



**HEALTHBANK HOLDINGS LIMITED
AND ITS SUBSIDIARIES**
(Incorporated in the Republic of Singapore)
(Registration No: 201334844E)

**Unaudited Condensed Interim Consolidated Financial Statements
For the Six-Month Financial Period ("2HY") and
Full Financial Year ("FY") ended 31 December 2023**

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This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). This announcement has not been examined or approved by 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.

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HealthBank Holdings Limited and its subsidiaries
Condensed interim consolidated statement of comprehensive income
For the second half year and full year ended 31 December 2023

	Note	The Group		Change %	The Group		Change %
		RMB'000			RMB'000		
		2HY23	2HY22		FY23	FY22	
Revenue	4	12	146	(92)	226	379	(40)
Other income							
- Others		-	13	NM	3	105	(97)
		-	13	NM	3	105	(97)
Other (losses)/gains							
- Gain on disposal of a subsidiary corporation		-	598	NM	-	598	NM
- Fair value loss on FVTPL		(32,557)	(6,127)	>100	(32,557)	(6,127)	>100
- Currency exchange loss, net		(48)	(645)	(93)	(364)	(851)	(57)
- Waiver of loan interest to a non-related party		-	-	NM	(681)	-	NM
- Government paid for maternity leave		46	-	NM	46	-	NM
		(32,559)	(6,174)	>100	(33,556)	(6,380)	>100
Depreciation of plant and equipment		(2)	(1)	100	(3)	(4)	(25)
Directors' fees		(166)	(304)	(45)	(282)	(304)	(7)
Employee compensation		(575)	(741)	(22)	(1,140)	(1,453)	(22)
Finance costs		(1)	(1,013)	(100)	(1)	(1,288)	(100)
Other expenses		(660)	(1,262)	(48)	(1,329)	(2,238)	(41)
Total expenses		(1,404)	(3,321)	(58)	(2,755)	(5,287)	(48)
Loss before income tax		(33,951)	(9,336)	>100	(36,082)	(11,183)	>100
Income tax expense	7	-	-	NM	-	-	NM
Total loss		(33,951)	(9,336)	>100	(36,082)	(11,183)	>100
Other comprehensive income							
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation		47	152	(69)	390	612	(36)
Other comprehensive income, net of tax		47	152	(69)	390	612	(36)
Total comprehensive loss for the financial period/year		(33,904)	(9,184)	>100	(35,692)	(10,571)	>100

NM = Not Meaningful

HealthBank Holdings Limited and its subsidiaries
Condensed interim consolidated statement of comprehensive income
For the second half year and full year ended 31 December 2023

Note	The Group		Change %	The Group		Change %
	RMB'000			RMB'000		
	2HY23	2HY22		FY23	FY22	
Loss attributable to:						
Equity holders of the Company	(33,878)	(9,281)	>100	(36,022)	(11,131)	>100
Non-controlling interests	(73)	(55)	33	(60)	(52)	15
	<u>(33,951)</u>	<u>(9,336)</u>	>100	<u>(36,082)</u>	<u>(11,183)</u>	>100
Total comprehensive loss attributable to:						
Equity holders of the Company	(33,831)	(9,129)	>100	(35,632)	(10,519)	>100
Non-controlling interests	(73)	(55)	33	(60)	(52)	15
	<u>(33,904)</u>	<u>(9,184)</u>	>100	<u>(35,692)</u>	<u>(10,571)</u>	>100

NM – Not Meaningful

Basic loss per share attributable to equity holders of the Company (RMB cents per share):

Loss for the financial period/year attributable to equity holders of the Company (\$'000)	(33,878)	(9,281)	(36,022)	(11,131)
Weighted average number of shares ('000)	94,300	81,536	94,300	81,536
Basic loss per share (RMB cents per share)	(35.93)	(11.38)	(38.20)	(13.65)

Diluted loss per share attributable to equity holders of the Company (RMB cents per share):

