGD in cent)	N7	(0.009)	0.056		

B CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

Note	Group		Company	
	30.06.2024 (Unaudited) \$	31.12.2023 (Audited) \$	30.06.2024 (Unaudited) \$	31.12.2023 (Audited) \$
Non-current assets				
	2,677,885	2,593,771	64,157	83,945
	-	-	8,309,804	8,309,804
	2,379,253	2,242,825	181,500	181,500
N8.2	9,011,619	8,448,358	5,144,751	5,650,803
	-	260,000	-	-
N8.1	273,226	306,226	-	-
	48,296	48,296	-	-
	891,000	891,000	-	-
	15,281,279	14,790,476	13,700,212	14,226,052
Current assets				
	339,096	363,505	-	-
	3,939,296	2,809,370	-	-
	483,536	519,367	822,418	652,274
	332,324	330,641	49,096	45,779
	4,980,460	4,972,470	4,980,460	2,976,736
	475,920	563,220	-	-
	3,078,432	4,604,303	457,887	1,035,724
	13,629,064	14,162,876	6,309,861	4,710,513
Current liabilities				
	1,943,968	1,995,678	-	-
	2,359,150	2,224,097	3,845,897	1,770,263
	618,114	863,187	-	-
N9	1,854,989	1,724,051	1,005,064	1,061,503
	6,776,221	6,807,013	4,850,961	2,831,766
Net current assets	6,852,843	7,355,863	1,458,900	1,878,747
Non-current liabilities				
	1,168,959	1,166,938	479,000	479,000
N9	7,778,696	7,700,301	4,879,978	5,315,059
	22,568	22,568	-	-
	8,970,223	8,889,807	5,358,978	5,794,059
Net assets	13,163,899	13,256,532	9,800,134	10,310,740
Equity attributable to owners of the Company				
N10	33,669,437	33,669,437	33,669,437	33,669,437
N11	(2,866)	(2,866)	(2,866)	(2,866)
	(541,651)	(553,449)	119,082	107,284
	(19,961,021)	(19,856,590)	(23,985,519)	(23,463,115)
	13,163,899	13,256,532	9,800,134	10,310,740

C CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Attributable to owners of the Company				Total
	Share Capital	Other reserves	Treasury shares	Accumulated losses	
	\$	\$	\$	\$	\$
Balance at 1 January 2024	33,669,437	(553,449)	(2,866)	(19,856,590)	13,256,532
Loss for the period, representing total comprehensive income for the period	–	–	–	(104,431)	(104,431)
Grant of equity-settled share options to employees	–	11,798	–	–	11,798
Balance at 30 June 2024	33,669,437	(541,651)	(2,866)	(19,961,021)	13,163,899
Balance at 1 January 2023	33,284,437	(562,921)	(2,866)	(21,777,478)	10,941,172
Profit for the period, representing total comprehensive income for the period	–	–	–	631,285	631,285
Balance at 30 June 2023	33,284,437	(562,921)	(2,866)	(21,146,193)	11,572,457
Company	Share Capital	Other reserves	Treasury shares	Accumulated losses	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2024	33,669,437	107,284	(2,866)	(23,463,115)	10,310,740
Loss for the period, representing total comprehensive income for the period	–	–	–	(522,404)	(522,404)
Grant of equity-settled share options to employees	–	11,798	–	–	11,798
Balance at 30 June 2024	33,669,437	119,082	(2,866)	(23,985,519)	9,800,134
Balance at 1 January 2023	33,284,437	97,812	(2,866)	(22,505,710)	10,873,673
Loss for the period, representing total comprehensive income for the period	–	–	–	(89,876)	(89,876)
Balance at 30 June 2023	33,284,437	97,812	(2,866)	(22,595,586)	10,783,797

D CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	1H2024 (Unaudited) \$	1H2023 (Unaudited) \$
Cash flows from operating activities		
(Loss)/profit before tax	(104,431)	631,285
Adjustments:		
Depreciation of plant and equipment	404,057	421,351
Depreciation of right-of-use assets	736,739	540,535
Finance costs	241,001	198,816
Interest income	(85,622)	(71,590)
Grant of equity-settled share options for employees	11,798	–
Amortisation of Employment Bond	33,000	–
Share of results of associate	(136,428)	(230,425)
Operating cash flows before changes in working capital	1,100,114	1,489,972
Changes in working capital		
Decrease/(increase) in inventories	24,410	(4,168)
Increase in trade receivables, other receivables and deposits, and prepayments	(1,095,778)	(588,509)
Increase in trade and other payables	59,675	97,696
Decrease in deferred income	(245,073)	(212,619)
Net cash flows (used in)/from operating activities	(156,652)	782,372
Cash flows from investing activities		
Interest received	85,622	71,590
Short-term investments	(7,990)	(984,683)
Purchase of plant and equipment (Note N8.1)	(1,504,504)	(414,922)
Net cash flows used in investing activities	(1,426,872)	(1,328,015)
Cash flows from financing activities		
Decrease in cash pledged as security	87,300	348,300
Interest paid	(238,980)	(197,427)
Proceeds from borrowings	1,040,000	–
Payment of principal portion of borrowings	(830,667)	(513,197)
Net cash flows from/(used in) financing activities	57,653	(362,324)
Net decrease in cash and cash equivalents	(1,525,871)	(907,967)
Cash and cash equivalents at beginning of period	4,604,303	6,642,404
Cash and cash equivalents at end of period	3,078,432	5,734,437

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

N1 Corporate information

AsiaMedic Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Company are those relating to investment holding and the provision of management services.

The principal activities of the Group are:

- (a) Provision of diagnostic imaging and radiology services.
- (b) Provision of medical wellness and health screening services.
- (c) Provision of primary healthcare services.
- (d) Provision of medical aesthetic services.

N2 Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with 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 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

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

The financial statements have been prepared on a going concern basis as the management is reasonably confident that the Group will be able to pay its debts as and when they fall due as the Group is expected to be able to generate sufficient operating cash flows and will have sufficient funds for its operations.

N2.1 New and amended standards adopted by the Group

No new or amendment to the Singapore Financial Reporting Standards (International) has become applicable to the Group for the current reporting period.

N2.2 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 31 December 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.

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:

- Impairment of plant and equipment and right-of-use assets: key assumptions underlying recoverable amounts.
- Impairment of goodwill: key assumptions underlying recoverable amount.
- Impairment of amounts owing by subsidiaries to the Company: key assumptions on the measurement of expected credit loss (ECL) allowance

N2.3 Impairment testing

Testing of non-financial assets of plant and equipment (“PE”), right-of-use assets (“ROUA”) and goodwill

The recoverable amounts of PE, ROUA and goodwill are based on the value in use of the cash generating unit (“CGU”). Value in use was determined by discounting the future cash flows to be generated from the continuing use of the CGU. Value in use as at 30 June 2024 was determined similarly to the 31 December 2023 impairment test, and was based on the following key assumptions:

- Projections for an initial 5-year period based on past performance and adjusted for sales/market trends and the strategic decisions made in respect of the CGU. Projections beyond the 5-year period are extrapolated using a zero annual growth rate.
- Pre-tax discount rate of 12.2% pa.

Testing of amounts owing by subsidiaries to the Company

Following management’s impairment assessment, an impairment loss of \$585,044 was recognised for the financial period on amounts owing by certain subsidiaries to the Company.

N3 Segment and revenue information

For management purposes, the Group regards the rendering of medical wellness and health screening services, diagnostic imaging and radiology services, primary healthcare services and medical aesthetic services as a single segment. Management has not identified any business or operating units separately for purpose of making decisions about resource allocation and performance assessment.

The Group’s revenue is derived from operations located in Singapore.

