



ASIAN AMERICAN MEDICAL GROUP LIMITED

and its controlled entities

ABN 42 091 559 125

APPENDIX 4E

PRELIMINARY FINAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

Asian American Medical Group Limited *and its controlled entities*

Appendix 4E Preliminary Final Report for the year ended 31 August 2022

<i>Table of Contents</i>	<i>Page</i>
Results for Announcement to the Market	2
Corporate Directory	6
Consolidated Statement of Profit or Loss and Other Comprehensive Income	7
Consolidated Statement of Financial Position	8
Consolidated Statement of Changes in Equity	9
Consolidated Statement of Cash Flows	10
Notes to the Financial Statements for the year ended 31 August 2021	11

Appendix 4E

Asian American Medical Group Limited

ABN 42 091 559 125

Preliminary final report

Current reporting period: Year ended 31 August 2022

Previous corresponding period: Year ended 31 August 2021

All amounts are stated in Singapore Dollars unless stated otherwise.

The consolidated preliminary final report is presented in Singapore Dollars (SGD) as a significant portion of the group's activity is denominated in Singapore Dollars. The average and closing rate of exchange used at 31 August 2022 was 0.9793 S\$ and 0.9628 S\$ to 1A\$ respectively (2021: 0.9957 S\$ and 1.01799 S\$).

Results for announcement to the market

				S\$'000
Revenue from continuing operations	Down	(34.9%)	to	808
Loss after income tax from continuing operations	Down	(86.2%)	to	(781)
Net loss for the year attributable to members of the parent entity	Down	(86.2%)	to	(781)

Commentary on results

	FY2022 S\$'000	FY2021 S\$'000	Change %
Revenue from continuing operations	808	1,242	(34.9)
Other income	11	320	(96.6)
Direct costs and operating expenses	(1,600)	(7,215)	(77.8)
Share of results of associates	-	-	n.a
Loss before income tax from continuing operations	(781)	(5,653)	(86.2)
Taxation	-	-	n.m
Loss after income tax from continuing operations	(781)	(5,653)	(86.2)
Discontinued operations			
Loss from discontinued operation	-	(156)	n.m
Loss after taxation	(781)	(5,809)	(86.6)
Loss attributable to:			
Members of the parent entity	(782)	(5,649)	(86.2)
Non-controlling interest	1	(160)	n.m
	(781)	(5,809)	(86.6)
Loss per share for operations (S cents)	(0.21)	(1.62)	(87.3)
Loss per share for continuing operations (S cents)	(0.21)	(1.57)	(86.9)

n.m – not meaningful

Financial Review

Since the lifting of Covid-19 related travel restrictions at the end of 2021 foreign patients were returning to Singapore for follow up review and medical treatment. Currently the Group can only provide consultations and investigative tests and procedures but not surgical services due to lack of an accredited medical specialist team.

After Dr KH Lee resigned in March 2022 to re-join public services the Group contracted two visiting specialist medical consultants to continue the provision of medical healthcare consultation services to mainly existing patients for regular follow up review. The Group relocated its clinical operations to a shared facility located at Gleneagles Medical Centre in May 2022 and retained two full time staff.

Subsequent to the half year reporting the Group decided to cease all works relating to the expansion project at Hainan, and impaired the investment and cost on the project up to 28 February 2022 in full.

For the financial year ended 31 August 2022, (FY2022) Group revenue fell 34.9% to S\$0.81 million from S\$1.24 million in the previous year. Net loss for the Group for the financial year under review was S\$0.78 million, a decrease of S\$5.03 million over FY2021's net loss of S\$5.81 million.

A review of the Group's operations is as follows:

LIVER SEGMENT

Patient transactions for the Group's liver treatment and transplantation segment, operating under its wholly-owned subsidiary Asian American Liver Centre (AALC), declined 24.3% to 630 in FY2022 from 832 in FY2021. Accordingly, AALC's clinical revenue fell 34.9% to S\$0.81 million in FY2022.

Clinical and surgical activities declined further led to lower revenue in FY2022. There were no surgical cases (zero cases in 2021) and zero living donor liver transplantations (LDLTs). The absence of surgical case and lower patient visits due to the absence of resident medical doctor in the second half year contributed to the drop in revenue across the board. In FY2022 59.2% of revenue was from sale of medicine and 3rd party laboratory services, 40.9% from professional fees.

Direct costs decreased 17.7%, from S\$0.58 million in FY2021 to S\$0.48 million in FY2022, in consistent with lower revenue. Operating expenses were 72.7% lower at S\$0.6million (FY2021: S\$2.3 million) from significant decrease in personnel costs as AALC exercised staff redundancy in March 2022, and termination of lease of clinic premises in April 2022. Net loss before tax for the liver segment was S\$0.14 million compared to S\$1.3 million in FY2021.

MANAGEMENT AND CONSULTANCY SEGMENT

The Management and Consultancy segment, operated under Asian American Medical Group Pte Ltd (AAMGPL), did not generate any revenue in FY2022 (2021: Nil).

There were no operation activities after termination of Hainan, China project, operating costs were only S\$0.023 million of personnel costs.

MULTY-SPECIALTY MEDICAL CLINIC – BOAO, HAINAN

Up until the passing of the late Dr KC Tan in early December 2021, minimal progress was made and no development works were carried out with Kings College Hospital (KCH). Operations at Hainan clinic were

suspended since late December 2021. In February 2022 the Group initiated discussion with KCH to terminate the project. In late July 2022 an amicable settlement was agreed with KCH. The Group is finalising signing of the Deed of Termination with a full and final settlement on brand fee at GBP 100,000.

At reporting the Group had fully impaired the investment value in the entity of S\$0.82 million, and waived total inter-company loans receivable of S\$2.25 million from this entity.

Review of Financial Position

Net assets for the Group increased to S\$5.5 million from S\$5.4 million in FY2021. The Group recorded a net loss of S\$0.8 million for the year and raised S\$1.3 million from the issue of 34,775,275 shares via placement during the year. Cash and cash equivalents were maintained at a similar level year on year.