Loss for the financial period/year attributable to equity holders of the Company (\$'000)	(33,878)	(9,281)	(36,022)	(11,131)
Weighted average number of shares ('000)	94,300	100,010	94,300	100,010
Diluted loss per share (RMB cents per share)	(35.93)	(9.28)	(38.20)	(11.13)

HealthBank Holdings Limited and its subsidiaries
Condensed interim statements of financial position
As at 31 December 2023

	Note	Group		Company	
		31-Dec-23 RMB'000	31-Dec-22 RMB'000	31-Dec-23 RMB'000	31-Dec-22 RMB'000
ASSETS					
Current assets					
Cash and bank balances		1,036	2,737	809	2,370
Other receivables		33	9,543	1,154	10,507
		1,069	12,280	1,963	12,877
Non-current assets					
Financial assets, at FVTPL	10	16,543	49,100	-	-
Investments in subsidiary corporations		-	-	16,543	44,800
Other receivables		7,766	-	7,766	-
Plant and equipment		3	6	3	6
		24,312	49,106	24,312	44,806
Total assets		25,381	61,386	26,275	57,683
LIABILITIES					
Current liability					
Other payables		997	1,310	709	942
Total liabilities		997	1,310	709	942
NET ASSETS		24,384	60,076	25,566	56,741
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	11	37,507	37,507	37,507	37,507
Currency translation reserve		5,022	4,632	6,041	4,692
Retained profits		(18,064)	17,958	(17,982)	14,542
		24,465	60,097	25,566	56,741
Non-controlling interests		(81)	(21)	-	-
Total equity		24,384	60,076	25,566	56,741

The accompanying notes form an integral part of the condensed interim consolidated financial statements.

HealthBank Holdings Limited and its subsidiaries
Condensed interim statements of changes in equity
For the full year ended 31 December 2023

The Group	← Attributable to equity holders of the Company →						Non-Controlling Interests	Total
	Share Capital	Equity Component of Convertible Loan	Currency Translation Reserve	Retained Profits	Total			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
At 1 January 2023	37,507	-	4,632	17,958	60,097	(21)	60,076	
Loss for the year	-	-	-	(36,022)	(36,022)	(60)	(36,082)	
Other comprehensive income for the financial year	-	-	390	-	390	-	390	
Total comprehensive loss for the financial year			390	(36,022)	(35,632)	(60)	(35,692)	
At 31 December 2023	37,507	-	5,022	(18,064)	24,465	(81)	24,384	
At 1 January 2022	29,194	1,442	4,020	28,368	63,024	31	63,055	
Loss for the year	-	-	-	(11,131)	(11,131)	(52)	(11,183)	
Other comprehensive income for the financial year	-	-	612	-	612	-	612	
Total comprehensive income/(loss) for the financial year	-	-	612	(11,131)	(10,519)	(52)	(10,571)	
Issuance of shares	8,313	(721)	-	-	7,592	-	7,592	
Redemption of convertible loans	-	(721)	-	721	-	-	-	
At 31 December 2022	37,507	-	4,632	17,958	60,097	(21)	60,076	

The Company	Share Capital	Equity Component of Convertible Loan	Currency Translation Reserve	Retained Profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	37,507	-	4,692	14,542	56,741
Total comprehensive income/(loss) for the financial year	-	-	1,349	(32,524)	(31,175)
At 31 December 2023	37,507	-	6,041	(17,982)	25,566
At 1 January 2022	29,194	1,442	3,971	19,193	53,800
Issuance of convertible loans	8,313	(721)	-	-	7,592
Redemption of convertible loans	-	(721)	-	721	-
Total comprehensive loss for the financial year	-	-	721	(5,372)	(4,651)
As 31 December 2022	37,507	-	4,692	14,542	56,741

HealthBank Holdings Limited and its subsidiaries
Condensed interim consolidated statement of cash flows
For the full year ended 31 December 2023