N4 Disaggregation of revenue

	Group	
	1H2024	1H2023
	\$	\$
Major service lines:		
Medical wellness and health screening services	4,626,129	4,565,061
Diagnostic imaging and radiology services	6,751,359	5,111,790
Primary healthcare services	1,140,418	984,322
Medical aesthetic services	1,261,861	695,626
	<u>13,779,767</u>	<u>11,356,799</u>
Less: Elimination of intercompany transactions	(619,387)	(622,788)
	<u>13,160,380</u>	<u>10,734,011</u>
Timing of transfer of goods or services:		
At a point in time	<u>13,160,380</u>	<u>10,734,011</u>

N5 (Loss)/profit before tax**N5.1 Significant items**

	Group	
	1H2024	1H2023
	\$	\$
Income:		
Grant income	153,385	144,879
Sub-lease income	149,653	165,299
Interest income	85,622	71,590
Expenses:		
Interest on borrowings:		
Hire purchase loans	40,096	–
Term loan	15,620	–
Lease liabilities	183,264	197,427

N5.2 Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	Group	
	1H2024	1H2023
	\$	\$
Sale and purchase of goods and services:		
Purchase of consumables from associate	211,375	210,900
Medical services rendered to companies controlled by the Group's controlling shareholder*	–	104,603

*The Group's controlling shareholder refers to Luye Medical Group Pte. Ltd. ("LMGPL"). LMGPL ceased to become a controlling shareholder of the Group on 21 November 2023.

N6 Income tax expense

There is no income tax expense for the six months ended 30 June 2024 as the Group incurred a loss for the period.

N7 (Loss)/earnings per share

Basic (loss)/earnings per share amounts are calculated by dividing (loss)/earnings for the period, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

There were no potential dilutive ordinary shares. Share options are not included in the calculation of the diluted loss per share because they are anti-dilutive.

The following table reflects the share data used in the computation of earnings per share:

	Group	
	1H2024	1H2023
	Number of shares	Number of shares
Weighted average number of ordinary shares for basic and diluted (loss)/earnings per share computation	1,154,522,270	1,119,522,270

N8 Plant and equipment and right-of-use assets

N8.1 Purchase of plant and equipment ("PE")

	Group	
	1H2024	1H2023
	\$	\$
Aggregate cost of PE acquired, excluding reinstatement assets	1,788,170	660,172
Less: Downpayment of PE paid in previous financial period	(260,000)	–
Add: Payables for PE at 1 January	202,584	47,500
Less: Payables for PE at 30 June	(226,250)	(292,750)
Net cash outflow for purchase of PE presented in consolidated statement of cash flows	1,504,504	414,922

N8.2 Right-of-use assets

Group	Medical Equipment		
	Premises	Equipment	Total
	\$	\$	\$
Cost:			
As at 1 January 2023	12,590,013	–	12,590,013
Additions	1,120,253	1,880,000	3,000,253
As at 31 December 2023 and 1 January 2024	13,710,266	1,880,000	15,590,266
Additions	–	1,300,000	1,300,000
As at 30 June 2024	13,710,266	3,180,000	16,890,266
Accumulated depreciation and impairment loss:			
As at 1 January 2023	6,060,418	–	6,060,418
Depreciation charge	1,127,749	62,667	1,190,416
Reversal of impairment loss	(108,926)	–	(108,926)
As at 31 December 2023 and 1 January 2024	7,079,241	62,667	7,141,908
Depreciation charge	599,406	137,333	736,739
As at 30 June 2024	7,678,647	200,000	7,878,647
Net book value:			
As at 31 December 2023	6,631,025	1,817,333	8,448,358
As at 30 June 2024	6,031,619	2,980,000	9,011,619

N9 Borrowings

	Group		Company	
	30.6.2024	31.12.2023	30.06.2024	31.12.2023
	\$	\$	\$	\$
<u>Current</u>				
Hire-purchase loans (secured)	467,489	272,602	–	–
Term loan	204,000	204,000	–	–
Lease liabilities	1,183,500	1,247,449	1,005,064	1,061,503
	1,854,989	1,724,051	1,005,064	1,061,503
<u>Non-current</u>				
Hire-purchase loans (secured)	1,883,084	1,187,461	–	–
Term loan	289,000	391,000	–	–
Lease liabilities	5,606,612	6,121,840	4,879,978	5,315,059
	7,778,696	7,700,301	4,879,978	5,315,059
Total	9,633,685	9,424,352	5,885,042	6,376,562