Significant changes during the year under review were:

- a) Repayment of DBS bank loan S\$0.2 million.
- b) Decrease in trade and other payables by S\$0.5 million, to S\$1.3 million in FY2022 from lower purchase of services, materials and consumables in line with lower revenue and payment to trade creditors.
- c) Decrease in trade and other receivables by S\$0.3 million to S\$0.1 million from decline in revenue.
- d) Increase in foreign currency translation loss of S\$0.4 million (FY2021: S\$0.4 million).

As a result of the above, net asset value per share decreased by S\$0.11 cent (7%) to S\$1.44 cents in FY2022 from S\$1.55 cents last financial year.

Patient nationality mix for liver segment

Total number of patient visits in FY2022 was 24.3% lower compared to last financial year. With fewer foreign patients, the Singaporean patients made up a higher % of total patients, increased from 34% to 40% in FY2022. Indonesian patients maintained at 2nd highest at 23% (FY2021: 17%), Malaysian patients dropped to 15% from 21% in FY2021.

Dividends per share

	Amount per share	Franked amount per share at 25% tax	Amount per share of foreign sourced dividend	Amount A\$'000
<u>Current period</u>				
NIL	-	-	-	-
<u>Previous corresponding period</u>				
NIL	-	-	-	-

Net tangible assets and net asset value per share

	31-Aug-22	31-Aug-21
Net tangible assets per ordinary share - (S cents)	1.44	1.55
- (A cents)	1.50	1.57
Net assets value per ordinary share - (S cents)	1.44	1.55
- (A cents)	1.50	1.57
*closing exchange rate used was 0.9628 S\$ to 1A\$ (2021: 1.0008 S\$ to 1A\$)		

Details of entities over which control has been gained or lost

Discontinued operations:
N/A

Compliance statement

This preliminary final report is based on accounts which are in the process of being audited. The Group expects that the audit report will include an emphasis of matter paragraph highlighting a material uncertainty relating to the Group's ability to continue as a going concern.

Asian American Medical Group Limited

Corporate Directory

Directors

Dato' Dr Kai Chah Tan (Executive Director and Chairman) – Deceased on 5 December 2021
Mr Kong Meng Ang (Non-Executive Director and Chairman) – Appointed on 9 December 2021
Mr Evgenii Tugolukov (Non-Executive Director)
Ms Jeslyn Jacques Wee Kian Leong (Independent Non-Executive Director)
Mr Pang Fey Yu (Independent Non-Executive Director) – resigned on 13 May 2022
Mr Peter Hurley (Independent Non-Executive Director) – resigned on 16 November 2021

Company Secretary

Mr Dario Nazzari

Registered Office

25 Peel Street
Adelaide SA 5000
Tel: +61 8 8110 0999
Fax: +61 8 8110 0900
Website: www.aamg.co

Auditors

BDO Audit Pty Ltd
Level 7, 420 King William Street
Adelaide SA 5000
Tel: +61 8 7324 6000
Fax: +61 8 7324 6111

Bankers

DBS Bank Ltd
12 Marina Boulevard
DBS Asia Central, Marina Bay Financial Centre Tower 3
Singapore 018982

Westpac Banking Corporation
114 William Street
Melbourne VIC 3000

Share registry

Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide SA 5000
Tel: +61 8 8236 2300
Fax: +61 8 9473 2408

Stock Exchange Listing

The Company's shares are quoted on the Official List of Australian Securities Exchange Limited.
ASX Code: AJJ

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

PRELIMINARY FINAL REPORT

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2022**

		Consolidated Group	
	Note	Year ended 31.8.2022	Year ended 31.8.2021
		S\$	S\$
Continuing operations			
Revenue	3	807,572	1,241,608
Other operating income	3	11,398	320,396
Changes in inventories		(29,920)	(30,960)
Raw materials and consumables used		(422,759)	(551,771)
Employee benefits expense		(557,038)	(2,440,224)
Depreciation on property, plant and equipment	13	(8,200)	(101,514)
Depreciation on right of use assets	15	(97,528)	(599,191)
Directors' fees		(59,170)	(75,717)
Advertising and marketing expenses		-	(8,010)
Professional fees		(313,226)	(514,147)
Short term and variable lease expense	4	(23,160)	(4,728)
Interest: Finance expense	5	(27,087)	(84,880)
Other expenses		(62,361)	(2,803,361)
Loss before income tax from continuing operations		(781,479)	(5,652,499)
Income tax expense	6	-	-
Loss for the year from continuing operations		(781,479)	(5,652,499)
Discontinued operations			
Loss on sale of discontinued operations		-	(155,780)
Loss for the year		(781,479)	(5,808,279)
Other comprehensive income			
<i>Items that may be subsequently reclassified to Profit or Loss:</i>			
Net effect of foreign currency translation		(402,294)	(361,942)
Total comprehensive loss for the year		(1,183,773)	(6,170,221)
Loss attributable to:			
Members of the parent entity		(782,325)	(2,455,556)
Non-controlling interest		846	53,363
		(781,479)	(2,402,193)
Total comprehensive loss attributable to:			
Members of the parent entity		(1,184,619)	(1,636,819)
Non-controlling interest		846	53,363
		(1,183,773)	(1,583,456)
Loss per share			
Basic loss per share (S cents)	9	(0.21)	(1.62)
Diluted loss per share (S cents)	9	(0.21)	(1.62)
Loss per share for continuing operations			
Basic loss per share (S cents)	9	(0.21)	(1.57)
Diluted loss per share (S cents)	9	(0.21)	(1.57)

The accompanying notes form part of this financial report.