	FY23	FY22
	RMB'000	RMB'000
Cash flows from operating activities:		
Net loss for the financial year	(36,082)	(11,183)
Adjustments for:		
- Depreciation of plant and equipment	3	4
- Gain on disposal of a subsidiary corporation	-	(598)
- Fair value loss on FVTPL	32,557	6,127
- Unwinding of discount on convertible loan	-	1,288
- Unrealised currency translation differences	390	626
- Waiver of loan interest to a non-related party	681	-
Operating cash flows before movements in working capital	(2,451)	(3,736)
Change in working capital:		
- Other receivables	29	(1)
- Other payables	(313)	479
Net cash used in operating activities	(2,735)	(3,258)
Cash flows from investing activities:		
Disposal of a subsidiary corporation, net of cash disposed of	-	907
Repayment from non-related party	1,034	-
Net cash generated from investing activities	1,034	907
Cash flows from financing activities:		
Issuance of share capital	-	1,933
Redemption of convertible loans, net of transaction costs	-	(4,754)
Net cash generated from financing activities	-	2,821
Net decrease in cash and bank balances	(1,701)	(5,172)
Cash and bank balances		
Beginning of financial year	2,737	7,909
End of financial year	1,036	2,737

1. General information

HealthBank Holdings Limited (the “**Company**”) is listed on the Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and incorporated and domiciled in Singapore. The address of its registered office is 15 Scotts Road, #04-08, Suite 22, Singapore 228218.

The principal activity of the Company is investment holding. The principal activities of its subsidiary corporations are investment holding, property investment and facilities management services.

2. Basis of preparation

The condensed interim consolidated financial statements for the six months and financial year ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim consolidated 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 audited annual financial statements for the year ended 31 December 2022.

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

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“**functional currency**”). The Company’s functional currency is Singapore Dollar (“**SGD**” or “**S\$**”). The financial statements are presented in Chinese Renminbi (“**RMB**”) as the presentation currency of the Group.

2.1 Interpretations and amendments to published standards effective in 2023

On 1 January 2023, the Group has adopted the new or amended SFRS(I)s and Interpretations of SFRSs (“**INT SFRS(I)s**”) that are mandatory for application for the financial period.

The adoption of these new or amended SFRS(I)s and INT SFRS(I)s did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial period.

2.2. Critical accounting estimates, assumptions and judgements

In preparing the condensed interim consolidated 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 expenses. 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 financial year ended 31 December 2022.

2. Basis of preparation (cont'd)

2.2 Critical accounting estimates, assumptions and judgements (cont'd)

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Financial assets, at fair value through profit or loss ("FVTPL")

The fair value of financial assets, at FVTPL is being assessed by using a variety of methods and assumptions based on market conditions, macro and microeconomic information that existing as at the reporting period.

(b) Expected credit loss allowance for other receivables

The Group has applied the general approach (12 months expected credit losses) in assessing the expected credit loss ("ECL") allowance for other receivables. In determining the ECL, the Group has assessed the probability of default and estimation of cash flows recoverable from the outstanding receivables.

As at each reporting date, the Group assesses whether the credit risk of a financial instruments has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, the loss allowance is measured at an amount equal to lifetime ECL.

3. Going concern

In preparing the condensed interim consolidated financial statements, management has assessed the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

4. Segment and revenue information

The Group is organised into the following main business segments:

- a. HQ and other investing activities mainly relate to investment holding as well as Group level corporate services; and
- b. Property management mainly includes landscaping, property and facilities management services.

The Group's chief operating decision-maker ("CODM") comprises the Chief Executive Officer and Executive Directors. Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions, allocate resources and assess performance. The Chief Executive Officer and Executive Directors consider the business from both geographical and business segment perspectives.

The CODM assesses the performance of the operating segments based on a measure of loss before interest, tax, depreciation and amortisation ("**Adjusted LBITDA**"). This measure basis excludes the effects of expenditure from the operating segments such as gains from disposal or impairment loss that are not expected to recur regularly in every period which are separately analysed. Interest income and finance expenses are not allocated to segments, as this type of activity is driven by the Group Treasury, which manages the cash position of the Group.