Group	As at 01.01.2024 \$	Principal and interest payments \$	Purchase of medical equipment under hire purchase	Interest expense \$	As at 30.06.2024 \$
Hire-purchase loans (secured)	1,460,062	(189,586)	1,040,000	40,096	2,350,572
Term loan	595,000	(117,620)	–	15,620	493,000
Lease liabilities	7,369,290	(762,441)	–	183,264	6,790,113
	9,424,352	(1,069,647)	1,040,000	238,980	9,633,685

Details of any collateral:

- (a) The hire-purchase loans are secured by medical equipment with carrying amount of \$2,980,000 (31 December 2023: \$1,817,333) and corporate guarantees from the Company.
(b) The term loan is secured by a corporate guarantee from the Company.

N10 Share capital

	Group and Company	
	No. of ordinary shares	\$
As at 1 January 2024	1,119,622,270	33,284,437
Movement during the period	–	–
As at 30 June 2024	1,154,622,270	33,669,437

As at 30 June 2024, the number of ordinary shares in issue was 1,154,522,270 excluding 100,000 treasury shares (31 December 2023: 1,154,522,270 ordinary shares, excluding 100,000 treasury shares).

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024 and 31 December 2023.

N11 Treasury shares

	Group and Company	
	No. of ordinary shares	\$
As at 1 January 2024	100,000	2,866
Movement during the period	–	–
As at 30 June 2024	100,000	2,866

N12 Commitment

Please refer to Section F, paragraph 16.

F INFORMATION REQUIRED UNDER APPENDIX 7C OF THE CATALIST RULES

The following disclosures are in accordance with Appendix 7C Financial Statements and Dividend Announcement of the Listing Manual Section B: Rules of Catalist (the “Catalist Rules”) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and do not form part of the condensed interim financial statements set out on pages 1 to 10 of this announcement.

1. (a)(i) **An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section A.

- (a)(ii) **Significant items**

Please refer to Note N5.1.

- (b)(i) **A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

Please refer to Section B.

- (b)(ii) **Aggregate amount of group's borrowings and debt securities.**

Apart from the lease liabilities accounted in accordance with SFRS(I) 16, the Group did not have any external loans and borrowings and debt securities. Please refer to Note N9.

- (c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section D.

- (d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section C.

- (d)(ii) **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.**

As at 30 June 2024, the number of ordinary shares in issue was 1,154,522,270 excluding 100,000 treasury shares (31 December 2023: 1,154,522,270 ordinary shares, excluding 100,000 treasury shares). The issued share capital as at 30 June 2024 was \$33,669,437 (31 December 2023: \$33,669,437).

The 100,000 treasury shares represent 0.009% of the total number of ordinary shares in issue as at 30 June 2024 and 30 June 2023.

As at 30 June 2024, there were outstanding options for conversion into 55,819,677 (30 June 2023: 819,677) ordinary shares.

(d)(iii) To show 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.

As at 30 June 2024, the number of ordinary shares in issue was 1,154,522,270 excluding 100,000 treasury shares (31 December 2023: 1,154,522,270 ordinary shares, excluding 100,000 treasury shares).

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

	As at 1 January 2024	Share buyback	Sales	Transfers	Disposal	Cancellation or use	As at 30 June 2024
Number of treasury shares	100,000	–	–	–	–	–	100,000

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

Not applicable. The Company does not have subsidiary holdings during and as at the end of the current financial period report on.

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 Company's auditor.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Please refer to Note N2.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to Note N2.1.

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

Please refer to consolidated statement of profit or loss and Note N7.

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and**
- (b) immediately preceding financial year**

	Group		Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	Cent	Cent	Cent	Cent
Net asset value per ordinary share	1.14	1.18	0.85	0.92

The total number of shares used for the computation of net asset value per share as at 30 June 2024 is 1,154,522,270 excluding 100,000 treasury shares (31 December 2023: 1,154,522,270 ordinary shares excluding 100,000 treasury shares).

