

**Unaudited Financial Statements and Dividend Announcement
For the Second Half and Twelve Months Ended 31 May 2021**

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group					
	2nd Half Ended			12 months Ended		
	31 May 2021 (Unaudited) S\$'000	31 May 2020 (Unaudited) (Restated) S\$'000	Change %	31 May 2021 (Unaudited) S\$'000	31 May 2020 (Audited) (Restated) S\$'000	Change %
Revenue	12,378	6,954	78.0%	23,358	16,723	39.7%
Other items of income						
Other income	484	845	-42.7%	1,186	1,306	-9.2%
Fair value gain/(loss) on financial assets at FVTPL	(1,079)	(1,376)	-21.6%	463	(1,977)	N.M.
Fair value (loss)/gain on derivative financial instruments	(679)	1,921	N.M.	(679)	1,921	N.M.
Gain on disposal of investments in subsidiaries	-	544	N.M.	-	196	N.M.
Gain on modification of debt instruments at amortised cost	32	-	N.M.	32	-	N.M.
Gain on modification of other financial liabilities	537	-	N.M.	537	-	N.M.
Items of expense						
Changes in inventories	(34)	95	N.M.	(145)	159	N.M.
Inventories, consumables and surgery expenses	(1,621)	(972)	66.8%	(2,933)	(2,094)	40.1%
Employee benefits expenses	(3,733)	(2,639)	41.5%	(7,507)	(5,965)	25.9%
Depreciation and amortisation expenses	(981)	(769)	27.6%	(1,715)	(1,333)	28.7%
Lease expenses	122	(10)	N.M.	163	(166)	N.M.
Other expenses	(960)	(2,169)	-55.7%	(2,284)	(3,051)	-25.1%
Finance costs	(108)	(286)	-62.2%	(208)	(407)	-48.9%
Profit before income tax	4,358	2,138	103.8%	10,268	5,312	93.3%
Income tax expense	(765)	(184)	315.8%	(1,414)	(783)	80.6%
Profit for the financial period/year, representing total comprehensive income for the financial period/year	3,593	1,954	83.9%	8,854	4,529	95.5%
Profit and total comprehensive income attributable to:						
Owners of the parent	3,000	1,821	64.7%	8,000	3,987	100.7%
Non-controlling interests	593	133	345.9%	854	542	57.6%
	3,593	1,954	83.9%	8,854	4,529	95.5%

N.M. – Not meaningful

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

Profit for the financial period/year is stated after charging/(crediting) the following:	2nd Half Ended		12 months Ended	
	31 May 2021	31 May 2020	31 May 2021	31 May 2020
	(Unaudited) S\$'000	(Unaudited) S\$'000	(Unaudited) S\$'000	(Audited) S\$'000
Allowance for impairment loss on debt instruments at amortised cost	149	-	149	-
Allowance for impairment loss on goodwill	-	722	-	722
Allowance for impairment loss on plant and equipment	-	41	-	41
Allowance for impairment loss on right-of-use assets	-	95	-	95
Amortisation of intangible assets	3	5	7	10
Bad third parties trade receivables written off	-	3	-	3
Depreciation of plant and equipment	273	236	492	426
Depreciation of right-of-use assets	705	528	1,216	897
Dividend income	(8)	(268)	(317)	(521)
Fair value (gain)/loss on financial assets at FVTPL	1,079	1,376	(463)	1,977
Fair value loss/(gain) on derivative financial instruments	679	(1,921)	679	(1,921)
Gain on disposal of investments in subsidiaries	-	(544)	-	(196)
Gain/(loss) on disposal of plant and equipment	(1)	6	(1)	(5)
Gain on lease modification	-	(5)	(1)	(5)
Gain on modification of debt instruments at amortised cost	(32)	-	(32)	-
Gain on modification of other financial liabilities	(537)	-	(537)	-
Loss allowance on third parties trade receivables	1	17	1	17
Loss allowance on third parties trade receivables written back	-	-	(2)	-