Asian American Medical Group Limited
And Controlled Entities
ABN 42 091 559 125

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2022

	Note	Consolidated Group 31.8.2022 S\$	31.8.2021 S\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	891,300	874,422
Trade and other receivables	11	123,848	436,729
Inventories	12	44,099	74,020
TOTAL CURRENT ASSETS		1,059,247	1,385,171
NON-CURRENT ASSETS			
Property, plant and equipment	13	6,574,934	6,775,794
Right of use assets	15	-	473,710
TOTAL NON-CURRENT ASSETS		6,574,934	7,249,504
TOTAL ASSETS		7,634,181	8,634,675
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	1,297,887	1,773,437
Finance lease liability	15	-	160,073
Interest bearing loans and borrowings	16	740,469	193,342
TOTAL CURRENT LIABILITIES		2,038,356	2,126,852
NON-CURRENT LIABILITIES			
Deferred tax liability	17	75,922	75,922
Finance lease liability	15	-	315,611
Interest bearing loans and borrowings	16	-	743,071
TOTAL NON-CURRENT LIABILITIES		75,922	1,134,604
TOTAL LIABILITIES		2,114,278	3,261,456
NET ASSETS		5,519,903	5,373,219
EQUITY			
Equity attributable to members of the parent entity:			
Issued capital	18	19,553,590	18,223,133
Reserves	19	(1,634,776)	(1,232,482)
Accumulated losses		(12,635,294)	(11,852,969)
		5,283,520	5,137,682
Non-controlling interest		236,383	235,537
TOTAL EQUITY		5,519,903	5,373,219

The accompanying notes form part of this financial report.

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2022**

	Issued capital S\$	Accumulated losses S\$	Foreign currency translation reserve S\$	Non- controlling interest S\$	Total S\$
Balance at 1.9.2020	18,223,133	(6,178,697)	(870,540)	792,567	11,966,463
Total comprehensive income:					
Loss for the year from continuing operations	-	(5,468,485)	-	(184,014)	(5,652,499)
(Loss) / profit for the period from discontinued operation	-	(179,805)	-	24,025	(155,780)
Other comprehensive loss	-	-	(361,942)	-	(361,942)
	-	(5,648,290)	(361,942)	(159,989)	(6,170,221)
Transactions with the owners in their capacity as owners:					
De-recognition of NCI upon disposal of discontinued operation	-	(25,982)	-	(397,041)	(423,023)
Balance at 31.8.2021	18,223,133	(11,852,969)	(1,232,482)	235,537	5,373,219
Balance at 1.9.2021	18,223,133	(11,852,969)	(1,232,482)	235,537	5,373,219
Total comprehensive income:					
Loss for the year from continuing operations	-	(782,325)	-	846	(781,479)
Other comprehensive loss	-	-	(402,294)	-	(402,294)
	-	(782,325)	(402,294)	846	(1,183,773)
Transactions with the owners in their capacity as owners:					
Issue of shares, net of transaction costs	1,330,457	-	-	-	1,330,457
Balance at 31.8.2022	19,553,590	(12,635,394)	(1,634,776)	236,383	5,519,903

The accompanying notes form part of this financial report.

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 AUGUST 2022**

		Consolidated Group	
	Note	Year ended 31.8.2022 S\$	Year ended 31.8.2021 S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,077,942	3,812,290
Payments to suppliers and employees		(1,982,539)	(5,270,419)
Net cash used in operating activities	22	(904,597)	(1,458,129)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income		9	17
Purchase of property, plant and equipment	13	(66,188)	(17,556)
Proceeds from disposal of property, plant and equipment		6,876	329,012
Disposal of subsidiary, net of cash		-	(912,099)
Net cash used in investing activities		(59,303)	(600,626)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of obligation under leases	15	(92,380)	(604,782)
Interest expense	5	(27,087)	(84,880)
Bank loan drawdown		-	1,000,000
Repayment of loan		(195,944)	(63,587)
Issuance of Shares		1,330,457	-
<i>Net cash generated from / (used in) financing activities</i>		1,015,046	246,751
Net change in cash and cash equivalents		51,146	(1,812,004)
Cash and cash equivalents at beginning of the year		874,422	2,690,875
Effects of exchange rate changes on cash and cash equivalents		(34,268)	(4,449)
Cash and cash equivalents at end of the year	10	891,300	874,422

The accompanying notes form part of this financial report.

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1 Nature of operations and general information

Asian American Medical Group Limited (AAMG or Company) is a Company domiciled in Australia. The address of its registered office is at 25 Peel Street, Adelaide SA 5000 and its principal place of business is at 6 Napier Road, Gleneagles Medical Centre, #05-02 Singapore 258499.

The consolidated financial report of the Company as at and for the year ended 31 August 2022 comprises the Company and its subsidiaries (together referred to as the Group). The principal activity of AAMG is the provision of specialised medical services for liver diseases and transplantation, healthcare management and consultancy services and healthcare real estate. There has been no change in the principal activity of the Group during the financial year under review.

AAMG is a for-profit entity for the purpose of preparing financial statements.

2 Statement of significant accounting policies

This financial report includes the consolidated financial statements and notes of Asian American Medical Group Limited and controlled entities (Consolidated Group or Group).

(a) Basis of preparation

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporation Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The accounting policies applied by the Group in this report are the same as those applied by the Group in its consolidated annual financial report as at and for the year ended 31 August 2021.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The consolidated preliminary final report is presented in Singapore Dollars (SGD or S\$) as a significant portion of the group's activity is denominated in Singapore Dollars.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 August 2022. The consolidated entity has assessed that these new or amended Accounting Standards and Interpretations are not expected to have material impact on the group's financial position or performance in the future reporting periods.

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, revenue dropped from S\$1.2 million in FY2021 to S\$0.8 million in FY2022, the Group made a net loss of S\$781,479 from S\$5,808,279 in FY2021 after recognising cash outflow from operating activities of S\$1,313,168 in FY2022 compared to S\$1,458,129 in the prior year. Cash balance increased slightly from S\$874,422 on 31 August 2021 to S\$891,300 on 31 August 2022 mainly attributed to the capital of S\$1,330,457 raised during the year. At 31 August 2022 the Group had net current liabilities of S\$979,111 compared to net current liabilities of S\$741,682 at 31 August 2021.

Despite the reported net loss and cash outflow from operating activities for FY2022, and the net current liability position at 31 August 2022, the Directors have prepared forecasts to support the sufficiency of funds available to the Group ensuring it can continue as a going concern based on the following factors:

- On 16 June 2022 the Group signed Letter of Engagement to appoint Durant Wyot Capital (DWC) as Financial Advisor to undertake a capital raising project to raise up to A\$3.0 million (before costs) by the issue of shares via private placement to sophisticated investors.
- The Group will appoint new executive and non-executive directors and management team members to re-establish and reinvigorate the medical clinic operations in Singapore. Management expects the Group's business activities in Singapore to improve with the return of overseas patients, especially those from neighbouring countries.