Sales between segments are carried out at market terms. The revenue from external parties reported to the CODM is measured consistent with that in the statement of comprehensive income.

HealthBank Holdings Limited and its subsidiaries
Notes to the condensed interim consolidated financial statements
For the second half year and full year ended 31 December 2023

4. Segment and revenue information (cont'd)

	<i>HQ and Other Investing Activities</i>		<i>Property Management*</i>		<i>Total</i>	
	2HY23 RMB'000	2HY22 RMB'000	2HY23 RMB'00	2HY22 RMB'000	2HY23 RMB'000	2HY22 RMB'000
Segment revenue	-	-	12	146	12	146
Adjusted EBITDA	(33,798)	(8,426)	(150)	104	(33,948)	(8,322)
Impairment of plant and equipment	(2)	(1)	-	-	(2)	(1)
Interest waived	-	-	-	-	-	-
Government grant	-	14	-	-	-	14
Depreciation costs	(1)	(1,013)	-	-	(1)	(1,013)
Intangible assets	25,296	61,237	85	149	25,381	61,386
Intangible liabilities	(747)	(1,118)	(250)	(192)	(997)	(1,310)
Revenue	-	-	12	146	12	146
People's Republic of China	-	-	-	-	-	-
Singapore	-	-	12	146	12	146
Non-current assets	24,309	49,100	-	-	24,309	49,100
People's Republic of China	3	6	-	-	3	6
Singapore	24,312	49,106	-	-	24,312	49,106

HealthBank Holdings Limited and its subsidiaries
Notes to the condensed interim consolidated financial statements
For the second half year and full year ended 31 December 2023

4. Segment and revenue information (cont'd)

	<i>HQ and Other Investing Activities</i>		<i>Property Management*</i>		<i>Total</i>	
	FY23 RMB'000	FY22 RMB'000	FY23 RMB'000	FY22 RMB'000	FY23 RMB'000	FY22 RMB'000
Segment revenue	-	-	226	379	226	379
Adjusted LBITDA	(35,956)	(9,784)	(122)	(107)	(36,078)	(9,891)
Depreciation of plant and equipment	(3)	(4)	-	-	(3)	(4)
Interest waived	681	-	-	-	681	-
Government grant	-	71	-	-	-	71
Finance costs	(1)	(1,288)	-	-	(1)	(1,288)
Segment assets	25,296	61,237	85	149	25,381	61,386
Segment liabilities	(747)	(1,118)	(250)	(192)	(997)	(1,310)
Revenue	-	-	226	379	226	379
People's Republic of China	-	-	-	-	-	-
Singapore	-	-	226	99	226	99
Non-current assets	24,309	49,100	-	-	24,309	49,100
People's Republic of China	3	6	-	-	3	6
Singapore	24,312	49,106	-	-	24,312	49,106

* Property management segment includes landscaping, property and facilities management services.

HealthBank Holdings Limited and its subsidiaries
Notes to the condensed interim consolidated financial statements
For the second half year and full year ended 31 December 2023

5. Financial assets and financial liabilities

	Group		Company	
	31-Dec-23 RMB'000	31-Dec-22 RMB'000	31-Dec-23 RMB'000	31-Dec-22 RMB'000
Financial assets				
Cash and bank balances	1,036	2,737	809	2,370
Financial assets, at FVTPL	16,543	49,100	-	-
Other receivables*	7,766	9,514	8,887	10,478
	25,345	61,351	9,696	12,848
Financial liabilities				
Other payables	(997)	(1,310)	(709)	(942)
	(997)	(1,310)	(709)	(942)

* Excluded prepayments

6. Related party transactions

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

(i) Key management personnel compensation is as follows:

	Group			
	6-month ended		12-month ended	
	31-Dec-23 RMB'000	31-Dec-22 RMB'000	31-Dec-23 RMB'000	31-Dec-22 RMB'000
<u>Directors</u>				
Wages and salaries	437	602	687	830
Employer's contribution to defined contribution plans	71	21	92	60
Fees	166	157	282	304
	674	780	1,061	1,194
<u>Other key management personnel</u>				
Wages and salaries	-	122	-	168
Employer's contribution to defined contribution plans	-	13	-	28
	-	135	-	196
	674	915	1,061	1,390

HealthBank Holdings Limited and its subsidiaries
Notes to the condensed interim consolidated financial statements
For the second half year and full year ended 31 December 2023

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 Group recorded a loss before tax of RMB36.08 million in FY23 and hence, income tax is not provided for the reporting period.

