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The Future Of Healthcare, Now

Republic Healthcare Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8357)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023

The board of directors (the “**Directors**”) of Republic Healthcare Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) announces the unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2023. This announcement, containing the full text of the 2023 interim report of the Company (the “**2023 Interim Report**”), complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM**” and the “**GEM Listing Rules**”, respectively) in relation to the information to accompany the preliminary announcement of interim results. The printed version of the 2023 Interim Report will be dispatched to the shareholders of the Company and available for viewing on the websites of the Stock Exchange at www.hkexnews.hk and of the Company at republichealthcare.asia in due course in the manner as required by the GEM Listing Rules.

For and on behalf of
Republic Healthcare Limited
Tan Cher Sen Alan
Chairman and Executive Director

Singapore, 4 August 2023

As at the date of this announcement, the executive Director is Dr. Tan Cher Sen Alan (Chairman); and the independent non-executive Directors are Mr. Yeo Teck Chuan, Mr. Kevin John Chia and Mr. Wong Yee Leong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rule, for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication. This announcement will also be published on the website of the Company at republichealthcare.asia.

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE” AND THE “GEM”, RESPECTIVELY)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of this report.

This report, for which the directors of Republic Healthcare Limited (the “**Company**”, together with its subsidiaries, the “**Group**” and the “**Directors**”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this report misleading.

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CORPORATE INFORMATION

Registered office

5th Floor, Genesis Building
Genesis Close, George Town
P.O. Box 446
Grand Cayman KY1-1106
Cayman Islands

Headquarters and principal place of business in Singapore

201 Henderson Road
#07-11/12 Apex @ Henderson
Singapore 159545

Principal place of business in Hong Kong Registered under Part 16 of the Hong Kong Companies Ordinance

8/F, Hip Shing Hong Centre
55 Des Voeux Road Central
Central, Hong Kong

Executive Director

Dr. Tan Cher Sen Alan (*Chairman*)

Independent non-executive Directors

Mr. Kevin John Chia
Mr. Yeo Teck Chuan
Mr. Wong Yee Leong

Company secretary

Mr. Tang Chun Pong
8/F, Hip Shing Hong Centre
55 Des Voeux Road Central
Central, Hong Kong

Authorised representatives

Dr. Tan Cher Sen Alan
Mr. Tang Chun Pong

Compliance officer

Dr. Tan Cher Sen Alan

Audit committee

Mr. Yeo Teck Chuan (*Chairman*)
Mr. Kevin John Chia
Mr. Wong Yee Leong

Remuneration committee

Mr. Kevin John Chia (*Chairman*)
Mr. Yeo Teck Chuan
Mr. Wong Yee Leong

Nomination committee

Mr. Wong Yee Leong (*Chairman*)
Mr. Kevin John Chia
Mr. Yeo Teck Chuan

Independent auditor

Baker Tilly TFW LLP
Chartered Accountants

Principal share registrar and transfer office in the Cayman Islands

McGrath Tonner Corporate Services Limited
5th Floor, Genesis Building, Genesis Close
George Town
P.O. Box 446
Grand Cayman KY1-1106
Cayman Islands

Hong Kong branch share registrar and transfer office

Computershare Hong Kong Investor
Services Limited
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Hopewell Centre, 183 Queen's Road East
Wan Chai
Hong Kong

Principal banker

DBS Bank Limited
12 Marina Boulevard
DBS Asia Central @ Marina Bay Financial
Centre Tower 3
Singapore 018982

Company's website

republichealthcare.asia

GEM Stock Code

8357

Board lot

5,000 Shares

2023 FINANCIAL HIGHLIGHTS (UNAUDITED)

The Group recorded a revenue of approximately S\$5.4 million for the six months ended 30 June 2023 (the “**Period**” or the “**1HFY2023**”), representing an increase of approximately 28.6% when compared with that of approximately S\$4.2 million for the corresponding period in 2022 (the “**Corresponding Period**” or the “**1HFY2022**”).

The gross profit of the Group for the Period was approximately S\$3.5 million, representing an increase of approximately 29.6% when compared with that of approximately S\$2.7 million for the Corresponding Period.

The improvement in revenue performance was attributed to the removal of all Covid-19 restrictions imposed by the Singapore government as well as the relaxation of traveling rules by most countries around the region, which saw an improvement in the population seeking medical attention. Also, with the easing of demand for medical professionals created by the Covid-19 situation previously, we are now better able to attract the right medical professionals and render our services more effectively. The alignment of salary and benefits to that of the prevailing market conditions also helps in attracting the right talents to support the Group’s overall business and operations.

As a result of the higher revenue observed for the Period, the cost of consumables and medical supplies incurred as well as medical professional costs for the Period increased by S\$0.17 million and S\$0.04 million respectively against Corresponding Period. Other operating expenses saw a decrease of approximately S\$0.19 million for the Period against the Corresponding Period due to a reduction in marketing efforts and advertorial works. Manpower expenses also decrease vis-a-vis the Corresponding Period by S\$0.14 million due to a lower number of clinics vis-a-vis Corresponding Period following the closure of 4 clinics and the disposal of the 2 businesses aforesaid.

The Group recorded an overall net loss after tax of approximately S\$0.3 million for the Period (net loss of approximately S\$1.2 million for the Corresponding Period) mainly due to a higher revenue base for the Period. In line with the Group’s expectation, the general practice business is recovering following the removal of Covid-19 restriction rules in Singapore as well as the lifting up of travel restrictions by most countries, resulting in an increase in the overall revenue for the Group. Whilst it is clear that the business environment is turning rosy, the Group remains cautiously optimistic over the various external factors that could affect the business environment adversely. They include the tightening of major central banks’ monetary policy in their effort to curtail growing inflation; and the geopolitical tensions arising from the war between Russia-Ukraine as well as tension seen in the Sino-US relationship. These externalities cast greater uncertainty on the world economic growth which could hamper the overall business environment in Singapore as well as the Group’s new business verticals within and beyond the healthcare segment.

The board of Directors (the “**Board**”) has resolved not to declare the payment of a dividend for the Period (the Corresponding Period: Nil).

