ASIAMEDIC LIMITED
(Co. Reg. No. 197401556E)

350 Orchard Road
#08-00 Shaw House
Singapore 238868
Tel: (65) 6789 8888 Fax: (65) 6738 4136
Email: info@asiamedic.com.sg
Website: www.asiamedic.com.sg

ANNUAL REPORT 2022

Contents

Corporate Culture

A team oriented organisation that is conducive to long term employment which is passionate, nurturing and upholds mutual respect that embraces family spirit

Vision & Mission

VISION
The choice healthcare provider in Singapore

MISSION
Providing holistic solutions through integrated application of the latest medical technologies to prevent and detect early illnesses to achieve positive experiences and clinical outcomes for our patients

Values & Brand Promise

COMPETENCE
Commitment to ensuring the highest professional standards of service and expertise

CONVENIENCE
Commitment to providing timely, appropriate and personalised healthcare information and continuity of care in an integrated one-stop wellness and diagnostic centre

CARE
Commitment to helping our clients navigate their health risks and needs through practical and personalised clinical solutions and strategies

CONFIDENCE
Commitment to ensuring patient confidence with a focus on safety, consistent processes and standards based on continuous service and clinical quality improvement and innovation

AsiaMedic Business Units

ASIAMEDIC WELLNESS ASSESSMENT CENTRE

AsiaMedic Wellness Assessment Centre is a one-stop Health Screening Centre that offers a comprehensive range of health screening packages. Equipped with evidence-based medical knowledge and technology, AsiaMedic have stayed true to the philosophy of early diagnosis, pre-symptomatic disease detection and prevention. Conveniently located at Orchard Road, our patients can enjoy the cosy and comfortable environment of our centre.

Our track record is testament to our competence as we have been duly appointed by Health Promotion Board to deliver myopia and school health screening to pre-school, primary and secondary school students in Singapore, as well as human papilloma virus vaccination for secondary school students. With AsiaMedic's involvement in health coaching and Project Silver Screen, our presence in community health screening continues to grow and now spans across all spectrum of age groups, from pre-schoolers to elderly adults.

ASIAMEDIC DIAGNOSTIC IMAGING CENTRE

Diagnostic imaging involves the use of non-invasive procedures to generate images of the body's internal anatomy and functions that can be recorded on film or digitized for display on a video monitor. Diagnostic imaging procedures facilitate the early diagnosis and treatment of diseases and disorders and may reduce unnecessary invasive procedures, often minimizing the costs for patients. We offer the full suite of general and advanced imaging services which include MRI, CT, bone densitometry (DEXA), ultrasound, mammography, and X-ray. Our comprehensive range of radiological examinations includes cardiovascular radiology, musculoskeletal radiology, neuroradiology, ear nose & throat (ENT) radiology, breast and body radiology. These services are provided through our subsidiaries of The Orchard Imaging Centre Pte Ltd and AsiaMedic Heart & Vascular Centre Pte Ltd. Our integrated RIS PACS system enables physicians' easy and convenient access to the diagnostic scans and reports to cater to the growing demands of medical care in Singapore.

ASIAMEDIC POSITRON EMISSION TOMOGRAPHY/ COMPUTED TOMOGRAPHY (PET/CT) CENTRE

PET/CT imaging is used for diagnosis, staging, localisation and monitoring progress of cancer. The AsiaMedic Positron Emission Tomography/Computed Tomography (PET/CT) Centre is one of Singapore's first independent PET/CT centres that is not affiliated with any hospital. The Centre provides cardiac and cancer imaging with one of the industry's most reliable GE PET/CT scanner, which incorporates a PET scanner with a multi-slice Computed Tomography (CT) scanner.

AsiaMedic Business Units

ASIAMEDIC ASTIQUE THE AESTHETIC CLINIC

As a boutique aesthetic clinic, Astique offers a wide range of premium medical aesthetic treatments. The clinic continually upgrades its technology and services to provide our patients with the best in aesthetic care. Aesthetic solutions can also be customised to meet the specific beauty needs of our patients who are at different phases of their lives.

Patients are able to enjoy minimally invasive treatments, administered by our medical professionals amidst a tranquil setting. Some of these treatments include laser skin treatment, non-surgical facelifts, fillers, non-invasive body contouring and various skincare products.

COMPLETE HEALTHCARE INTERNATIONAL

Complete Healthcare International (CHI) is an integrated medical centre that is dedicated to providing comprehensive healthcare of the highest standard to international and local clientele, in a caring, professional and attentive environment. CHI is now co-located with a complete imaging facility that allows urgent assessments like an urgent care service in a hospital, carrying out diagnostics test on-the-spot, if required.

CHI also aims to create a distinctly privileged healthcare experience for its patients, with its team of highly qualified doctors, nurses, and staff. By bringing together diagnosis, treatment, care management and health promotion under one roof, we strive to be both your Family and Doctor.

Board of Directors

MR CHARLES WANG CHONG GUANG

Non-Executive Chairman

Mr Wang has many years of experience in corporate finance, mergers and acquisitions, and financial management, of which more than 20 years have been spent with publicly-listed and private companies in the healthcare industry.

Mr Wang is the Group Chief Executive Officer of the Luye Medical Group. He joined Luye Medical Group as the Chief Financial Officer in February 2015 and subsequently became the Group Chief Executive Officer in April 2017. From February 2015 to December 2016, he was also concurrently holding the appointment of Group Vice President of Luye Pharma, where he had overall responsibility for Luye Pharma's merger & acquisitions and capital market activities, including equity and debt-related issuances outside of the PRC.

Mr Wang began his career with Kingston Smith Chartered Accountants in London, United Kingdom from 1988 to 1993, where his last held position was Assistant Audit Manager. He then joined Coopers & Lybrand (subsequently merged with Price Waterhouse to become PriceWaterhouse Coopers) in Hong Kong in October 1993 as a Corporate Finance Manager. In December 1995, Mr Wang joined Hanson Pacific Limited, the Asia Pacific headquarters of Hanson Plc, an industrial conglomerate previously listed in the United Kingdom, as Finance Director. In June 1999, he joined Asia Renal Care Limited, a healthcare services company which specialises in providing kidney dialysis services in the Asia Pacific region, as Chief Financial Officer. In December 2008, he joined Tongjitang Chinese Medicine Limited, a company that specialises in the manufacturing and distribution of modern Chinese medicine and which was previously listed on the New York Stock Exchange, as Chief Financial Officer. From November 2010 to January 2012, he was appointed as the Chief Financial Officer of Trauson Holdings Company Limited, an orthopaedic device manufacturing company previously listed on the Hong Kong Stock Exchange. Subsequently from July 2012 to February 2015, he served as the Chief Financial Officer of China NT Pharma Group Company Limited, a company listed on the Hong Kong Stock Exchange which specializes in the manufacturing and distribution of pharmaceutical products.

As the Chief Financial Officer of the companies that Mr Wang served at, Mr Wang was responsible for, among others, finance, mergers & acquisitions, information technology, company secretarial and investor relations functions of these companies.

Mr Wang obtained a Bachelor's Degree in Economics (Honours) from the University of Leeds in 1988. He is also a member of the Institute of Chartered Accountants of England and Wales since 1991.

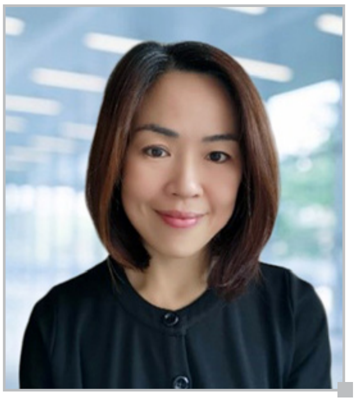
MS AONA LIU

Non-Executive Director

Ms Liu started her career in strategic consulting and has experience in mergers & acquisitions and healthcare management across Singapore, Japan, Australia, and China. She is currently the Executive Chairperson of Luye Medical Group group of companies, the hospital and healthcare services platform of Luye Life Sciences Group Ltd. Luye Medical Group group of companies provides medical services with a focus on specialties such as oncology, cardiology, mental health and rehabilitation. She is also the founding CEO of Philosojoy Singapore Pte. Ltd., a company established to invest in artistic areas and to preserve and promote Asian art, culture and heritage.

Ms Liu holds a Bachelor of Arts in Economics (Honours) and a Master of Arts in Economics (Honours) from the University of Edinburgh and a Master of Science in International Healthcare Management from Imperial College London.

Board of Directors



MS ALICE NG BEE YEE

Independent Director

Ms Ng has more than 20 years of experience in the corporate finance sector, where she was involved in initial public offerings and reverse takeover transactions, as well as other financial advisory transactions and continuing sponsorships. Since June 2022, Ms Ng is the Head of Finance at Golden Energy And Resources Limited, a company listed on the Mainboard of the Singapore Exchange. Prior to this, Ms Ng was Director of Continuing Sponsorship at ZICO Capital Pte. Ltd., and advised Catalist-listed companies on compliance with the SGX-Catalist Rules. Ms Ng had also held various positions as Director of Corporate Finance / Continuing Sponsorship in Canaccord Genuity Singapore Pte. Ltd. (formerly known as Collins Stewart Pte. Limited), Director of Corporate Finance in CIMB Bank Berhad, Assistant Vice President (Capital Market Group) in Philip Securities Pte Ltd, and Assistant Vice President (Corporate Finance Department) in Hong Leong Finance Limited. She was also involved in compliance and audit work from July 1998 to March 2001.

Ms Ng graduated from Nanyang Technological University with a Bachelor of Accountancy in 1998.

MR CHUA KENG WOON

Independent Director

Mr Chua has over 16 years of experience in the banking and finance industry. He served as an advisor to Secured Capital Singapore Pte Ltd, a company engaged in mezzanine financing services, from January to November 2018. From 2008 to 2016, Mr Chua was with Canaccord Genuity Singapore Pte Ltd (formerly known as Collins Stewart Pte. Limited). He last held the position of Senior Director, Equity Capital Market and was primarily involved in corporate advisory and fund raising activities for companies. Prior to that, Mr Chua had held various posts as Associate Director of Capital Market Group in Philip Securities Pte Ltd, Assistant Vice President, Corporate Finance in Hong Leong Finance Limited, Manager, Corporate Finance in UOB Asia Limited, Manager in Capital Equity Markets in DBS, Bank Limited, as well as Senior Officer - Inspectorate Department in the Stock Exchange of Singapore. He is also an independent director of Hai Leck Holdings Ltd.

Mr Chua graduated from Nanyang Technological University with a Bachelor of Business Degree majoring in Financial Analysis in 1996. He is a CFA charterholder and member of CFA Institute.

MR LEONG YEW MENG

Independent Director

Mr Leong brings with him more than 30 years of experience in the healthcare industry.

Mr Leong started his healthcare career in 1989 at Singapore General Hospital, before he went on to serve as Chief Operating Officer at the National University Hospital from 1994 to 2000. He joined Thomson Medical Group as its Group Chief Executive Officer in 2000. In 2002, he was appointed Chief Executive Officer of Woodbridge Hospital/Institute of Mental Health, a role he held from 2002 to 2011. In 2009, he was concurrently appointed Chief Executive Officer of National Healthcare Group Polyclinics and stayed on until 2014.

In 2016, Mr Leong was appointed Chief Executive Officer (Greater China) and had provided leadership for Parkway Pantai Ltd's operations in China and Hong Kong including its primary care clinics in Shanghai, Beijing, Suzhou and Hong Kong and development of new hospital projects in Chengdu, Hong Kong, Nanjing and Shanghai. He left Parkway Pantai Ltd in 2017 to join Shanghai Fosun Hospital Investment (Group) Co. Ltd. as its Chief Executive Officer to spearhead the operations and management of its eight hospitals and several new hospital development projects in various cities in China. He also served as a board member of United Family Health, a leading high-end premier healthcare brand in China with seven hospitals and more than 20 clinics in Beijing, Shanghai, Tianjin, Guangzhou, Qingdao, and Hainan Island. He left Shanghai Fosun Hospital Investment (Group) Co. Ltd. in February 2019 to return to Singapore.

Mr Leong has a Bachelor of Mechanical Engineering degree and a Master of Business Administration degree (MBA) from the National University of Singapore. He also attended the Advanced Management Program at Wharton School, University of Pennsylvania.

Senior Management & Clinician Leaders

MR ARIFIN KWEK ZHI BIN

B. Engineering, B. Economics, MBA
Chief Executive Officer

Mr Kwek has more than 20 years' experience in the healthcare industry covering operations, marketing and business development.

Before joining AsiaMedic in June 2022, Mr Kwek was the Managing Director of Lifescan Imaging Centre and Lifescan Medical Centre, subsidiaries of Singapore Medical Group ("SMG") and was responsible for managing the diagnostic imaging and health screening business of SMG (2015 to June 2022). Mr Kwek also served as Senior Vice President of SMG during which he was responsible for the group's patient, physician, insurance and corporate networks (2011 to 2019).

Before joining SMG, Mr Kwek held the positions of Director of Operations at International Cancer Specialists (2008 to 2011) and Senior Manager for Corporate Marketing at Parkway Hospitals Singapore (2001 to 2008). Mr Kwek holds a Master of Business Administration (MBA) from the Australian National University (Australia). He also attended Harvard Medical School's Southeast Asia Healthcare Leadership program (2019-2020).

MR STANLEY WOO

B. Com.
Group Financial Controller

Mr Woo oversees the Group's finance, accounting and taxation functions. He joined the Group in 2009. Before joining the Group, he worked as a financial controller in listed companies. He also has auditing experience. He holds a Bachelor of Commerce degree from the University of Melbourne and is a member of the Institute of Singapore Chartered Accountants.

DR LIM PUAY JOO

MBBS, FRCR (UK)
Consultant Radiologist & Medical Director
Advanced Imaging Centre

Dr Lim graduated from the National University of Singapore in 2005 before obtaining his fellowship from the Royal College of Radiologists, London in 2012. Subsequently, he qualified as a Specialist in Diagnostic Radiology in 2015 and commenced specialist practice as a Consultant in the Department of Radiology, Ng Teng Fong General Hospital. Since 2018, he has been in private practice. Dr Lim is conversant and highly experienced in reading Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) studies. He has a special interest in musculoskeletal radiology.

DR FIONA CHANG

MD (Taiwan), MRCP (Glasgow)
Asst. Medical Director
Complete Healthcare International Pte Ltd

Dr Chang obtained her medical degree from Chang Gung University, Taiwan 2011 and subsequently completed her post-graduate training in Internal Medicine, Singapore. In 2015, Dr Chang attained the Membership of the Royal College of Physician (MRCP), Glasgow, United Kingdom and had since been practicing medicine in the Singapore restructured hospitals drawing experience in renal medicine, respiratory medicine, cardiology and dermatology. Her areas of interest are preventive medicine, chronic disease management and minor surgical procedures.

DR YONG ZHI YONG

MBBS (Singapore), Graduate Diploma in Family Medicine (Singapore)
Head of Department & Medical Director
AsiaMedic Astique The Aesthetic Clinic

Dr Yong obtained his medical degree from the National University of Singapore. He subsequently obtained a Graduate Diploma in Family Medicine (GDFM) and completed all the certificates of competency (COC) in administering botulinum toxin injection, chemical peels, dermal fillers, facial threads, laser for treating skin pigmentation and intense pulsed light, among others. He keeps abreast of the latest medical technologies through conferences and private trainings. Through this, Dr Yong ensures that the highest standards of clinical quality and patient safety are met, and only recommends technologies that have sound clinical evidence to his patients. Dr Yong believes in using minimally invasive approach in treating various skin conditions to enhance a person's natural beauty and delaying the signs of ageing.

Chairman's Statement

CHARLES WANG
Non-Executive Chairman

DEAR SHAREHOLDERS

The Group entered FY2022 with certain uncertainties due to the completion of major imaging and health screening projects in FY2021. Confronted with such challenges, the Group took proactive steps to pursue other business opportunities. I am pleased to report that the Group ended the year with a commendable performance. The Group's revenue increased by $0.6 million or 3% to $18.9 million for FY2022, from $18.3 million for FY2021. The Group recorded a profit of $2.2 million in FY2022 due mainly to a net writeback of non-cash impairment charge of $1 million.

WELLNESS BUSINESS

Over the years, AsiaMedic's executive health screening centre has consolidated its reputation as one of the leading health screening providers in Singapore. It is located in a prime location at the intersection of Orchard Road and Scotts Road, is fully equipped with advanced diagnostic imaging equipment and staffed by trained doctors and personnel. During the year, we made special efforts to optimise our workflow and to ensure that we maintained proper staffing levels. These enabled us to support a higher volume of business at the year-end peak season. I mentioned in last year's letter to shareholders that the Group is no longer the sole provider of school-based health screening and vaccination services from January 2022, which would have an impact on the revenue and earnings of the onsite healthcare business in FY2022. In view of this, the onsite healthcare team worked on sourcing for new projects. It is noteworthy that the team was successful in securing and completing other projects which mitigated the lower contribution from the schools.

IMAGING BUSINESS

The performance of the imaging business improved in FY2022 due mainly to a higher volume of diagnostic imaging scans from referrals by specialist clinics as a result of foreign patients returning to Singapore post-pandemic. A significant proportion of our imaging business is from referrals by specialist clinics. The provision of MRI scanning services for restructured hospitals also increased in the second half of FY2022. Our continued selection by the restructured hospitals demonstrates our capability to meet demanding standards. As a result of the improved utilisation rate of the imaging equipment, there was a writeback of non-cash impairment charge for the imaging business' plant and equipment and right-of-use assets (for lease of premises) of $1.9 million.

Chairman's Statement

AESTHETIC AND INTERNATIONAL CLINIC BUSINESSES

Revenue from the aesthetic business and the international clinic business decreased in FY2022, due mainly to the attrition of doctors and the drop in Covid-related tests as Covid restrictions were gradually relaxed, respectively. A non-cash impairment loss for plant and equipment and goodwill relating to the aesthetics business of \$0.4 million and \$0.5 million respectively was recognised after taking into consideration that the business has been loss-making as the level of activity of the aesthetic business has not recovered to pre-pandemic levels.

OUTLOOK

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 should be mindful that the revenue of our onsite healthcare business may fluctuate from year to year due to the inherent nature of project-based contracts. 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 information technology (IT) infrastructure and adopting new digital and artificial intelligence (AI) technology to enhance our patients' experience, improve workflows, efficiency, and patient care.

IN APPRECIATION

Our businesses only exist owing to the support and trust of our many patients and clients. To them, I express our heartfelt gratitude. To all our staff, I am grateful for their sacrifices, dedication, and hard work throughout the year. I would also like to thank the Board of Directors for their invaluable guidance. Last, but most certainly not least, I thank our valued shareholders for their continuing support.

AsiaMedic celebrated its 25th anniversary in FY2022. I look forward to many more successful years with all our stakeholders.

CHARLES WANG
Non-Executive Chairman

Financial Review

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. Imaging business improved in FY2022 due to higher volume of MRI scans from restructured hospitals and the return of foreign patients to Singapore. Wellness business improved in FY2022, 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 FY2022, due mainly to attrition of doctors and the drop in Covid-related tests, respectively.

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.

With the increase in revenue, consumables used 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 $0.2 million or 18% to $1.0 million in FY2022 following the non-cash impairment made for the right-of-use assets and plant and equipment relating to the imaging business in FY2021. The increase in finance costs of $0.1 million or 66% 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. There was a net reversal of non-cash impairment charges which resulted in a gain of $1 million in FY2022 as compared to a non-cash impairment charge of $0.9 million in FY2021. Reversals of non-cash impairment charges for imaging equipment and right-of-use assets (relating to lease of premises) of $0.6 million and $1.3 million respectively were made taking into consideration the improvement in the performance of the imaging business. A non-cash impairment loss on plant and equipment and goodwill relating to the aesthetics business totalling $0.9 million was recognised in FY2022 after taking into consideration the aesthetics business has been loss-making as the demand for aesthetic services has not recovered to pre-pandemic levels. 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 $2.2 million in FY2022, as compared to a profit of $0.7 million in FY2021.