8. Dividends

No dividend is declared or recommended for FY23 (FY22: Nil) in view of the losses incurred in FY23.

9. Net asset value

	Group		Company	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Net asset value ("NAV") per ordinary share				
NAV attributable to equity holders of the Company (RMB'000)	24,465	60,097	25,566	56,741
Number of ordinary shares ('000)	94,300	94,300	94,300	94,300
NAV per ordinary share based on issued share capital (RMB)	0.26	0.64	0.27	0.60

10. Financial assets, at FVTPL

Fair value measurements

The table below presents assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	<u>Level 1</u> RMB'000	<u>Level 2</u> RMB'000	<u>Level 3</u> RMB'000	<u>Total</u> RMB'000
Group				
31 December 2023				
Assets				
Financial assets, at FVTPL	-	-	16,543	16,543
31 December 2022				
Assets				
Financial assets, at FVTPL	-	-	49,100	49,100

HealthBank Holdings Limited and its subsidiaries
Notes to the condensed interim consolidated financial statements
For the second half year and full year ended 31 December 2023

10. Financial assets, at FVTPL (cont'd)

As at 31 December 2023 and 31 December 2022, the financial assets, at FVTPL is representing the investment in unquoted equity. An independent certified valuer has been appointed by the Group to assist in establishing the fair value of the financial assets, at FVTPL. Financial assets, at FVTPL is classified to Level 3 as significant unobservable inputs is used. The Group has applied Discounts for Lack of Marketability (“DLOM”) and Discounts for Lack of Control (“DLOC”) on the unquoted equity. The higher of the discount rate will result in a lower fair value. When determining DLOM and DLOC in an unquoted equity, there are several factors that can be considered. These factors include the size of the unquoted equity, industry and market conditions, financial performance, ownership structure, level of control, and liquidity.

The fair value of current financial assets carried at amortised cost approximate their carrying amounts.

11. Share capital

	Group and Company			
	2023		2022	
	Number of shares	Issued and paid-up share capital	Number of shares	Issued and paid-up share capital
	'000	RMB'000	'000	RMB'000
Group and Company				
<i>Paid-up ordinary shares</i>				
Beginning of financial year	94,300	37,507	78,000	29,194
Issuance of shares for cash consideration	-	-	3,800	1,933
Issuance of shares upon conversion of convertible loans	-	-	12,500	6,380
End of financial year	94,300	37,507	94,300	37,507

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.

Pursuant to a share subscription exercise based on the subscription agreement entered between the Company and the subscriber on 11 June 2022, the Company issued 3,800,000 ordinary shares at S\$0.105 per share on 30 June 2022 (equivalent to RMB1,933,000), to provide funds for the Group’s general working capital purposes but not limited to due diligence expenses in connection with potential investment projects to be undertaken by the Group.

On 15 November 2022, the convertible notes holder, Ms. Feng Li, exercised her conversion rights to convert her convertible notes into 12,500,000 ordinary shares at the conversion price of S\$0.088 (equivalent to RMB5,659,000). Additionally, as part of the conversion, there was a transfer of equity component of convertible notes of RMB721,000. Subsequent to the allotment and issuance of such conversion shares, the convertible notes issued pursuant to the convertible loan subscription agreement dated 22 March 2021 has been fully redeemed.

Save as disclosed, the Company did not have any outstanding options, convertibles, treasury shares and subsidiary holdings as at 31 December 2023 and 31 December 2022.