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three and six months ended 30 June 2023

	Notes	Three months ended 30 June		Six months ended 30 June	
		2023 (unaudited) S\$	2022 (unaudited) S\$	2023 (unaudited) S\$	2022 (unaudited) S\$
Revenue	3	2,508,791	2,110,668	5,403,458	4,166,600
Other income		98,032	246,423	213,062	527,274
Consumables and medical supplies used		(623,860)	(523,265)	(1,227,253)	(1,058,713)
Medical professional costs		(214,271)	(224,968)	(456,195)	(413,932)
Spice Purchase		–	–	(248,250)	–
Employee benefits expenses		(1,142,914)	(1,082,463)	(2,294,190)	(2,430,928)
Depreciation of plant and equipment	7	(54,497)	(65,935)	(108,383)	(172,594)
Depreciation of right-of-use assets	8	(149,963)	(169,646)	(304,165)	(414,621)
Interest expense on lease liabilities	8	(12,703)	(14,534)	(22,816)	(33,118)
Other operating expenses		(560,069)	(846,977)	(1,211,378)	(1,399,699)
Loss before income tax from continuing operations		(151,454)	(506,959)	(275,912)	(992,331)
Income tax expense/profit	4	(4,948)	–	(4,948)	(369)
Net loss for the period from continuing operations		(156,402)	(506,959)	(280,860)	(992,700)
Discontinued operations					
Profit for the period from discontinued operations	5	–	(63,738)	19,802	(237,400)
Items that may be reclassified subsequently to profit or loss					
– Net gain/(loss) relating to foreign currency transaction differences arising from consolidation		607	(2,118)	737	(2,118)
Loss and total comprehensive loss attributable to owners of the Company for the period	6	(155,795)	(572,815)	(260,321)	(1,232,218)
Loss per share attributable to owners of the Company for the period (expressed in Singapore cents per share)					
Basic and diluted	6	(0.03)	(0.10)	(0.04)	(0.20)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	<i>Notes</i>	30 June 2023 (unaudited) S\$	31 December 2022 (audited) S\$
Non-current assets			
Plant and equipment	7	479,540	505,210
Right-of-use assets	8	950,854	834,014
Deposits, prepayments and other receivables	10	–	776,061
Total non-current assets		1,430,394	2,115,285
Current assets			
Trade receivables	9	1,378,663	87,208
Deposits, prepayments and other receivables	10	1,487,290	1,521,621
Other Financial assets at amortized cost	11	–	1,000,000
Inventories	12	629,964	857,679
Cash and cash equivalents	13	11,535,371	10,834,550
Total current assets		15,301,288	14,301,058
Total assets		16,461,682	16,416,343
Non-current liabilities			
Lease liabilities	8	397,304	382,264
Provision for reinstatement costs	14	149,456	149,456
Deferred tax liabilities		8,000	8,000
Total non-current liabilities		554,760	539,720

		30 June 2023 (unaudited) S\$	31 December 2022 (audited) S\$
	<i>Notes</i>		
Current liabilities			
Trade payables	15	536,313	518,449
Contract liabilities		39,675	35,397
Accruals and other payables	16	894,084	749,132
Lease liabilities	8	562,945	428,209
Provision for reinstatement costs	14	14,692	28,342
Amount due to a director		–	–
Current income tax liabilities		2,440	6,327
Total current liabilities		2,050,149	1,759,529
Total liabilities		2,604,909	2,299,249
Net assets		13,856,773	14,117,094
Equity			
Share capital	17	1,076,888	1,076,888
Share premium		14,066,878	14,066,878
Other reserves		420,000	420,000
Translation reserves		(21,280)	(22,017)
Retained earnings		(1,685,713)	(1,424,655)
Equity attributable to equity holders of the Company		13,856,773	14,117,094

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2023

	Attributable to equity holders of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Currency	Other reserves*	Retained earnings	Total		
			translation reserve					
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
Balance at 1 January 2022 (Audited)	1,076,888	14,066,878	(14,402)	420,000	43,668	15,593,032	-	15,593,032
Loss for the financial year	-	-	-	-	(1,468,323)	(1,468,323)	-	(1,468,323)
<i>Other comprehensive loss</i>								
Currency translation differences arising on consolidation	-	-	(7,615)	-	-	(7,615)	-	(7,615)
Total comprehensive (loss)/ income for the financial year	-	-	(7,615)	-	(1,468,323)	(1,475,938)	-	(1,475,938)
Issuance of shares upon placing, net of transaction costs	-	-	-	-	-	-	-	-
Balance as at 31 December 2022 and 1 January 2023 (audited)	1,076,888	14,066,878	(22,017)	420,000	(1,424,655)	14,117,094	-	14,117,094
Loss for the financial period	-	-	-	-	(261,058)	(261,058)	-	(261,058)
<i>Other comprehensive loss</i>								
Currency translation differences arising on consolidation	-	-	737	-	-	737	-	737
Total comprehensive (loss)/ income for the financial period	-	-	737	-	(261,058)	(260,321)	-	(260,321)
Balance as at 30 June 2023 (unaudited)	1,076,888	14,066,878	(21,280)	420,000	(1,685,713)	13,856,773	-	13,856,773

Note: Other reserves as at 30 June 2023 represented the difference between the consideration paid by the Company and the share capital of Get Republic Pte Ltd, Dtap @ Holland V Pte Ltd, Dtap @ Somerset Pte Ltd, Republic Healthcare Pte Ltd, Republic Healthcare Holdings Pte Ltd and Z Aesthetics Clinic Pte Ltd.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2023

	Six months ended 30 June	
	2023	2022
	(unaudited) S\$	(unaudited) S\$
Net cash used in operating activities	(166,939)	(31,294)
Net cash (used in)/generated from investing activities	1,153,936	(2,793,828)
Net cash used in financing activities	(286,176)	(434,923)
(Decrease)/Increase in cash and cash equivalents	700,821	(3,260,045)
Cash and cash equivalents at beginning of the period	10,834,550	13,275,871
Cash and cash equivalents at end of the period	11,535,371	10,015,826

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2023

1 General Information and Reorganisation

1.1 General Information

The Company was incorporated in the Cayman Islands on 3 January 2018 as an exempted company with limited liability under the Companies Law (Cap 22, Law of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is 5th Floor, Genesis Building, Genesis Close, George Town, P.O. Box 446, Grand Cayman KY1-1106, Cayman Islands.

