



ASIAMEDIC LIMITED

ASIAMEDIC LIMITED

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

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

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

GROUP		6 months ended 31 December 2022 ("2H2022") (Unaudited) \$	6 months ended 31 December 2021 ("2H2021") (Unaudited) \$	Increase (Decrease) %	Financial year ended 31 December 2022 ("FY2022") (Unaudited) \$	Financial year ended 31 December 2021 ("FY2021") (Audited) \$	Increase (Decrease) %
	Note						
Revenue	N4	10,342,674	9,089,016	14	18,882,431	18,255,133	3
Other income	N5.1	223,316	390,697	(43)	431,524	869,030	(50)
Items of expense							
Consumables used		(770,841)	(648,038)	19	(1,494,347)	(1,322,823)	13
Personnel expenses		(5,083,644)	(4,974,931)	2	(9,956,529)	(9,925,778)	0.3
Depreciation and amortisation of non-current assets		(535,690)	(742,815)	(28)	(1,017,688)	(1,267,920)	(20)
Operating lease expenses		(59,481)	(57,558)	3	(142,495)	(137,917)	3
Maintenance expenses		(544,617)	(473,365)	15	(1,019,628)	(954,684)	7
Laboratory and consultancy fees		(1,342,617)	(1,108,603)	21	(2,308,497)	(2,045,110)	13
Finance costs	N5.1	(179,534)	(75,236)	139	(238,673)	(145,874)	64
Other operating expenses		(1,269,736)	(956,581)	33	(2,382,726)	(2,109,083)	13
Impairment of non-current assets	N5.1, N8.1	–	(857,048)	(100)	–	(857,048)	(100)
Share of results of associate		270,068	166,153	63	483,874	357,105	35
Profit/(loss) before tax	N5	1,049,898	(248,309)	n.m.	1,237,246	715,031	73
Income tax expense	N6	–	–	–	–	–	–
Profit/(loss) for the period, representing total comprehensive income for the period, attributable to owners of the Company		1,049,898	(248,309)	n.m.	1,237,246	715,031	73
Earnings/(loss) per share for profit for the period attributable to the owners of the Company							
Basic (SGD in cent)	N7	0.094	(0.022)		0.111	0.064	
Diluted (SGD in cent)	N7	0.094	(0.022)		0.111	0.064	

n.m. = not meaningful

B CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		31 December 2022 (Unaudited)	31 December 2021 (Audited)	31 December 2022 (Unaudited)	31 December 2021 (Audited) (Re-presented)
		\$	\$	\$	\$
Non-current assets					
Property, plant and equipment	N8	1,267,157	557,098	123,063	19,996
Investment in subsidiaries	N9	-	-	5,903,247	2,203,247
Investment in associate		2,190,185	1,991,995	181,500	181,500
Right-of-use assets	N8	5,254,845	3,659,274	5,254,845	3,659,274
Goodwill	N10	523,864	523,864	-	-
		9,236,051	6,732,231	11,462,655	6,064,017
Current assets					
Inventories		259,633	253,281	-	-
Trade receivables		3,013,657	2,100,354	547,955	471,456
Other receivables and deposits		448,614	617,473	670,389	237,426
Prepayments		288,267	194,741	59,433	38,423
Other investment		1,980,560	-	1,480,560	-
Cash pledged as security		911,520	818,100	-	-
Cash and cash equivalents		6,642,404	9,473,762	3,107,097	5,832,792
		13,544,655	13,457,711	5,865,434	6,580,097
Current liabilities					
Trade payables		1,475,332	1,106,954	-	-
Other payables and accruals		1,863,573	1,961,667	1,241,816	1,716,369
Deferred income		993,574	1,179,464	-	-
Lease liabilities	N11	941,377	1,202,070	941,377	1,202,070
		5,273,856	5,450,155	2,183,193	2,918,439
Net current assets		8,270,799	8,007,556	3,682,241	3,661,658
Non-current liabilities					
Provision for reinstatement		1,118,392	1,115,662	479,000	479,000
Lease liabilities	N11	6,373,495	4,846,408	6,373,495	4,846,408
Deferred tax liabilities		22,568	22,568	-	-
		7,514,455	5,984,638	6,852,495	5,325,408
Net assets		9,992,395	8,755,149	8,292,401	4,400,267
Equity attributable to owners of the Company					
Share capital	N12	33,284,437	33,284,437	33,284,437	33,284,437
Treasury shares	N13	(2,866)	(2,866)	(2,866)	(2,866)
Other reserves		(562,921)	(562,921)	97,812	97,812
Accumulated losses		(22,726,255)	(23,963,501)	(25,086,982)	(28,979,116)
		9,992,395	8,755,149	8,292,401	4,400,267