CONSOLIDATED BALANCE SHEET

Non-Current Assets

Non-current assets increased to $10.2 million as at 31 December 2022, from $6.7 million as at 31 December 2021. Plant and equipment increased to $1.5 million as at 31 December 2022 from $0.6 million as at 31 December 2021 due to the net reversal of non-cash impairment charges and capital expenditure in FY2022. Right-of-use assets increased to $6.5 million from $3.7 million as at 31 December 2021 due to the reversal of non-cash impairment charges and 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. The decrease in goodwill was due to the non-cash impairment charges in relation to the aesthetics business recognised in FY2022 as mentioned above.

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 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.

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 plant and equipment in FY2022.

Financial Highlights

	2018	2019	2020	2021	2022
	S$	S$	S$	S$	S$
Revenue	18,828,662	18,989,960	15,279,133	18,255,133	18,882,431
Profit/(Loss) before taxation	(4,043,913)	(588,233)	(4,295,166)	715,031	2,186,023
Net profit/(loss) after tax attributable to owners of the Company	(4,774,824)	(588,233)	(4,295,166)	715,031	2,186,023
Share capital and reserves	4,376,695	3,813,674*	8,040,118	8,750,132	10,941,172

	Cents	Cents	Cents	Cents	Cents
Earnings/(loss) per share - Basic	(1.22)	(0.15)	(0.39)	0.06	0.20
- Diluted	(1.22)	(0.15)	(0.39)	0.06	0.20
Net asset value per share	1.12	0.98	0.72	0.78	0.98

* On 14 January 2020, the Company raised net proceeds of $8,523,000 in connection with its Rights Issue.

Group Structure

SUBSIDIARIES (100%)

The Orchard Imaging Centre Pte Ltd
AsiaMedic Heart & Vascular Centre Pte Ltd
AsiaMedic PET/CT Centre Pte Ltd
AsiaMedic Wellness Assessment Centre Pte Ltd
Complete Healthcare International Pte Ltd
AsiaMedic Astique The Aesthetic Clinic Pte Ltd
AMC Healthcare Pte Ltd*
AsiaMedic Eye Centre Pte Ltd*

* Inactive

ASSOCIATE (33%)

Positron Tracers Pte Ltd

Corporate Information

BOARD OF DIRECTORS
Mr Charles Wang Chong Guang
(Non-Executive Chairman)

Ms Aona Liu
(Non-Executive Director)

Ms Alice Ng Bee Yee
(Independent Director)

Mr Chua Keng Woon
(Independent Director)

Mr Leong Yew Meng
(Independent Director)

AUDIT AND RISK MANAGEMENT COMMITTEE
Ms Alice Ng Bee Yee (Chairperson)
Mr Chua Keng Woon
Mr Charles Wang Chong Guang

REMUNERATION COMMITTEE
Mr Leong Yew Meng (Chairman)
Ms Alice Ng Bee Yee
Mr Charles Wang Chong Guang

NOMINATING COMMITTEE
Mr Chua Keng Woon (Chairman)
Mr Leong Yew Meng
Ms Aona Liu

EXECUTIVE COMMITTEE
Mr Charles Wang Chong Guang
Mr Arifin Kwek
Mr Stanley Woo

REGISTRAR AND SHARE TRANSFER OFFICE
KCK CorpServe Pte Ltd
1 Raffles Place
#04-63 One Raffles Place (Tower 2)
Singapore 048616

COMPANY SECRETARY
Ms Foo Soon Soo

AUDITORS
Baker Tilly TFW LLP
600 North Bridge Road
#05-01 Parkview Square
Singapore 188778

Partner-in-charge: Mr Chan Sek Wai, Jeremy
(A practising member of Institute of Chartered Accountants of Singapore)
(Date of appointment: since financial year ended 31 December 2022)

REGISTERED OFFICE
350 Orchard Road
#08-00 Shaw House
Singapore 238868
Tel: (65) 6789 8888
Fax: (65) 6738 4136
Email: info@asiamedic.com.sg
Website: www.asiamedic.com.sg

PRINCIPAL BANKER
DBS Bank Ltd

CATALIST SPONSOR
Xandar Capital Pte Ltd
3 Shenton Way
#24-02 Shenton House
Singapore 068805

Corporate Governance Report

The Board of Directors of AsiaMedic Limited (the "Company") and together with its subsidiaries, (the"Group") is committed to ensuring that high standards of corporate governance and transparency are practised for the interest of all shareholders. This report describes the Group's governance practices that were in place during FY2022, with specific reference to the principles and the provisions of the Code of Corporate Governance 2018 (the "Code") issued on 6 August 2018 and accompanying Practice Guidance (updated on 29 June 2021) which forms part of the continuing obligations of the Catalist Rules. The Board is pleased to report that, for FY2022, the Company has complied in all material aspects with the principles and provisions set out in the Code. Where there are deviations from the provisions of the Code, appropriate explanations have been provided and how the practices the Company had adopted are consistent with the intent of the relevant principle of the Code. The Company will continue to assess its needs and implement appropriate measures accordingly.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long term success of the company.

The Board of Directors (the "Board") comprises five Directors, has the appropriate mix of core competencies and diversity of experience to direct and lead the Company. As at the date of this report, the Board comprises the following members:

		Date of appointment as Director
Mr Charles Wang Chong Guang	Non-Executive Chairman	22 March 2019
Ms Aona Liu	Non-Executive Director	11 February 2022
Ms Alice Ng Bee Yee	Independent Director	29 April 2021
Mr Chua Keng Woon	Independent Director	15 August 2018
Mr Leong Yew Meng	Independent Director	16 July 2020

Provision 1.1
Board's role

The primary role of the Board is to lead and control the Group. It provides entrepreneurial leadership and sets the strategies of the Group (comprising the Company and its subsidiaries). The Board sets directions and goals for the Management (comprising the key executive officers of the Group) which include appropriate focus on value creation, innovation and sustainability. The Board believes that focus on sustainability will place the Group in a better position to create value for shareholders while looking after the broader stakeholder community.

The Board also reviews to ensure that the Group has the necessary financial and human resources in place to meet the goals and objectives. The Board is responsible for establishing and maintaining a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and company performance. The Board supervises the Management and monitors its performance.

The Board is responsible for the overall corporate governance of the Group including instilling an ethical corporate culture and ensuring that the Company's values, standards, policies and practices are consistent with the culture. The Board has put in place a code of conduct and ethics which require the Directors facing conflicts of interest to recuse themselves from discussion and decisions involving the issues of conflict. The Board also adopted internal guidelines governing matters that require the Board's approval.

Corporate Governance Report

Provision 1.2
Scope of director's duties

The Board is accountable to the shareholders and the Directors are aware of their duties at law which require them to act in good faith and the best interests of the Company and to comply with the Catalist Rules. The Directors have each signed the respective undertaking in the form set out in Appendix 7H of the Catalist Rules to undertake to use their best endeavours to comply with the Catalist Rules and to procure that the Company shall so comply. The Directors have also procured a similar undertaking by the Chief Executive Officer and the Group Financial Controller in their capacity as Executive Officers for FY2022.

Induction, training and development of new and existing directors

The Company has in place an orientation process. A new incoming Director is issued a formal letter of appointment setting out his/her duties and obligations.

The new Director will also be briefed by the other Directors and the Management on the Group's strategic direction, corporate governance practices, business and organisation structure, and industry-specific knowledge. The new Director will also be introduced to the senior management to facilitate independent communication channels between the new Director and the senior management.

Ms Aona Liu, who was appointed to the Board in FY2022, attended the relevant Listed Entity Director Programme modules conducted by the Singapore Institute of Directors.

The Nominating Committee reviews and makes recommendations on the training and professional development programs to the Board as and when applicable.

On at least a half yearly basis, and as and when appropriate, the Board is briefed:

(1) By the Company Secretary and/or the external auditors on the financial, legal and regulatory requirements which include the following:

   (a) directors' duties in respect of the Group's financial statements;

   (b) provisions under the Catalist Rules;

   (c) provisions of the Companies Act 1967;

   (d) Code of Corporate Governance; and

   (e) financial reporting standards relevant to the Group.

(2) By the Management on the business environment and outlook for the Group's operations.

Provision 1.3
Internal guidelines on matters requiring Board's approval

Besides matters which are specifically required to be approved by the Board by statutes, the Company's Constitution, and the Catalist Rules, material transactions that require the Board's approval, amongst others, are:

(a) corporate strategies and initiatives;

(b) acquisitions, disposals, investments, and divestments of assets (which include equity, debt, business undertakings, and options to acquire/dispose of assets);

(c) internal controls, audit, risk management, and corporate governance practices;

Corporate Governance Report

(d) financial plans and budgets;

(e) capital structure and funding decisions;

(f) financial reports (including financial statements announcements and Annual Reports);

(g) accounting, financial, and remuneration policies and practices;

(h) material contracts, guarantees and commitments;

(i) conflicts of interest (where permitted by the Company's Constitution), related party transactions, and interested person transactions; and

(j) resolutions and corresponding documentation to be put forward to shareholders at general meetings.

The Board has delegated to the EXCO (as defined herein and its role further elaborated in the ensuing section) the authority to approve such expenditures up to a certain threshold.

All Directors are obliged to exercise due diligence and independent judgment, and make decisions objectively in the interests of the Group.

Provision 1.4
Delegation of authority to board committees

As at the date of this report, the Board comprises five members, of whom two are Non-Executive Directors and three are Independent Directors.

Name of Director	Board		Board Committees		
	Non-Executive Directors	Independent Directors	ARMC	RC	NC
Mr Charles Wang Chong Guang	Chairman	–	Member	Member	–
Ms Aona Liu	Member	–	–	–	Member
Ms Alice Ng Bee Yee	–	Member	Chairman	Member	–
Mr Chua Keng Woon	–	Member	Member	–	Chairman
Mr Leong Yew Meng	–	Member	–	Chairman	Member

The Board has formed the Audit and Risk Management Committee ("ARMC"), the Nominating Committee ("NC"), the Remuneration Committee ("RC") and the Executive Committee ("EXCO") (collectively, the "Board Committees" or individually, a "Board Committee") to assist in carrying out and discharging its duties and responsibilities efficiently and effectively.

These Board Committees function within clearly defined terms of reference and operating procedures including procedures for dealing with conflicts of interest. A Board Committee member is required to disclose his interest and recuse himself from discussions and decisions involving a conflict of interest. The effectiveness of each Board Committee is constantly reviewed by the Board.

The information on the ARMC, RC and NC are disclosed in this report below.

Corporate Governance Report

EXCO

The objectives of the EXCO, amongst others, are to assist the Board in the following:

(a) Consider the Group's business plan and annual budget;

(b) Consider the overall performance of the Group and provide recommendations to enhance performance;

(c) Providing direction and guidance to the Management and overseeing the Management's performance; and

(d) Facilitating decision making by the Board relating to important strategic and major operational issues faced by the Group, by making recommendation and proposal to the Board.

The members of the EXCO are:

Mr Charles Wang Chong Guang	Non-Executive Chairman
Dr Wong Kae Thong (to 2 April 2022)	Chief Operating Officer ("COO")
Mr Arifin Kwek (from 20 June 2022)	Chief Executive Officer ("CEO")
Mr Stanley Woo	Group Financial Controller ("GFC")

Provision 1.5
Meetings of Board and board committees

The following table discloses the number of meetings held for Board and Board Committees and the attendance of the Directors in FY2022:

	Types of meetings			
	Board	**ARMC**	**RC**	**NC**
Mr Charles Wang Chong Guang	5/5	–	1/1	–
Ms Aona Liu (1)	5/5	–	–	1/1
Ms Alice Ng Bee Yee	5/5	2/2	1/1	–
Mr Chua Keng Woon	5/5	2/2	–	1/1
Mr Leong Yew Meng	5/5	–	1/1	1/1

(1) Appointed on 11 February 2022.

In addition to the above formal meetings, the Directors also had discussions in the financial year.

The NC takes into consideration other listed board representations held by the Directors and ensures that Directors give sufficient time and attention to the affairs of the Group. While the Board considers Directors' attendance at Board meetings as important, it should not be the only criterion to measure their contributions. The Board also takes into account the contributions by Board members in other forms including periodical reviews, provision of guidance and advice on various matters relating to the Group.

The Constitution of the Company provides for Directors to conduct meetings by teleconferencing or videoconferencing. When a physical meeting is not possible, timely communication with members of the Board can be achieved through electronic means. The Board and Board Committees may also make decisions through circular resolutions.

Corporate Governance Report

Provision 1.6
Board's access to information

All Directors have access to complete and adequate information on timely basis. All Directors are from time to time furnished with information concerning the Group to enable them to be fully cognizant of the decisions and actions of the Management. The Board has unrestricted access to the Group's records and information. As a general rule, Board and Board Committee papers are circulated at least three business days prior to the meeting. The Board receives monthly financial reports by the Management which includes explanations on material variances between projections and actual results.

The Management are available to provide explanatory information in the form of briefings or formal presentations to the Directors in attendance at Board meetings.

Provision 1.7
Board's access to Management, Company Secretary and external advisers

The Board has separate and independent access to the Company Secretary and the Management at all times in carrying out their duties. The Company Secretary attends all meetings of the Board and the Board Committees of the Company, and ensures that relevant Board and Board Committee procedures are followed and that applicable rules and regulations are complied with. The minutes of all Board and Board Committee meetings are circulated to the Board. The appointment and removal of the Company Secretary is subject to the approval of the Board.

Each Director also has separate and independent access to external advisers engaged by the Group and has the right to seek independent legal and other professional advice, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfil their duties and responsibilities as Directors.

BOARD COMPOSITION AND BALANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1
Independence of directors

The criterion for independence is based on the definition given in the Code. The Code has defined an "independent" director as one who has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to the best interests of the Group. The independence of each Director (including Independent Director) is reviewed annually by the NC, based on the definition of independence as stated in the Code.

Our Independent Directors, Mr Chua Keng Woon, Mr Leong Yew Meng and Ms Alice Ng Bee Yee have also confirmed their independence and that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent judgement with a view to the best interests of the Company. The NC has determined that the Independent Directors constructively challenge and help develop proposals on strategy and review the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance. The NC considers them to be independent. They have abstained from the NC's deliberations of their respective independence. None of the independent Directors have served on Board for more than nine years from the date of their respective appointments.

Corporate Governance Report

Provisions 2.2 and 2.3
Independent element of the Board

The Board consists of five Directors, two of whom are Non-Executive Non-Independent Directors and three are Independent Directors.

The Company satisfies the requirements of Rule 406(3)(c) of the Catalist Rules and the Code as the Board comprises wholly Non-Executive Directors and a majority of the Board is made up of Independent Directors.

Provision 2.4
Composition and diversity of the Board

The Company has in place a Board Diversity Policy, which endorses the principle that the Board should have a balance of skill, knowledge, experience and diversity of perspectives appropriate to its business to promote the inclusion of different perspectives and ideas to ensure effective decision making and governance of the Company and its businesses.

The NC annually reviews and assesses the Board composition and recommends the appointment of new directors, where applicable. For new and continuing appointments, the NC will consider factors such as skills, experience, age, gender, educational and professional background, tenure of service and other relevant attributes. Core competencies, which are taken into account in the selection and appointment of Directors, include but are not limited to business and management experience, industry knowledge, familiarity with regulatory requirements, knowledge of risk management, finance and accounting, audit and internal controls. The NC will ensure that its search for new directors include female candidates with suitable core competencies with the aim to promote gender diversity on the Board.

All Board appointments will be made on merit. The Company aims to build and maintain a Board with a diversity of directors, in terms of the skills, knowledge, experience, independence, age and gender.

The NC has reviewed the current composition of the Board and is of the view that the current Board members comprise persons whose diverse skills, experience and attributes provide for effective direction for the Group, as described below:

	Number of Directors	**Proportion of Board**
Core Competencies		
Accounting / Finance / Corporate governance experience	3	60%
Industry / Customer-based knowledge or experience	3	60%
Business management / Strategic planning experience	3	60%
Age		
> 60	1	20%
51 - 60	2	40%
40 - 50	1	20%
< 40	1	20%
Gender		
Male	3	60%
Female	2	40%

Corporate Governance Report

Provision 2.5
Role of non-executive directors

In FY2022, the Board comprises only Non-Executive Directors and Independent Directors. The Board constructively challenge and help develop both the Group's short-term and long-term business strategies. The Management's progress and performance in implementing such agreed business strategies are reported to the Board regularly.

During the financial year, the Board meets as and when a need arose without the presence of the Management to discuss the affairs of the Group. The Company also benefited from the Management's ready access to the Directors for guidance and exchange of views both within and outside the formal environment of the Board and Board Committee meetings.

The Board had one meeting without the presence of the Management in FY2022.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1
Separate roles of Chairman and Chief Executive Officer

The roles of Chairman and CEO are separate.

Provision 3.2
Roles and Responsibilities of the Chairman

The roles of the Chairman and CEO are separate and distinct, each having his own areas of responsibilities.

The Chairman chairs the meetings of the Board and ensures effectiveness of the Board including setting agenda for Board meetings with input from the Management, and ensures that there is sufficient allocation of time for thorough discussion of each agenda item, promoting open environment for debate, and ensuring that all the Directors are able to speak freely and contribute effectively.

The CEO (who joined the Group in June 2022) headed the Management and is responsible for the day-to-day management and business affairs of the Group since his joining. The CEO reports to the Board and is responsible for ensuring that policies and strategies adopted by the Board are implemented.

Provision 3.3
Lead independent director

The Board has considered the Group's current business scale and operations. The Board also noted that the entire Board comprises non-executive directors and three out of its five board members are Independent Directors. All Directors individually and collectively are available to shareholders as a channel of communication between shareholders and the Board or the Management. Given the size of the Board and that all the Board members are non-executive with a majority of the Board members independent, there is no need for a Lead Independent Director ("LID"). The Board will review the need for the appointment of a LID periodically.

Corporate Governance Report

BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provisions 4.1 and 4.2
Nominating Committee

The NC comprises three members, a majority of whom are independent. The members of the NC are:

Mr Chua Keng Woon	Chairman	Independent Director
Mr Leong Yew Meng	Member	Independent Director
Ms Aona Liu (from 18 February 2022)	Member	Non-Executive Director

The NC has written terms of reference, under which the key functions of the NC are as follows:

(a) review of succession plans for directors and key management personnel, in particular, the Chairman and the CEO;

(b) develop a process for evaluation of the performance of the Board, its Board Committees and Directors, and undertake assessment of the effectiveness of the Board, Board Committees and Directors, including reviewing multiple board representations of directors where applicable;

(c) review the training and professional development programs for the Board;

(d) recommend to the Board the appointment and re-appointment of Directors; and

(e) assess the independence of Independent Directors.

The NC will review Board succession plans for Directors and will seek to refresh the Board membership in an orderly manner where it deems applicable.

Provision 4.3
Process for the selection and appointment and re-appointment of directors

The NC will conduct an annual review of the composition of the Board in terms of the size, mix of skills and qualifications and diversity of Board members. It may, if it deems appropriate, recommend the appointment of additional directors to strengthen the composition of the Board or as part of ongoing Board renewal process. The NC will review and identify the desired competencies for a new appointment.

Where there is a resignation or retirement of an existing director, the NC will re-evaluate the Board composition to assess the competencies for the replacement. Once the NC has determined the desired competencies for an additional or replacement director to complement the skills and competencies of the existing Directors, it will submit its recommendations to the Board for approval. Candidates are first sourced through a network of contacts and identified based on the established criteria. Recommendations from the Directors and the Management are the usual source for potential candidates. Where applicable, search through external search consultants can be considered.

The NC will shortlist candidates and conduct formal interviews with each of them to assess their suitability and to verify that the candidates are aware of the expectations and the level of commitment required. The sponsor will also interview the candidates for their suitability as directors. Finally, the NC will make recommendations on the appointment(s) to the Board for approval.

The Constitution of the Company requires a Director appointed by the Board to hold office only until the next Annual General Meeting and shall be eligible for re-election.

Corporate Governance Report

The Constitution of the Company requires one-third of the Board to retire from office at each AGM. Accordingly, the Directors will submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Mr Chua Keng Woon and Mr Leong Yew Meng will retire by rotation at the forthcoming AGM pursuant to Regulation 89 of the Constitution of the Company and will be seeking re-election.