The Company is an investment holding company. The Company's subsidiaries (collectively, the "**Group**") are principally engaged in (i) the operating of medical clinics business in Singapore and provision of management advisory services; (ii) pepper trading business (ceased in May 2023); and (iii) healthcare-related education business.

2 Basis of Presentation and Accounting Policies

2.1 Basis of Presentation and Significant Accounting Policies

The unaudited condensed consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards ("**IFRSs**") issued by the International Accounting Standards Board and the applicable disclosure provisions of the GEM Listing Rules. The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the Audited 2022 Consolidated Financial Statements. The accounting policies and methods of computation used in the Unaudited Condensed Consolidated Financial Statements are the same as those followed in the preparation of the Audited 2022 Consolidated Financial Statements.

All IFRSs effective for the accounting period commencing on 1 January 2023, together with the relevant transitional provisions, have been adopted by the Group in preparation of these Unaudited Condensed Consolidated Financial Statements. The adoption of these new/revised IFRSs does not result in changes to the Group's accounting policies and has no material effect on the amounts reported or the current or prior period.

Inter-company transactions, balances and unrealised gains/losses on transactions between group companies are eliminated on consolidation.

These unaudited condensed consolidated financial statements have been reviewed by the audit committee of the Board (the "**Audit Committee**").

2 Basis of Presentation and Accounting Policies (Continued)

2.2 Foreign Currency Translation

(a) **Functional and presentation currency**

Items included in the Unaudited Condensed Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates (the “**Functional Currency**”). The Unaudited Condensed Consolidated Financial Statements are presented in Singapore dollar (“**S\$**”), which is the Group’s functional and presentation currency.

(b) **Transactions and balances**

Transactions in a currency other than the functional currency (“**Foreign Currencies**”) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the condensed consolidated statement of comprehensive income.

(c) **Group companies**

The results and financial position of all the Group entities (none of which has a currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

2 Basis of Presentation and Accounting Policies (Continued)

2.3 Plant and Equipment

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measure reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

Depreciation of plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over its estimated useful lives, as follows:

Medical equipment	3 years
Leasehold improvements	3 years
Computers and office equipment	3 years
Motor Vehicles	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "other operating expenses" in the condensed consolidated statement of comprehensive income.

Renovation-in-progress are carried at cost, less any recognised impairment loss until renovation is completed. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

2 Basis of Presentation and Accounting Policies (Continued)

2.4 Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

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 IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset, as follows:

Office unit	3 years
Medical equipment	3 years
Clinic unit	3–5 years

If the 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 condensed consolidated balance sheet. The Group applies IAS 36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

As a practical expedient, IFRS 16 *Leases* permits a lessee to not separate the non-lease components, and instead account for any lease and associated non-lease component as a single arrangement. The Group has applied this practical expedient of its leases of office unit and clinic units.

2 Basis of Presentation and Accounting Policies (Continued)

2.4 Leases (Continued)

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 receivables, 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 expense (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of 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 remeasured 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 to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The lease liabilities are presented as a separate line in the condensed consolidated balance sheet.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (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 the lease of low value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2 Basis of Presentation and Accounting Policies (Continued)

2.5 Financial risk and capital risk management

(a) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholders of the Company (the "**Shareholders**") and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the Shareholders, return capital to the Shareholders or issue new Shares.

The Group does not have any external borrowings and is not subject to any externally imposed capital requirements.

(b) Fair value estimation

The carrying amounts of the Group's current financial assets, including trade receivables, deposits and other receivables as well as cash and cash equivalents, and current financial liabilities, including trade payables and accruals and other payables, approximate their fair values as at the reporting date due to their short maturities.

2.6 Critical accounting estimates and judgements

The preparation of these Unaudited Condensed Consolidated Financial Statements in conformity with IFRSs requires the management to exercise their judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Management is of the opinion that there is no area involving higher degree of judgement or complexity or where estimates and assumptions used are significant to the Unaudited Condensed Consolidated Financial Statements.

2.7 Segments reporting

The chief operating decision maker considers medical services and other services as the sole segment.

3 Revenue

Revenue represents the net amounts received and receivable for services rendered by the Group in the normal course of business to external customers. The following is an analysis of the Group's revenue from its major business activities:

	Three months ended 30 June		Six months ended 30 June	
	2023	2022	2023	2022
	(unaudited) S\$	(unaudited) S\$	(unaudited) S\$	(unaudited) S\$
Medical services				
Treatment services	1,559,291	1,218,589	3,128,131	2,540,618
Medical investigation services	621,670	554,729	1,331,375	1,075,766
Consultation services	327,830	337,350	675,899	550,216
Pepper Trading	–	–	268,053	–
	2,508,791	2,110,668	5,403,458	4,166,600

4 Income Tax Expense

Singapore corporate income tax has been provided for at the rate of 17% on the estimated assessable profit for the six months ended 30 June 2023 (30 June 2022: 17%).

No overseas profits tax has been calculated for entities of the Group that are incorporated in the BVI or the Cayman Island as they are exempted from tax (30 June 2022: Nil).

The amount of income tax expense charged to the unaudited condensed consolidated financial statements:

	Three months ended 30 June		Six months ended 30 June	
	2023	2022	2023	2022
	(unaudited) S\$	(unaudited) S\$	(unaudited) S\$	(unaudited) S\$
Current tax:				
Singapore profits tax	4,948	–	4,948	369

5 Discontinued operations

On 19 May 2023, Republic Rapid Trading Pte Ltd, a wholly-owned subsidiary of the Company, has announced that due to the limited profitability contributed by pepper trading business for the past 12 months, the Board has resolved to cease the operation of this business from the date thereof.

6 (Loss)/Earnings Per Share

(a) Basic

Basic (loss)/earnings per share is calculated by dividing the (loss)/profits attributable to owners of the Company by the number of ordinary shares in issue during the year/period.

	Three months ended 30 June		Six months ended 30 June	
	2023 (unaudited) S\$	2022 (unaudited) S\$	2023 (unaudited) S\$	2022 (unaudited) S\$
Loss attributable to the owners of the Company	(155,795)	(572,815)	(260,321)	(1,232,218)
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earnings per share	624,000,000	602,345,205	624,000,000	602,345,205
Loss per share (S\$ cents per share)	(0.03)	(0.10)	(0.04)	(0.20)

The calculation of the basic loss per share is based on the loss for the financial period attributable to owners of the Company and the ordinary shares in issue.