12. Subsequent events

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

Other information required by Appendix 7C of the Catalist Rules

1. **Review**

The condensed interim statements of financial position of HealthBank Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) as at 31 December 2023 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month and the year ended 31 December 2023 and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

The Group’s latest audited financial statements for the financial year ended 31 December 2022 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business**

REVIEW OF FINANCIAL PERFORMANCE

Revenue

For FY23 and 2HY23, the Group recorded revenue of RMB0.23 million and RMB0.01 million (FY22: RMB0.38 million, 2HY22: RMB0.15 million) respectively in relation to a facility and landscaping management service contract (the “**Contract**”) for the Atlantis Garden Project (“**AG Project**”) where the Group has an 8% indirect effective equity interest in the AG Project.

Other income

Significant decrease in other income of RMB0.10 million is mainly due to government grant received in FY22 and one-off compensation from employee who resigned with short notice on FY22. There was no such income in FY23.

Other losses

Other losses in FY23 was mainly contributed by foreign exchange loss of RMB0.36 million, waiver of loan interest of RMB 0.68 million and fair value loss on FVTPL of RMB32.56 million, partially offset by the government paid maternity leave of RMB0.05 million whereas in 2HY23, was mainly contributed by foreign exchange loss of RMB0.05 million and fair value loss on FVPL of RMB32.56 million, partially offset by the government paid maternity leave of RMB0.05 million.

Other losses in 2HY22 and FY22 was contributed by foreign exchange loss of RMB0.65 million and RMB0.85 million respectively, and fair value loss on FVTPL of RMB 6.13 million in both periods, partially offset by gain on disposal of subsidiaries of RMB 0.60 million in both periods.

Employee compensation

Employee compensation decreased by RMB0.17 million, from RMB0.74 million in 2HY22 to RMB0.57 million in 2HY23, mainly due to lower staff costs in FY2023 attributed to the disposal of a subsidiary corporation, HealthBank Technology Development (Liaoning) Limited on 22 July 2022.

Due to the same reasons as cited above, employee compensation decreased by RMB0.31 million, from RMB1.45 million in FY22 to RMB1.14 million in FY23.

Finance costs

Significant decrease in finance costs in 2HY23 and FY23 is mainly due to full redemption of convertible loans in FY22.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)

REVIEW OF FINANCIAL PERFORMANCE (CONT'D)

Other expenses

Other expenses decreased by RMB0.60 million, from RMB1.26 in 2HY22 to RMB0.66 million in 2HY23, mainly due to the lower operating costs attributed to the disposal of a subsidiary corporation, HealthBank Technology Development (Liaoning) Limited on 22 July 2022.

Due to the same reasons as cited above, other expenses decreased by RMB0.91 million, from RMB2.24 million in FY22 to RMB1.33 million in FY23.

Income tax expense

The Group recorded a loss before tax of RMB33.95 million in 2HY23 and RMB36.08 million in FY23 and hence, no income tax is provided for 2HY23 and FY23 (2HY22: Nil, FY22: Nil).

REVIEW OF FINANCIAL POSITION

Current assets

Cash and bank balances decreased by RMB1.70 million, from RMB2.74 million as at 31 December 2022 to RMB1.04 million as at 31 December 2023. Please refer to the "Review of Cash Position" section below for further details on the material cash movements.

As at 31 December 2023, the Group has other receivables of RMB0.03 million, a decrease of RMB9.51 million from RMB9.54 million as at 31 December 2022 mainly due to reclassification of loan to non-related party from current assets to non-current assets as the maturity date of the loan has been extended to 1 July 2025.

Non-current assets

Non-current assets decreased by RMB24.79 million, from RMB49.10 million as at 31 December 2022 to RMB24.31 million as at 31 December 2023.

Financial assets, at FVTPL decreased by RMB32.56 million due to the fair value loss on FVTPL arising from the lower recoverable amount determined by the management on the AG Project after considering the independent valuation and applying certain discounts for lack of marketability and control on the investment.

Other receivables increased by RMB7.77 million as at 31 December 2023, due to the reclassification of loan to non-related party from current assets to non-current assets as the maturity date of the loan has been extended to 1 July 2025.