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31 May 2021 (Unaudited) S\$'000	31 May 2020 (Audited) (Restated) S\$'000	31 May 2021 (Unaudited) S\$'000	31 May 2020 (Audited) S\$'000
ASSETS				
Non-current assets				
Plant and equipment	1,872	1,875	23	34
Intangible assets	4,786	4,062	5	8
Right-of-use assets	3,002	2,612	159	126
Investments in subsidiaries	-	-	5,760	5,261
Investment in associate	480	480	480	480
Investment in joint ventures	272	90	272	90
Debt instruments at amortised cost	1,882	2,000	1,882	2,000
Financial assets at FVTPL	8,260	7,813	8,260	7,813
Deferred tax assets	75	12	-	-
Advance payments	-	15	-	15
Derivative financial instruments	1,242	1,921	1,856	2,463
Other receivables	-	564	172	876
	21,871	21,444	18,869	19,166
Current assets				
Inventories	325	470	-	-
Trade and other receivables	2,851	1,381	3,473	2,665
Prepayments	246	321	106	114
Derivative financial instruments	-	-	494	-
Cash and bank balances	10,988	6,788	5,132	4,347
	14,410	8,960	9,205	7,126
Total assets	36,281	30,404	28,074	26,292
EQUITY AND LIABILITIES				
Equity				
Share capital	15,419	15,419	15,419	15,419
Treasury shares	(996)	(541)	(996)	(541)
Merger reserve	(815)	(815)	-	-
Capital reserve	(3,930)	(3,773)	(164)	(7)
Other reserve	(12,658)	(2,417)	-	-
Retained earnings	12,806	8,408	6,787	3,775
Equity attributable to owners of the parent	9,826	16,281	21,046	18,646
Non-controlling interests	922	264	-	-
Total equity	10,748	16,545	21,046	18,646

	Group		Company	
	31 May 2021 (Unaudited) S\$'000	31 May 2020	31 May 2021 (Unaudited) S\$'000	31 May 2020
		(Audited) (Restated) S\$'000		(Audited) S\$'000
Non-current liabilities				
Deferred tax liabilities	127	95	-	-
Derivative financial instruments	28	28	28	258
Other financial liabilities	11,950	2,417	-	-
Bank borrowings	3,750	5,000	3,750	5,000
Provisions	122	85	21	21
Lease liabilities	1,878	1,848	274	353
	17,855	9,473	4,073	5,632
Current liabilities				
Trade and other payables	3,643	2,610	1,224	1,573
Other financial liabilities	171	-	-	-
Bank borrowings	1,250	-	1,250	-
Provisions	-	37	-	-
Lease liabilities	1,167	880	340	257
Current income tax payable	1,447	859	141	184
	7,678	4,386	2,955	2,014
Total liabilities	25,533	13,859	7,028	7,646
Total equity and liabilities	36,281	30,404	28,074	26,292

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 May 2021 (Unaudited)		As at 31 May 2020 (Audited)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	1,250	-	-

Amount repayable after one year

As at 31 May 2021 (Unaudited)		As at 31 May 2020 (Audited)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	3,750	-	5,000