(b) Diluted

The diluted loss per share is the same as the basic loss per share due to the absence of dilutive ordinary shares during the respective periods.

7 Plant and Equipment

	Medical equipment S\$	Leasehold improvements S\$	Computers and office equipment S\$	Motor Vehicles S\$	Renovation- in-progress S\$	Total S\$
2023						
Cost						
Balance at 1 January 2023 (audited)	639,374	772,888	274,706	98,139	111,800	1,896,907
Additions	5,883	188,630	-	-	-	194,513
Transfer	-	-	-	-	(111,800)	(111,800)
Written-off	-	-	-	-	-	-
Balance at 30 June 2023 (unaudited)	645,257	961,518	274,706	98,139	-	1,979,620
Accumulated depreciation						
Balance at 1 January 2023 (audited)	605,897	514,812	263,815	7,173	-	1,391,697
Depreciation charge	15,659	83,855	4,087	4,782	-	108,383
Written-off	-	-	-	-	-	-
Balance at 30 June 2023 (unaudited)	621,556	598,667	267,902	11,955	-	1,500,080
Net carrying value						
Balance at 30 June 2023 (unaudited)	23,701	362,851	6,804	86,184	-	479,540

7 Plant and Equipment (Continued)

	Medical equipment S\$	Leasehold improvements S\$	Computers and office equipment S\$	Motor vehicle S\$	Renovation- in-progress S\$	Total S\$
2022						
Cost						
Balance at 1 January 2022 (audited)	1,215,849	1,144,702	379,526	–	–	2,740,077
Additions	9,220	264,252	11,550	98,139	111,800	494,961
Disposal	(27,460)	–	–	–	–	(27,460)
Write-off	(21,380)	(233,292)	(112,500)	–	–	(367,172)
Deconsolidation of subsidiaries	(536,855)	(402,774)	(3,870)	–	–	(943,499)
Balance at 31 December 2022 (audited)	639,374	772,888	274,706	98,139	111,800	1,896,907
Accumulated depreciation						
Balance at 1 January 2022 (audited)	887,186	672,780	353,461	–	–	1,913,427
Depreciation charged	70,328	201,244	9,156	7,173	–	287,901
Disposal	(22,648)	–	–	–	–	(22,648)
Written off	(4,337)	(190,532)	(96,875)	–	–	(291,744)
Deconsolidation of subsidiaries	(324,632)	(168,680)	(1,927)	–	–	(495,239)
Balance at 31 December 2022 (audited)	605,897	514,812	263,815	7,173	–	1,391,697
Net carrying value						
Balance at 31 December 2022 (audited)	33,477	258,076	10,891	90,966	111,800	505,210

8 Right-of-use Assets and Lease Liabilities

The Group as a lessee

Nature of the Group's leasing activities

The Group's activities comprise the following:

- (i) The Group leases office unit and various shop spaces to operate the medical clinics from non-related parties. Rental contracts are typically made for fixed period of 2 to 3 years, but may have extension options for additional 1 to 3 years; and
- (ii) In addition, the Group leases an office equipment from a non-related party with contractual terms of an average of three years. Leased asset is pledged as security for the related lease liability.

Information about leases for which the Group is a lessee is presented below:

	30 June 2023 (unaudited) S\$	31 December 2022 (audited) S\$
Amounts recognised in balance sheet		
Carrying amount of right-of-use assets		
Office unit	100,544	145,366
Clinic units	850,310	688,648
	950,854	834,014
Carrying amount of lease liabilities		
Current	562,945	428,209
Non-current	397,304	382,264
	960,249	810,473
Additions to right-of-use-assets*	222,010	393,361
Transferred to plant and equipment, net of depreciation (<i>Note 12</i>)	-	-
Lease Modification on right-of-use-assets	(24,506)	(13,761)
Derecognition of right-of-use-assets due to deconsolidation of subsidiaries	-	(424,258)

8 Right-of-use Assets and Lease Liabilities (Continued)

	Six months ended 30 June	
	2023 (unaudited) S\$	2022 (unaudited) S\$
Amounts recognised in profit or loss		
Depreciation charge for the financial period		
Office unit	44,390	62,461
Clinic units	259,775	352,160
Medical equipment	–	–
	304,165	414,621
Interest expense on lease liabilities	22,816	33,118
Lease expense not included in the measurement of lease liabilities		
Lease expense — short-term leases	–	4,279

Total cash flows for the Group's leases amounted to S\$281,344.

9 Trade Receivables

As at 30 June 2023, the ageing analysis of the third-party trade receivables, based on invoice date, are as follows:

	30 June 2023 (unaudited) S\$	31 December 2022 (audited) S\$
0–30 days	208,200	34,395
31–60 days	–	4,597
61–90 days	75,997	10,071
Over 120 days	1,094,466	38,145
	1,378,663	87,208

As at 30 June 2023, trade receivables that were aged over 30 (31 December 2022: over 30) days mainly relate to employees from corporate customers and based on the management's past experience, the overdue amounts can be recovered. In addition, management has considered the low historical actual loss rate and forward-looking information and concluded that the expected credit loss is expected to be immaterial.

As of 30 June 2023 and 31 December 2022, the carrying amounts of trade receivables are denominated in S\$ and approximate their fair values.

10 Deposits, Prepayments and Other Receivables

	30 June 2023 (unaudited) S\$	31 December 2022 (audited) S\$
Deposits and other receivables	433,716	1,340,444
Prepayments	827,974	570,726
Goods and service tax receivable	–	137,995
JSS grant receivable	–	–
Rental rebates receivable	–	–
Loan to a third party	–	–
Amount due from a related party	225,600	248,517
	1,487,290	2,297,682
Less non-current portion:		
Deposits and other receivables	–	(776,061)
Total current portion	1,487,290	1,521,621

11 Other Financial Asset At Amortised Cost

	30 June 2023 (unaudited) S\$	31 December 2022 (audited) S\$
Financial Instruments		
Credit-linked note	–	1,000,000

The carrying amounts of other financial assets at amortised cost approximates their fair values (Level 2) due to short-term nature where the effects of discounting is immaterial.

12 Inventories

Inventories comprises consumables and medical supplies.