While the Directors believe that the Company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

(b) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates and Judgements

Impairment

The Group assesses impairment at each reporting date by evaluating conditions and events specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations and valuations from independent valuers are performed and used in assessing recoverable amounts, these calculations and valuations incorporate a number of key estimates.

Please refer to note 11 with respect to Management's consideration of impairment of receivables as at 31 August 2022.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

3 Revenue

	Consolidated Group	
	2022	2021
	S\$	S\$
Operating activities		
Provision of services	330,280	861,659
Medical supply income (a)	-	80,000
Sale of medication	477,292	299,949
Total revenue from operating activities	<u>807,572</u>	<u>1,241,608</u>
<i>(a) Medical supply income in FY2021 was derived from trading of Covid-19 test kits, there was no such sales in FY2022.</i>		
Other operating income		
Interest received	9	94
Grant received from Singapore government	-	305,403
Other income	11,389	14,899
Total other operating income	<u>11,398</u>	<u>320,396</u>

a. Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

Consolidated – 31 August 2022	Liver	Multi- specialty	Total
	S\$	S\$	S\$
<i>Sectors</i>			
Healthcare	807,572	-	807,572
	<u>807,572</u>	<u>-</u>	<u>807,572</u>
<i>Geographical regions</i>			
Singapore	807,572	-	807,572
Asia (ex-Singapore)	-	-	-
	<u>807,572</u>	<u>-</u>	<u>807,572</u>
<i>Timing of revenue recognition</i>			
Goods transferred at a point in time	807,572	-	807,572
Services rendered over time	-	-	-
	<u>807,572</u>	<u>-</u>	<u>807,572</u>

Asian American Medical Group Limited
And Controlled Entities
ABN 42 091 559 125

Consolidated – 31 August 2021	Liver	Management and Consultancy	Total
	S\$	S\$	S\$
<i>Sectors</i>			
Healthcare	1,240,631	977	1,241,608
	1,240,631	977	1,241,608
<i>Geographical regions</i>			
Singapore	1,100,331	-	1,100,331
Asia (ex-Singapore)	140,300	977	141,277
	1,240,631	977	1,241,608
<i>Timing of revenue recognition</i>			
Goods transferred at a point in time	1,240,631	977	1,241,608
Services rendered over time	-	-	-
	1,240,631	977	1,241,608

4 Loss for The Year

The loss for the year has been arrived at after (charging)/crediting the following items:

	Consolidated Group	
	2022	2021
	S\$	S\$
Expenses		
Cost of sales	(476,887)	(582,731)
Net foreign exchange gain / (loss)	126,293	292,984
Administrative expenses include rental expense on short term and variable leases as follows:		
- premises	(23,160)	(4,728)
Depreciation on right of use assets	(313,226)	(599,191)
Depreciation on property, plant and equipment	(8,200)	(101,514)
Professional fees		
- Professional fees	(169,370)	(196,372)
- KCH Brand Fee	(143,865)	(317,775)
Credit card charges	(7,946)	(10,099)
Impairment of investment in joint venture	-	(62,000)
Provision for expected credit losses (Note 11)	-	(7,074)
Write off of property, plant and equipment (Note 13)	(64,318)	(2,455,003)
Central Provident Fund	(43,283)	(97,501)

5 Finance expenses

	Consolidation Group	
	2022	2021
	S\$	S\$
Interest on loans	14,485	6,524
Interest on lease liabilities (Note 15)	12,602	78,356
	<u>27,087</u>	<u>84,880</u>

6 Income Tax Expense/(Benefit)

	Consolidated Group	
	2022	2021
	S\$	S\$
a. The components of tax expense/(benefit) comprise:		
Current tax	-	-
Deferred tax	-	-
Over provision in respect of prior years	-	-
	<u>-</u>	<u>-</u>
b. The prima facie tax on loss before income tax is reconciled to the income tax as follows:		
Prima facie tax refundable on loss before income tax at 25% (2021: 25%)	(195,370)	(1,413,125)
Effect of tax rates in foreign jurisdiction	(18,021)	129,183
Add:		
Tax effect of:		
- non-deductible expenses ^{Note 1}	237,063	753,362
- non-taxable incomes	(49,885)	(49,885)
- utilisation of deferred tax assets previously not recognised	(5,490)	(5,490)
- deferred tax asset not recognised ^{Note 2}	21,649	585,955
Income tax expense	<u>-</u>	<u>-</u>

Note 1: Non-deductible expenses were net amount of investment in China project written off (2021: \$733,620 building development costs in Johor Bahru written off).

Note 2: Deferred tax in FY2021 not recognised related to legal entity in Hainan, China and AALC, there was no similar write off in FY2022.

The value of tax losses not recognised is S\$10,267,028 (2021: S\$12,996,460). No capital allowances were unrecognised in the current financial year (2021: NIL).

Asian American Medical Group Limited
And Controlled Entities
ABN 42 091 559 125

7 Auditor's Remuneration

	Consolidation Group	
	2022	2021
	S\$	S\$
Audit and review of financial statements fees:		
- Paid to auditors of the Company	39,172	42,935
- Paid to other auditors	21,316	43,463
Non-Audit fees:		
- Paid to other auditors (tax consultancy and medical audit fee)	11,625	14,253

8 Dividends

No interim or final dividend has been paid during the year or recommended by the Directors following the completion of accounts for the financial year ended 31 August 2022 (2021: Nil).