In accordance with Catalist Rule 720(5), the information as set out in Appendix 7F on these Directors are provided together with the resolutions on their proposed re-election.

Provision 4.4
Determining directors' independence

Each Director completes a checklist to confirm his independence on an annual basis. The NC has reviewed the independence of the Directors as mentioned under Provision 2.1.

Provision 4.5
Multiple board representations

The NC considers and it is of the view that it would not be appropriate to set a limit on the number of directorships that a Director may hold because Directors have different capabilities, and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities, and for each Director to personally determine the demands of his or her competing directorships and obligations and assess the number of directorships they could hold and serve effectively.

The NC has considered other listed board representations held by the Directors to satisfy itself that the Directors give sufficient time and attention to the affairs of the Group.

<u>Key information on Directors</u>

Particulars of interests of Directors, who held office at the end of the financial year, in shares in the Company and in related corporations (other than wholly-owned subsidiaries) are set out in the Directors' Statement of the Annual Report.

Other key information of each member of the Board including directorships and chairmanships in other listed companies, other major appointments, and academic/professional qualifications can be found in the Board of Directors' profile section of the Annual Report.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2
Conduct of Board performance

The NC examines the Board's size to satisfy that it is appropriate for effective decision making, taking into account the nature and scope of the Group's operations.

The NC has reviewed and evaluated the performance of the Board as a whole, taking into consideration the attendance record at the meetings of the Board and Board Committees and also the contribution of each Director to the effectiveness of the Board. Notwithstanding that some of the Directors have multiple board representations, the NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group.

Corporate Governance Report

This process includes having the Directors complete a performance evaluation form seeking their evaluation on various aspects of board performance, such as the Board's level of governance, effective delegation to the Board Committees, leadership and accountability, which are the same performance criteria used in previous evaluation. The individual Directors also complete a self and peer assessment form. The Company Secretary compiles the Board and individual Directors' evaluation into a consolidated report. The report is discussed at the NC meeting and also shared with the entire Board.

The NC has reviewed the evaluations of the Board and individual Directors and is satisfied that the Board and each of the Board Committees have been effective in the conduct of its duties and the Directors have each contributed to the effectiveness of the Board and the Board Committees.

The individual Director is assessed on his knowledge of the Group's business and operations, business acumen, knowledge of corporate governance, contribution and engagement, communication and integrity. The Chairman will act on the results of the performance evaluation, and, in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or seek the resignation of directors.

Where a Director has multiple board representations, the NC will evaluate whether or not the Director is able to carry out and has been adequately carrying out his duties as a Director of the Company. For the current year, the Board is satisfied that each Director has allocated sufficient time and resources to the affairs of the Company.

The Company does not use any external professional facilitator for the assessments of the Board, Board Committees and individual Directors, and will consider the use of such facilitator as and when appropriate.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions 6.1 and 6.2
Remuneration Committee

The RC comprises three members, all of whom are Non-Executive and a majority of whom are Independent Directors, including the Chairman of the RC. The members of the RC are:

Mr Leong Yew Meng	Chairman	Independent Director
Ms Alice Ng Bee Yee	Member	Independent Director
Mr Charles Wang Chong Guang	Member	Non-Executive Director

The RC carried out its duties in accordance with the terms of reference which include the following among other things:

(a) review and recommend to the Board a framework for remuneration for the Directors, CEO, COO (if applicable) and key management personnel of the Group;

(b) review and recommend Directors' fees for Non-Executive Directors (including Independent Directors) for approval at the AGM;

(c) determine specific remuneration packages for each executive director (if applicable), CEO, COO (if applicable) as well as key management personnel;

Corporate Governance Report

(d) review the Group's obligations arising in the event of termination of the executive directors', CEO's, COO's and key management personnel's contracts of service (if any), to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous; and

(e) review the remuneration of employees who are immediate family members of Directors, CEO, COO or substantial shareholders to ensure that the remuneration of each of such employee commensurates with his or her duties and responsibilities, and no preferential treatment is given to him or her.

Provision 6.3
Review of remuneration

There were no Executive Directors in FY2022. There are no termination and retirement benefits that may be granted to the CEO, COO or any key management personnel.

All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses and benefits in-kind, will be covered by the RC. Each RC member will abstain from voting on any resolution in respect of his remuneration package. The recommendations of the RC will be submitted to the Board for endorsement.

Provision 6.4
Engagement of remuneration consultants

The RC will be provided with access to expert professional advice on remuneration matters as and when necessary. The expenses of such services shall be borne by the Company. No such consultant was engaged in FY2022.

The RC may seek expert advice on Directors' remuneration matters when necessary.

LEVEL, MIX AND DISCLOSURE OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1
Remuneration of executive directors and key management personnel

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and in comparable companies.

There were no Executive Directors in FY2022. The CEO and COO were paid a basic salary, responsibility allowances and performance-related variable bonus pursuant to their service agreements. The GFC was paid a basic salary and performance-related variable bonus pursuant to his respective service agreement. The factors for paying the variable bonus are the Group's performance and the performance of the personnel which contributed to the Group's performance.

The Company does not have any contractual provisions in the employment contracts for the Company to reclaim incentive components of remuneration from the CEO, COO or key management personnel. The Board is of the view that as the Group pays bonuses based on the actual performance (and not on forward-looking results or targets) of the operating unit as well as the individual, "claw-back" provisions are not relevant or appropriate.

The RC has reviewed the remuneration framework of the key management personnel to ensure that their compensation aligns with the long term interest of the Group.

Corporate Governance Report

Provision 7.2
Remuneration of non-executive directors

Non-Executive Directors and Independent Directors do not have service contracts. Their fee comprises a basic retainer fee and additional fees for appointment to Board Committees in accordance with their level of responsibilities as chairman or member of the Board Committees or other additional duties.

The RC has reviewed the fee structure for the Non-Executive Directors and Independent Directors as being reflective of their responsibilities and work commitments and recommends the Directors' fee for FY2022 for shareholders' approval at the AGM.

Provision 7.3
Appropriate remuneration to attract, retain and motivate key management personnel and directors

The Company has in place a share option scheme, namely the AsiaMedic Employee Share Option Scheme 2016. Non-Executive Directors (including Independent Directors) are also eligible for participation in the above scheme. The scheme is meant to attract, retain and motivate key management personnel and where applicable, such Directors.

DISCLOSURE OF REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1
Remuneration report

The performance of all staff (including key management personnel) are evaluated annually. Key performance indicators of key management personnel include their departmental performance, operational efficiencies and cost controls. The overall assessment of the key management personnel as well as their remuneration package are submitted to the RC for review.

The Company does not have any Executive Directors. Non-Executive Directors are paid fees comprising a basic retainer fee and additional fees for appointment to Board Committees in accordance with their level of responsibilities as chairman or member of the Board Committees or other additional duties.

Directors

The remuneration of Directors in FY2022, which comprise solely Directors' fee for all five Non-Executive Directors of the Company, aggregated $169,184 for FY2022. It is not meaningful to disclose the exact fee of each Non-Executive Director.

CEO

	Salary	Allowances	Bonus	Central Provident Fund Contribution	Total
	%	%	%	%	%
Below $250,000					
Mr Arifin Kwek (1)	83	5	7	5	100%

(1) Appointed on 20 June 2022.

Corporate Governance Report

The Board believes that the information disclosed above is sufficient for shareholders to have an adequate appreciation of how the CEO is commensurated. The Group had difficulties sourcing for suitable CEO and did not have a CEO for the period from March 2019 to May 2022. Given the difficulties in sourcing and retaining CEO, the Board believes that it is not in the interest of the Company to disclose exact details of the remuneration of the CEO taking into account the sensitive nature of the subject, the shortage of talent pool, the highly competitive talent market and the risks of such disclosure on the Group. The Company has presented such information in remuneration band as above.

Top five key management personnel (who are not Directors or CEO)

The Group has only two key management personnel in FY2022 based on the Group's organisational structure.

Name of key management personnel	**Salary**	**Allowances**	**Variable Bonus**	**Central Provident Fund Contribution**	**Total**
	%	%	%	%	%
Below $250,000					
Dr Wong Kae Thong (1)	85	–	9	6	100%
Mr Stanley Woo	87	–	7	6	100%

(1) Resigned and ceased as COO on 2 April 2022.

The aggregate remuneration of such key management personnel amounted to $373,000 for FY2022.

Provision 8.2
Employees related to Directors, CEO or substantial shareholders

The Group did not have any employees who are substantial shareholders of the Company, or are immediate family members of a director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds $100,000 in FY2022.

Provision 8.3
Employee share award and share option schemes

The Company has in place an employee share option scheme to allow the Company to have the flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees. No share options were issued in FY2022.

Corporate Governance Report

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1
Risk management and internal controls system

The Board is responsible for the governance of risk and sets the tone and direction for the Group in the way risks are managed in businesses. The Board has ultimate responsibility for approving the strategy of the Group in a manner which addresses stakeholders' expectations and does not expose the Group to an unacceptable level of operational, financial and compliance risks. The Board approves the key management policies and ensures a sound system of risk management and internal controls and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instils the right risk focused culture throughout the Group for effective risk governance.

The Board has approved a Group Risk Management Framework for the identification of key risks within the business. This Framework defines 10 categories of risks pertaining to operational, financial, and compliance risks. Major incidents and violations, if any, are reported to the Board to facilitate the Board's oversight of the effectiveness of crisis management and the adequacy of mitigating measures taken by the Management to address the underlying risks.

The ARMC assists the Board in its risk oversight to ensure that a review of the effectiveness of the Group's material internal controls, including financial, operational and compliance controls and risk management systems, is conducted annually.

<u>Management's responsibilities in risk management</u>

The Management reports to the ARMC on the Group's risk profile, the status of risk mitigation action plans and updates on the following areas:

- Assessment of the Group's key risks by major business units and risk categories.
- Identification of specific risk owners who are responsible for the risks identified.
- Description of the processes and systems in place to identify and assess risks.
- Status and changes in action plan undertaken to manage key risks.
- Description of the risk monitoring and escalation processes and also the control systems in place.

<u>Annual review of risk management and internal control systems</u>

The Board with the assistance of the ARMC has undertaken an annual assessment on the adequacy and effectiveness of the Group's risk management and internal control systems. The assessment considered issues dealt with in reports reviewed by the ARMC and the Board during the year together with any additional information necessary to ensure that the Board has taken into account all significant aspects of risks and internal controls for FY2022.

In order to obtain assurance that the risks are managed adequately and effectively, the Board had reviewed an overview of the risks which the Group is exposed to, as well as an understanding of what counter-measures and internal controls are in place to manage them.

The Management is responsible for designing, implementing and monitoring the risk management and internal control systems in accordance with the policies on risk management and internal controls.

Corporate Governance Report

Provision 9.2
Assurances from CEO and GFC

The Board has obtained a written confirmation from the CEO and the GFC that:

(a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) the risk management and internal control systems are adequate and effective in addressing the operational, financial, compliance, and information technology risks faced by the Group.

Board's comment on adequacy and effectiveness of internal controls and risk management systems

Based on the internal controls and risk management established and maintained by the Group, work performed by the internal and external auditors, whistleblowing policy and reviews performed by the Management, the Board and relevant Board Committees, the Board is of the opinion that the Group's risk management and internal control systems (comprising financial, operational, compliance and information technology controls) for FY2022 are adequate and effective. The ARMC concurs with the Board's opinion based on their reviews of audit findings on internal controls and risks with the internal and external auditors, and the whistle blowing policy and procedures which are in place.

The Board notes that the system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provisions 10.1 and 10.2
Audit and Risk Management Committee

The ARMC comprises three members, all of whom are Non-Executive and the majority of whom are Independent Directors. The ARMC comprises the following members:

Ms Alice Ng Bee Yee	Chairperson	Independent Director
Mr Chua Keng Woon	Member	Independent Director
Mr Charles Wang Chong Guang (from 18 February 2022)	Member	Non-Executive Director

The members of the ARMC have accumulatively extensive experience healthcare, accounting, corporate finance, business management and strategic planning. In addition to the activities undertaken to fulfil its responsibilities, the ARMC is kept up to date by the Management, external and internal auditors on changes to financial reporting and accounting standards, the SGX-ST rules and other codes and regulations which can have an impact on the Group's business and financial statements.

The Board is satisfied that the members of the ARMC have recent and relevant accounting or related financial management expertise or experience to discharge the ARMC's functions.

Corporate Governance Report

Roles, responsibilities and authorities of ARMC

The ARMC functions under the terms of reference which set out the following among other things:

(a) to review the audit plans of both the internal and external auditors;

(b) to review the auditors' reports and their evaluation of the Group's system of internal controls;

(c) to review the co-operation given by the Group's officers to the internal and external auditors;

(d) to review the effectiveness, adequacy, independence, scope and results of the external audit and the internal audit;

(e) to review the financial statements of the Group with external auditors and to receive assurance from the CEO and the CFO (or equivalent) before submission to the Board;

(f) to review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance;

(g) to nominate and review the appointment of the internal and external auditors;

(h) to review interested person transactions and potential conflicts of interest; and

(i) to review arrangements by which the staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting.

The ARMC has the power to conduct or authorise investigations into any matter within the ARMC's scope of responsibility. The ARMC is authorised to obtain independent professional advice if it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Company.

Each member of the ARMC shall abstain from voting on any resolutions in respect of matters he is interested in.

The ARMC has full access to and co-operation of the Management and has full discretion to invite any Director, employee or consultant to attend its meetings, and has been given reasonable resources to enable it to discharge its functions.

Independence and quality of external auditors

The external auditors of the Group were Baker Tilly TFW LLP for FY2022. They are registered with the Accounting and Corporate Regulatory Authority and a suitable audit firm in accordance with Rule 712 of the Catalist Rules. A different auditor has been appointed for the Group's associated company. The name of the auditor is disclosed in the financial statements. The Board and the ARMC are satisfied that the appointment of different auditor for the Company's associated company would not compromise the standard and effectiveness of the audit of the Group, and accordingly, Rule 716 of the Catalist Rules has been complied with.

The ARMC considers the external auditors' findings and where necessary sought further confirmation or explanation from the Management. On the key audit matters mentioned by the external auditors, the ARMC discussed with the external auditors and the Management and deemed that the list of key audit matters has been appropriately addressed and disclosed in the financial statements.

The ARMC is also satisfied with the adequacy of the scope and quality of the audit reviews performed by the external auditors, taking into consideration the audit quality indicators of the external auditors.

The ARMC has recommended that Baker Tilly TFW LLP be nominated for reappointment as auditors at the forthcoming AGM, subject to the approval of shareholders at the AGM.

Corporate Governance Report

Whistleblowing

The Company has in place a whistleblowing policy which is published in the employee handbook of the human resources department. The handbook clearly defines the scope of the whistleblowing and sets out the procedures for raising concern or making a complaint and the process of investigation and dealing with the outcome of the investigation.

The ARMC is responsible for the oversight and monitoring of any whistle-blowing matters.

Staff are free to bring complaints to the attention of their supervisors and department heads, the human resources manager, or any of the senior management. The recipient of such complaints shall forward them promptly to the ARMC Chairperson. Staff also can choose to send the complaint directly to the ARMC Chairperson. The ARMC Chairperson will treat all information received confidentially and protect the identity of all whistle-blowers. Upon receipt of the whistle-blowing concern, the ARMC will carry out an initial assessment to determine if an investigation is required and the scope of the investigation followed by nominating an independent investigation team to conduct the investigation impartially. Following investigation and evaluation of a complaint, the ARMC Chairperson shall report to the ARMC on recommended disciplinary or remedial action, if any. The action determined by the ARMC to be appropriated shall then be brought to the Board or to appropriate members of the senior management for authorization and implementation respectively.

The identity of the whistle-blower will be kept confidential, with disclosure on a need-to-know basis to the ARMC, the investigating team, the Board and any party to whom the identity of the whistle-blower is required to be disclosed by law.

The Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern. The Company shall take disciplinary action against anyone (i) who attempts to prevent or obstruct a whistle-blowing concern from being made or an investigation from being carried out, and (ii) harass or victimise the whistle-blower or subject the whistle-blower to detrimental or unfair treatment.

The policy is communicated to all staff of the Group as part of the Company's efforts to foster a culture of accountability and integrity.

ARMC's comments on key audit matters

The ARMC also reviewed the key audit matters ("KAMs") set out in the external auditor's report for FY2022. The external auditor has identified the KAMs as (i) impairment assessment on plant and equipment, and right-of-use assets, (ii) impairment assessment on goodwill, and (iii) impairment assessment on investment in subsidiaries.

Having reviewed the appropriateness and reasonableness of the methodologies and key assumptions applied in determining the recoverable amounts of the cash-generating units and subsidiaries, the ARMC concurred with the Management's impairment assessments on plant and equipment, right-of-use assets, goodwill, and investment in subsidiaries, and accordingly concurred with the overall impairments (including reversals of impairments, where applicable) recognised for FY2022.

Provision 10.3
Partners or directors of the company's auditing firm

No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the ARMC.

Corporate Governance Report

Provision 10.4
Internal audit function

The Company outsources its internal audit function to Yang Lee & Associates. The internal auditors report directly to the ARMC and internal control weaknesses identified during the internal audit reviews and the recommended corrective actions are reported to the ARMC periodically.

The ARMC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures that the Management provides the necessary co-operation to enable the internal auditors to perform its function.

The internal auditors are guided by the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the Institute of Internal Auditors.

The ARMC reviews the independence and adequacy of the internal audit function annually to ensure that the internal audits are performed effectively. The ARMC is satisfied that the internal auditors are staffed by qualified and experienced personnel.

The internal auditors completed two reviews, including one on the sustainability reporting process, during FY2022 in accordance with the risk-aligned internal audit plan approved by the ARMC. During the review, the internal auditors have unfettered access to the relevant documents, records, properties and personnel of the Group. The findings and recommendations of the internal auditors, the Management's responses, and the Management's implementation of the recommendations have been reviewed and approved by the ARMC. The ARMC is of the view that the internal audit function is independent, effective and adequately resourced.

Provision 10.5
Meeting with external and internal auditors without presence of the Management

The ARMC meets with both the internal and external auditors without the presence of the Management at least once a year

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1
Shareholders participation and voting at general meetings

To facilitate participation by Shareholders, all general meetings of the Company are held in Singapore. Shareholders have the opportunity to participate effectively in and to vote at general meetings of Shareholders.

Shareholders are encouraged to attend the general meetings and to ensure a high level of accountability and to stay apprised of the Group's strategy and goals. Notices of the meetings are announced on the SGXNet and the Company's website.

At the AGM, shareholders are given the opportunity to engage the Board and the Management on the Group's business activities, financial performance and other business-related matters.

Corporate Governance Report

All resolutions at the forthcoming AGM would be put to vote by poll which allow greater transparency and more equitable participation by shareholders. Voting and vote tabulation procedures are disclosed at the general meetings. The poll results will be read out to shareholders immediately after vote tabulations. The result of the resolutions will be announced after the general meetings via SGXNet.

In FY2022, due to the COVID-19 pandemic, the Company held AGM by electronic means as members of the Company were not allowed to attend AGM in person. The Company published the annual report for FY2021 three weeks ahead of the AGM and invited shareholders to submit their questions ahead of the AGM. The minutes of the AGM were announced on the SGXNet.

Provision 11.2
Separate resolutions at general meetings

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting. There were no such "bundled" resolutions for the sole general meeting of shareholders held in FY2022.

Provision 11.3
Attendance of directors and auditors at general meetings

All the Directors attended and the external auditors were also present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report at the annual general meeting of shareholders held in FY2022.

Provision 11.4
Absentia voting

The Company's Constitution allow for absentia voting at general meetings of shareholders.

The Company's Constitution allows a member (other than a relevant intermediary as defined in Section 181 of the Companies Act 1967) to appoint one or two proxies to attend and vote at its general meetings. For shareholders who hold their shares through relevant intermediaries, the Companies Act 1967 allows the relevant intermediaries which include CPF agent bank nominees to appoint multiple proxies and empower CPF investors to attend and vote at general meetings of the Company as their CPF agent banks' proxies.