8. 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.**

Revenue increased by \$2.4 million (or 23%) to \$13.2 million for the six months ended 30 June 2024 ("1H2024"), from \$10.7 million for the six months ended 30 June 2023 ("1H2023"). This was contributed by an increase in revenue from all major service lines of the Group, with diagnostic imaging and aesthetic services generating the most significant increase of S\$1.6 million followed by medical aesthetic services increasing by \$0.6 million. The increase in revenue from the diagnostic imaging business was due to the addition of a third MRI scanner in the last quarter of 2023. The increase in revenue from the aesthetic business was due to the engagement of a senior aesthetic doctor in July 2023 and the acquisition of the medical aesthetic business of LE Private Clinic in August 2023.

Consumables expenses increased by \$0.3 million (or 44%) to \$1.0 million due mainly to the increase in revenue. Personnel expenses increased by \$1.7 million (or 30%) to \$7.4 million due to increase in revenue as well as the strategy of opportunistic hiring of additional staff and doctors amidst intense competition for talent in the healthcare industry to support the Group's expansion plans. Depreciation of right-of-use assets also increased due mainly to (i) the purchase the new MRI scanner in the last quarter of 2023 and the new CT scanner in 1H2024, and (ii) the lease of new clinic space for medical aesthetic business at Orchard Building in 1H2023. Laboratory and consultancy fees increased by \$0.8 million (or 55%) to \$2.2 million due mainly to (i) the increase in revenue, and (ii) the outsourcing of the imaging business' CT scans to a third party when the new CT scanner was being installed in 1H2024. The increase in finance costs of \$42,000 to \$241,000 in 1H2024 was due mainly to the financing obtained for the purchase of the third MRI in the last quarter of 2023. Share of results of the associate, Positron Tracers Pte. Ltd., decreased by \$93,000 (or 41%) as a result of its lower sales in 1H2024 as compared to 1H2023.

The Group registered higher percentage increase in operating costs and expenses as compared to the percentage increase in revenue, mainly due to inflationary cost pressures and time needed to ramp up sales. As a result, the Group recorded a loss of \$104,000 in 1H2024 as compared to a profit of \$631,000 in 1H2023. The Group's EBITDA (earnings before interest, tax, depreciation and amortisation) for 1H2024 was \$1.1 million compared to \$1.5 million for 1H2023.

Statements of Financial Position

Non-Current Assets

Non-current assets increased by \$0.5 million to \$15.3 million as at 30 June 2024, from \$14.8 million as at 31 December 2023. The increase was due mainly to the increase in the right-of-use assets ("ROUA") which was partially offset by the decrease in prepayment for the purchase of equipment. ROUA increased to \$9.0 million as at 30 June 2024 from \$8.4 million as at 31 December 2023 mainly due to the purchase of a new CT scanner in 1H2024. The prepayment for purchase of the CT scanner of \$260,000 as at 31 December 2023 was capitalised as ROUA in 1H2024.

Current Assets

Current assets decreased to \$13.6 million as at 30 June 2024, from \$14.2 million as at 31 December 2023. The decrease was mainly due to the decrease in cash and cash equivalents and cash pledged as security, partly offset by the increase in trade receivables. Please refer to the cash flow analysis below for the decrease in cash and cash equivalents. Cash pledged as security decreased to \$0.5 million as at 30 June 2024 from \$0.6 million as at 31 December 2023 due to the reduction in the required bond amount for the health screening projects. The increase in trade receivables to \$3.9 million as at 30 June 2024 from \$2.8 million as at 31 December 2023 was due to the increase in revenue.