9 Earnings per Share (EPS)

	Consolidation Group	
	2022	2021
	S\$	S\$
Loss attributable to ordinary equity holders of the parent:		
Continuing operations	(782,325)	(5,468,485)
Discontinued operations	-	(179,805)
Loss attributable to ordinary equity holders of the parent adjusted for the effect of dilution	(782,325)	(5,648,290)
	Number of shares	Number of shares
Weighted average number of ordinary shares during the year used in calculating basic/diluted EPS	379,193,414	347,752,754
Loss per share for operations (S cents)	(0.21)	(1.62)
Loss per share for continuing operations (S cents)	(0.21)	(1.57)

10 Cash and Cash Equivalents

	Consolidation Group	
	2022	2021
	S\$	S\$
Cash and bank balances	891,300	874,422
Cash per consolidated statement of cash flows	891,300	874,422

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

11 Trade and Other Receivables

	Consolidation Group	
	2022	2021
	S\$	S\$
Current		
Trade receivables	28,644	88,083
Less: Provision for expected credit losses (Note 4)	-	(7,074)
	<u>28,644</u>	<u>81,009</u>
Other receivables	25,532	213,298
Deposits	69,672	142,422
Total current trade and other receivables	<u>123,848</u>	<u>436,729</u>

a. Allowance for expected credit losses

The provision for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

According to the Group's internal, historical credit loss data and past due receivables, there are no underlying indicator of expected credit losses using allowance matrix. Furthermore, we have assessed using valuation model the probabilities of credit default and do not deem any expected credit losses being necessary.

b. Credit risk

Management has assessed that the loss allowance provision as at 31 August 2022 is adequate as the Group has no significant default in trade receivables based on historical experience.

There impairment loss is recognised on trade receivables for the financial year ended 31 August 2022 (2021: Nil)

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2022	2021	2022	2021	2022	2021
	%	%	S\$	S\$	S\$	S\$
Consolidated						
Current	0%	0%	1,104	31,799	-	-
Due 1 – 30 days	0%	0%	-	30,683	-	-
Due 31 – 60 days	0%	0%	-	264	-	-
Due over 60 days	0%	0%	27,540	25,337	-	(7,074)
			<u>28,644</u>	<u>88,083</u>	<u>-</u>	<u>(7,074)</u>

12 Inventories

	Consolidated Group	
	2022	2021
	S\$	S\$
Medical Supplies	<u>44,099</u>	<u>74,020</u>

Asian American Medical Group Limited
And Controlled Entities
ABN 42 091 559 125

13 Property, Plant and Equipment

	Consolidated Group	
	2022	2021
	S\$	S\$
Office equipment		
At Cost	1,220	2,695
Accumulated depreciation	(1,220)	(2,335)
Total office equipment	-	360
Medical equipment		
At Cost	3,465	5,455
Accumulated depreciation	(1,848)	(1,653)
Total medical equipment	1,617	3,802
Computers		
At Cost	2,467	95,378
Accumulated depreciation	(1,528)	(83,621)
Total computers	939	11,757
Land		
At Cost	6,572,328	6,759,875
Accumulated depreciation	-	-
Total land	6,572,328	6,759,875
Total property, plant and equipment	6,574,934	6,775,794

	Office equipment	Medical equipment	Computers	Furniture & Fittings	Land	Renovation	Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Balance at 31 August 2021	360	3,802	11,757	-	6,759,875	-	6,775,794
Additions	-	-	1,148	-	-	65,040	66,188
Write-off	(313)	(1,293)	(3,091)	-	-	(59,621)	(64,318)
Exchange Difference	-	-	55	-	(187,497)	-	(187,442)
Depreciation expense	(47)	(892)	(1,842)	-	-	(5,419)	(8,200)
Disposal	-	-	(7,088)	-	-	-	(7,088)
Carrying amount at 31 August 2022	-	1,617	939	-	6,572,378	-	6,574,934

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

	Office equipment	Medical equipment	Computers	Furniture & Fittings	Land	Work in progress	Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Balance at 31 August 2020	501	4,893	7,607	-	6,803,785	3,241,204	10,057,990
Additions	57,588	-	16,609	757,355	-	(813,996)	17,556
Write-off	-	-	(514)	-	-	(2,454,489)	(2,455,003)
Exchange Difference	-	-	93	-	(43,910)	27,281	(16,536)
Depreciation expense	(6,860)	(1,091)	(5,205)	(88,358)	-	-	(101,514)
Disposal	(50,869)	-	(6,833)	(668,997)	-	-	(726,699)
Carrying amount at 31 August 2021	360	3,802	11,757	-	6,759,875	-	6,775,794

14 Trade and Other Payables

	Consolidated Group	
	2022	2021
	S\$	S\$
Current		
Trade payables	521,701	670,549
Patients' deposits (Note 14a)	296	56,444
Provision for employee benefits	5,336	32,739
Sundry payables and accrued expenses:		
- Parkway Hospitals Singapore Pte Ltd	232,699	343,572
- Others	537,855	670,133
Total current trade and other payables	1,297,887	1,973,839

The provision for employee benefits relates to the provision for contractual additional wage to employees for the period from January to August 2022 (2021: January to August 2021) and is payable by December 2022 (2021: December 2021).

a. Contract liabilities

Contract liabilities relate to patients' deposits for medical services. Revenue from medical services is recognised when the services is rendered.

	2022	2021
	S\$	S\$
Patients' deposits at the beginning of the period recognised as revenue	4,115	25,648
<i>Deposits refunded to patients during FY2022 was \$52,328.</i>		

15 Leases

Group as a lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Clinical Premises
	S\$
At 1 September 2021	473,710
Depreciation	(97,528)
Early termination (Note 15a)	(376,182)
At 31 August 2022	-

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

Note 15a: On 18 April 2022 Gleneagles Hospital Singapore terminated the lease for the clinic as the Group's subsidiary Asian American Liver Centre Pte Ltd did not settle rental arrears.

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	Clinical Premises	
	S\$	
At 1 September 2021	475,684	
Early Termination	(383,304)	
Interest expense	12,603	
Lease payments	(104,983)	
At 31 August 2022	-	
	2022	2021
	S\$	S\$
Of which:		
Lease liabilities - current	-	160,073
Lease liabilities - non-current	-	315,611
	-	475,684

The following are the amounts recognised in profit or loss:

	2022	2021
	S\$	S\$
Short-term lease expense	23,160	4,728
Depreciation on right of use assets	97,528	599,191
Interest expense on lease liabilities	12,603	78,356

The Group had total cash outflows for leases of \$104,983 (2021: \$683,138) during the year ended 31 August 2022.