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 2022	33,284,437	(562,921)	(2,866)	(23,963,501)	8,755,149
Profit for the year, representing total comprehensive income for the year	–	–	–	1,237,246	1,237,246
Balance at 31 December 2022	33,284,437	(562,921)	(2,866)	(22,726,255)	9,992,395
Balance at 1 January 2021	33,284,437	(562,921)	(2,866)	(24,678,532)	8,040,118
Profit for the year, representing total comprehensive income for the year	–	–	–	715,031	715,031
Balance at 31 December 2021	33,284,437	(562,921)	(2,866)	(23,963,501)	8,755,149
Company	Share capital	Other reserves	Treasury shares	Accumulated losses	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2022	33,284,437	97,812	(2,866)	(28,979,116)	4,400,267
Profit for the year, representing total comprehensive income for the year	–	–	–	3,892,134	3,892,134
Balance at 31 December 2022	33,284,437	97,812	(2,866)	(25,086,982)	8,292,401
Balance at 1 January 2021	33,284,437	97,812	(2,866)	(28,719,868)	4,659,515
Loss for the year, representing total comprehensive income for the year	–	–	–	(259,248)	(259,248)
Balance at 31 December 2021	33,284,437	97,812	(2,866)	(28,979,116)	4,400,267

D CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	FY2022 (Unaudited)	FY2021 (Audited) (Re-presented)
	\$	\$
Cash flows from operating activities		
Profit before tax	1,237,246	715,031
Adjustments:		
Depreciation and amortisation of non-current assets	265,195	375,769
Depreciation of right-of-use assets	752,493	892,151
Impairment of right-of-use assets	-	759,265
Impairment loss on property, plant and equipment	-	97,783
Provision for reinstatement	-	197,000
Impairment loss on doubtful debts	19,013	-
Property, plant and equipment written off	29,750	4,168
Finance costs	238,673	145,874
Interest income	(40,471)	(22,234)
Share of results of associate	(483,874)	(357,105)
Operating cash flows before changes in working capital	2,018,025	2,807,702
Changes in working capital		
(Increase)/decrease in inventories	(6,354)	16,130
(Increase)/decrease in trade receivables, other receivables and deposits, and prepayments	(840,011)	294,376
Increase in trade and other payables	247,559	495,901
Decrease in deferred income	(185,890)	(177,617)
Net cash flows from operating activities	1,233,329	3,436,492
Cash flows from investing activities		
Interest received	40,471	22,234
Dividend received from associate	285,684	298,166
Investment in credit linked notes	(1,980,560)	-
Purchase of property, plant and equipment	(999,249)	(378,570)
Net cash flows used in investing activities	(2,653,654)	(58,170)
Cash flows from financing activities		
Increase in cash pledged as security	(93,420)	-
Interest paid	(235,943)	(143,192)
Payment of principal portion of lease liabilities and finance lease rental payments	(1,081,670)	(1,418,397)
Net cash flows used in financing activities	(1,411,033)	(1,561,589)
Net (decrease)/increase in cash and cash equivalents	(2,831,358)	1,816,733
Cash and cash equivalents at beginning of year	9,473,762	7,657,029
Cash and cash equivalents at end of year	6,642,404	9,473,762

**E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022**

N1. Corporate information

AsiaMedic Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist board of the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six (6) months as well as the financial year ended 31 December 2022 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 and products.

N2. Basis of preparation

The condensed interim financial statements for the six (6) months and the financial year ended 31 December 2022 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 interim financial statements for the six months ended 30 June 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note N2.1.

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/year.