Current Liabilities

Current liabilities remained stable at \$6.8 million as at 30 June 2024 and 31 December 2023, as contract liabilities decreased, while other payables and accruals and borrowings (current portion) increased. Contract liabilities decreased to \$0.6 million as at 30 June 2024, from \$0.9 million as at 31 December 2023, due to the decrease in level of prepaid aesthetics and health screening packages. Other payables and accruals increased to \$2.4 million as at 30 June 2024, from \$2.2 million as at 31 December 2023, mainly due to higher payroll-related accruals in line with the increase in personnel expenses in 1H2024. Borrowings (current portion) increased to \$1.9 million as at 30 June 2024, from \$1.7 million as at 31 December 2023 due mainly to the bank financing obtained for the purchase of the new CT scanner in 1H2024.

Net Current Assets

As a result of the decrease in current assets, net current assets decreased to \$6.9 million as at 30 June 2024 from \$7.4 million as at 31 December 2023.

Non-Current Liabilities

Non-current liabilities increased to \$9.0 million as at 30 June 2024, from \$8.9 million as at 31 December 2023. Borrowings (non-current portion) increased to \$7.8 million as at 30 June 2024, from \$7.7 million as at 31 December 2023 due mainly to the bank financing obtained for the purchase of the new CT scanner in 1H2024.

Statements of Cash Flows

Net cash flows used in operating activities amounted to \$0.2 million in 1H2024 as compared to net cash flows from operating activities of \$0.8 million in 1H2023. This was due mainly to lower operating cash flows coupled with a higher cash utilised for working capital in 1H2024. Net cash flows used in investing activities was \$1.5 million in 1H2024 as compared to \$1.3 million in 1H2023 due mainly to the higher purchase of plant and equipment which was partially offset by a lower short-term investment. Net cash flows from financing activities amounted to \$58,000 in 1H2024 as compared net cash flows used in financing activities of \$0.4 million in 1H2023, due mainly to the financing obtained for the new CT scanner in 1H2024. As a result of the above, there was a net cash outflow of \$1.5 million in 1H2024 as compared to \$0.9 million in 1H2023.

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

No forecast or prospect statement has been previously disclosed to shareholders.

10. 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.

While the broader long-term outlook for the healthcare and wellness industry is positive, the operating environment over the next 12 months continues to be highly competitive with a shortage of skilled manpower and rising labour costs. The Group has intensified its efforts to mitigate the impact of these challenges, adopting new technology to enhance patients' experience, improve workflows, efficiency, and patient care. This includes the implementation of a new artificial intelligence virtual assistant to automate the scheduling of patient appointments.

The Group's new 3T MRI scanner and CT scanner have enabled the Group to expand its capacity and serve more patients. Since commencing operations in September 2023 and March 2024 respectively, the new scanners have delivered more positive experiences as well as clinical outcomes with shorter scanning time and higher quality images for patients.

The Group continues to pursue further capacity expansion to serve more patients with the establishment of a new diagnostic imaging centre in Novena, Singapore. Barring unforeseen circumstances, the planned facility set-up in partnership with Sunway Berhad is expected to commence operations by November 2024 and is expected to nearly double the Group's diagnostic imaging capacity.

The set-up of the new diagnostic imaging centre in Novena as well as the Group's expanded capacity at Shaw Centre have necessitated the hiring of additional staff and doctors amidst intense competition for talent in the healthcare industry. The additional manpower is needed to support the Group's investments for future growth following the acquisition of state-of-the-art equipment.

While our essential investments in new talent and technology may lead to margin compression in the short term, it is expected that the expanded capacity and increase in productivity will generate economies of scale and operational efficiencies, which in turn will play a significant role in the Group's focus on attaining sustainable higher margins in the longer term.

The Group is confident in the long-term potential of the medical aesthetics market amidst an ageing population. Continuous innovations in aesthetic procedures, such as less invasive techniques, make treatments more appealing and accessible to a broader range of consumers. The Group will continue to adapt to the latest cutting-edge industry trends to ensure our aesthetic services align with evolving customer preferences.

The rising awareness of preventive healthcare and the adoption of employee wellness programmes contributes positively to the long-term demand for the Group's established custom wellness services. The Group also intends to intensify its collaboration with insurance companies to provide comprehensive wellness packages to their high- net-worth clients. In addition, the Group continues to focus on strengthening the operations of its primary care clinic.