Provision 11.5
Minutes of general meetings

Minutes of general meetings have been taken and will continue to be taken and published on the SGXNet as well as the Company's corporate website at www.asiamedic.com.sg, within one month from the date of the general meetings.

Provision 11.6
Dividend

The details of dividend payment to shareholders will be disclosed via the release of the announcements through SGXNet. No dividend is declared or recommended due to the performance of the Group for FY2022. The Group's cash balance will be reserved for business operational purposes. The Company does not have a policy on payment of dividend. The Board will consider the Group's level of cash and retained earnings and projected working capital requirements, capital expenditure and investments in proposing a dividend.

Corporate Governance Report

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provision 12.1
Avenues for communication between the Board and shareholders

In line with the continuous obligations of the Company pursuant to the Catalist Rules, the Board's policy is that all shareholders be informed of all major developments that impact the Group.

The AGM is the principal forums for dialogue and interaction and exchange of views among the Directors, Management and shareholders. The Group also maintains a website at asiamedic.com.sg at which shareholders can access information on the Group. The website provides, inter alia, corporate announcements, press releases and profiles of the Group.

Information is disseminated to shareholders on a timely basis through:

(a) SGXNet announcements and news releases;

(b) Annual Reports issued to all shareholders;

(c) press releases on major developments of the Group;

(d) notices of and explanatory notes for the AGMs and extraordinary general meetings ("EGMs"); and

(e) the Company's website at www.asiamedic.com.sg, where shareholders can access information on the Group.

In accordance with the Catalist Rules of the SGX-ST, the Company does not practise selective disclosure and price sensitive information is publicly released on an immediate basis where required under the Listing Rules.

Provisions 12.2 and 12.3
Investor relations

The Company has in place an investor relations policy which sets out the mechanisms through which (a) shareholders and investors may contact the Company; and (b) the Company may respond to such questions and feedback. In line with the continuous disclosure obligations under the Catalist Rules, the Company promptly announces all matters which may have material impact of the Group through SGXNet. The Company also communicates with its shareholders and investors via its online investor relations site within its corporate website at www.asiamedic.com.sg where it updates shareholders and investors on the latest news and business developments of the Group.

Corporate Governance Report

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions 13.1 and 13.2
Engage with its material stakeholder groups

The Group's material stakeholders are its shareholders, customers, employees, regulator and suppliers. The engagement with them is set out in the Sustainability Report to be published before 30 April 2023.

Provision 13.3
Corporate website to communicate and engage with stakeholders.

The Group maintains a corporate website at www.asiamedic.com.sg at which stakeholders can access information on the Group. The website provides, inter alia, corporate announcements, press releases and profiles of the Group. The Company has an online investor relations site within its corporate website as an outreach to shareholders and all other stakeholders.

DEALINGS IN SECURITIES

In line with Rule 1204(19) of the Catalist Rules, the Company does not deal in its own shares one month before the announcement of the Group's half-year and year-end financial statements. The Company issues circulars to its Directors and staff to remind them that (i) they should not deal in shares of the Company on short-term considerations or if they are in possession of unpublished material price-sensitive information; and (ii) they are required to report on their dealings in shares of the Company. The Directors and staff are also reminded of the prohibition in dealing in shares of the Company one month before the announcement of the Group's half-year and year-end financial statements. The restriction in dealings in securities is also extended to directors, employees and staff of the subsidiary companies.

INTERESTED PERSON TRANSACTIONS

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $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 (excluding transactions less than $100,000)
OncoCare Medical Pte. Ltd. (fka Brookline Medical Pte. Ltd)	Associate of controlling shareholder	– (1)	– (1) (Provision of imaging services under the general mandate)

Note (1) – All transactions were less than $100,000.

Corporate Governance Report

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	Amount utilised as at the date of the Announcements [3]	Balance
	$'000	$'000	$'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	803 [2]	2,720
Total	8,523	5,803	2,720

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, 18 November 2022, and 1 March 2023.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company or any of its subsidiary companies involving the interest of the Directors or a controlling shareholder.

NON-SPONSOR FEE

No non-sponsor fee was paid for FY2022.

AUDIT FEE

The audit fee for FY2022 was $135,000. There was no non-audit fee.

Directors' Statement

The directors hereby present their statement to the members together with the audited consolidated financial statements of AsiaMedic Limited (the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2022 and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2022.

1. Opinion of the directors

In the opinion of the directors,

(i) The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company as set up on pages 43 to 92 are properly drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and the financial performance, cash flows and changes in equity of the Group and the changes in equity of the Company for the year then ended in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"); and

(ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The directors of the Company in office at the date of this statement are:

Charles Wang Chong Guang	Non-Executive Chairman
Aona Liu	Non-Executive Director (Appointed on 11 February 2022)
Alice Ng Bee Yee	Independent Director
Chua Keng Woon	Independent Director
Leong Yew Meng	Independent Director

3. Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than share options as disclosed in this statement.

4. Directors' interests in shares and debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Act, the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations, except as follows:

	Number of ordinary shares Shareholdings in which a director is deemed to have an interest	
The Company	**At date of appointment**	**At 31 December 2022**
Aona Liu	512,098,062*	512,098,062*

* This relates to the deemed interest in ordinary shares of the Company held by Luye Medical Group Pte. Ltd., who owns 45.74% equity interest of the Company.

There was no change in interests between the end of financial year and 21 January 2023.

Directors' Statement

5. AsiaMedic Employee Share Option Scheme

At an extraordinary general meeting held on 19 January 2016, shareholders approved the "AsiaMedic Employee Share Option Scheme 2016" for the granting of non-transferable options that are settled by physical delivery of the ordinary shares of the Company, to eligible employees, directors and consultant radiologists.

The scheme is administered by the Remuneration Committee.

The options that are granted under the scheme may have exercise prices that are set at the market price or at a discount to the market price (subject to a maximum discount of 20%). Options which are fixed at the market price may be exercised after the first anniversary of the date of grant while options exercisable at a discount to the market price may only be exercised after the second anniversary from the date of grant. Options granted under the scheme will have a life span of up to 10 years. Options are forfeited/lapsed if the grantee leaves the Group or if the performance targets are not met.

No share options under the scheme were granted during the current and previous financial year.

Date of grant	Balance at 1 January 2022	Aggregate options lapsed/ forfeited during the financial year	Balance at 31 December 2022	Exercise price	Discount to prevailing market price
15 June 2016	1,171,935	352,258	819,677	$0.050 (1)	11.1%

Note (1): The exercise price at the date of grant was $0.056. The adjusted exercise price as a result of the Rights Issue in 2020 is $0.050.

The exercisable period for the share options is 16 June 2018 to 14 June 2026. Particulars of employee share options scheme granted in 2016 were set out in the Directors' statement for the financial year ended 31 December 2016.

No director of the Company participated in the scheme as of 31 December 2022 and 31 December 2021.

Since the commencement of the scheme till the end of the financial year:

- No options have been granted to the controlling shareholders of the Company and their associates (as defined in the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited).
- No grantee has received 5% or more of the total options available under the scheme.
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporations have been granted.

Directors' Statement

6. Audit and Risk Management Committee

The members of the Audit and Risk Management Committee ("ARMC") during the year and at the date of this statement are:

Alice Ng Bee Yee	(Chairperson)
Chua Keng Woon	(Member)
Charles Wang Chong Guang (appointed on 18 February 2022)	(Member)

The ARMC carried out its functions in accordance with section 201B (5) of the Act, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors.
- Reviewed the half yearly and annual results announcement and the independent auditor's report on the annual financial statements of the Group and the Company and to receive assurance from the Chief Executive Officer, and the Group Financial Controller before their submission to the Board of Directors.
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor.
- Met with the internal and external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARMC.
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators.
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor.
- Reviewed the nature and extent of non-audit services provided by the external auditor.
- Recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit.
- Reported actions and minutes of the ARMC to the Board of Directors with such recommendations as the ARMC considered appropriate.
- Reviewed interested person transactions in accordance with the requirements of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited.

The ARMC, having reviewed all non-audit services provided by the external auditor to the Group (if applicable), is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

The ARMC convened two meetings during the year with full attendance from all members.

The ARMC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the ARMC are disclosed in the Corporate Governance Report.

Directors' Statement

7. Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the board of Directors:

Charles Wang Chong Guang Director	Alice Ng Bee Yee Director

Singapore

5 April 2023

Independent Auditor's Report
To the Members of Asiamedic Limited

For the financial year ended 31 December 2022

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of AsiaMedic Limited (the "Company") and its subsidiaries (collectively, the "Group") as set out on pages 43 to 92, which comprise the balance sheet of the Group and the Company as at 31 December 2022, and the consolidated statement of comprehensive income, statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Impairment assessment on plant and equipment and right-of-use assets</u>

Description of key audit matter

As at 31 December 2022, the Group has plant and equipment and right-of-use assets with carrying amount of $1,468,115 and $6,529,595 respectively. As disclosed in Notes 10 and 28 to the financial statements, management has performed assessment whenever there are impairment indicators of the Group's cash generating units ("CGUs") and where applicable, assessed the recoverable amounts of the non-financial assets and determine if any additional impairment loss should be recognised or reversed. The respective recoverable amounts of these CGUs are computed based on their values in use ("VIU") derived from management's cash flow projections.

Following management's impairment assessment, a net reversal of impairment charge amounting to $200,958 and $1,302,344 was recorded to write back the impairment loss allowance on carrying amount of plant and equipment and right-of-use assets respectively.

Management determined the recoverable amount of the plant and equipment and right-of-use assets based on their VIU, considering their respective appropriate revenue growth rates and discount rates.

Management's identification of impairment indicators and assessment of the recoverable amounts for the aforementioned CGUs are significant to our audit due to the magnitude of the carrying amounts of the assets being tested for impairment and the significant management judgments involved in the key assumptions used in determination of the CGUs' recoverable amounts. Accordingly, we have identified this as a key audit matter.

Independent Auditor's Report To the Members of Asiamedic Limited

For the financial year ended 31 December 2022

Key Audit Matters (cont'd)

Impairment assessment on plant and equipment and right-of-use assets (cont'd)

Description of key audit matter (cont'd)

The significant estimates and judgement applied in the impairment assessment of plant and equipment and right-of-use assets and disclosures for key assumptions used are included in Notes 3(b), 10 and 28 to the financial statements respectively.

Our procedures to address the key audit matter

We obtained an understanding of management's impairment assessment process.

Our audit procedures included, amongst others, reviewing management's assessment of impairment indicators for the Group's plant and equipment and right-of-use assets. We made inquiries with management on their assessment for the CGUs, assessed the reasonableness of management's key assumptions used such as discount rate and revenue growth rate against historical and expected future financial performances. Additionally, we performed sensitivity test on certain key assumptions to evaluate the sensitivity of the outcomes, taking into account the downside scenarios against reasonably plausible changes to the key assumptions. Our internal valuation specialist assisted us in evaluating the reasonableness of management's discount rates. We reviewed management's allocation of reversal of impairment loss to the underlying assets of the CGUs. We also assessed the adequacy and appropriateness of the disclosures concerning those key assumptions in the financial statements.

Impairment assessment on goodwill

Description of key audit matter

As at 31 December 2022, the Group has goodwill with carrying amount of $Nil. Goodwill has been allocated to a cash-generating unit ("CGU") as disclosed in Note 13 to the financial statements. Management has performed impairment assessment to determine the recoverable amount of the CGU based on its value in use. As a result, the Group has recognised an impairment loss of $523,864 to the profit or loss.

Impairment assessment of goodwill is considered a key audit matter as the computation of value in use involves estimations and assumptions to be made by management. The key estimations relate to forecast revenue growth rates and discount rate applied to future cash flow projections. Details are disclosed in Note 3(b) and Note 13 to the financial statements.

Our procedures to address the key audit matter

We obtained an understanding of management's impairment assessment process.

We assessed the key estimates applied and management's consideration of the current business conditions in the value in use calculations by comparing the cash flow projections to historical data, financial budgets approved by the board and external data such as growth rate in the industry. We compared current year actual results to prior year forecast where relevant, to assess the reasonableness and reliability of management estimations. We also discussed with management to obtain an understanding of the business environment to corroborate our testing of the reasonableness of the data used by management. We assessed the sensitivity of the key estimates on the impairment assessment based on reasonably possible changes in the key estimates. Our internal valuation specialist assisted us in evaluating the reasonableness of management's discount rates. We also assessed the adequacy and appropriateness of the disclosures made in the financial statements.

Independent Auditor's Report To the Members of Asiamedic Limited

For the financial year ended 31 December 2022

Key Audit Matters (cont'd)

Impairment assessment on investment in subsidiaries – Company level

Description of key audit matter

As at 31 December 2022, the Company has investment in subsidiaries with carrying amount of $7,703,247. During the financial year, the Company recognised a reversal of impairment loss of $5,500,000 in the cost of investment in a subsidiary.

We consider this to be a key audit matter because the estimation of the recoverable amount is highly subjective and involves significant management's judgement and estimation uncertainty in the key assumptions used in the projection of future cash flows.

Management assessed the recoverable amount of its investment in subsidiaries based on value in use ("VIU") of the investment in subsidiaries. The determination of VIU of the investment was based on the discounted cash flow ("DCF") method. The use of the DCF involves significant judgement for the key assumptions in the forecasted revenue growth rate and discount rate.

The significant estimates and judgement applied in the impairment assessment of investment in subsidiaries and disclosures for key assumptions used are included in Notes 3(b) and 11 to the financial statements respectively.

Our procedures to address key audit matter

We obtained an understanding of management's impairment assessment process.

Our audit procedures included, amongst others, reviewing management's assessment of determination of recoverable amounts of the investment in subsidiaries. We assessed the reasonableness of management's key assumptions used such as discount rate and revenue growth rate against historical and expected future financial performances. Additionally, we performed sensitivity test on certain key assumptions to evaluate the sensitivity of the outcomes, taking into account the downside scenarios against reasonably plausible changes to the key assumptions. Our internal valuation specialist assisted us in evaluating the reasonableness of management's discount rates. We also assessed the adequacy and appropriateness of the disclosures made in the financial statements.

Other Matter

The financial statements of AsiaMedic Limited for the financial year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on 31 March 2022.

Other Information

Management is responsible for other information. The other information comprises the information included in the 2022 annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report To the Members of Asiamedic Limited

For the financial year ended 31 December 2022

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing 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.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report
To the Members of Asiamedic Limited

For the financial year ended 31 December 2022

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Chan Sek Wai.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

5 April 2023

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2022

		Group	
	Note	**2022**	2021
		$	$
Revenue	4	**18,882,431**	18,255,133
Other income	5	**431,524**	869,030
Items of expense			
Consumables expenses		**(1,494,347)**	(1,322,823)
Personnel expenses	27	**(9,956,529)**	(9,925,778)
Depreciation of non-current assets			
- plant and equipment	10	**(265,195)**	(375,769))
- right-of-use assets	28	**(780,087)**	(892,151)
Operating lease expenses – short-term	28	**(142,495)**	(137,917)
Maintenance expenses		**(1,019,628)**	(954,684)
Laboratory and consultancy fees		**(2,308,497)**	(2,045,110)
Finance costs	6	**(241,740)**	(145,874)
Other operating expenses		**(2,382,726)**	(2,109,083)
Reversal of impairment loss/(impairment loss) of non-current assets, net	7	**979,438**	(857,048)
Share of results of associate, net of tax	12	**483,874**	357,105
Profit before tax	7	**2,186,023**	715,031
Income tax expense	8	**–**	–
Profit for the year, representing total comprehensive income for the year, attributable to owners of the Company		**2,186,023**	715,031
Earnings per share (cent per share)			
Basic	9	**0.20**	0.06
Diluted	9	**0.20**	0.06

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Balance Sheets

As at 31 December 2022

	Note	Group		Company	
		2022	2021	**2022**	2021
		$	$	**$**	$
Non-current assets					
Plant and equipment	10	**1,468,115**	557,098	**123,063**	19,996
Investment in subsidiaries	11	**–**	–	**7,703,247**	2,203,247
Investment in associate	12	**2,190,185**	1,991,995	**181,500**	181,500
Right-of-use assets	28	**6,529,595**	3,659,274	**6,529,595**	3,659,274
Goodwill	13	**–**	523,864	**–**	–
		10,187,895	6,732,231	**14,537,405**	6,064,017
Current assets					
Inventories	14	**259,634**	253,281	**–**	–
Trade receivables	15	**3,013,657**	2,100,354	**37,613**	–
Other receivables and deposits	16	**448,613**	617,473	**690,320**	708,882
Prepayments		**288,266**	194,741	**59,433**	38,423
Other financial assets	17	**1,980,560**	–	**1,480,560**	–
Cash pledged as security	18	**911,520**	818,100	**–**	–
Cash and cash equivalents	19	**6,642,404**	9,473,762	**3,107,097**	5,832,792
		13,544,654	13,457,711	**5,375,023**	6,580,097
Current liabilities					
Trade payables	20	**1,475,332**	1,106,954	**–**	–
Other payables and accruals	21	**1,863,572**	1,961,667	**1,241,816**	1,716,369
Contract liabilities	23	**993,574**	1,179,464	**–**	–
Lease liabilities – current	28	**941,377**	1,202,070	**941,377**	1,202,070
		5,273,855	5,450,155	**2,183,193**	2,918,439
Net current assets		**8,270,799**	8,007,556	**3,191,830**	3,661,658
Non-current liabilities					
Provision for reinstatement	22	**1,118,392**	1,115,662	**479,000**	479,000
Lease liabilities – non-current	28	**6,376,562**	4,846,408	**6,376,562**	4,846,408
Deferred tax liabilities	8	**22,568**	22,568	**–**	–
		7,517,522	5,984,638	**6,855,562**	5,325,408
Net assets		**10,941,172**	8,755,149	**10,873,673**	4,400,267
Equity attributable to owners of the Company					
Share capital	24	**33,284,437**	33,284,437	**33,284,437**	33,284,437
Treasury shares	25	**(2,866)**	(2,866)	**(2,866)**	(2,866)
Other reserves	26	**(562,921)**	(562,921)	**97,812**	97,812
Accumulated losses		**(21,777,478)**	(23,963,501)	**(22,505,710)**	(28,979,116)
Total equity		**10,941,172**	8,755,149	**10,873,673**	4,400,267

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity

For the financial year ended 31 December 2022

Group	Share Capital (Note 24) $	Other Reserves (Note 26) $	Treasury shares (Note 25) $	Accumulated losses $	Total share capital and reserves $
	Attributable to owners of the Company				
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
Profit for the year, representing total comprehensive income for the year	–	–	–	2,186,023	2,186,023
Balance at 31 December 2022	**33,284,437**	**(562,921)**	**(2,866)**	**(21,777,478)**	**10,941,172**

Company	Share Capital (Note 24) $	Other Reserves (Note 26) $	Treasury shares (Note 25) $	Accumulated losses $	Total share capital and reserves $
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 loss 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
Profit for the year, representing total comprehensive income for the year	–	–	–	6,473,406	6,473,406
Balance at 31 December 2022	**33,284,437**	**97,812**	**(2,866)**	**(22,505,710)**	**10,873,673**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2022

		Group	
	Note	2022	2021 (Re-presented)
		$	$
Cash flows from operating activities			
Profit before tax		**2,186,023**	715,031
Adjustments:			
Depreciation of plant and equipment	10	**265,195**	375,769
Depreciation of right-of-use assets	28	**780,087**	892,151
(Reversal of impairment loss)/impairment loss on plant and equipment	10	**(200,958)**	97,783
(Reversal of impairment loss)/impairment on right-of-use assets	28	**(1,302,344)**	759,265
Impairment loss on goodwill	13	**523,864**	–
Provision on reinstatement		**–**	197,000
Bad debt written off		**19,013**	–
Plant and equipment written off	10	**29,750**	4,168
Finance costs	6	**241,740**	145,874
Interest income	5	**(40,471)**	(22,234)
Share of results of associate, net of tax		**(483,874)**	(357,105)
Operating cash flows before changes in working capital		**2,018,025**	2,807,702
Changes in operating assets and liabilities:			
- Inventories		**(6,353)**	16,130
- Trade receivables, other receivables and deposits, and prepayments		**(856,981)**	294,376
- Trade and other payables		**264,555**	495,901
- Contract liabilities		**(185,890)**	(177,617)
Net cash flows from operating activities		**1,233,356**	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	17	**(1,980,560)**	–
Purchase of plant and equipment	10	**(999,276)**	(378,570)
Net cash flows used in investing activities		**(2,653,681)**	(58,170)
Cash flows from financing activities			
Increase in cash pledged as security		**(93,420)**	–
Interest paid	28	**(239,010)**	(143,192)
Payment of principal portion of lease liabilities	28	**(1,078,603)**	(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 the financial year		**9,473,762**	7,657,029
Cash and cash equivalents at 31 December	19	**6,642,404**	9,473,762

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2022

These notes from an integrated part of and should be read in conjunction with the accompanying financial statements.