16 Interest bearing loans and borrowings

	2022	2021
	S\$	S\$
Current		
Unsecured – bridging loan	740,469	193,342
Non-current		
Unsecured – bridging loan	-	743,071
	740,469	936,413

Bridging loan from DBS Bank through its subsidiary under Enterprise Singapore's special financial support scheme for SMEs was supported by a personal guarantee from the late Executive Chairman Dr KC Tan. After the demise of Dr Tan, DBS requested for a new corporate guarantor. The Group has not been able to find an appropriate guarantor replacement. The breach of the loan agreement has not been remedied on or before the end of the reporting period and as a result, the full amount payable under the loan agreement has been classified as current at 31 August 2022. The matter is still unresolved at the date of the financial statements.

The currency profile of borrowings as at the end of the reporting period is Singapore dollar.

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

17 Taxation

	Consolidated Group	
	2022	2021
	S\$	S\$
Current assets		
Income tax refundable	-	-
	1 September 2021	Utilized
	S\$	S\$
		Written off
		S\$
		31 August 2022
		S\$
Deferred tax asset and liability		
Tax liability arising from land revaluation	75,922	-
Net deferred tax liability / (asset)	75,922	-

18 Issued Capital

	Consolidated Group	
	2022	2021
	S\$	S\$
Opening share balance	18,223,133	18,223,133
Shares issued during the year	1,330,457	-
Closing share capital	19,553,590	18,223,133

	2022	2021
	Number of shares	Number of shares
a. Ordinary shares		
Opening share balance	347,752,754	347,752,754
Shares issued during the year	34,775,275	-
Closing share capital	382,528,029	347,752,754

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called; otherwise, each shareholder has one vote on a show of hands.

b. Capital management

Management controls the capital of the Group in order to provide shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year. At 31 August 2022 gearing ratio of the Group is 13.38% (2021: 17.26%).

c. Events after Reporting: Share Subscription via Placement

On 16 June 2022 the Company entered into an engagement agreement with Durant Wyot Capital as financial adviser to arrange an equity capital raising to raise up to A\$3.0 million before costs by way of the issue of shares and other securities to sophisticated investors.

The Company has entered into negotiations with a sophisticated investor through Durant Wyot Capital for the capital raising and has sent draft Share Subscription Agreements (SSA) and other related legal documents to the potential sophisticated investor for execution. The Company anticipates the signing of SSA before the middle of November 2022.

The Company has identified four potential new directors to the Board, three are Australian residents.

19 Reserves

a. Nature and purpose of reserve

(i) Share-based payments

The share-based payments reserve is used to recognise the:

- Fair value of options issued to employees but not exercised as at grant date
- Fair value of shares issued to employees as at grant date
- Issue of shares held by the AAMG Employee Share Trust to employees

(ii) Foreign currency translation

Exchange differences arising on translation of the foreign-controlled entity are recognised in other comprehensive income as described in note 2(n) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

b. Movements in reserves

	Consolidated Group	
	2022	2021
	S\$	S\$
<i>(i) Foreign currency translation reserve</i>		
Beginning of financial year	(1,232,482)	(870,540)
Net currency translation differences of financial statements of foreign subsidiaries	(402,294)	(361,942)
End of financial year	(1,634,776)	(1,232,482)
Total as at end of financial year	(1,634,776)	(1,232,482)

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

20 Controlled Entities

a. Controlled entities consolidated

	Country of incorporation	Percentage owned (%)	
		2022	2021
Asian American Medical Group Limited	Australia		
Subsidiary of Asian American Medical Group Limited:			
Asian American Medical Group Inc.	British Virgin Islands	100	100
Subsidiaries of Asian American Medical Group Inc.			
Asian American Liver Centre Pte. Ltd.	Singapore	100	100
Asian American Medical Group Pte. Ltd.	Singapore	100	100
Asian American Health Ventures Pte. Ltd. (formerly known as Million Health Ventures Pte. Ltd)	Singapore	100	100
Subsidiary of Asian American Health Ventures Pte. Ltd. :			
Asian American Oncology Management Sdn. Bhd.	Malaysia	100	100
Hippocrates Development Sdn. Bhd.	Malaysia	95	95
Subsidiary of Asian American Medical Group Pte. Ltd. :			
Gold Bell Asia American Healthcare Ventures Company Limited (1)	Myanmar	-	51
Asian American Healthcare Services (Qionghai) Co Ltd (2)	China	-	100

(1) Investment cost fully impaired the JV is terminated

(2) Investment cost fully impaired, operation closed in January 2022

21 Commitments and contingencies

a. Capital commitments

There is no capital commitment as at reporting date which was not recognized in the financial statements (2021: \$Nil).

b. Contingent liabilities

Under the Sale and Purchase Agreement (SPA) of the land owned under HDSB, HDSB will pledge up to 20% of the Net Profits earned by TLJCC to be paid to the land vendor or the vendor's named beneficiary for a period of 10 years.

Other than the above, there are no other contingent liabilities as at reporting date which was not recognised in the financial statements.

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

22 Cash Flow Information

Reconciliation of cash flow from operations with loss after income tax

	Consolidated Group	
	2022	2021
	S\$	S\$
Loss after income tax	(781,479)	(5,808,279)
Adjustment for:		
Loss on sale of Discontinued operation	-	232,360
Write off of property, plant and equipment (<i>note 13a</i>)	64,319	2,455,003
Depreciation on property, plant and equipment	8,200	102,077
Depreciation on right of use assets	97,529	644,811
Gain on lease modification / termination	(77,800)	(67,494)
Loss on disposal of property, plant and equipment	212	397,687
Foreign exchange gain - net	(126,293)	(292,984)
Finance income	(9)	(17)
Interest expense	27,088	87,352
Impairment of investment in joint venture	-	62,000
Bad debts written off	7,026	-
Provision for doubtful debts	-	7,074
Changes in assets and liabilities:		
Decrease / (increase) in trade and other receivables	258,986	819,250
Decrease in inventories	29,921	42,262
Decrease in trade and other payables	(412,297)	(139,231)
Decrease in deferred and current tax liabilities	-	-
Net cash used in operating activities	(904,597)	(1,458,129)

23 Events after Reporting

Other than the share subscription via placement reported in Note 18c above, there are no other matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

24 Related Party

The Group's related parties include its associate and joint venture, Key Management Personnel (KMP) and post-employment benefit plans for the Group's employees.