11. Dividend information.

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

Nil

b) (1) Amount per share: Nil cents

(2) Previous corresponding period: Nil cents

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 the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

N/A

d) The date the dividend is payable: N/A

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

N/A

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

No dividend has been declared as the Group registered a loss for the period.

13. If the group has obtained 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.

No IPT mandate has been obtained.

14. Use of proceeds from Rights Issue.

The Company issued 729,034,145 new ordinary shares on 14 January 2020 in connection with its Rights Issue. The net proceeds have been utilised as follows:

Use of proceeds	Allocation of Net Proceeds \$'000	Amount utilised as at the date of the Announcements ⁽³⁾ \$'000	Amount utilised since the date of the Announcements up to the date of this announcement \$'000	Balance \$'000
Reducing indebtedness of the Group ⁽¹⁾	5,000	5,000	–	–
For general corporate and working capital purposes including but not limited to operating costs, capital expenditure and making strategic investments and/or acquisitions if opportunities arise	3,523	3,102	174 ⁽²⁾	247
Total	8,523	8,102	174	247

Notes:

- (1) Reducing indebtedness of the Group in relation to the Offsetting Arrangement (as defined in the Company's circular to shareholders dated 14 November 2019). Under the Offsetting Arrangement, the Company and Luye Medical Group Pte Ltd (the "Undertaking Shareholder") have mutually agreed that the subscription monies due from the Undertaking Shareholder to the Company for the subscription by the Undertaking Shareholder of 381,725,584 rights shares and 34,941,082 excess rights shares will be offset entirely against the aggregate outstanding loan amount owing by the Company to the Undertaking Shareholder of S\$5 million.
- (2) Relates to capital expenditure including, but not limited to, purchase of new and upgrading of existing medical equipment and facilities.
- (3) The Company's announcements dated 21 February 2020, 31 May 2022, 29 July 2022, 12 August 2022, 18 November 2022, 1 March 2023, 23 May 2023, 14 August 2023, 4 October 2023, 8 January 2024, 27 February 2024, and 3 May 2024 (the "Announcements").

15. 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.

The Company has received undertaking from all its Directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules of the SGX-ST.

16. Disclosure of acquisition (including incorporations) and sale of shares under Catalist Rule 706A.

- (a) On 1 February 2024, The Orchard Imaging Centre Pte. Ltd. ("OIC") and AsiaMedic Heart & Vascular Centre Pte. Ltd., two wholly-owned subsidiaries of the Company, amalgamated pursuant to Section 215A and Section 215D of the Companies Act 1967 of Singapore, with OIC as the surviving amalgamated entity.
- (b) As announced by the Group on 7 May 2024, 14 May 2024 and 13 June 2024, the Group's wholly-owned subsidiary, AMC Healthcare Pte. Ltd. ("AMC") entered into a Collaboration Agreement (the "Agreement") with Sunway Equity Holdings Pte. Ltd. ("SEH") to acquire a 50% interest in AsiaMedic Sunway Pte. Ltd. ("ASPL") by the subscription of 1 ordinary share in the capital of ASPL for \$1 in cash. The principal activity of ASPL is to establish and operate a diagnostic imaging centre in Novena, Singapore.

Each of AMC and SEH shall subscribe for an additional 2,999,999 ordinary shares in the capital of ASPL for S\$2,999,999 in cash in due course, pursuant to the Agreement.

17. Confirmation pursuant to Rule 705(5).

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Charles Wang Chong Guang

Aona Liu

BY ORDER OF THE BOARD

Foo Soon Soo (Ms)
Company Secretary

Singapore
14 August 2024

This announcement has been reviewed by the Company's Sponsor, Xandar Capital Pte Ltd. It has not been examined or approved by the Singapore Exchange Securities Trading Limited (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 Ms Pauline Sim (Registered Professional) at 3 Shenton Way, #24-02 Shenton House, Singapore 068805. Telephone number: (65) 6319 4954.