1. Corporate information

AsiaMedic Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 350 Orchard Road, #08-00 Shaw House, Singapore 238868.

The principal activities of the Company are those relating to investment holding and the provision of management services. The principal activities of the subsidiaries and associate are set out in Notes 11 and 12 to the financial statements.

2. Summary of significant accounting policies

a) Basis of preparation

The financial statements are presented in Singapore dollar ($), which is the Company's functional currency and all financial information presented in Singapore dollar. The financial statements have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

The Company's separate financial statements have been prepared on the same basis, and as permitted by the Act, the Company's separate statement of comprehensive income is not presented.

Use of estimates and judgements

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

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

a) Basis of preparation (cont'd)

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial performance or position of the Group and the Company.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2022 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

c) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred, and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

c) Business combinations and goodwill (cont'd)

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

On disposal of a subsidiary or associate, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

d) Foreign currency

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which that entity operates (the "functional currency"). The financial statements of the Group and the Company are presented in Singapore dollar, which is the Company's functional currency.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

e) Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

The cost of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

e) Plant and equipment (cont'd)

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvements	6 years
Furniture, fittings, fixtures and office equipment	3 to 6 years
Medical equipment	3 to 10 years
Reinstatement assets	6 years

Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

f) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

g) Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less impairment losses, if any. On disposal of the investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

h) Associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of these policies.

The Group accounts for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of the results of operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equal or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures the retained interest at its fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date of the equity method was discontinued is recognised in profit or loss.

In the Company's separate financial statements, investments in associates are accounted for at cost less impairment losses.

i) Financial instruments

Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

i) Financial instruments (cont'd)

Financial assets (cont'd)

Recognition and derecognition (cont'd)

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets at amortised cost.

The classification is based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

Subsequent measurement

Debt instruments

Debt instruments include cash and cash equivalents, trade and other receivables (excluding prepayments) and investment in debt securities.

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

i) Financial instruments (cont'd)

Financial assets (cont'd)

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognised in other comprehensive income, and does not reduce the carrying amount of the financial asset in the balance sheet.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

i) Financial instruments (cont'd)

Financial liabilities (cont'd)

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

j) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value and exclude pledge deposits.

k) Inventories

Inventories, comprising medical supplies, are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for on a first-in, first-out basis.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l) Provisions for other liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

m) Government grants

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented as a credit in profit or loss as "Other income".

n) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

o) Employee benefits

Employee leave entitlement

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Employee share option scheme

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options granted on the date of the grant. This cost is recognised in profit or loss, with a corresponding increase in the share option reserve, over the vesting period. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account if new ordinary shares are issued, or credited to the "treasury shares" account if treasury shares are re-issued to the employees. Upon expiry of the options, the balance in the share option reserve is transferred to retained earnings.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

p) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When the Group is the lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use ("ROU") assets representing the right to use the underlying assets.

Right-of-use ("ROU") assets

The Group recognises ROU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the balance sheets.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(f).

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of the lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

p) Leases (cont'd)

When the Group is the lessee (cont'd)

Lease liabilities (cont'd)

The lease liabilities are presented as a separate line in the balance sheets.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of warehouse premises (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies to the lease of low-value assets recognition exemption to leases of warehouse premises that are considered to be low value. Lease payments on short-term leases and leases of low value are recognised as expense on a straight-line basis over the lease term.

When the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as sub-lease income. The accounting policy for sub-lease income is set out in Note 2(q).

q) Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) *Rendering of services*

The Group renders medical services in health screening and medical wellness services, diagnostic imaging and radiology services, primary care services and medical aesthetic services to customers.

Revenue from services in the ordinary course of business is recognised when the Group satisfies a performance obligation by performing a promised service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied performance obligation. Revenue is recognised at a point in time following the timing of satisfaction of the performance obligation. Certain medical services are only invoiced once the service performed are verified by customers. Accrued receivables is recognised for the cumulative revenue recognised but not yet invoiced.

For package arrangements of aesthetics treatment services, the contract amounts are billed to customers before performance obligation is satisfied. Revenue from provision of aesthetic package services is recognised upon completion of the distinct services rendered. Advance consideration received from customers are presented as contract liabilities in balance sheets.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

q) Revenue (cont'd)

(b) *Sales of pharmaceuticals and aesthetic products*

Revenue from the sales of pharmaceuticals and aesthetic products is recognised at the point in time when goods are delivered and accepted by the customer.

(c) *Interest income*

Interest income is recognised using the effective interest method.

(d) *Sub-lease income*

Sub-lease income is recognised on a straight-line basis over the lease terms of ongoing leases.

r) Taxes

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

– Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and

– In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

r) Taxes (cont'd)

(b) *Deferred tax (cont'd)*

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

s) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

t) Treasury shares

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the consideration paid including any directly attributable incremental cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of the capital of the Company, or against the retained earnings of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

u) Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

 (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

 (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

v) Dividend

Interim dividends are recorded during the financial year in which they are declared payable.

Final dividends are recorded in the financial statements in the period in which they are approved by the Company's shareholders.

w) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

Notes to the Financial Statements

For the financial year ended 31 December 2022

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) Critical judgements made in applying accounting policies

In the process of applying the Group's accounting policies which are described in Note 2, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Deferred income tax assets

Deferred tax assets are recognised for unused tax losses and unabsorbed tax allowances to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future profits, together with future tax planning strategies.

As disclosed in Note 8, the Group has $12,502,000 (2021: $11,851,000) of unutilised tax losses and $12,752,000 (2021: $13,341,000) of capital allowances carried forward. These unutilised tax losses and capital allowances relate to the Company and subsidiaries that have a history of losses and do not expire. The Company and the subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these unutilised tax lossess and capital allowance as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the unutilised tax lossess and capital allowance carried forward.

If the Group was able to recognise all unrecognised deferred tax assets, profit and equity would have increased by $4,293,000 (2021: $4,282,000). Further details on taxes are disclosed in Note 8.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of goodwill

As disclosed in Note 13, the recoverable amount of the cash-generating unit which goodwill has been allocated to is determined based on value in use calculations. The value in use calculation is based on discounted cash flow model. The recoverable amount is most sensitive to the forecast revenue growth rates applied to future cash flow projections. The key assumptions applied in the determination of the value in use and a sensitivity analysis, are disclosed and further explained in Note 13 to the financial statements.

The carrying amount of goodwill as at 31 December 2022 was $Nil (2021: $523,864). During the financial year, the Group recorded an impairment loss on goodwill of $523,864 (2021: $Nil).

Notes to the Financial Statements

For the financial year ended 31 December 2022

3. Significant accounting judgements and estimates (cont'd)

(b) Key sources of estimation uncertainty (cont'd)

Impairment of plant and equipment and right-of-use assets

The Group assesses at each financial year whether there is an indication that its plant and equipment and right-of-use assets may be impaired. The assessment requires an estimation of the recoverable amount of the plant and equipment and the right-of-use assets. This requires the Group to make an estimate of the expected operating cash flows and to choose a suitable discount rate in order to calculate the present value of those cash flows. The recoverable amount is most sensitive to the discount rates and the forecast revenue growth rates applied to future cash flow projections. The key assumptions applied in the determination of the value in use and a sensitivity analysis, are disclosed and further explained in Notes 10 and 28 to the financial statements.

The carrying amount of the Group's plant and equipment and right-of-use assets as at 31 December 2022 was $1,468,115 (2021: $557,098) and $6,529,595 (2021: $3,659,274) respectively. During the financial year, the Group recorded a net reversal of impairment loss on plant and equipment of $200,958 (2021: impairment loss of $97,783) and a reversal of impairment loss on right-of-use assets of $1,302,344 (2021: impairment loss of $759,265).

Impairment of investment in subsidiaries – Company level

The Company's investment in subsidiaries amounted to $7,703,247 (2021: $2,203,247) as at 31 December 2022. The investment in subsidiaries is tested for impairment or reversal of impairment whenever there are indications of impairment or that an impairment loss recognised in prior periods may no longer exist or may have decreased. Management has identified that the impairment loss on its subsidiary recognised in prior periods have decreased due to increased number of patient referrals following the gradual reopening of the economy.

During the financial year, management had estimated the recoverable amount of the subsidiary and recognised a reversal of impairment loss on cost of investment in subsidiary amounting to $5,500,000 (2021: $1,238,017).

As disclosed in Note 11 to the financial statements, the recoverable amounts of investment in subsidiaries have been determined based on value in use calculations. The value in use calculation is based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rates and forecast revenue growth rates applied to future cash flow projections. The key assumptions applied in the determination of the value in use are disclosed and further explained in Note 11 to the financial statements.

Impairment of amounts due from subsidiaries – Company level

As at 31 December 2022, the Company's amounts due from subsidiaries (trade) amounted to $37,613 (2021: $Nil) and amounts due from subsidiaries (non-trade) amounted to $266,527 (2021: $110,397) that are repayable on demand. Management estimates the impairment loss on amounts due from subsidiaries using the expected credit loss model ("ECL"). 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 the impairment assessment, total impairment loss of $1,380,548 (2021: $1,246,746) was recognised on amounts due from AsiaMedic Heart & Vascular Centre Pte Ltd, AsiaMedic PET/CT Centre Pte Ltd, AsiaMedic Astique The Aesthetic Clinic Pte Ltd and Complete Healthcare International Pte Ltd which will not be able to be recovered.

Notes to the Financial Statements

For the financial year ended 31 December 2022

4. Revenue

Revenue represents fees for health screening and medical wellness services, diagnostic imaging and radiology services, primary care services and sales of pharmaceuticals products, and medical aesthetic services and related products, net of discounts. In the rendering of these services in the normal course of business to external customers and sales of these products, there are no material variable considerations noted in the contracts with customers.

Disaggregation of revenue

	Group	
	2022	2021
	$	$
Medical services and sale of related products:		
Health screening and medical wellness services	**10,145,330**	9,747,292
Diagnostic imaging and radiology services	**5,653,856**	4,944,227
Primary care services and pharmaceuticals products	**1,752,402**	1,896,693
Medical aesthetic services and related products	**1,330,843**	1,666,921
	18,882,431	18,255,133
Timing of transfer of goods or services:		
At a point in time	**18,882,431**	18,255,133

Information about a major customer

Revenue from one major third party customer amounted to $5,175,991 for the financial year (2021: $5,230,150). This relates to the provision of health screening and vaccination services to students and school children, as well as the provision of health screening and health coaching services to the community.

The Group applies the practical expedient in SFRS(I) 15 *Revenue from Contracts with Customers* and does not disclose information about its remaining performance obligation if the performance obligation is part of a contract that has an original expected duration of one year or less.

5. Other income

	Group	
	2022	2021
	$	$
Grant income	**162,243**	166,291
Sub-lease income	**228,810**	136,463
Interest income	**40,471**	22,234
Job Support Scheme grant income	**–**	284,052
Rental Support/Rental Relief Scheme grant income	**–**	166,023
Other income	**–**	93,967
	431,524	869,030

Job Support Scheme grant income relates to cash grants received from the Singapore Government to help businesses deal with the impact from COVID-19.

Rental Support/Rental Relief Scheme grant income relates to property tax rebates and rental relief received from the Singapore Government to help businesses deal with the impact from COVID-19.

Notes to the Financial Statements

For the financial year ended 31 December 2022

6. Finance costs

	Group	
	2022	2021
	$	$
Interest on lease liabilities (Note 28)	**239,010**	143,192
Accretion of interest on reinstatement assets (Note 22)	**2,730**	2,682
	241,740	145,874

7. Profit before tax

In addition to the transactions disclosed elsewhere in the notes to the financial statements, the profit before tax is arrived at after charging/(crediting) the following:

	Group	
	2022	2021
	$	$
Cost of inventories included in consumable expenses	**1,025,836**	814,524
Audit fees payable to		
- auditor of the Company	**135,000**	115,000
Non-audit fees payable to		
- auditor of the Company	**–**	–
Bad debt written off	**19,013**	–
Plant and equipment written off	**29,750**	4,168
Provision on reinstatement	**–**	197,000
Credit card and bank charges	**173,282**	173,855
<u>Impairment loss/(reversal of impairment loss) of non-current assets</u>		
Impairment of goodwill (Note 13)	**523,864**	–
(Reversal of impairment loss)/impairment loss of plant and equipment (Note 10)	**(200,958)**	97,783
(Reversal of impairment loss)/impairment loss of right-of-use assets (Note 28)	**(1,302,344)**	759,265
(Reversal of impairment loss)/impairment loss of non-current assets, net	**(979,438)**	857,048

Notes to the Financial Statements

For the financial year ended 31 December 2022

8. Income tax expense

A reconciliation between the tax expense and the product of profit before tax multiplied by the applicable corporate tax rate is as follows:

	Group	
	2022	2021
	$	$
Profit before tax	**2,186,023**	715,031
Tax calculated at a tax rate of 17% (2021: 17%)	**371,624**	121,555
Adjustments:		
Share of results of associate	**(82,259)**	(60,708)
Non-deductible expenses #	**127,322**	29,463
Income not subject to taxation	**–**	(76,513)
Utilisation of deferred tax benefits previously not recognised	**(505,948)**	–
Deferred tax assets not recognised	**203,069**	119,427
Utilisation of unutilised capital allowances under group relief	**(108,708)**	(102,473)
Others	**(5,100)**	(30,751)
Income tax expense recognised in profit or loss	**–**	–

\# The major non-deductible expenses in 2022 includes impairment loss of goodwill of $523,864.

Deferred tax liabilities of $22,568 (2021: $22,568) arose from differences in depreciation for tax purposes.

At the end of the financial year, the Group has unutilised tax losses and capital allowances of approximately $12,502,000 (2021: $11,851,000), and $12,752,000 (2021: $13,341,000) respectively that are available for offset against future taxable profits of the companies in which the losses and capital allowances arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. These unutilised tax losses and capital allowances have no expiry date and can be carried forward indefinitely. The use of these unutilised tax losses and capital allowances is subject to the agreement of the tax authority and compliance with certain provisions of the tax legislation of Singapore.

9. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial 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 profit and share data used in the computation of basic earnings per share for the years ended 31 December:

	Group	
	2022	2021
	$	$
Profit for the year attributable to owners of the Company	**2,186,023**	715,031
	Number of shares	Number of shares
Weighted average number of ordinary shares (excluding treasury shares) for basic and diluted earnings per share computation	**1,119,522,270**	1,119,522,270

Notes to the Financial Statements

For the financial year ended 31 December 2022

10. Plant and equipment

Group	Leasehold improvements	Furniture, fittings, fixtures, and office equipment	Medical equipment	Reinstatement assets	Total
	$	$	$	$	$
Cost:					
At 1 January 2021	3,318,687	2,963,991	12,840,428	349,206	19,472,312
Additions	–	67,745	255,399	197,000	520,144
Write offs	–	(2,037)	(22,940)	–	(24,977)
At 31 December 2021	3,318,687	3,029,699	13,072,887	546,206	19,967,479
Additions	598,190	231,157	175,657	–	1,005,004
Write offs	(52,125)	(14,318)	(72,698)	–	(139,141)
At 31 December 2022	**3,864,752**	**3,246,538**	**13,175,846**	**546,206**	**20,833,342**
Accumulated depreciation and impairment loss:					
At 1 January 2021	3,264,553	2,913,204	12,512,366	267,515	18,957,638
Depreciation charge for the year	27,383	33,662	97,301	217,423	375,769
Write offs	–	(2,037)	(18,772)	–	(20,809)
Impairment loss	–	9,809	68,554	19,420	97,783
At 31 December 2021	3,291,936	2,954,638	12,659,449	504,358	19,410,381
Depreciation charge for the year	78,260	66,162	100,350	20,423	265,195
Write offs	(52,125)	(14,318)	(42,948)	–	(109,391)
Impairment loss/(reversal of impairment loss)	–	14,963	(215,921)	–	(200,958)
At 31 December 2022	**3,318,071**	**3,021,445**	**12,500,930**	**524,781**	**19,365,227**
Representing:					
Accumulated depreciation	2,928,634	2,632,295	8,787,862	524,781	14,873,572
Accumulated impairment loss	389,437	389,150	3,713,068	–	4,491,655
At 31 December 2022	**3,318,071**	**3,021,445**	**12,500,930**	**524,781**	**19,365,227**
Net carrying amount:					
At 31 December 2021	26,751	75,061	413,438	41,848	557,098
At 31 December 2022	**546,681**	**225,093**	**674,916**	**21,425**	**1,468,115**

Notes to the Financial Statements

For the financial year ended 31 December 2022

10. Plant and equipment (cont'd)

Company	Leasehold improvements	Furniture, fittings, fixtures, and office equipment	Total
	$	$	$
Cost:			
At 1 January 2021	246,943	290,719	537,662
Additions	205,448	–	205,448
At 31 December 2021	452,391	290,719	743,110
Additions	–	128,546	128,546
At 31 December 2022	**452,391**	**419,265**	**871,656**
Accumulated depreciation:			
At 1 January 2021	452,391	263,958	716,349
Depreciation charge for the year	–	6,765	6,765
At 31 December 2021	452,391	270,723	723,114
Depreciation charge for the year	–	25,479	25,479
At 31 December 2022	**452,391**	**296,202**	**748,593**
Net carrying amount:			
At 31 December 2021	–	19,996	19,996
At 31 December 2022	**–**	**123,063**	**123,063**

Impairment of plant and equipment

In 2022, following certain changes to the business plan, the management carried out a review of the recoverable amount of its plant and equipment for the diagnostic imaging and radiology services companies ("imaging CGU") and medical aesthetic services company ("AATAC CGU"). The recoverable amount of the plant and equipment was determined based on their value in use. Cash flow projections used in the value in use calculations were based on financial budgets approved by the board covering five to nine years, based on remaining useful life of the plant and equipment of respective CGU. The pre-tax discount rate used was 12.4% (2021: 10.5%).

The recoverable amount of $313,000 was estimated to exceed carrying amount of the imaging CGU and accordingly, the Group recorded reversal of impairment loss of $597,656 (2021: impairment loss of $97,783) for the plant and equipment as at the end of financial year. The reversal of impairment loss was recognised to the extent that the increase in carrying amount of the plant and equipment shall not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the assets in prior years.

The impairment test carried out as at 31 December 2022 for AATAC CGU has revealed that the carrying amount of the CGU was determined to be higher than its recoverable amount. Accordingly, plant and equipment for AATAC CGU were fully impaired and impairment loss of $396,698 (2021: $Nil) was recognised and is included in the "impairment loss of non-current assets" line item of profit or loss.

As a result, a net reversal of impairment loss of $200,958 (Note 7) was recorded for plant and equipment.

Notes to the Financial Statements

For the financial year ended 31 December 2022

10. Plant and equipment (cont'd)

Impairment of plant and equipment (cont'd)

Key assumptions used in the value in use calculations

The calculations of value in use are most sensitive to the following assumptions:

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to each cash-generating unit ("CGU"), regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Revenue growth rates – Profit from operation was based on management's estimate with reference to historical revenue generated, growth rate and estimation of future business outlook. Revenue growth rate was estimated at average revenue growth of 29% for 2023 for its imaging CGU and 6% for 2023 for its AATAC CGU. Thereafter, management assumed no revenue growth from 2024 to 2027.

Sensitivity to changes in assumptions

A further decrease in the revenue growth rate by 1% or an increase in the discount rate by 1.5% would result in the recoverable amount of the imaging CGU being lower than its carrying value by $24,000 and $71,000 respectively.