13 Cash and Cash Equivalents

	30 June 2023 (unaudited) S\$	31 December 2022 (audited) S\$
Cash at banks	8,541,156	8,800,404
Cash on hand	3,400	46,741
Short term bank deposits	2,990,815	1,987,405
Cash and Cash equivalents as per consolidated balance sheet	11,535,371	10,834,550
Less: Short-term bank deposit (pledged)	-	-
As per consolidated statement of cash flows	11,525,371	10,834,550

14 Provision for Reinstatement Costs

Provision for reinstatement costs 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 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.

15 Trade Payables

Trade payables at the balance sheet date comprise amounts outstanding to suppliers. The average credit period taken for trade purchase is generally 30 days. As at 30 June 2023, the ageing analysis of the trade payables, based on invoice date, are as follows:

The carrying amounts of trade payables approximate their fair values.

	30 June 2023 (unaudited) S\$	31 December 2022 (audited) S\$
Up to 30 days	228,907	167,528
31–60 days	3,205	62,991
61–90 days	60,555	77,426
Over 91 days	243,646	210,504
	536,313	518,449

16 Accruals and Other Payables

The carrying amounts of accruals and other payables approximate their values.

	30 June 2023 (unaudited) S\$	31 December 2022 (audited) S\$
Accruals for operating expenses	824,552	562,661
Goods and service tax payable	51,202	80,544
Other payables	18,330	99,385
Deferred grant income	–	6,542
	894,084	749,132

17 Equity

	Number of shares	Share capital S\$
Authorised:		
Ordinary shares of HK\$0.01 each		
At 30 June 2023 (unaudited) and 31 December 2022 (audited)	10,000,000,000	1,076,888
Issued and fully paid:		
Ordinary shares of HK\$0.01 each		
At 1 January 2020, 31 December 2020 and 1 January 2022, 31 December 2022 (audited)	624,000,000	1,076,888

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 at meetings of the Company.

18 Dividends

The Board has resolved not to declare the payment of an interim dividend for the Period (the Corresponding Period: Nil).

19 Related Parties Transactions

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or entities.

Key management compensation

Key management includes executive and non-executive directors and the senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 June	
	2023	2022
	(unaudited) S\$	(unaudited) S\$
Salaries, allowances and benefits in kind	729,693	646,308
Director's fees	54,000	57,253
Employer's contribution to defined contribution plans	31,283	27,627
	814,976	731,188

The key management compensation above includes a total amount of S\$149,280 (1HFY2022: S\$92,011) paid to the spouse of the Chairman and Executive Director.

20 Contingent Liabilities

The Group did not have any material contingent liabilities or guarantees as at 30 June 2023 and 31 December 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a leading medical general practice (“GP”) network accredited by the Ministry of Health of Singapore in Singapore, under the brand “Dr. Tan & Partners” and now known as “DTAP” in short, in Singapore since 2010. The Group provides convenient and quality care services for a variety of conditions including but not limited to sexual health, men’s health and women’s health. The Group’s private GP comprises primarily doctors and trained personnel. The Group provides an all-round solution from diagnosis to treatment that is tailored to our patient’s individual needs.

For the six months ended 30 June 2023, the revenue of the Group increased by approximately S\$1.2 million, or 29.7%, to approximately S\$5.4 million, when compared to that for the six months ended 30 June 2022. The revenue of consultation services, medical investigation services and treatment services amounted to approximately S\$0.6 million, S\$1.3 million and S\$3.1 million, respectively, which accounted for approximately 12.5%, 24.6% and 57.9% of the total revenue of the Group for the Period, respectively. Comparing the percentage distribution to those of the Corresponding Period, the percentages remained consistent (refer to “Financial Review” for further details).

OUTLOOK AND PROSPECTS

Looking forward, with the removal of restrictions related to the Covid-19 pandemic and the easing of travel restrictions by most countries around the world, we are likely to witness a recovery in the demand of our services to the pre-pandemic level despite having a lower number of clinics. In addition, we are constantly reviewing the performance of our clinics, and the various direct business costs (mainly investigations and treatment-related) to stay abreast with the changing price level and to remain viable. Whilst we have launched our online healthcare lifestyle portal under the new brand name “Quinn”, the demand for such service remains low and this could be due to our late entry and/or the Singapore market has been saturated by online competitors, which have since gained momentum with customers who prefer to retain their current relationship with the online clinics they have been using. We will continue to monitor the demand for our online healthcare lifestyle business and deliberate on our next move to bring such business model to other geographical locations through strategic partnership arrangements and/or acquisition model.

The Group remains cautiously optimistic about the overall business climate and uncertainty arising from the geopolitical and inflationary threats. The Group will also continue work on its announced pursuits to grow its overall business revenue and profitability and to forge collaborations with external parties that would benefit its effort to enhance the value of its shareholders.

As at the date of this report, we operate six DTAP clinics including the clinics at Robertson, Novena, Holland Village, Duo Galleria, Kovan and Paragon. As aforesaid, we also operate an online healthcare lifestyle business under the brand name, “Quinn”, to provide an alternative mode of seeking treatment to our existing and new customers.

FINANCIAL REVIEW

Revenue

As at the end of the Period, the Group's revenue increased by approximately S\$1.2 million or 29.7% from approximately S\$4.2 million for the Corresponding Period to approximately S\$5.4 million for the Period. The improvement in revenue performance was mainly due to the removal of restrictions related to Covid-19 pandemic and the easing of travel restrictions by most countries around the world, we are likely to witness a recovery in the demand of our clinic services to pre-pandemic level despite having a lower number of clinics. The group is also exploring other business opportunities to boost up its revenue base over time through enhancing its range of services, the rolling out of an online healthcare lifestyle platform under the brand name, Quinn, and et cetera..

For the three months ended 30 June 2023 (“FY2023Q2”), the revenue of the Group has increased by approximately S\$0.4 million or 18.9%, to approximately S\$2.5 million, when compared to that for the three months ended 30 June 2022 (“FY2022Q2”). The revenue from consultation services, medical investigation services and treatment services amounted to approximately S\$0.3 million, S\$0.6 million and S\$1.6 million, respectively, which accounted for approximately 13.1%, 24.8% and 62.1% of the total revenue of the Group for FY2023Q2, respectively.