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 financial year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period/year in which the estimates are revised and in any future periods/years 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 included in the following notes:

Note N8 – Impairment of property, plant and equipment and right-of-use assets: key assumptions underlying recoverable amounts.

Note N9 – Impairment of investment in subsidiaries and amounts due from subsidiaries: key assumptions underlying recoverable amounts.

Note N10 – Impairment test of goodwill: key assumptions underlying recoverable amounts.

N3. Segment and revenue information

For management purposes, the Group regards the provision of medical wellness and health screening services, diagnostic imaging and radiology services, primary healthcare services and medical aesthetic services and products 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			
	2H2022	2H2021	FY2022	FY2021
	\$	\$	\$	\$
Major service lines:				
Medical wellness and health screening services	5,570,795	4,809,687	10,172,315	9,786,690
Diagnostic imaging and radiology services	3,896,926	3,003,958	6,837,908	5,971,312
Primary healthcare services	843,406	1,002,847	1,752,411	1,898,065
Medical aesthetic services	749,708	853,030	1,330,843	1,666,921
	<u>11,060,835</u>	<u>9,669,522</u>	<u>20,093,477</u>	<u>19,322,988</u>
Less: Elimination of intercompany transactions	(718,161)	(580,505)	(1,211,046)	(1,067,855)
	<u>10,342,674</u>	<u>9,089,017</u>	<u>18,882,431</u>	<u>18,255,133</u>
Timing of transfer of goods or services:				
At a point in time	10,342,674	9,089,017	18,882,431	18,255,133

N5. Profit/(loss) before tax

N5.1 Significant items

	Group			
	2H2022	2H2021	FY2022	FY2021
	\$	\$	\$	\$
Income:				
Job Support Scheme grant income	–	3,038	–	284,052
Other grant income	51,028	90,087	162,243	166,291
Rental Support Scheme grant income	–	166,023	–	166,023
Sub-lease income	139,852	72,377	228,810	136,463
Interest income	32,436	9,942	40,471	22,234
Other income	–	49,230	–	93,967

	2H2022	Group		FY2021
	\$	2H2021	FY2022	\$
		\$	\$	
Expenses:				
Property, plant and equipment written off	29,750	–	29,750	4,168
Interest on lease liabilities	178,169	69,297	235,943	143,192
Interest on reinstatement asset	1,365	1,341	2,730	2,682
Impairment of trade receivables	19,013	–	19,013	–
Impairment of right-of-use assets	–	759,265	–	759,265
Impairment of property, plant and equipment	–	97,783	–	97,783
Provision for reinstatement	–	197,000	–	197,000

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 on terms agreed between the parties during the financial period:

	2H2022	Group		FY2021
	\$	2H2021	FY2022	\$
		\$	\$	
Purchase of consumables from an associate	210,900	210,900	421,800	421,800
Medical services rendered to companies controlled by the Group's controlling shareholder	47,580	46,551	92,494	98,321

N6. Income tax expense

There is no income tax expense for FY2022 due to the availability of tax losses to offset the taxable profit for FY2022.

N7. Earnings/(Loss) per share

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

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	
	FY2022	FY2021
	Number of ordinary shares	Number of ordinary shares
Weighted average number of ordinary shares for basic and diluted loss per share computation	1,119,522,270	1,119,522,270

N8. Property, plant and equipment and right-of-use assets

N8.1 Impairment test

The recoverable amount of the property, plant and equipment and right-of-use assets is based on the value in use of a 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 31 December 2022 was determined similarly to the 31 December 2021 impairment test, and was based on the following key assumptions:

- Projections for an initial 5-year period based on management budgets. Any projections beyond the 5-year period were extrapolated using a zero annual growth rate.
- Pre-tax discount rate of 10.6% (2021: 10.5%).

Following management's impairment assessment, no impairment was recognised for the financial year. Any adverse change in a key assumption may result in an impairment.

N8.2 Purchase of property, plant and equipment

During the financial year, acquisitions of property, plant and equipment with a total cost of \$999,250 were made by cash. During the financial year, payments by cash for property, plant and equipment acquired during the financial year and in prior years amounted to \$2,675 and \$41,570 respectively. As at 31 December 2022, the amount owing to a vendor for acquisitions of property, plant and equipment amounted to \$50,825.