Write offs from wear and tear

During the financial year, the Group wrote off plant and equipment with a carrying value of $29,750 (2021: $4,168) arising from usual wear and tear of the assets (Note 7).

Purchase of plant and equipment by other means

	Group	
	2022	2021
	$	$
Purchase of plant and equipment ("PE")		
Aggregate cost of PE acquired, excluding reinstatement assets	**1,005,004**	323,144
Add: Payables for PE at 1 January	**41,597**	97,023
Less: Payables for PE at 31 December	**(47,325)**	(41,597)
Net cash outflow for purchase of PE presented in consolidated statement of cash flows	**999,276**	378,570

Notes to the Financial Statements

For the financial year ended 31 December 2022

11. Investment in subsidiaries

	Company	
	2022	2021
	$	$
Unquoted equity shares, at cost	**12,195,573**	12,195,573
Less: Allowance for impairment losses	**(4,492,326)**	(9,992,326)
	7,703,247	2,203,247

The movement of the allowance for impairment losses is as follows:

	Company	
	2022	2021
	$	$
At 1 January	**9,992,326**	11,230,343
Write back for the year	**(5,500,000)**	(1,238,017)
At 31 December	**4,492,326**	9,992,326

The recoverable amount of the investment in subsidiaries has been determined based on a value in use calculation using cash flow projection from financial budgets approved by the board covering a five-year period. The pre-tax discount rate applied to the cash flows projection is 12.4% (2021: 10.5%).

During the financial year, following certain changes to the business plan in imaging CGU, the Group reassessed its estimates. The recoverable amount of $6,405,000 for The Orchard Imaging Centre Pte Ltd was estimated to exceed its carrying amount. Accordingly, a write back of impairment of $5,500,000 (2021: write back of impairment of $1,238,017) was recognised to the cost of investment in The Orchard Imaging Centre Pte Ltd to its recoverable amount.

Key assumptions used in the value in use calculations

The calculations of value in use are most sensitive to the following assumptions:

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to each cash-generating unit ("CGU"), regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Revenue growth rates – Profit from operation was based on management's estimate with reference to historical revenue generated, growth rate and estimation of future business outlook. Revenue growth rate was estimated at 17% for 2023. Thereafter, management assumed no revenue growth from 2024 to 2027.

Notes to the Financial Statements

For the financial year ended 31 December 2022

11. Investment in subsidiaries (cont'd)

Sensitivity to changes in assumptions

A further decrease in the revenue growth rate by 13.2% would result in the recoverable amount of The Orchard Imaging Centre Pte Ltd being lower than its carrying value by $54,000.

Details of subsidiaries at the end of the financial year are as follows:

Name of subsidiary (Country of incorporation)	Principal activities	Group's effective equity interest held **2022** **%**	 2021 %
Held by the Company			
The Orchard Imaging Centre Pte Ltd (Singapore)	Provision of diagnostic imaging and radiology services	**100**	100
AsiaMedic Wellness Assessment Centre Pte Ltd (Singapore)	Provision of health screening and medical wellness services	**100**	100
AsiaMedic PET/CT Centre Pte Ltd (Singapore)	Provision of diagnostic imaging and radiology services	**100**	100
AsiaMedic Heart & Vascular Centre Pte Ltd (Singapore)	Provision of diagnostic imaging and radiology services	**100**	100
Complete Healthcare International Pte Ltd (Singapore)	Provision of primary healthcare services	**100**	100
AMC Healthcare Pte Ltd (Singapore)	Dormant	**100**	100
AsiaMedic Eye Centre Pte Ltd (Singapore)	Dormant	**100**	100
Held by AsiaMedic Wellness Assessment Centre Pte Ltd			
AsiaMedic Astique The Aesthetic Clinic Pte Ltd (Singapore)	Provision of medical aesthetic services and related products	**100**	100

All subsidiaries are audited by Baker Tilly TFW LLP, Singapore. The financial statements for financial year ended 31 December 2021 were audited by another firm of auditor.

Notes to the Financial Statements

For the financial year ended 31 December 2022

12. Investment in associate

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Unquoted equity shares, at cost				
Positron Tracers Pte Ltd	**2,190,185**	1,991,995	**181,500**	181,500

Details of associate at the end of the financial year are as follows:

Name of associate (Country of incorporation)	Principal activities	Group's effective equity interest held	
		2022	2021
		%	%
Positron Tracers Pte Ltd [1] (Singapore)	Manufacturing and sale of fludeoxyglucose (FDG) and other radioactive isotopes	**33**	33

(1) Audited by KPMG LLP, Singapore

The associate is measured using the equity method. The activities of the associate are strategies to the Group's relation to healthcare business.

The summarised financial information of Positron Tracers Pte Ltd, based on its SFRS(I) financial statements and reconciliation with the carrying amount of the investment in the consolidated financial statements is as follows:

Summarised balance sheet

	Positron Tracers Pte Ltd	
	2022	2021
	$	$
Current assets	**7,070,466**	6,295,462
Non-current assets	**630,042**	407,150
Total assets	**7,700,508**	6,702,612
Total liabilities	**(1,063,584)**	(666,264)
Net assets	**6,636,924**	6,036,348
Proportion of Group's ownership	**33%**	33%
Group's share of net assets	**2,190,185**	1,991,995
Carrying amount of the investment	**2,190,185**	1,991,995

Notes to the Financial Statements

For the financial year ended 31 December 2022

12. Investment in associate (cont'd)

Group's share of profit after tax

Summarised statement of comprehensive income

	Positron Tracers Pte Ltd	
	2022	2021
	$	$
Revenue	**3,801,729**	3,234,081
Profit after tax representing total comprehensive income for the year	**1,466,285**	1,082,135
Proportion of Group's ownership	**33%**	33%
Group's share of profit after tax	**483,874**	357,105
Dividend received from associate	**285,684**	298,166

13. Goodwill

	Group	
	2022	2021
	$	$
Cost:		
At 1 January and 31 December	**2,124,311**	2,124,311
Accumulated impairment:		
At 1 January	**1,600,447**	1,600,447
Impairment loss	**523,864**	–
At 31 December	**2,124,311**	1,600,447
Net carrying amount:		
At 31 December	**–**	523,864

Goodwill acquired through business combinations has been allocated to its respective cash-generating units ("CGU") namely Complete Healthcare International Pte Ltd ("CHI") and AsiaMedic Astique The Aesthetic Clinic Pte Ltd ("AATAC CGU") at cost of $1,600,447 and $523,864 respectively. The goodwill related to CHI has been fully impaired in 2018.

Impairment testing of goodwill

The recoverable amount of the AATAC CGU is determined based on the value in use calculations using cash flow projections from financial budgets approved by the board covering a five-year period. The impairment test carried out as at 31 December 2022 for AATAC has revealed that the carrying value of the CGU was determined to be higher than its recoverable amount. Accordingly, goodwill was fully impaired and impairment loss of $523,864 (2021: $Nil) was recorded in the "impairment of non-current assets" line item of profit or loss. The impairment charge arose from AATAC CGU as a result of foreseeable loss in the future business performance due to shortage of medical personnel.

Notes to the Financial Statements

For the financial year ended 31 December 2022

13. Goodwill (cont'd)

Impairment testing of goodwill (cont'd)

Key assumptions used in the value in use calculations

The calculations of value in use for the AATAC CGU are most sensitive to the following assumptions:

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. The pre-tax discount rate applied is 12.4% (2021: 10.5%).

Revenue growth rates – Profit from operation was based on management's estimate with reference to historical revenue generated, growth rate and estimation of future business outlook. Revenue growth rate was estimated at 6% for 2023. Thereafter, management assumed no revenue growth from 2024 to 2027.

Sensitivity to changes in assumptions

An increase in the revenue growth rate by 1.9% or a decrease in the discount rate by 3.2% would result in the recoverable amount of the AATAC CGU to be equal to its carrying value.

14. Inventories

	Group	
	2022	2021
	$	$
Medical supplies, at cost	**259,634**	253,281

15. Trade receivables

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Trade receivables:				
- Third parties	**1,846,708**	1,435,526	**–**	–
- Subsidiaries	**–**	–	**1,252,122**	666,554
	1,846,708	1,435,526	**1,252,122**	666,554
Less allowance for impairment loss				
- Subsidiaries	**–**	–	**(1,214,509)**	(666,554)
	1,846,708	1,435,526	**37,613**	–
Accrued receivables (Note 23)	**1,166,949**	664,828	**–**	–
Total trade receivables	**3,013,657**	2,100,354	**37,613**	–
Add:				
Other receivables and deposits (Note 16)	**448,613**	617,473	**690,320**	708,882
Other financial assets (Note 17)	**1,980,560**	–	**1,480,560**	–
Cash pledged as security (Note 18)	**911,520**	818,100	**–**	–
Cash and cash equivalents (Note 19)	**6,642,404**	9,473,762	**3,107,097**	5,832,792
Total financial assets carried at amortised cost	**12,996,754**	13,009,689	**5,315,590**	6,541,674

Notes to the Financial Statements

For the financial year ended 31 December 2022

15. Trade receivables (cont'd)

Trade receivables due from third parties are unsecured, non-interest bearing and are generally on 60 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition and are denominated in Singapore dollar.

Allowance for impairment loss on trade receivables from subsidiaries

	Company	
	2022	2021
	$	$
At 1 January	**666,554**	–
Charge for the year	**547,955**	666,554
At 31 December	**1,214,509**	666,554

Concentration of credit risk relating to expected credit losses of trade receivables is limited due to the Group's many varied debtors. Other than one major debtor which accounted for 48% (2021: 51%) of the Group's trade receivables, other debtors mainly consist of public and private clinics and hospitals, private businesses, insurance companies, and individuals. Expected credit losses are evaluated based on Group's historical experience in the collection of trade receivables, adjusted with forward-looking estimates and other macroeconomic conditions. Due to these factors, management believes that no additional credit risk is inherent in the Group's trade receivables.

16. Other receivables and deposits

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Amounts due from subsidiaries	**–**	–	**17,370,669**	16,381,946
Less: allowance for impairment loss				
- Subsidiaries	**–**	–	**(17,104,142)**	(16,271,549)
Amounts due from subsidiaries, net of impairment loss allowance	**–**	–	**266,527**	110,397
Refundable deposits	**432,070**	597,249	**423,793**	598,485
Other debtors	**16,543**	20,224	**–**	–
	448,613	617,473	**690,320**	708,882

Amounts due from subsidiaries are unsecured, non-interest bearing, repayable upon demand and are to be settled in cash.

The other receivables and deposits are denominated in Singapore dollar.

Allowance for impairment loss of amounts due from subsidiaries

The movement of the impairment loss allowance on amounts due from subsidiaries are as follows:

	Company	
	2022	2021
	$	$
At 1 January	**16,271,549**	15,691,357
Charge for the year	**832,593**	587,320
Reversal during the year	**–**	(7,128)
At 31 December	**17,104,142**	16,271,549

Notes to the Financial Statements

For the financial year ended 31 December 2022

17. Other financial assets

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Financial instruments				
Credit-linked note	**1,980,560**	–	**1,480,560**	–

The carrying value of other financial assets at amortised cost approximates their fair values (Level 2) due to short-term nature where the effect of discounting is immaterial. The above credit-linked note mature on 3 March 2023 and 17 March 2023 respectively and bear an average interest rate of 4.22% per annum.

The credit-linked notes of the Group and the Company are fully redeemed on maturity dates for a total amount of $2,000,000 and $1,500,000 respectively.

18. Cash pledged as security

Cash pledged as security refers to fixed deposits of the Group amounting to $911,520 (2021: $818,100) bearing fixed interest rates ranging from 0.10% to 2.65% (2021: 0% to 0.10%) per annum. This relates to security provided for performance of contracts and facility for merchant credit card accounts facilities.

19. Cash and cash equivalents

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Cash at banks and on hand	**4,090,841**	5,664,652	**1,559,068**	2,027,215
Fixed deposits	**2,551,563**	3,809,110	**1,548,029**	3,805,577
	6,642,404	9,473,762	**3,107,097**	5,832,792

Cash at banks earn interest at floating rates based on the daily bank deposit rates.

Fixed deposits of the Group are placed for varying periods between 9 to 12 months depending on the immediate cash requirements of the Group, and earn interests ranging from 0.28% to 2.80% (2021: 0.28% to 1.68%) per annum.

Cash and cash equivalents denominated in foreign currencies at the balance sheet date are as follows:

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
United States dollar	**6,205**	6,247	**6,205**	6,247

Notes to the Financial Statements

For the financial year ended 31 December 2022

20. Trade payables

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Due to third parties	**1,287,279**	881,291	**–**	–
Due to an associate	**188,053**	225,663	**–**	–
Total trade payables	**1,475,332**	1,106,954	**–**	–
Add:				
Other payables and accruals (Note 21)	**1,863,572**	1,961,667	**1,241,816**	1,716,369
Lease liabilities (Note 28)	**7,317,939**	6,048,478	**7,317,939**	6,048,478
Less: GST payables	**(196,308)**	(126,775)	**–**	–
Total financial liabilities carried at amortised cost	**10,460,535**	8,990,324	**8,559,755**	7,764,847

Trade payables are unsecured, non-interest bearing and are normally settled on 60-day terms and are denominated in Singapore dollar.

21. Other payables and accruals

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Other payables	**485,400**	363,072	**351,792**	204,462
Accrued operating expenses	**1,265,134**	1,485,557	**377,410**	352,397
Amounts due to subsidiaries	**–**	–	**399,576**	1,046,472
Interest payable to a corporate shareholder of the Company (Note 29(a))	**113,038**	113,038	**113,038**	113,038
	1,863,572	1,961,667	**1,241,816**	1,716,369

The other payables and accruals are denominated in Singapore dollar.

Amounts due to subsidiaries are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Notes to the Financial Statements

For the financial year ended 31 December 2022

22. Provision for reinstatement

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
At 1 January	**1,115,662**	915,980	**479,000**	447,000
Arose during the financial year	**–**	197,000	**–**	32,000
Accretion of interest recognised during the financial year	**2,730**	2,682	**–**	–
At 31 December	**1,118,392**	1,115,662	**479,000**	479,000

Provision for reinstatement is recognised when the Group enters into lease agreements for the office and clinic units. It includes the estimated cost of demolishing and removing all the leasehold improvements and removal of medical equipment made by the Group to the office and clinic units. The office and clinic units shall be reinstated to the condition set up in the lease agreements upon the expiration of the lease agreements.

23. Accrued receivables and contract liabilities

Accrued receivables relate to the Group's rights to consideration for performance obligations fulfilled but not billed at the end of the financial year on health screening and medical wellness services. Contract liabilities relate to payments for services received in advance from customers on package arrangements for medical aesthetic services. Contract liabilities are recognised as revenue when the Group satisfies the performance obligations under its contracts.

	2022	2021	1.1.2021
	$	$	$
Group			
Trade receivables – third parties (Note 15)	**1,846,708**	1,435,526	2,211,212
Accrued receivables (Note 15)	**1,166,949**	664,828	237,499
Contract liabilities	**993,574**	1,179,464	1,357,081

Accrued receivables represent unbilled transactions for services rendered to a statutory board. The billing details have been presented to the statutory board for approval prior to the end of the financial year. The significant changes to the accrued receivables was mainly due to increase of services rendered during the financial year and the timing of approval by the said statutory board.

Significant changes in the contract liabilities during the financial year was due to performance obligation has been satisfied and amounts were recognised as revenue during the year.

Notes to the Financial Statements

For the financial year ended 31 December 2022

24. Share capital

	Group and Company			
	2022		2021	
	No. of shares	**$**	No. of shares	$
Issued and fully paid ordinary shares:				
As at 1 January and 31 December	**1,119,622,270**	**33,284,437**	1,119,622,270	33,284,437

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

The Company has an employee share option scheme under which options to subscribe for the Company's ordinary shares have been granted to certain employees and consultant radiologists of the Group (Note 27).

25. Treasury shares

	Group and Company			
	2022		2021	
	No. of shares	**$**	No. of shares	$
As at 1 January and 31 December	**100,000**	**2,866**	100,000	2,866

Treasury shares relate to ordinary shares of the Company that are held by the Company.

The Company did not acquire any shares in the Company in the current and previous financial years. The total amount paid to acquire the shares is presented as a component within shareholders' equity.

No treasury shares were re-issued by the Company in the current and previous financial years.

26. Other reserves

	Put options reserve $	Capital reserve $	Employee share option scheme reserve (Note 27) $	Total $
Group				
At 1 January 2021, 31 December 2021 and 31 December 2022	(652,544)	(8,189)	97,812	(562,921)
Company				
At 1 January 2022, 31 December 2021 and 31 December 2022	–	–	97,812	97,812

Notes to the Financial Statements

For the financial year ended 31 December 2022

26. Other reserves (cont'd)

Put options reserve

The put options reserve arose as a result of acquisition of entity and businesses in two subsidiaries, namely Complete Healthcare International Pte Ltd and AsiaMedic Astique The Aesthetic Clinic Pte Ltd in 2013 whereby the vendors of the subsidiaries had been granted the option to sell their shares to the Group ("put option"). The put option reserve represented applicable percentage of the issued share capital of the subsidiaries at the option price determined by a pre-determined formula.

Capital reserve

Capital reserve comprises the difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received and attributed to the owners of the Company.

27. Personnel expenses

	Group	
	2022	2021
	$	$
Salaries and bonuses to employees	**7,096,653**	6,428,101
Central Provident Fund contributions	**862,035**	827,317
Other expenses	**547,883**	557,490
Wages and fees to contract-for-hire personnel	**1,449,958**	2,112,870
	9,956,529	9,925,778

Equity-settled employee share option scheme

The Company has an employee share option scheme for certain employees, directors and consultant radiologists of the Group. The options that are granted under the scheme may have exercise prices that are set at the market price or at a discount to the market price (subject to a maximum discount of 20%). Options which are fixed at the market price may be exercised after the first anniversary of the date of grant while options exercisable at a discount to the market price may only be exercised after the second anniversary from the date of grant. Options granted under the scheme will have a life span of up to 10 years. Options are forfeited/lapsed if the grantee leaves the Group or if the performance targets are not met.

- The share options were granted on 15 June 2016.
- The weighted average remaining contractual life for these options is 3.5 years (2021: 4.5 years).
- The validity period of the options granted is 10 years from the date of grant.
- The share options granted are subject to a vesting schedule as follows:
  - (a) two (2) years after the date of grant for up to 33% of the shares over which the share options are exercisable;
  - (b) three (3) years after the date of grant for up to 66% (including (a) above) of the shares over which the share options are exercisable; and
  - (c) four (4) years after the date of grant for up to 100% (including (a) and (b) above) of the shares over which the share options are exercisable.

As at 31 December 2022 and 31 December 2021, no share options have pre-set performance conditions.

Notes to the Financial Statements

For the financial year ended 31 December 2022

27. Personnel expenses (cont'd)

Movement of share options during the financial year

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year:

	2022		2021	
	No.	**WAEP $**	No.	WAEP $
Outstanding at 1 January	**1,171,935**	**0.050**	1,720,645	0.050
Forfeited	**(352,258)**	**–**	(548,710)	–
Outstanding at 31 December	**819,677**	**0.050**	1,171,935	0.050
Exercisable at 31 December	**819,677**	**0.050**	1,171,935	0.050

The fair value was calculated using the Binomial Option Pricing Method. The following table lists the inputs to the model:

	2016
Dividend yield (%)	0.000
Expected volatility (%)	97.870
Weighted average risk-free interest rate (% p.a.)	1.720
Expected life of options (years)	7.870
Weighted average share price ($)	0.060

The expected life of the share options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Notes to the Financial Statements

For the financial year ended 31 December 2022

28. Right-of-use assets and lease liabilities

Group as a lessee

The Group has lease contracts for use as office and clinic premises from non-related parties. The leases have an average tenure of five years. These leases have extension options which are further disclosed below.