Balances and transactions between the Company and its subsidiaries, which are related to the Company have been eliminated on consolidation and are not disclosed in this note.

25 Operating Segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Group that are regularly reviewed by the chief operating decision maker, the Board of Directors (chief operating decision makers), in order to allocate resources to the segment and to assess its performance. The Consolidated Group has identified its operating segments to be as follows based on distinct operational activities:

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

- Provision of medical consultation and services in the hepatology and related fields (liver segment);
- Provision of multi-speciality medical consultation and services in the medical pilot zone in Boao, Hainan cater to the healthcare needs of China (multi-speciality segment);
- Provision of healthcare management and consultancy services (management and consultancy segment);
- Development of real estate projects (healthcare real estate segment), established through acquisition of HDSB; and
- Provision of corporate management services (corporate segment).

This is the basis on which internal reports are provided to the Board of Directors for assessing performance and determining the allocation of resources within the Consolidated Group. Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the group.

The current Consolidated Group operates primarily in three businesses, namely the provision of medical consultation and services in the hepatology, healthcare management and its related field advisory and healthcare real estate. The corporate segment relates to administrative expenses at Group level.

Details of the performance of these operating segments for the financial years ended 31 August 2022 and 31 August 2021 are set out below:

(i) Segment performance

	Liver S\$	Multi- specialty S\$	Management and Consultancy S\$	Healthcare Real Estate S\$	Corporate S\$	Total S\$
31 August 2022						
External sales revenue	807,572	-	-	-	-	807,572
Inter-segment revenue	-	-	-	-	-	-
Total segment revenue	807,572	-	-	-	-	807,572
Inter-segment eliminations						-
Total Group revenue						807,572
Other income	11,389	-	-	-	-	11,389
Finance income	-	-	-	-	9	9
Finance expenses	27,087	-	-	-	-	27,087
Depreciation on property, plant and equipment	7,282	603	315	-	-	8,200
Depreciation on right of use assets	97,529	-	-	-	-	97,529
Segment net (loss)/profit before tax	(136,083)	3,416,906	1,087,641	(89,926)	(5,060,017)	(781,479)
Income tax expense						-
Total Group net loss after tax						(781,479)

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

	Liver S\$	Multi- specialty S\$	Management and Consultancy S\$	Healthcare Real Estate S\$	Corporate S\$	Total S\$
31 August 2021						
External sales revenue	1,240,631	977	-	-	-	1,241,608
Inter-segment revenue	-	-	-	-	-	-
Total segment revenue	1,240,631	977	-	-	-	1,241,608
Inter-segment eliminations						-
Total Group revenue						1,241,608
Other income	309,131	11,522	90	-	(441)	320,302
Finance income	-	-	-	-	94	94
Finance expenses	56,235	28,645	-	-	-	84,880
Depreciation on property, plant and equipment	3,548	97,310	656	-	-	101,514
Amortization on right of use assets	442,250	156,941	-	-	-	599,191
Segment net (loss)/profit before tax	(1,306,727)	(1,797,307)	(39,023)	(2,479,275)	(30,167)	(5,652,499)
Income tax expense						-
Total Group net loss after tax from continuing operations						(5,652,499)
Loss on sale of discontinued operation						(155,780)
Total Group net loss after tax						(5,808,279)

(ii) Segment assets

	Liver S\$	Multi- specialty S\$	Management and Consultancy S\$	Healthcare Real Estate S\$	Corporate S\$	Total S\$
31 August 2022						
Non-current segment assets	6,191,470	-	-	5,053,933	5,240,021	16,485,424
Current segment assets	301,998	-	6,485	150,836	9,351,393	9,810,712
Total segment assets	6,493,468	-	6,485	5,204,769	14,591,414	26,296,136

Reconciliation of segment assets to Group assets:

Inter-segment eliminations	(18,661,955)
Total Group assets	7,634,181

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

	Liver S\$	Multi- specialty S\$	Management and Consultancy S\$	Healthcare Real Estate S\$	Corporate S\$	Total S\$
31 August 2021						
Non-current segment assets	480,175	7,635	3,056,286	5,241,430	19,284,881	28,070,407
Current segment assets	2,135,474	67,285	4,661,816	161,481	5,491,492	12,517,548
Total segment assets	2,615,649	74,920	7,718,102	5,402,911	24,776,373	40,587,955

Reconciliation of segment assets to Group assets:

Inter-segment eliminations	(31,988,280)
Total Group assets from continuing operations	8,634,675
Assets held for sale	-
Total Group assets	8,634,675

	Liver S\$	Multi- specialty S\$	Management and Consultan- cy S\$	Healthcare Real Estate S\$	Corporate S\$	Total S\$
31 August 2022						
Segment asset increases in the year						
Capital expenditure	66,188	-	-	-	-	66,188
Total	66,188	-	-	-	-	66,188

(iii) Segment liabilities

	Liver S\$	Multi- specialty S\$	Management & Consultancy S\$	Healthcare Real Estate S\$	Corporate S\$	Total S\$
31 August 2022						
Segment liabilities	(8,093,984)	-	(439,727)	(2,220,394)	(357,368)	(11,111,471)

Reconciliation of segment liabilities to Group liabilities:

Inter-segment eliminations	8,997,195
Total Group liabilities	(2,114,278)

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

	Liver S\$	Multi- specialty S\$	Management & Consultancy S\$	Healthcare Real Estate S\$	Corporate S\$	Total S\$
31 August 2021						
Segment liabilities	(4,057,862)	(3,685,108)	(8,420,607)	(2,216,799)	(6,607,301)	(24,987,677)

Reconciliation of segment liabilities to Group liabilities:

Inter-segment eliminations	21,726,221
Total Group liabilities from continuing operations	(3,261,456)
Liabilities directly associated with the assets held for sale	-
Total Group liabilities	(3,261,456)