N8.3 Right-of-use assets

	Office and clinic premises	
	FY2022	FY2021
	\$	\$
Cost:		
As at 1 January	10,241,950	6,810,044
Addition	2,348,064	3,431,906
Cost as at 31 December	<u>12,590,014</u>	<u>10,241,950</u>
Accumulated depreciation and impairment loss:		
As at 1 January	6,582,676	4,931,260
Depreciation charge	752,493	892,151
Impairment	-	759,265
As at 31 December	<u>7,335,169</u>	<u>6,582,676</u>
Net book value:		
As at 31 December	<u>5,254,845</u>	<u>3,659,274</u>

N9. Investment in subsidiaries and amounts due from subsidiaries

The recoverable amount of the investment in subsidiaries was based on their value in use. Value in use was determined by discounting the future cash flows to be generated from the subsidiaries. Value in use as at 31 December 2022 was determined similarly to the 31 December 2021 impairment test, and was based on the following key assumptions:

- Projections for an initial 5-year period based on management budgets. Any projections beyond the 5-year period were extrapolated using a zero annual growth rate.
- Pre-tax discount rate of 10.6% (2021: 10.5%).

The recoverable amount of the amounts due from subsidiaries was based on the expected credit loss model. The provision rates are based on factors that affect the collectability of the amounts including the subsidiaries' current financial position as well as the projected cash flows of the subsidiaries.

Following management's impairment assessment, impairment was recognised/(written back) for investment in subsidiary and amounts due from subsidiaries as follows:

	Company	
	FY2022	FY2021
	\$	\$
Investment in subsidiary:		
The Orchard Imaging Centre Pte Ltd	–	(1,238,017)
	–	(1,238,017)
Amount due from subsidiaries:		
AsiaMedic PET/CT Centre Pte Ltd	630,888	632,179
AsiaMedic Heart & Vascular Centre Pte Ltd	377,321	325,648
AsiaMedic Astique The Aesthetic Clinic Pte Ltd	(289,867)	281,887
Complete Healthcare International Pte Ltd	165,647	–
AsiaMedic Eye Centre Pte Ltd	3,074	14,160
AMC Healthcare Pte Ltd	3,074	–
	890,137	1,253,874

N10. Goodwill

	Group	
	FY2022	FY2021
	\$	\$
Cost:		
As at 31 December	523,864	523,864
Accumulated impairment:		
As at 31 December	–	–
Net book value:		
As at 31 December	523,864	523,864

Goodwill relates to the business combination of the CGU of AsiaMedic Astique The Aesthetic Clinic Pte Ltd.

The recoverable amount of the CGU was based on its value in use. 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 31 December 2022 was determined similarly to the 31 December 2021 impairment test, and was based on the following key assumptions:

- Projections for an initial 5-year period based on management budgets. Any projections beyond the 5-year period were extrapolated using a zero annual growth rate.
- Pre-tax discount rate of 10.6% (2021: 10.5%)

Following management's impairment assessment, no impairment was recognised during the financial year. Any adverse change in a key assumption may result in an impairment.

N11. Lease liabilities

The lease liabilities represent finance leases for office and clinic premises as at 31 December 2022.

	Office and clinic premises	
	FY2022	FY2021
	\$	\$
Carrying amount at 1 January	6,048,478	4,034,970
Addition	2,348,064	3,431,906
Accretion of interest recognised during the year	235,943	143,192
Payment during the year	(1,317,613)	(1,561,590)
Carrying amount at 31 December	<u>7,314,872</u>	<u>6,048,478</u>
Analysed into:		
Current portion (repayable within a year)	941,377	1,202,070
Non-current portion (repayable after one year)	6,373,495	4,846,408
	<u>7,314,872</u>	<u>6,048,478</u>

Details of any collateral:

Nil.