The Group also has lease contracts for warehouse premises with lease term of 12 months or less, and leases of low value. The Group applies the “short-term lease” and “low-value leased assets” recognition exemptions. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Right-of-use assets

The carrying amounts of the Group’s right-of-use (“ROU”) assets and the movements during the year are as follows:

Group and Company	**Office and clinic premises $**
Cost	
As at 1 January 2021	6,810,044
Additions	3,431,905
As at 31 December 2021	10,241,949
Additions	2,348,064
As at 31 December 2022	**12,590,013**
Accumulated depreciation and impairment loss	
As at 1 January 2021	4,931,259
Depreciation charge for the year	892,151
Charge of impairment loss	759,265
As at 31 December 2021	6,582,675
Depreciation charge for the year	780,087
Reversal of impairment loss	(1,302,344)
As at 31 December 2022	**6,060,418**
Representing:	
Accumulated depreciation	4,600,670
Accumulated impairment loss	1,459,748
	6,060,418
Net carrying amount	
At 31 December 2021	3,659,274
At 31 December 2022	**6,529,595**

Notes to the Financial Statements

For the financial year ended 31 December 2022

28. Right-of-use assets and lease liabilities (cont'd)

Group as a lessee (cont'd)

Right-of-use assets (cont'd)

Impairment of right-of-use ("ROU") assets

Management carried out a review of the recoverable amount of their ROU assets. The recoverable amount of the ROU assets has been determined based on a value in use calculation using cash flow projection from financial budgets approved by the board covering a nine-year period (2021: five years). The pre-tax discount rate applied to the cash flow projection is 12.4% (2021: 10.5%).

The cash flow projection period is consistent with the remaining lease term of the Group's current principal place of business.

Following management's impairment assessment, a reversal of impairment loss of $1,302,344 (2021: charge of impairment loss of $759,265) was recognised for the financial year ended 31 December 2022.

The Group's lease contracts of premises for use as clinics and office include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. Management determines whether these extension options are reasonably certain to be exercised.

Lease liabilities

The classification of lease liabilities and the reconciliation of liabilities arising from financing activities is as follows:

	1 January 2022	Non-cash changes: Addition	Non-cash changes: Accretion of interests	Non-cash changes: Others	Cash flows	31 December 2022
	$	$	$	$	$	$
Group and Company						
Current	1,202,070	–	239,010	817,910	(1,317,613)	**941,377**
Non-current	4,846,408	2,348,064	–	(817,910)	–	**6,376,562**
	6,048,478	2,348,064	239,010	–	(1,317,613)	**7,317,939**

	1 January 2021	Non-cash changes: Addition	Non-cash changes: Accretion of interests	Non-cash changes: Others	Cash flows	31 December 2021
	$	$	$	$	$	$
Group and Company						
Current	1,370,835	–	143,192	1,249,632	(1,561,589)	1,202,070
Non-current	2,664,135	3,431,905	–	(1,249,632)	–	4,846,408
	4,034,970	3,431,905	143,192	–	(1,561,589)	6,048,478

The "Others" column relates to reclassification of non-current portion of lease liabilities due to passage of time.

The maturity analysis of lease liabilities is disclosed in Note 32 to the financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2022

28. Right-of-use assets and lease liabilities (cont'd)

Group as a lessee (cont'd)

Lease liabilities (cont'd)

The amounts recognised in profit or loss in relation to leases are as follows:

	Group	
	2022	2021
	$	$
Depreciation expense of right-of-use assets	**780,087**	892,151
Interest expense on lease liabilities	**239,010**	143,192
Lease expenses not capitalised in lease liabilities:		
Expenses relating to short-term and low-value leases (included in operating lease expenses)	**142,495**	137,917
Total amount recognised in profit or loss	**1,161,592**	1,173,260

The Group had total cash outflows for leases relating to ROU assets of $1,460,108 (2021: $1,533,483) after offsetting with Rental Support/Rental Relief Scheme grant income of $Nil (2021: $166,023).

29. Related party transactions

(a) ***Sales and purchases of goods and services***

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 year:

	Group	
	2022	2021
	$	$
Purchase of consumables from associate	**421,800**	421,800
Marketing services rendered by a company controlled by the Group's corporate shareholder	**2,251**	200
Medical services rendered to companies controlled by the Group's corporate shareholder	**(120,687)**	(104,241)

Corporate shareholder refers to Luye Medical Group Pte. Ltd., which has significant influence on the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2022

29. Related party transactions (cont'd)

(b) *Compensation of key management personnel*

	Group	
	2022	2021
	$	$
Salaries and bonuses	**471,490**	467,688
Central Provident Fund contributions	**31,616**	27,158
Other short-term benefits	**34,354**	72,000
Directors' fee	**169,184**	173,000
	706,644	739,846
Comprise amounts paid to:		
Fee to directors of the Company	**169,184**	173,000
Other key management personnel	**537,460**	566,846
	706,644	739,846

Key management personnel include the directors of the Company and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

The compensation of key management personnel, except for directors' fee, is included in the "personnel expenses" line item of profit or loss (Note 27). Directors' fee is included in the "other operating expenses" line item of profit or loss.

The remuneration of key management personnel is determined by the Remuneration Committee with reference to the performance of Group and the individuals, as well as the market trends.

30. Commitments

(a) *Expenditure commitments*

As at 31 December 2022, the Group had entered into non-cancellable logistics and warehouse service agreements with non-related party. The service agreements had remaining expected term of approximately 1 year (2021: 2 years).

At the end of the reporting year, the total of future expenditure commitments under contractual service agreement is as follows:

	Group	
	2022	2021
	$	$
Not later than one year	**336,720**	295,850
Later than one year but not later than five years	**14,950**	325,750
Total future expenditure commitments	**351,670**	621,600

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. Commitments (cont'd)

(b) ***Operating lease commitments – as lessor***

The Group has entered into sub-lease agreements on its leased premises to non-related parties. The non-cancellable leases have remaining lease terms of between 1 year to 3.8 years (2021: 2 years to 4.8 years).

Non-cancellable operating leases to be received after the end of the reporting date are as follows:

	Group	
	2022	2021
	$	$
Not later than one year	**338,624**	182,624
Later than one year but not later than five years	**747,036**	526,660
Total undiscounted lease income	**1,085,660**	709,284

(c) ***Corporate guarantees***

Financial support has been given to certain subsidiaries having:

	Company	
	2022	2021
	$	$
Deficiencies in shareholders' funds	**18,007,855**	16,635,031
Current liabilities in excess of current assets	**18,695,551**	17,417,799

31. Fair values of financial instruments

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximates of fair value

Management has determined that the carrying amounts of cash and cash equivalents, cash pledged as security, other financial assets, trade and other receivables, trade and other payables and lease liabilities, based on their notional amounts, reasonably approximate their fair values because they are short-term in nature.

32. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The financial risk on foreign currency risk, interest rate risk and price risk is not significant. The Board of Directors reviews and approves policies and procedures for the management of these risks and they are summarised below. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

Notes to the Financial Statements

For the financial year ended 31 December 2022

32. Financial risk management objectives and policies (cont'd)

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents, cash pledged as security and other financial assets), the Group and the Company minimise credit risk by dealing only with recognised and creditworthy third parties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with customers of appropriate credit history and obtaining sufficient security where appropriate to mitigate credit risk. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Company's historical information.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the operating results / key financial performance ratios of the debtor;

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Notes to the Financial Statements

For the financial year ended 31 December 2022

32. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the end of the financial year.

Definition of default

The Group considers an event of default for internal credit risk management purpose. Management considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the trade and other receivables are in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the trade and other receivables will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables, using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers with similar payment patterns. The expected credit losses incorporate forward looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

Information regarding loss allowance movement of trade receivables is disclosed in Note 15 to the financial statements. During the current financial year, no allowance for expected credit loss was made to trade receivables from third parties.

As at 31 December 2022, approximately 48% (2021: 51%) of the Group's trade receivables were due from a single customer. Despite the significant percentage due from this single customer, the Group believes that there is no risk of default as the Group trades only with recognised and creditworthy third parties.

Other financial assets at amortised cost

For other financial assets at amortised cost, management has considered, among other factors (including forward-looking information), the Group's and the Company's historical loss pattern over the last three financial years to assess the expected credit loss.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical payment experience and the corresponding historical credit loss rates, and adjusted for forward-looking macroeconomic factors.

Notes to the Financial Statements

For the financial year ended 31 December 2022

32. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Other financial assets at amortised cost (cont'd)

These financial assets are assessed as credit-impaired when one or more event that have a detrimental impact on the estimated future cashflows of that financial assets have occurred. Evidence that a financial asset is credit-impaired includes observable data about events, including but not limited to significant financial difficulty of the trade and other receivables or a breach of contract, such as default or past due event.

The table below details the credit quality of the Group and the Company's financial assets:

Group	**12-month or lifetime ECL**	**Gross carrying amount**	**Loss allowance**	**Net carrying amount**
2022		**$**	**$**	**$**
Cash and cash equivalents	N.A. Exposure Limited	**6,642,404**	**–**	**6,642,404**
Cash pledged as security	N.A. Exposure Limited	**911,520**	**–**	**911,520**
Trade and accrued receivables	Lifetime ECL	**3,013,657**	**–**	**3,013,657**
Other receivables	12-month ECL	**16,543**	**–**	**16,543**
Refundable deposits	N.A. Exposure Limited	**432,070**	**–**	**432,070**
Other financial assets	N.A. Exposure Limited	**1,980,560**	**–**	**1,980,560**
2021				
Cash and cash equivalents	N.A. Exposure Limited	9,473,762	–	9,473,762
Cash pledged as security	N.A. Exposure Limited	818,100	–	818,100
Trade and accrued receivables	Lifetime ECL	2,100,354	–	2,100,354
Other receivables	12-month ECL	20,224	–	20,224
Refundable deposits	N.A. Exposure Limited	597,249	–	597,249

Notes to the Financial Statements

For the financial year ended 31 December 2022

32. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Other financial assets at amortised cost (cont'd)

Company **2022**	**12-month or lifetime ECL**	**Gross carrying amount** **$**	**Loss allowance** **$**	**Net carrying amount** **$**
Cash and cash equivalents	N.A. Exposure Limited	**3,107,097**	**–**	**3,107,097**
Amounts due from subsidiaries	Lifetime ECL	**18,622,791**	**(18,318,651)**	**304,140**
Refundable deposits	N.A. Exposure Limited	**423,793**	**–**	**423,793**
Other financial assets	N.A. Exposure Limited	**1,480,560**	**–**	**1,480,560**
2021				
Cash and cash equivalents	N.A. Exposure Limited	5,832,792	–	5,832,792
Amounts due from subsidiaries	Lifetime ECL	17,048,500	(16,938,103)	110,397
Refundable deposits	N.A. Exposure Limited	598,485	–	598,485

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. The Group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

Notes to the Financial Statements

For the financial year ended 31 December 2022

32. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets used for managing liquidity risks and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	One year or less	One to five years	Total
	$	$	$
Group			
2022			
Financial liabilities:			
Trade payables	**1,279,024**	**–**	**1,279,024**
Other payables and accruals	**1,863,572**	**–**	**1,863,572**
Lease liabilities	**1,317,612**	**7,810,282**	**9,127,894**
Total undiscounted financial liabilities	**4,460,208**	**7,810,282**	**12,270,490**
2021			
Financial liabilities:			
Trade payables	980,179	–	980,179
Other payables and accruals	1,961,667	–	1,961,667
Lease liabilities	1,317,612	5,050,848	6,368,460
Total undiscounted financial liabilities	4,259,458	5,050,848	9,310,306
Company			
2022			
Financial liabilities:			
Other payables and accruals	**1,241,816**	**–**	**1,241,816**
Lease liabilities	**1,317,612**	**7,810,282**	**9,127,894**
Total undiscounted financial liabilities	**2,559,428**	**7,810,282**	**10,369,710**
2021			
Financial liabilities:			
Other payables and accruals	1,716,369	–	1,716,369
Lease liabilities	1,317,612	5,050,848	6,368,460
Total undiscounted financial liabilities	3,033,981	5,050,848	8,084,829

Notes to the Financial Statements

For the financial year ended 31 December 2022

33. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (the "CODM").

The Group is principally engaged in the business of operating medical clinics in Singapore. Information reported to CODM, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

100% (2021: 100%) of the Group revenue were generated from external customers located in Singapore for the financial year ended 31 December 2022 and 31 December 2021. All of the assets of the Group were located in Singapore as at 31 December 2022 and 31 December 2021. Accordingly, no geographical segment analysis is presented.

The CODM considers medical services and other services as the sole segment.

Other than revenue analysis (Note 4), no operating results and other discrete financial information is available for the assessment of performance and allocation of resources. Accordingly, other than entity-wide information, no analysis of this single operating segment is presented.

34. Capital management

The Group reviews and manages its capital structure to maximise shareholders' returns taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The capital of the Group consists of debt and equity items, and the Group's overall strategy remains unchanged from 2021.

35. Reclassification and comparative figures

i) Reclassification

Certain classifications have been re-presented to the previous year's financial statements to enhance comparability with the current year's financial statements and to conform to the current year's presentation.

As a result, certain line items have been amended on the consolidated statement of cash flows for the previous financial year ended 31 December 2021. The items were reclassified as follows:

	Group		
	As previously reported 2021 $	**Amount reclassified 2021 $**	**As reclassified 2021 $**
Consolidated Statement of Cash Flows			
Cash flows from operating activities			
Provision on reinstatement	–	197,000	197,000
Changes in operating assets and liabilities:			
- Trade and other payables	692,901	(197,000)	495,901

Apart from the above, there are no other reclassifications to balance sheet as at 31 December 2021 and consolidated statement of comprehensive income for the financial year ended 31 December 2021.

Notes to the Financial Statements

For the financial year ended 31 December 2022

35. Reclassification and comparative figures (cont'd)

ii) Comparative figures

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2021 were audited by another firm of auditors whose report dated 31 March 2022 expressed an unmodified opinion.

36. Authorisation of financial statements for issue

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors dated 5 April 2023.

Statistics of Shareholdings

As at 15 March 2023

Issued & Paid-Up Capital	:	S$33,284,436.50
Number & Class of Shares (Excluding Treasury Shares)	:	1,119,522,270 Ordinary Shares
Voting Rights	:	One Vote per Ordinary Share
Treasury Shares & Percentage	:	100,000 Ordinary Shares (0.01%)

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No of shareholders	%	No of shares	%
1 - 99	6	0.22	202	0.00
100 - 1,000	108	4.05	84,903	0.01
1,001 - 10,000	817	30.63	4,975,180	0.44
10,001 - 1,000,000	1,651	61.90	246,366,219	22.01
1,000,001 and above	85	3.19	868,095,766	77.54
GRAND TOTAL	**2,667**	**100.00**	**1,119,522,270**	**100.00**

LIST OF 20 LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	LUYE MEDICAL GROUP PTE LTD	512,098,062	45.74
2	UNITED OVERSEAS BANK NOMINEES P L	57,624,598	5.15
3	DBS NOMINEES PTE LTD	41,841,400	3.74
4	PHILLIP SECURITIES PTE LTD	14,066,900	1.26
5	MAYBANK SECURITIES PTE. LTD.	13,070,800	1.17
6	ANG KIM JOO MATTHEW	8,268,400	0.74
7	CITIBANK NOMS SPORE PTE LTD	8,252,000	0.74
8	KONG YUEN HO	7,790,000	0.70
9	LEE CHYE ONN @SOW CHYE ONN	7,499,000	0.67
10	LISTIAWATI	7,454,000	0.67
11	ANG HAO YAO (HONG HAOYAO)	6,388,800	0.57
12	RAFFLES NOMINEES(PTE) LIMITED	6,162,500	0.55
13	LOO TIONG KHENG	6,099,900	0.54
14	TOK BOON CHOO	6,008,200	0.54
15	OCBC SECURITIES PRIVATE LTD	5,906,900	0.53
16	OCBC NOMINEES SINGAPORE PTE LTD	5,452,600	0.49
17	TAN LYE SENG	5,142,900	0.46
18	DBS VICKERS SECURITIES (S) PTE LTD	4,520,000	0.40
19	ANG AH LEK @AN AH LEK	4,500,000	0.40
20	TAN KAI SENG	4,400,000	0.39
	TOTAL	**732,546,960**	**65.45**

SHAREHOLDINGS HELD BY THE PUBLIC

Percentage of shareholdings held by the public is approximately 54.26%, and therefore, Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited

Statistics of Shareholdings

As at 15 March 2023

SUBSTANTIAL SHAREHOLDERS

(As shown in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	No. of Shares	**%[1]**	**No. of Shares**	**%[1]**
Luye Medical Group Pte. Ltd. [2]	512,098,062	45.74	–	–
Luye Medical Investment Pte. Ltd. [3]	–	–	512,098,062	45.74
Luye Life Sciences Group Ltd [4]	–	–	512,098,062	45.74
Nelumbo Investments Limited [5][7]	–	–	512,098,062	45.74
Ginkgo (PTC) Limited [6][8]	–	–	512,098,062	45.74
Shorea LBG [8]	–	–	512,098,062	45.74
The Asoka Trust [7]	–	–	512,098,062	45.74
Liu Dianbo [7][8]	–	–	512,098,062	45.74
Wang Cuilian [7]	–	–	512,098,062	45.74
Aona Liu [7]	–	–	512,098,062	45.74
Alina W Liu [7]	–	–	512,098,062	45.74

Notes:

(1) Based on 1,119,522,270 issued shares (excluding 100,000 treasury shares and nil subsidiary holdings) of the Company.

(2) Luye Medical Group Pte. Ltd. ("**LMGPL**") holds its shares in the Company directly.

(3) Luye Medical Investment Pte. Ltd. holds 100% of the issued and paid-up share capital LMGPL and is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the Securities and Futures Act 2001 ("**SFA**").

(4) Luye Life Sciences Group Ltd holds 100% of the issued and paid-up share capital of Luye Medical Investment Pte. Ltd.. Luye Medical Investment Pte. Ltd. is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, Luye Life Sciences Group Ltd is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA.

(5) Nelumbo Investments Limited holds 70% of the issued and paid up share capital of Luye Life Sciences Group Ltd. Luye Life Sciences Group Ltd is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, Nelumbo Investments Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA.

(6) The shares representing 100% of the issued and paid up share capital of Nelumbo Investments Limited are held by Ginkgo (PTC) Limited as trustee of The Asoka Trust. Nelumbo Investments Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, Ginkgo (PTC) Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA.

(7) The shares representing 100% of the issued and paid up share capital of Nelumbo Investments Limited are the trust property of The Asoka Trust. The settlor of The Asoka Trust is Mr Liu Dianbo. The beneficiaries of The Asoka Trust are Mr Liu Dianbo, his spouse Mdm Wang Cuilian, and his daughters Ms Aona Liu and Ms Alina W Liu. Nelumbo Investments Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, The Asoka Trust and the beneficiaries of The Asoka Trust are deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA.

(8) Shorea LBG holds 100% of the issued and paid up share capital of Ginkgo (PTC) Limited and is in turn wholly-owned by Mr Liu Dianbo. Ginkgo (PTC) Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, each of Shorea LBG and Mr Liu Dianbo are deemed to be indirectly interested in the Shares that Ginkgo (PTC) Limited has an interest in.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of AsiaMedic Limited (the "**Company**") will be held by electronic means on Saturday, 29 April 2023 at 9.30 a.m. to transact the following businesses:

ORDINARY BUSINESS

1. To receive and adopt the audited financial statements of the Company and the Group for the financial year ended 31 December 2022 and the Directors' Statement and Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr Chua Keng Woon, a Director retiring pursuant to Regulation 89 of the Constitution of the Company. **(Resolution 2)**

3. To re-elect Mr Leong Yew Meng, a Director retiring pursuant to Regulation 89 of the Constitution of the Company. **(Resolution 3)**

4. To approve Directors' fee of S$169,184 for the financial year ended 31 December 2022 (2021: S$173,000). **(Resolution 4)**

5. To re-appoint Messrs Baker Tilly TFW LLP as Auditors of the Company and to authorize the Directors to fix their remuneration. **(Resolution 5)**

SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions as Ordinary Resolutions, with or without modifications:

6. **Authority to issue Shares and Instruments convertible into Shares**

"That pursuant to Section 161 of the Companies Act 1967 (the "**Act**") and Rule 806 of the Listing Manual (Section B: Rules of Catalist) (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), approval be and is hereby given to the Directors of the Company, to:

(a) (i) issue ordinary shares in the capital of the Company (the "**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors in their absolute discretion deem fit;

(b) issue Shares in pursuance of any Instruments made or granted by the Directors while the authority was in force (notwithstanding the authority conferred by this Resolution may have ceased to be in force) provided always that:

(I) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 100% of the total number of issued Shares, excluding treasury shares and subsidiary holdings, of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings, and for the purpose of this Resolution, the total number of issued Shares excluding treasury shares and subsidiary holdings shall be the Company's total number of issued Shares excluding treasury shares and subsidiary holdings at the time this Resolution is passed, after adjusting for:

(a) new Shares arising from the conversion or exercise of convertible securities;

Notice of Annual General Meeting

(b) new Shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares;

whereby adjustments in accordance with (a) or (b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution; and

(ii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST or the Monetary Authority of Singapore) and the Constitution for the time being of the Company;

(iii) in this Resolution, "subsidiary holdings" shall have the meaning ascribed to it in the Catalist Rules; and

(iv) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier;

(c) the Directors be and are hereby authorised to do any and all acts which they deem necessary and expedient in connection with paragraphs (a) and (b) above."