Gross profit and gross profit margin

The Group's gross profit increased by approximately S\$0.8 million from approximately S\$2.7 million for the Corresponding Period to approximately S\$3.5 million for the Period. The Group's gross profit margin declined from approximately 64.7% for the Corresponding Period to approximately 64.3% for the Period mainly due to the low profit margin arising from pepper trading. In line with the better revenue performance, medical supplies increase by approximately S\$0.1 million or 15.9% from approximately S\$1.1 million for the Corresponding Period to approximately S\$1.2 million in the Period. Medical professional costs increase by approximately S\$0.04 million or 10.2% from approximately S\$0.41 million for the Corresponding Period to approximately S\$0.45 million in the Period.

Employee benefits expenses

Our employee benefits expenses decreased by approximately S\$0.1 million or 5.6% from approximately S\$2.4 million for the Corresponding Period to approximately S\$2.3 million for the Period.

Other operating expenses

The decline in other operating expenses was mainly due to a lower expenditure arising from marketing and advertorial expenses as well as expenses related to the closed clinics and the 2 disposed business entities during the Period.

Total comprehensive loss for the period attributable to owners of the Company

As a result of the foregoing, the Group recorded a loss of approximately S\$0.2 million for the Period, representing a net decrease of S\$1 million against that of the Corresponding Period.

DIVIDEND

The Board has resolved not to declare the payment of a dividend for the Period (the Corresponding Period: Nil).

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2023, we had 38 employees in Singapore (As at 31 December 2022: 39 employees), all of whom were employed on a full-time basis. The remuneration package of our employees generally comprises basic salaries, discretionary bonuses and welfare benefits such as annual leave, sick leave, maternity leave and childcare leave.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

During the Period, the Group financed its operations mainly through internally generated cash flows and capital contribution from the Company's shareholders (the "Shareholders").

As at 30 June 2023, we had cash and cash equivalents of approximately S\$11 million (As at 31 December 2022: S\$10 million) and the Group had no bank borrowings (As at 31 December 2022: Nil).

GEARING RATIO

As at 30 June 2023, the gearing ratio of the Group was 6.9% (As at 31 December 2022: 5.7%). The Group's gearing ratio is calculated based on the total debt divided by total equity as at the end of the period. As at 30 June 2023, the Group's lease liabilities were approximately S\$1.0 million (As at 31 December 2022: S\$1.0 million).

We believe that our liquidity position would further be strengthened by using a combination of cash generated from operating activities and the net proceeds from the Share Offer (the “**Net Proceeds**”). Going forward, we intend to use working capital in accordance with the section headed “Business Objectives and Future Plans” in the prospectus of the Company dated 1 June 2018 (the “**Prospectus**”).

CAPITAL STRUCTURE

As at 30 June 2023, the capital structure of the Group only comprises the Shares in issue, retained earnings, share premium and other reserves.

As of 30 June 2023, the number of issued ordinary shares of the Group was 624,000,000 shares (As at 31 December 2022: 624,000,000 shares). The Company’s capital comprises ordinary shares and capital reserves. The Group finances its working capital requirements mainly through a combination of our cash flows generated from operations and proceeds from share offer for the Period, the capital structure of the Group consisted of equity attributable to owners of the Company of approximately S\$14.3 million.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Saved as disclosed in this report, the Group does not have other plans for material investments and capital assets.

SIGNIFICANT INVESTMENTS OR MATERIAL ACQUISITIONS AND DISPOSALS

During the Period, the Group did not make any significant investments or material acquisitions and disposal of subsidiaries, associates or joint ventures.

COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2023, the Group had no material commitment and contingent liabilities.

TREASURY POLICIES

The management will continue to follow a prudent policy in managing the Group’s cash balances and maintain a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

SEGMENT INFORMATION

Segment information for the Group is presented as disclosed on note 3 to the Unaudited Condensed Consolidated Financial Statements.

FOREIGN EXCHANGE EXPOSURE

The Group operates mainly in Singapore and transacts mainly in Singapore dollar, which is the functional currency of the majority of the Group's operating subsidiaries. However, the Group retained certain amount of proceeds from the Share Offer in Hong Kong dollar for operational purposes.

CHARGES ON ASSETS

As at 30 June 2023, there were no charges on the Group's assets.

SIGNIFICANT EVENT AFTER THE PERIOD

Save as disclosed above, there has been no significant event that affected the Group after 30 June 2023 and up to the date of this report.

USE OF PROCEEDS

The Net Proceeds were approximately S\$9.1 million, which was based on the offer price of HK\$0.60 per share and the actual expenses related to the Listing. After the Listing, these proceeds were and will be used for the purposes in accordance with the future plans as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The use of these proceeds was subsequently changed as set out in the Company's announcement dated 25 July 2023.

As disclosed in company's announcement dated 20 August 2021, 7 September 2021 and 15 September 2021, China On Securities Limited ("**China On**") was appointed as placing agent of the Company, to procure on a best effort basis to not less than six placees who and whose ultimate beneficial owners shall be independent third parties to subscribe for up to 104,000,000 placing shares at the placing price of HK\$0.2014 per placing share. Completion of the said placing took place on 15 September 2021 and 104,000,000 placing shares, representing approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the placing shares, were placed to not less than six placees at the placing price of HK\$0.2014 per placing share. The net proceeds, after deduction of commission and other related expenses incidental to the Placing, amounted to approximately HK\$20 million.

The Directors consider that the Placing provides a good opportunity for the Company to raise funds to strengthen the Group's financial position, enhance the liquidity of the Shares, and provide additional working capital to the Group for operations and future plans.