N12. Share capital

	Group and Company			
	FY2022		FY2021	
	No. of shares	\$	No. of shares	\$
As at 1 January	1,119,622,270	33,284,437	1,119,622,270	33,284,437
Movement during the year	—	—	—	—
As at 31 December	<u>1,119,622,270</u>	<u>33,284,437</u>	<u>1,119,622,270</u>	<u>33,284,437</u>

As at 31 December 2022, the number of ordinary shares in issue was 1,119,522,270 excluding 100,000 treasury shares (31 December 2021: 1,119,522,270 ordinary shares excluding 100,000 treasury shares).

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 and 31 December 2021.

N13. Treasury shares

	Group and Company			
	FY2022		FY2021	
	No. of shares	\$	No. of shares	\$
As at 1 January	100,000	2,866	100,000	2,866
Movement during the year	—	—	—	—
As at 31 December	<u>100,000</u>	<u>2,866</u>	<u>100,000</u>	<u>2,866</u>

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 paragraph 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 paragraph B.

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

Please refer to Note N11. Save for lease liabilities, the Group does not have any borrowings and debt securities as at 31 December 2022 and 31 December 2021.

- (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 paragraph 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 paragraph 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 31 December 2022, the number of ordinary shares in issue was 1,119,522,270 excluding 100,000 treasury shares (31 December 2021: 1,119,522,270 ordinary shares excluding 100,000 treasury shares). The issued share capital as at 31 December 2022 was \$33,284,437 (31 December 2021: \$33,284,437).

There were no additional share options granted under the AsiaMedic Employees Share Option Scheme 2016 since the end of the previous period reported on. As at 31 December 2022, there were outstanding options for conversion into 819,677 (31 December 2021: 1,171,935) ordinary shares. The options were granted on 15 June 2016 and are subject to a vesting schedule and are exercisable in tranches from 15 June 2018 to 14 June 2026. Save for the above, the Company does not have any outstanding convertibles as at 31 December 2022 and 31 December 2021.

The 100,000 treasury shares represent 0.009% of the total number of ordinary shares in issue as at 31 December 2022 and 31 December 2021.

(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 31 December 2022, the number of ordinary shares in issue was 1,119,522,270 excluding 100,000 treasury shares (31 December 2021: 1,119,522,270 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 2022	Share buyback	Sales	Transfers	Disposal	Cancellation or use	As at 31 December 2022
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 FY2022.

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	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	SGD cent	SGD cent	SGD cent	SGD cent
Net asset value per ordinary share	0.89	0.78	0.74	0.39

The total number of shares used for the computation of net asset value per share is 1,119,522,270 excluding 100,000 treasury shares (31 December 2021: 1,119,522,270 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.**

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

2H2022 vs 2H2021

The Group's revenue increased by \$1.2 million or 14% to \$10.3 million for 2H2022, from \$9.1 million for 2H2021. This was due mainly to the increase in revenue from the imaging and wellness businesses, partially offset by the decrease in revenue from the aesthetic and international clinic businesses. Imaging business picked up in 2H2022 with higher volume of MRI scans from restructured hospitals and the return of foreign patients to Singapore. Wellness business improved in 2H2022, largely attributable to improved workflow and the maintenance of proper staffing levels to support higher volumes of business during the year-end peak season. Revenue from the aesthetic business and the international clinic business decreased in 2H2022, due mainly to attrition of doctors and the drop in Covid-related tests, respectively.

Other income decreased to \$0.2 million in 2H2022, from \$0.4 million in 2H2021, due mainly to the absence of government pandemic support grant in 2H2022.

In line with the increase in revenue, consumables expenses increased by \$0.1 million or 19% to \$0.8 million in 2H2022, and laboratory and consultancy fees increased by \$0.2 million or 21% to \$1.3 million. Depreciation and amortisation expense decreased by \$0.2 million or 28% to \$0.5 million in 2H2022, following the impairment made for the right-of-use assets and property, plant and equipment relating to the imaging business in 2H2021. Maintenance expenses increased by \$0.1 million or 15% to \$0.5 million in 2H2022 due mainly to renovation works undertaken and adhoc repairs in 2H2022. The increase in finance costs of \$0.1 million or 139% to \$0.2 million in 2H2022 was due mainly to a higher interest rate being applied for the Lease Modification (as defined below) recognised in 2H2022. Other operating expenses increased by \$0.3 million or 33% to \$1.3 million in 2H2022, due mainly to the increase in business activities. In 2H2021, due to the challenging environment, an impairment for imaging right-of-use assets (relating to leases of premises) and imaging equipment of \$0.9 million was made. There was no such impairment in 2H2022. Share of results of associate increased by \$0.1 million or 63% to \$0.3 million in 2H2022 as a result of improvement in sales of the associate in 2H2022.