(iv) Revenue by geographical location

Revenue attributable to external customers is disclosed below, based on the location of where the revenue was derived:

	Consolidated Group	
	2022	2021
	S\$	S\$
Singapore	807,572	1,100,331
Asia (ex-Singapore)	-	141,277
Total revenue	807,572	1,241,608

(v) Assets by geographical location

	Consolidated Group	
	2022	2021
	S\$	S\$
<i>Non-current assets by geographical location:</i>		
Singapore	2,555	481,993
Malaysia	6,572,379	6,759,876
China	-	7,635
Total non-current assets for continuing operation	6,574,934	7,249,504

Current assets by geographical location:

Australia	599,917	365,691
Singapore	302,699	693,281
Malaysia	156,631	162,727
Myanmar	-	96,187
China	-	67,285
Total current assets	1,059,247	1,385,171

(vi) Major Customers

The group is not reliant on any one major customer to whom it provides its products or services.

26 Financial Risk Management Policies

The Group's financial instruments consist mainly of cash at bank, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to the financial statements, are as follows:

	2022 S\$	2021 S\$
Financial assets		
Cash and cash equivalents	891,300	874,422
Trade and other receivables	54,176	294,307
	945,476	1,168,729
	2022 S\$	2021 S\$
Financial liabilities		
Trade and other payables	(1,297,889)	(1,773,441)
Lease liabilities	-	(475,684)
Loans and Borrowings	(740,469)	(936,413)
Total financial liabilities	(2,038,358)	(3,185,538)

Financial risk management policies

The Board is responsible for monitoring and managing financial risk exposures of the Group.

Specific financial risk exposures and management

The main risk of the Group is exposed to include foreign exchange risk, credit risk, liquidity risk and treasury management risk.

(a) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instruments fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the functional currency of the Group which is the Singapore dollar.

(i) Risk management

The Group's transactions are predominantly in its functional currency which is the Singapore dollar. The amount of asset and liability held in foreign currency is not considered material to the Group and hence does not hedge these asset or liability.

(ii) Sensitivity analysis

Foreign exchange risk

A 10% strengthening of the Australian Dollar (AUD) against the functional currency of the Group would increase/(decrease) profit or loss by the amount shown below. Similarly, a 10% weakening would have equal but opposite effect. This analysis assumes that all other variables, in particular interest rates, remain constant.

	2022 S\$	2021 S\$
AUD	600	4,090

(b) Credit risk exposure

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets of the entity which have been recognised in the statement of financial position, is the carrying amount, net of any allowance for credit losses.

Credit risk is managed through the maintenance of procedures which ensure to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment.

The Group consider 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. Financial assets are deemed to default when counterparty fails to make contractual payments, within 60 days when they fall due, which are derived based on the Group's historical information.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or borrower
- A breach of contract, such as a default or past due event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation

Apart from the provision for credit losses as disclosed in Note 11, no other receivables are considered past due or impaired.

At the end of the reporting period, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised on the statement of financial position.

The Group provides for 12-month 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 based on geographical region and revenue segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information such as forecast of economic conditions where the healthcare consumer price index will increase over the next year, leading to an increased number of defaults. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed. Management has assessed that the loss allowance provision as at 31 August 2022 is negligible as the Group has no significant default in trade receivables based on historical experience.

There is no significant change made to the estimation techniques.

(c) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

All financial assets and liabilities disclosed above have maturities within one year for the 31 August 2022 financial year. All cash and cash equivalents are held with the two bankers being DBS Bank Ltd and Westpac Banking Corporation who are both AA rated.

The following are the contractual maturities of financial assets and liabilities based on the remaining period from the reporting date to the contractual maturity date.

**Asian American Medical Group Limited
And Controlled Entities**
ABN 42 091 559 125

	Less than 1 month S\$	Between 1 – 3 months S\$	Between 3 - 6 months S\$	Between 6 – 12 months S\$
Trade and other receivables	28,644	25,532	-	69,672
Trade and other payables	(50,023)	(300,000)	(756,606)	(191,258)

The Group manages liquidity risk by monitoring forecast cash flows.

(d) Treasury risk management

The Board meets on a regular basis to analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the Consolidated Group in meeting its financial targets, whilst maintaining the effects on financial performance. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Board has otherwise cleared as being financially sound.

(e) Fair values of financial assets and liabilities

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

The carrying values of financial instruments approximate their fair values.

27 Parent Company Information

	2022 S\$	2021 S\$
Parent entity		
Assets		
Current assets	1,456,968	5,388,216
Non-current assets	-	-
Total assets	1,456,968	5,388,216
Liabilities		
Current liabilities	(35,715)	(14,999)
Total liabilities	(35,715)	(14,999)
Total Net Assets	1,421,253	5,373,217
Equity		
Issued capital	32,640,356	31,309,900
Accumulated losses	(29,973,241)	(24,913,230)
Reserves	(1,245,856)	(1,023,453)
Total Equity	1,421,253	5,373,217
Financial performance		
Loss for the year	(5,737,649)	(6,338,249)
Other comprehensive income	(254,996)	(254,996)
Total comprehensive loss	(5,992,645)	(6,593,245)

Included in the loss for the year is S\$677,632 write down (2021: S\$6,227,296) of investment in subsidiary to the net asset of the Group, which does not have an impact on the Group's consolidated results for the current or prior year.

The parent entity has no contingent liabilities, contractual commitments or guarantees in relation to its subsidiary entities.

28 Company Details

The registered office of the company is:
25 Peel Street
Adelaide SA 5000

The principal place of business is:
Asian American Medical Group
6 Napier Road,
Gleneagles Medical Centre #05-02,
Singapore 258499

Singapore centres:
Asian American Liver Centre Pte Ltd
6 Napier Road,
Gleneagles Medical Centre #05-02,
Singapore 258499

Asian American Healthcare Ventures Pte Ltd
6 Napier Road,
Gleneagles Medical Centre #05-02,
Singapore 258499

Asian American Medical Group Pte Ltd
6 Napier Road,
Gleneagles Medical Centre #05-02,
Singapore 258499