Current liabilities

Other payables decreased by RMB0.31 million, from RMB1.31 million as at 31 December 2022 to RMB1.00 million as at 31 December 2023 due to the unpaid FY2022 directors' fees have been settled in FY2023.

2. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)**

REVIEW OF CASH POSITION

Net cash used in operating activities of the Group amounted to RMB2.73 million for FY23 was due to operating cash outflows before movements in working capital of RMB2.45 million and a net cash outflow from movements in working capital of RMB0.28 million.

Net cash generated from investing activities of the Group amounted to RMB1.03 million for FY23 was due to the repayment of loan from non-related party.

The above resulted in the overall decrease in cash and bank balances of RMB1.70 million during the financial year.

The Group has cash and cash equivalents of RMB1.04 million as at 31 December 2023.

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

Not applicable. No forecast or prospect statement disclosed to shareholders previously.

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 reporting period and the next 12 months.**

Due to uncertainty in the economic recovery post-COVID-19 pandemic, as well as lower home buyer confidence in China, the business environment for our Group will remain challenging for this coming financial year.

Despite all these challenges, the Group will continue to strive for improvement in our current business and explore new business opportunities with suitable business partners to collaborate and broaden our revenue stream to improve the Group's performance.

5. If a decision regarding dividend has been made:

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

No dividend is declared for the current financial period reported on.

(b) (i) Amount per share in cents

Not applicable.

(ii) Previous corresponding period in cents

No dividend is declared for the corresponding period.

(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)

Not applicable.

(d) The date the dividend is payable

Not applicable.

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

Not applicable.

6. If the Group has obtained a general mandate from shareholders for interested persons transactions ("IPT") 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 Group has not obtained a general mandate from shareholders for IPT. There are no interested person transactions of S\$100,000 or more during the financial period under review.

7. Use of proceeds

Placement

The Company refers to its previous announcements dated 13 June 2022, 29 June 2022 and 30 June 2022 (“**Placement Announcements**”). Unless otherwise defined, all capitalised terms used in this section shall bear the same meaning as the capitalised terms used in the Placement Announcements.

The Company received net proceeds of S\$373,000 raised from the Placement and the utilisation of the net proceeds after the last announcement on the utilisation as at 11 August 2023 up to the date of this announcement is as follows:

Use of Proceeds	Allocation	Amount utilised as at 11 August 2023	Amount utilised after 11 August 2023 up to the date of this announcement	Balance amount as at the date of this announcement
	S\$'000	S\$'000	S\$'000	S\$'000
Working capital	373	(172) ⁽¹⁾	(201) ⁽²⁾	-

Notes:

- (1) This pertains to payment for the professional fees with regards to the valuation fees and other due diligence expenses incurred for a potential project in China.
- (2) This pertains to administrative expenses of approximately S\$139,000 and salaries related expenses of approximately S\$62,000.

The above utilisations were consistent with the intended use of proceeds from the Placement as disclosed in the Placement Announcements.

8. Breakdown of sales

	FY23 (RMB'000)	FY22 (RMB'000)	Increase/(Decrease) %
Sales reported for first half year	214	233	(8)
Operating loss after tax before deducting non-controlling interests reported for first half year	(2,131)	(1,847)	15
Sales reported for second half year	12	146	(92)
Operating loss after tax before deducting non-controlling interests reported for second half year	(33,951)	(9,336)	>100

9. 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 confirms that it 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.

10. Disclosure of persons occupying managerial positions in the issuer or any of its principal subsidiaries who are relatives of a director, CEO or substantial shareholder of the issuer pursuant to Rule 704(10) of the Catalist Rules

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

11. Additional information required pursuant to Rule 706A of the Catalist Rules

There was no acquisition or sale of shares in any of the Group's subsidiary or associated company nor incorporation or winding up or striking off of any subsidiary or associated company by the Company or any of the Group's entities during 2HY23.

On behalf of the Board

Peng Fei
Executive Director and CEO

23 February 2024