As a result of the above, the Group recorded a profit of \$1.0 million in 2H2022, as compared to a loss of \$0.2 million in 2H2021.

FY2022 vs FY2021

The Group's revenue increased by \$0.6 million or 3% to \$18.9 million for FY2022, from \$18.3 million for FY2021. This was due mainly to the increase in revenue from the imaging and wellness businesses, partially offset by the decrease in revenue from the aesthetic and international clinic businesses, due to the reasons as set out above.

Other income decreased to \$0.4 million in FY2022 from \$0.9 million in FY2021, due mainly to absence of government pandemic support grants in FY2022.

In line with the increase in revenue, consumables expenses increased by \$0.2 million or 13% to \$1.5 million, and laboratory and consultancy fees increased by \$0.3 million or 13% to \$2.3 million in FY2022. Depreciation and amortisation expense decreased by \$0.3 million or 20% to \$1.0 million in FY2022 following the impairment made for the right-of-use assets and property, plant and equipment relating to the imaging business in FY2021. The increase in finance costs of \$0.1 million or 64% to \$0.2 million in FY2022 was due mainly to a higher interest rate being applied for the Lease Modification recognised in FY2022. Other operating expenses increased by \$0.3 million or 13% to \$2.4 million in FY2022 due to the increase in business activities. In FY2021, due to the challenging environment, an impairment for imaging right-of-use assets (relating to leases of premises) and imaging equipment of \$0.9 million was made. There was no such impairment in FY2022. Share of results of associate increased by \$0.1 million or 35% to \$0.5 million in FY2022 as a result of improvement in sales of the associate in FY2022.

As a result of the above, the Group recorded improved profit of \$1.2 million in FY2022, as compared to a profit of \$0.7 million in FY2021.

Condensed Interim Statements of Financial Position

Non-Current Assets

Non-current assets increased to \$9.2 million as at 31 December 2022, from \$6.7 million as at 31 December 2021. Property, plant and equipment increased to \$1.3 million as at 31 December 2022 from \$0.6 million as at 31 December 2021 due to capital expenditure in FY2022. Right-of-use assets increased to \$5.3 million from \$3.7 million as at 31 December 2021 due to the accounting for lease modification of premises in FY2022 (the "Lease Modification"). The Lease Modification was recognised as a result of the reassessment of the lease term of a lease.

Current Assets

Current assets of \$13.5 million as at 31 December 2022 was relatively unchanged from that as at 31 December 2021. Trade receivables increased to \$3.0 million as at 31 December 2022, from \$2.1 million as at 31 December 2021. This was due mainly to higher level of business activity in 2H2022 and the increase in amount owing under the schools and community health screening projects. Other investment of \$2.0 million as at 31 December 2022 relates to short-term investment in credit linked notes issued by DBS Bank Ltd (referencing SGD Monetary Authority of Singapore bills) that mature in March 2023, entered into by the Group for financial management purposes. Cash and cash equivalents decreased to \$6.6 million as at 31 December 2022 from \$9.5 million as at 31 December 2021. Please refer to the section below on review of "Condensed Interim Consolidated Statement of Cash Flows" for the reasons for decrease in cash and cash equivalents.

Current Liabilities

Current liabilities decreased to \$5.3 million as at 31 December 2022, from \$5.5 million as at 31 December 2021. Trade payables increased to \$1.5 million as at 31 December 2022 from \$1.1 million as at 31 December 2021, in line with the higher level of activity. Lease liabilities decreased to \$0.9 million as at 31 December 2022, from \$1.2 million as at 31 December 2021, due to the Lease Modification recognised in FY2022.

Net Current Assets

As a result of the decrease in current liabilities while current assets remained relatively unchanged, net current assets increased to \$8.3 million as at 31 December 2022, from \$8.0 million as at 31 December 2021.