The net proceeds from the Share Offer as at 30 June 2023 were used as follows:

		Original Allocation (S\$'000)	Revised Allocation (Note f) (S\$'000)	Actual use of Net Proceeds from the Listing Date up to 30 June 2023 (S\$'000)	Balance as at 30 June 2023 (Note a) (S\$'000)	Expected timeline for utilising the remaining unused Net Proceeds
	Notes					
Strategically expanding and strengthening our network of DTAP clinics		2,600	2,031	2,031	–	–
Establishing new SA clinics		1,400	1,220	1,220	–	–
Continuing to attract and retain talent pool of doctors and staff	b	4,300	4,376	4,077	299	2HFY2023
Upgrading and improving our information technology infrastructure and system		600	400	400	–	–
Setting up a centralised pharmacy		100	–	–	–	–
General working capital		100	100	100	–	–
Pepper Trading Business	c	–	250	247	3	2HFY2023
Healthcare-related education Business	c	–	480	200	280	2HFY2023
Existing clinic businesses	c	–	243	243	–	–
(A)		9,100	9,100	8,518	582	
Proceeds from Placing						
Establishing new online business line for Dtap	d	600	600	174	426	2HFY2024
Acquiring interest in a potential venture	e	500	500	–	500	2HFY2024
Allied health and/or offering ancillary healthcare products and services	e	1,000	1,000	411	589	2HFY2024
General Working Capital		1,500	1,500	1,500	–	–
(B)		3,600	3,600	2,085	1,515	
Total (A) + (B)		12,700	12,700	10,330	2,370	

Notes:

- (a) The unused proceeds are deposited in a licensed bank in Singapore.
- (b) For the new clinics, we are constantly reviewing the employee market and carrying out benchmarking exercise to ensure our employees benefits continue to stay relevant and competitive with the market practice.
- (c) The balance representing general working capital is to support our initiative in the healthcare related education operating expenditure, which is a work in progress.
- (d) The online healthcare business platform under the brand name “Quinn” has gone live and we are constantly reviewing the system to enhance on both the user interface and user experience.
- (e) The main use of such proceeds towards the future expansion of the Group’s existing businesses, and future acquisitions of and/or investments in businesses which could leverage on the competitive advantage of the Group when suitable opportunities arise.
- (f) As discussed in the announcement of the Company dated 25 July 2022, the Board has resolved to change the proposed use of the Net Proceeds and considers that it is not an optimal time to expand its clinic businesses and to improve the improve the efficiency of the use of the Unutilised Net Proceeds by allocating it to its working capital instead.

The Board further considered that such changes would allow the Group to better accommodate the changing market conditions and are therefore in the interests of the Group and the shareholders as a whole.

COMPARISON BETWEEN BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as set out in the Prospectus with the Group's actual business progress for the Period is set out below:

Business objective as stated in the Prospectus	Business plan stated in the prospectus	Actual business progress up to 30 June 2023
Strategically expanding and strengthening our network of DTAP clinics	Explore and identify location in Jurong for the new DTAP clinic	As at 30 June 2023, the Group has fully utilized the revised allocation of S\$2,031,000 on renovations and purchase of fixed assets.
	Negotiate and enter into tenancy for the new DTAP clinic in Jurong, and carry out renovation on the premises	
	Procure fixed assets, furniture, equipment and treatment devices for the new DTAP clinic in Jurong	
Establishing new SA clinics	Explore and identify location in Jurong for the new SA clinic	As at 30 June 2023, the Group has fully utilized the revised allocation of S\$1,220,000 on renovation of SA clinic and purchase of fixed assets and has re-allocated the balance to working capital per the announcement of 25 July 2022.
	Negotiate and enter into tenancy for the new SA clinic in Jurong and carry out renovation on the premises	
	Negotiate and enter into tenancy for the new SA clinic in Jurong and carry out renovation on the premises	
Continuing to attract and retain talent pool of doctors and staff	Recruitment of three resident doctors, six clinic assistants for Dtap Clinics	As of 30 June 2023, we have incurred approximately S\$4,077,000 to retain and attract the right clinic staff to support our clinic operation.
	Continued employment of our newly hired staff for our new Clinics	
Upgrading and improving our information technology infrastructure and systems	Upgrading existing information technology infrastructure and systems	As of 30 June 2023, the Group has fully utilized the revised allocation of S\$400,000 to upgrade its existing information infrastructure and systems.

Business objective as stated in the Prospectus	Business plan stated in the prospectus	Actual business progress up to 30 June 2023
Establishing new online business line for DTAP	Establishing new online business involve marketing campaign expenses, manpower expenses, online portal charges, partners' acquisition costs and stock costs.	As of 30 June 2023, the Group has incurred approximately S\$174,000 to establish a new online business line.
Acquiring interest in a potential venture	Setting up new doctorless clinics	As of 30 June 2023, the Group has yet to incur any amount and is still in the midst of reviewing the potential venture available.
Allied health and/or offering ancillary healthcare products and services	Identifying new opportunities to undergo the strategic thrust of vertical expansion, which may involve setting up a new allied health clinic, and producing ancillary products and services to support current business climate	As of 30 June 2023, the Group has incurred S\$11,000 in identifying new opportunities to undergo the strategic thrust of vertical expansion as well as offering allied health services to our patients in the aspect of psychology services in one of the clinics.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company is firmly committed to maintaining and ensuring a high level of corporate governance standards and will review and improve the corporate governance practices and standards constantly. The Company has adopted and has complied with all the applicable code provisions of the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules (the “**CG Code**”) during the Period.

During the year ended 30 June 2023, the Company has adopted and has complied with all applicable code provisions as set out in the CG Code contained in Appendix 15 of the GEM Listing Rules, except for the following deviation.

Chairman and Chief Executive Officer

CG Code provision C.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Dr. Tan Cher Sen Alan is the chairman of the Company and, since the resignation of Dr. Ng Siew Boon as the deputy chief executive officer on 26 June 2023, has also taken up the function of the chief executive officer of the Company.

In view that Dr. Tan is the founder of the Group and has been operating and managing the Group since 2010, the Board believes that it is in the best interest of the Group to have Dr. Tan taking up both roles for effective management and business development until the new chief executive officer of the Company is appointed. Therefore the Board considers that the deviation from the CG Code provision C.2.1 is appropriate in such circumstance.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions (the “**Own Code of Conduct**”) on terms no less exacting from the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Required Standard of Dealings**”). In response to a specific enquiry made by the Company on each of the Directors, all Directors have confirmed that they have fully complied with the Required Standard of Dealings and the required standards set out in the Own Code of Conduct during the Period.