(Resolution 6)

7. **Proposed Renewal of the Share Purchase Mandate**

"THAT:

(1) for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or acquire Shares not exceeding in aggregate the Maximum Percentage (as defined below), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:

(a) on-market purchases on the SGX-ST ("**On-Market Purchase**"); and/or

(b) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act ("**Off-Market Purchase**"),

and otherwise in accordance with all other laws regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(2) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(a) the date on which the next annual general meeting of the Company is held;

(b) the date by which the next annual general meeting of the Company is required by law to be held;

(c) the date when such mandate is revoked or varied by the Shareholders of the Company in general meeting; or

Notice of Annual General Meeting

(d) the date on which the share purchase is carried out to the full extent mandated,

(the "**Relevant Period**").

(3) in this Resolution:

"**Maximum Percentage**" means that number of issued Shares representing 10.0% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares or subsidiary holdings as at that date); and

"**Maximum Price**" in relation to a Share to be purchased or otherwise acquired, means the purchase price as determined by the Directors (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) and not exceeding:

(a) in the case of an On-Market Purchase, 105.0% of the average closing market price. For this purpose, the average closing market price is:

(i) the average of the closing market prices of the Shares over the last five (5) Market Days (on which transactions in the Shares were recorded) immediately before the date of the On-Market Purchase by the Company; and

(ii) deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchases are made; and

(b) in the case of an Off-Market Purchase, 105.0% of the highest price at which a Share is transacted on the SGX-ST on the Market Day (when transactions in the Shares are recorded) immediately preceding the date on which the Company announces an Off-Market Purchase offer stating the purchase price and the relevant terms of the equal access scheme,

(the "**Maximum Price**") in either case, excluding related expenses of the share purchase.

(4) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution. **(Resolution 7)**

8. **Authority to grant options and to allot and issue shares under the AsiaMedic Employee Share Option Scheme 2016**

"That the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provisions of the AsiaMedic Share Option Scheme 2016 (the "**AsiaMedic ESOS**") and to allot and issue from time to time such number of shares as may be required to be issued pursuant to the exercise of the options under the AsiaMedic ESOS provided always that the aggregate number of shares in respect of which options may be granted under the AsiaMedic ESOS shall not exceed 15% of the total issued capital (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the relevant date of grant of option, and when added to the number of shares issued and issuable and/or transferred and transferable in respect of (a) all shares available under the AsiaMedic ESOS and (b) all shares, options or awards granted under the AsiaMedic Share Award Scheme or any other share option scheme, share award scheme or share incentive scheme of the Company then in force, shall not exceed 25% of the issued share capital (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the relevant date of grant of option, and subject to such adjustments as may be made to the AsiaMedic ESOS as result of any variation in the capital structure of the Company." **(Resolution 8)**

Notice of Annual General Meeting

9. **Proposed renewal of the IPT General Mandate**

"THAT:

(a) approval be and is hereby given, for the purposes of Chapter 9 of the Catalist Rules, for the renewal of the IPT General Mandate (which was obtained at the extraordinary general meeting of the Company held on 24 April 2017) for the Company and/or its Subsidiaries, to enter into any of the transactions falling within the types of Interested Person Transactions described in Appendix B attached to the Annual Report with any party who falls within the classes of interested persons as described in the Appendix B, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for the Interested Person Transactions as set out in the Appendix B (the "**IPT General Mandate**");

(b) the IPT General Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the next annual general meeting of the Company is held or is required by law to be held; and

(c) the Directors be and are hereby authorised to take such steps, approve all matters and enter into all such transactions, arrangements and agreements and execute all such documents and notices as may be necessary or expedient for the purposes of giving effect to the IPT General Mandate as such Directors or any of them may deem fit or expedient or to give effect to this Resolution." **(Resolution 9)**

ANY OTHER BUSINESS

10. To transact any other business which may be properly transacted at an annual general meeting.

Dated this 14 April 2023

BY ORDER OF THE BOARD
Foo Soon Soo (Ms)
Company Secretary

EXPLANATORY NOTES:

(i) Resolution 2 – Mr Chua Keng Woon will upon re-election, remain as the Chairman of the Nominating Committee and a member of the Audit and Risk Management Committee. He is considered independent for the purpose of Rule 704(7) of the Catalist Rules. Detailed information on Mr Chua as required under Rule 704(7) of the Catalist Rules can be found in the Company's Annual Report 2022.

(ii) Resolution 3 – Mr Leong Yew Meng will upon re-election, remain as the Chairman of the Remuneration Committee and a member of the Nominating Committee. He is considered independent for the purpose of Rule 704(7) of the Catalist Rules. Detailed information on Mr Leong as required under Rule 704(7) of the Catalist Rules can be found in the Company's Annual Report 2022.

(iii) Resolution 6 – If passed, will enable the Directors to issue shares in the Company up to 100% of the total number of issued shares and instruments convertible into shares excluding treasury shares in the capital of the Company (in the case of issuance other than on a pro-rata basis to existing shareholders, such aggregate number of shares not to exceed 50% of the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company) for such purposes as they consider to be in the interests of the Company.

(iv) Resolution 7 – If passed, will empower the Directors, to repurchase Shares by way of on-market purchases or off-market purchases of up to 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) at such price up to the Maximum Price during the Relevant Period. Information relating to this proposed Resolution is set out in Appendix A attached to the Annual Report.

Notice of Annual General Meeting

(v) Resolution 8 – If passed, will empower the Directors to offer and grant options in accordance with the AsiaMedic Share Option Scheme 2016 and to allot and issue shares in the capital of the Company pursuant to the exercise of options under such scheme which shall not exceed 15% of the total issued capital (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the relevant date of grant of option, and when added to the number of shares issued under any other share incentive schemes or share plans adopted by the Company shall not shall not exceed 25% of the issued share capital (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the relevant date of grant of option.

(vi) Resolution 9 – If passed, will allow the Company and/or its Subsidiaries to enter into transactions with interested persons as defined in Chapter 9 of the Catalist Rules of the SGX-ST. Please refer to Appendix B attached to the Annual Report for more information on the scope of the IPT General Mandate.

Special Notice Regarding Measures to Minimise Risk of Community Spread of 2019 Novel Coronavirus ("COVID-19")

This Annual General Meeting ("**AGM**") is convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meeting for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("**COVID-19 Order 2020**"). Printed copies of the Annual Report 2022 will not be sent to members but will be published on SGXNet and on the Company's website at: www.asiamedic.com.sg.

Alternative arrangements have been made for shareholders to participate in the AGM proceedings via electronic means are set out below.

A. Live AGM Webcast:

1. Shareholders (including CPF and SRS investors) or their duly appointed proxies may participate in the AGM proceedings through the Live AGM Webcast or listen in on the live audio-only stream. To do so, shareholders will need to register via the link: https://registration.ryt-poll.com/home/index/asiamedic-agm (the "**Registration Link**"). The Registration Link will open for registration at 9.30 a.m. on 14 April 2023 until 9.30 a.m. on 26 April 2023 (the "**Registration Deadline**") to enable the Company to verify their status.

2. Following the verification, authenticated shareholders or their duly appointed proxies will receive an email by 9.30 a.m. on 28 April 2023 containing instructions on how to access the live audio-visual webcast or the live audio- only stream of the AGM proceedings, how to submit questions live and online (in real time) and how to vote live and online (in real time).

3. Shareholders must not forward the abovementioned instructions to other persons who are not shareholders of the Company and who are not entitled to attend the AGM.

4. Shareholders who register by the Registration Deadline but do not receive an email response by 9.30 a.m. on 28 April 2023 may contact the Company's Share Registrar at the email address: sharereg@kckcs.com.sg.

B. Voting at the AGM

1. Voting for all resolutions will be conducted by a poll. Voting at the AGM may be carried out in one of two ways, by:

   (a) a member or its duly appointed proxy(ies) live and online (in real time).

   (b) submitting a proxy form (in advance of the AGM) appointing the Chairman of the meeting to cast votes, or abstain from voting, on their behalf. Please note that the proxy form appointing the Chairman of the meeting must be directed, i.e., the shareholder must indicate for each Resolution whether the Chairman of the meeting is to vote "for" or "against" or "abstain" from voting.

2. The proxy form, (which can be accessed on SGXNet or the Company's website at the link: www.asiamedic.com.sg) duly completed and signed, must be submitted in one of the following manner:

   (a) if submitted by post, be deposited at the Company's Share Registrar Office, KCK CorpServe Pte. Ltd. at 1 Raffles Place, #04-63 One Raffles Place, Singapore 048616; or

   (b) if submitted electronically, be submitted via email to: aml-meetings@asiamedic.com.sg.

in either case, by no later than 9.30 a.m. on 26 April 2023, being 72 hours before the time fixed for the holding of the AGM at 9.30 a.m. on 29 April 2023.

Notice of Annual General Meeting

3. CPF OR SRS investors may:

   (a) vote live and online (in real time) at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or

   (b) appoint the Chairman of the meeting as proxy to vote on their behalf at the AGM, in which case they should contact and instruct their respective CPF Agent Banks or SRS Operators at least seven (7) working days before the AGM to allow sufficient time for their respective relevant intermediaries to, in turn, submit a proxy form to appoint the Chairman of the meeting to vote on their behalf by the cut-off date by 9.30 a.m. on 19 April 2023.

C. Live questions during the AGM

1. Shareholders (or their duly appointed proxies) who participate by way of observing the live audio-visual webcast or live audio-only stream of the AGM proceedings may ask questions live and online (in real time) during the AGM by submitting their questions online via the Registration Link: https://registration.ryt-poll.com/home/index/asiamedic-agm.

2. The directors of the Company will endeavour to address as many substantial and relevant questions submitted online as possible during the AGM. However, Shareholders should note that there may not be sufficient time available at the AGM to address all questions raised. Please note that questions and individual responses will not be sent to Shareholders.

3. The Company will also publish the minutes of the AGM (which will include all responses to questions, which are substantial and relevant to the resolutions as set out in the Notice of the AGM, submitted live and online during the AGM) on the SGXNet and the Company's website within one month after the date of the AGM.

Notes on AGM (these notes are to be read in conjunction with the Special Notice Regarding Measures to Minimize Risk of Community Spread of COVID-19):

1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act 1967, a member is entitled to appoint not more than two (2) proxies to participate in the AGM to be held electronically via a live-audio visual webcast. Where a member appoints more than one (1) proxy, the proportion of his/her shareholding to be represented by each proxy must be specified in each of the proxy forms. As this AGM is held by electronic means, pursuant to the COVID-19 Order 2020, members should note that if they themselves or their duly appointed proxies are not participating at the AGM to vote live and online, the only person they can appoint as proxy to vote on their behalf at the AGM is the Chairman of the meeting. Please be reminded that in that case, the proxy form appointing the Chairman of the meeting must be directed, i.e., the shareholder must indicate for each resolution whether the Chairman of the meeting is directed to vote "for" or "against" or "abstain".

2. Pursuant to Section 181(1C) of the Companies Act 1967, any member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to participate in the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where a member who is a Relevant Intermediary appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed must be specified in the relevant proxy form. As this AGM is held by electronic means, pursuant to the COVID-19 Order 2020, members who are Relevant Intermediaries should note that if the relevant CPR and or SRS investors have not requested for themselves to be appointed proxies to participate in the AGM and vote live and online, the only person Relevant Intermediaries can appoint as proxy to vote on their behalf at the AGM is the Chairman of the meeting. Please be reminded that in that case, the proxy form appointing the Chairman of the meeting must be directed, i.e., the shareholder must indicate for each Resolution whether the Chairman of the meeting is directed to vote "for" or "against" or "abstain".

3. The duly executed proxy form appointing a proxy(ies) must be sent by post to KCK CorpServe Pte. Ltd. at 1 Raffles Place, #04-63 One Raffles Place, Singapore 048616 or submitted via email to: aml-meetings@asiamedic.com.sg by 9.30 a.m. on 26 April 2023.

4. The proxy form appointing a proxy(ies) must be signed by the appointor or his attorney duly authorised in writing. Where a proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised. A copy of the power of attorney or such other authority must be submitted together with the duly executed proxy form(s).

5. A depositor's name must appear in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore) maintained by The Central Depository (Pte) Limited not later than seventy-two (72) hours before the time set for the AGM in order for the depositor to be entitled to participate and vote at the AGM either live and online or by proxy.

Notice of Annual General Meeting

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the meeting as proxy to vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

SPONSOR STATEMENT:

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.

Additional Information on Directors Seeking Re-Election

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "Catalist Rules"), the information relating to the Retiring Director as set out in Appendix 7F of the Catalist Rules is as set out below:

Name of Director	Mr Leong Yew Meng	Mr Chua Keng Woon
Date of Appointment	16 July 2020	15 August 2018
Date of last re-appointment (if applicable)	29 April 2021	19 June 2020
Age	64	51
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Leong as Independent Director was recommended by the Nominating Committee and approved by the Board, after taking into consideration his qualifications, expertise, past experience and overall contribution since he was appointed as a Director	The re-election of Mr Chua as Independent Director was recommended by the Nominating Committee and approved by the Board, after taking into consideration his qualifications, expertise, past experience and overall contribution since he was appointed as a Director
Whether appointment is executive, and if so, the area of responsibility	Non-executive	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	• Independent Director • Chairman of the Remuneration Committee • Member of the Nominating Committee	• Independent Director • Chairman of the Nominating Committee • Member of the Audit and Risk Management Committee
Professional qualifications	• Bachelor of Mechanical Engineering (2nd Class Lower), National University of Singapore • Master of Business Administration, National University of Singapore • Advanced Management Program, Wharton School, University of Pennsylvania • Understanding the Modern China' program by Tsinghua University (Beijing) and Fudan University (Shanghai), 2006	Bachelor of Business

Additional Information on Directors Seeking Re-Election

Name of Director	Mr Leong Yew Meng	Mr Chua Keng Woon
Working experience and occupation(s) during the past 10 years	2017-2019 CEO, Shanghai Fosun Hospital Management (Group) Co., Ltd 2016-2017 CEO (Greater China & North Asia), Parkway Pantai Limited 2015-2015 Regional Practice Leader/ Consultant, FranklinCovey 2009-2014 CEO, National Healthcare Group Polyclinics, Singapore	2018 – 2019 Advisor, Secured Capital Pte Ltd 2008 – 2016 Senior Director, Equity Capital Market, Canaccord Genuity Singapore Pte Ltd
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships *** "Principal Commitments" has the same meaning as defined in the Code**		
Past (for the last 5 years)	Nil	Nil
Present	Woodbridge Hospital Charity Fund	Independent director of Hai Leck Holdings Limited (listed company)

Mr Leong and Mr Chua had provided a negative response to items (a) to (k) of Appendix 7.4.1 of the Catalist Rules.

ASIAMEDIC LIMITED

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

IMPORTANT:

This Proxy Form is not valid for use by investors who hold ordinary shares in the Company ("Shares") through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF and SRS investors who are not participating in the AGM to vote live and online but wish to vote, should approach their respective CPF Agent Banks and SRS Operators to submit their votes at least seven (7) working days before the AGM (that is, by 19 April 2023). Other investors holding shares in the Company through relevant intermediaries who have not requested the relevant intermediaries to appoint themselves as proxies to participate at the AGM to vote live and online but wish to vote should approach their relevant intermediaries as soon as possible to specify voting instructions.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.

PROXY FORM

Please read notes overleaf before completing this Form.

*I/We ________________________ (name) ________________ (*NRIC/passport/company registration no.)

of ____ (address)

being *a member/members of ASIAMEDIC LIMITED (the "**Company**"), hereby appoint the Chairman of the Annual General Meeting (the "**AGM**") of the Company, as *my/our proxy to vote for *me/us on *my/our behalf, at the AGM of the Company to be held by way of electronic means, on Saturday, 29 April 2023 at 9.30 a.m. and at any adjournment thereof.

*I/We direct the Chairman of AGM to vote for, vote against or abstain from voting on the Ordinary Resolutions to be proposed at the AGM as indicated hereunder.

Members should specifically indicate in this Proxy Form how they wish to vote for or against (or abstain from voting on) the resolutions to be tabled at the AGM. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy will be treated as invalid.

* Please delete accordingly.

No.	Ordinary Resolutions	For**	Against**	Abstain**
1	Adoption of the audited financial statements of the Company and the Group for the financial year ended 31 December 2022 and the Directors' Statement and Auditors' Report thereon			
2	Re-election of Mr Chua Keng Woon as Director retiring pursuant to Regulation 89 of the Company's Constitution			
3	Re-election of Mr Leong Yew Meng as Director retiring pursuant to Regulation 89 of the Company's Constitution			
4	Approval of Directors' fee for the financial year ended 31 December 2022			
5	Re-appointment of Baker Tilly TFW LLP as Auditors			
6	Authority to issue shares and instruments convertible into shares			
7	Renewal of the Share Purchase Mandate			
8	Authority to grant options and to allot and issue shares under the AsiaMedic Employee Share Option Scheme 2016			
9	Renewal of the IPT General Mandate			

**Voting will be conducted by poll. If you wish to exercise all your votes "For", "Against" or to "Abstain", please indicate with a "✓" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ______ day of ____________ 2023

Total No. of Shares held	No. of Shares
In Depository Register	
In Register of Members	

____
Signature(s) of member(s) / Common Seal

Notes:

1. In accordance with the alternative arrangements under the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, members of the Company who wish to have their votes cast at the AGM must appoint the Chairman of the AGM as their proxy to do so.

2. This Proxy Form is not valid for use by investors who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF and SRS investors should approach their respective SRS Operators at least seven working days before the AGM to specify voting instructions. Other investors holding shares in the Company through relevant intermediaries who wish to vote should approach their relevant intermediaries as soon as possible to specify voting instructions.

3. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares in the box provided next to Depository Register. If you have Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of Shares in the box provided next to Register of Members.

4. The Chairman of the AGM, as proxy, need not be a member of the Company.

5. The instrument appointing the Chairman of the AGM as proxy must be deposited with the Company (i) via post to the Share Registrar at KCK CorpServe Pte. Ltd., 1 Raffles Place, #04-63 One Raffles Place, Singapore 048616, or the Company's registered office at 350 Orchard Road #08-00, Shaw House, Singapore 238868; or (ii) email to aml-meetings@asiamedic.com.sg; and received by the Company not less than seventy-two (72) hours before the time for holding of the AGM.

6. Where an instrument appointing the Chairman of the AGM as proxy is sent by post, it must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

   Where an instrument appointing the Chairman of the AGM as proxy is submitted by email, it must be authorised by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

   Where an instrument appointing the Chairman of the AGM as proxy is signed or, as the case may be, authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing the Chairman of the AGM as proxy, failing which the instrument may be treated as invalid.

7. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy (such as in the case where the appointor submits more than one instrument of proxy).

8. In the case of a member whose Shares are entered against his/her name in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if such member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding of the AGM (i.e. 9.30 a.m. on 26 April 2023), as certified by The Central Depository (Pte) Limited to the Company.