Non-Current Liabilities

Non-current liabilities increased to \$7.5 million as at 31 December 2022, from \$6.0 million as at 31 December 2021. Lease liabilities (non-current portion) increased to \$6.4 million as at 31 December 2022, from \$4.8 million as at 31 December 2021, due to the Lease Modification recognised in FY2022.

Condensed Interim Consolidated Statement of Cash Flows

The Group has a net cash inflow from operating activities of \$1.2 million in FY2022, as compared to a net cash inflow of \$3.4 million in FY2021, due to higher working capital requirements in FY2022. Net cash outflow used in investing activities was \$2.7 million in FY2022 as compared to net cash outflow of \$0.1 million in FY2021 due mainly to the short-term investment in credit linked notes for financial management purposes, and the higher purchase of property, plant and equipment in FY2022.

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.

The operating environment of our Group continues to be challenging due to intense competition, shortage of skilled manpower and rising manpower costs. The Group has intensified its efforts to address such challenges and achieve the Group's long-term strategic goals. The Singapore government's focus towards a healthier population through the 'Healthier SG' initiative may generate increased awareness for preventive healthcare and therefore drive demand for our wellness business. We are reviewing the capacity of our MRI and ultrasound services in view of the rising demand from both the private and public sectors, as well as the need to stay current with the latest software and hardware technological advances. Our international clinic is now co-located at the same level of Shaw House with our imaging centre which will allow urgent diagnostic scans to be done, thereby providing greater convenience and enhancing our patients' experience. Management is currently undertaking a review of its strategic options of the aesthetics business and is actively taking steps to address the situation of the shortage of doctors for the aesthetic business as this remains a key constraint faced by the business. As digital technology is a vital component in healthcare going forward, we are upgrading our IT infrastructure and adopting new digital and AI technology to enhance our patient experience, improve workflows, efficiency, and patient care.

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 to conserve cash for operational purposes.

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.**

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 during the financial year under review (excluding transactions less than S\$100,000)
OncoCare Medical Pte. Ltd. ⁽²⁾	Associate of controlling shareholder	– ⁽¹⁾	– ⁽¹⁾ (Provision of imaging services under a general mandate)

Notes:

- 1) All transactions were less than \$100,000.
- 2) The controlling shareholder of the Company had, on 6 June 2022, entered into an agreement (“**Agreement**”) with an unrelated third party to dispose of its entire 51% interest in the capital of OncoCare Medical Pte. Ltd. (“**Disposal**”). The Agreement had since lapsed and the Disposal was terminated. Accordingly, OncoCare Medical Pte. Ltd. remains as an interested person of the Group.

14. **Negative confirmation pursuant to Rule 705(5).**

This section is not applicable for announcement of full year results.

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.

16. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable as the Group operates in only one segment.

17. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Noted. Please refer to Section 8 for the review of performance.

18. A breakdown of sales.

	FY2022	Group FY2021	Increase/ (Decrease)
	\$	\$	%
(a) Sales reported for first half year	8,539,757	9,116,117	(7)
(b) Operating profit after tax for the year before deducting non-controlling interests reported for first half year	187,348	963,340	(81)
(c) Sales reported for second half year	10,342,674	9,089,016	14
(d) Operating profit/(loss) after tax for the year before deducting non-controlling interests reported for second half year	1,049,898	(248,308)	n.m

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows.

		FY2022	FY2021
(a)	Ordinary	-	-
(b)	Preference	-	-
(c)	Total	-	-

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

The Company confirms that no person occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director, chief executive officer or substantial shareholder of the Company.

21. 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 Net 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	754	224 ⁽²⁾	2,545
Total	8,523	5,754	224	2,545

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 updates on the use of proceeds from the Rights Issue dated 21 February 2020, 31 May 2022, 29 July 2022, 12 August 2022, and 18 November 2022.

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

There is no acquisition and/or sale of shares in any subsidiaries or associated companies of the Group announced during 2H2022 which is required to be reported under Rule 706(A) of the Catalist Rules.

BY ORDER OF THE BOARD

Foo Soon Soo (Ms)
Company Secretary

Singapore
1 March 2023

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 ("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.