SHARE OPTION SCHEME

A share option scheme (the “**Scheme**”) was approved and conditionally adopted on 18 May 2018 (the “**Adoption Date**”). The Scheme became effective on the Listing Date. The purpose of the Scheme is to advance the interests of our Company and the Shareholders by enabling our Company to grant options to attract, retain and reward the eligible persons and to provide the eligible persons an incentive or reward for their contribution to our Group and by enabling such persons’ contribution to further advance the interests of our Group. Under the Scheme, the Directors may grant options to any eligible persons of the Group, including (1) any directors (whether executive or non-executive and whether independent or not) and any employee (whether full time or part time) of any member of our Group; (2) any consultants or advisers (in the areas of legal, technical, financial or corporate managerial) of our Group (whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid); any provider of goods and/or services to our Group; any customer of our Group; or any holder of securities issued by any member of our Group; and (3) any other person, who at the sole discretion of the Board, has contributed to our Group (the assessment criteria of which are (1) such person’s contribution to the development and performance of our Group; (2) the quality of work performed by such person for our Group; (3) the initiative and commitment of such person in performing his duties; (4) the length of service or contribution of such person to our Group; and (5) such other factors as considered to be applicable by the Board). Options granted are exercisable for a period (up to ten years from the date of grant of the option) as decided by the Board.

The exercise price (subject to adjustment as provided therein) of the option under the Scheme is equal to the highest of (i) the closing price per Share as stated in the Stock Exchange’s daily quotation sheet on the offer date which must be a business day; (ii) the average of the closing prices per Share as stated in the Stock Exchange’s daily quotation sheets for the five Business Days immediately preceding the offer date; or (iii) the nominal value of the Share on the offer date. The maximum number of shares in respect of which the options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company (i.e. 62,400,000 shares) at the date of Shareholders’ approval of the Scheme. However, the total maximum number of shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any one grantee in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue on the last date of such 12-month period from time to time, without prior approval obtained from the Company’s shareholders. There is no minimum period for which an option must be held before it can be exercised unless otherwise determined by the Board at the time of grant. The amount payable by the grantee to the Company on acceptance of the offer shall be a nominal amount to be determined by the Board.

No share option has been granted or agreed to be granted by the Company under the Scheme since the Adoption Date and up to the date of this report. Therefore, no share options lapsed or were cancelled during the Period and there were no outstanding share options as at 30 June 2023.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO") which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long position in the Shares

Name of Director/ Chief Executive	Capacity/Nature of interest	Number of Shares/ underlying Shares interested	Percentage of the Company's issued Shares*
Dr. Tan Cher Sen Alan ("Dr. Alan Tan")	Interest of a controlled corporation ^(Note 1)	350,000,000	56.09%

Notes:

- (1) These Shares are held by Cher Sen Holdings Limited ("Cher Sen"). The entire issued shares of Cher Sen are legally and beneficially owned by Dr. Alan Tan, the chairman of the Board and an executive Director. Accordingly, Dr. Alan Tan is deemed to be interested in all the Shares held by Cher Sen under Part XV of the SFO.

* The percentage represents the total number of the Shares and the underlying Shares interested, if any, divided by the number of Shares in issue of 624,000,000 as at 30 June 2023.

Long position in the shares of associated corporation

Name of Director/ Chief Executive	Name of associated corporation	Capacity/ Nature of interest	Number of shares held	Percentage of interest
Dr. Alan Tan ^(Note 2)	Cher Sen ^(Note 1)	Beneficial owner	1	100%

Notes:

- (1) Cher Sen is a direct Shareholder of the Company and is an associate corporation of the Company within the meaning of Part XV of the SFO.
- (2) Dr. Alan Tan is a director of Cher Sen.

Saved for the disclosed above, as at 30 June 2023, none of the Directors nor the chief executive of the Company had any interests and short positions in any shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register referred to therein pursuant to Section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2023, so far as is known to the Directors, the following entity, other than the Directors and the chief executive of the Company, had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Capacity/ Nature of interest	Number of Shares interested or held ^(Note 1)	Percentage of interest*
Cher Sen ^(Note 2 and 3)	Beneficial owner	350,000,000 (L)	56.09%
Rivera Vanjill Esteban ("Ms. Jill") ^(Note 4)	Interest of spouse	350,000,000 (L)	56.09%

Notes:

- (1) The Letter "L" denotes the entity's long position in the relevant Shares.
 - (2) Cher Sen is a direct Shareholder of the Company.
 - (3) Cher Sen is legally and beneficially owned as to 100% by Dr. Alan Tan.
 - (4) Ms. Jill, being the spouse of Dr. Alan Tan, is deemed, or taken to be interested in the Shares in which Dr. Alan Tan is interested for the purpose of the SFO.
- * The percentage represents the number of the Shares interested divided by the number of Shares in issue of 624,000,000 as at 30 June 2023.

Saved for the disclosed above, as at 30 June 2023, so far as is known by or otherwise notified to the Directors, no other entity (other than a Director or the chief executive of the Company) had interests and short positions in the Shares and underlying Shares as required to be recorded in the register to be kept by the Company under Section 336 of the SFO.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTEREST IN COMPETING BUSINESS

None of the Directors or the controlling Shareholders or their respective close associates (as defined under the GEM Listing Rules) had any business or interest in a business apart from the Group's business which had competed or was likely to compete, either directly or indirectly, with the businesses of the Group and any other conflicts of interest which any such person or entity had or might have with the Group during the Period.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Period, the Company did not redeem any of its listed securities, nor did the Company or any of its subsidiaries purchase or sell such securities.

REVIEW BY AUDIT COMMITTEE

The Audit Committee of the Board (the "AC") was established on 18 May 2018 with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and code provisions C.3.3 of the CG Code as set out in Appendix 15 to the GEM Listing Rules. The primary duties of the AC are, among other things, to make recommendations to the Board on the appointment, re- appointment and removal of external auditors and to review and monitor the financial reporting process, risk management and internal control systems of the Group. The AC currently comprises all the three independent non-executive Directors ("INEDs"), namely Mr. Yeo Teck Chuan, Mr. Wong Yee Leong and Mr. Kevin John Chia. Mr. Yeo Teck Chuan is the chairman of the AC. The AC has reviewed the unaudited condensed consolidated financial statements and this report and is of the view that such statements and report have been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other legal requirements, and that adequate disclosures have been made.

For and on behalf of
Republic Healthcare Limited
Tan Cher Sen Alan
Chairman and Executive Director

Singapore, 4 August 2023

As at the date of this report, the executive Director is Dr. Tan Cher Sen Alan (Chairman) and the independent non-executive Directors are Mr. Yeo Teck Chuan, Mr. Kevin John Chia and Mr. Wong Yee Leong.