Details of collaterals

Not applicable.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	2nd Half Ended		12 months Ended	
	31 May 2021 (Unaudited) S\$'000	31 May 2020 (Unaudited) S\$'000	31 May 2021 (Unaudited) S\$'000	31 May 2020 (Audited) S\$'000
Operating activities				
Profit before income tax	4,358	2,138	10,268	5,312
Adjustments for:				
Allowance for impairment loss on debt instruments at amortised cost	149	-	149	-
Allowance for impairment loss on goodwill	-	722	-	722
Allowance for impairment loss on plant and equipment	-	41	-	41
Allowance for impairment loss on right-of-use assets	-	95	-	95
Amortisation of intangible assets	3	5	7	10
Bad third parties trade receivables written off	-	3	-	3
Depreciation of plant and equipment	273	236	492	426
Depreciation of right-of-use assets	705	528	1,216	897
Dividend income from a joint venture	(8)	(16)	(23)	(16)
Dividend income from financial assets at FVTPL	-	(252)	(294)	(505)
Fair value loss/(gain) on derivative financial instruments	679	(1,921)	679	(1,921)
Fair value (gain)/loss on financial assets at FVTPL	1,079	1,376	(463)	1,977
Gain on disposal of investments in subsidiaries	-	(544)	-	(196)
(Gain)/Loss on disposal of plant and equipment	(1)	6	(1)	(5)
Gain on lease modification	-	(5)	(1)	(5)
Gain on modification of debt instruments at amortised cost	(32)	-	(32)	-
Gain on modification of other financial liabilities	(537)	-	(537)	-
Interest expense	108	286	208	407
Interest income	(132)	(77)	(167)	(166)
Inventories written off	16	5	21	11
Loss allowance on third parties trade receivables	1	17	1	17
Loss allowance on third parties trade receivables written back	-	-	(2)	-
Loss on derecognition of convertible bond	-	417	-	417
Plant and equipment written off	2	2	3	7
Reversal of provision not utilised	(23)	(15)	(23)	(15)
Rent concession	(206)	-	(206)	-
Operating cash flows before working capital changes	6,434	3,047	11,295	7,513
Working capital changes:				
Inventories	18	(203)	124	(242)
Trade and other receivables	779	647	(810)	506
Prepayments	127	(43)	75	(157)
Trade and other payables	278	134	1,050	(318)
Cash generated from operations	7,636	3,582	11,734	7,302
Income tax paid	(533)	(347)	(857)	(828)
Net cash from operating activities	7,103	3,235	10,877	6,474

	2nd Half Ended		12 months Ended	
	31 May 2021	31 May 2020	31 May 2021	31 May 2020
	(Unaudited) S\$'000	(Unaudited) S\$'000	(Unaudited) S\$'000	(Audited) S\$'000
Investing activities				
Acquisition of subsidiaries, net of cash acquired	-	-	(561)	-
Acquisition of additional equity interests in subsidiaries	-	-	-	(2,877)
Advance payments for acquisition of investments	-	(15)	-	(15)
Dividend received from a joint venture	8	16	23	16
Dividend received from financial assets at FVTPL	-	252	294	505
Interest received	70	63	90	138
Investment in an associate	-	-	-	(341)
Investment in a joint venture	(182)	-	(182)	-
Proceeds from disposal of plant and equipment	20	-	20	19
Purchase of intangible assets	-	(8)	-	(8)
Purchase of plant and equipment	(371)	(404)	(535)	(1,268)
Net cash used in investing activities	(455)	(96)	(851)	(3,831)
Financing activities				
Dividends paid to owners of the parent	(2,545)	(1,957)	(3,602)	(3,743)
Dividends paid to non-controlling interests	(98)	(44)	(196)	(516)
Interest paid	-	(1)	(99)	(8)
Purchase of treasury shares	(344)	-	(768)	-
Proceeds from bank borrowings	-	5,000	-	5,000
Repayment of bank borrowings	-	(125)	-	(500)
Proceeds from issuance of convertible bond	-	-	-	5,000
Redemption of convertible bond	-	(5,196)	-	(5,196)
Repayment of principal portion of lease liabilities	(525)	(470)	(1,053)	(836)
Repayment of interest portion of lease liabilities	(108)	(83)	(108)	(83)
Net cash used in financing activities	(3,620)	(2,876)	(5,826)	(882)
Net change in cash and cash equivalents	3,028	263	4,200	1,761
Cash and cash equivalents at beginning of financial period/year	7,960	6,525	6,788	5,027
Cash and cash equivalents at end of financial period/year	10,988	6,788	10,988	6,788

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

**Consolidated Statement of Changes in Equity
Group**

(Unaudited)

	Share capital S\$'000	Treasury shares S\$'000	Merger reserve S\$'000	Capital reserve S\$'000	Other reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 June 2020 (restated)	15,419	(541)	(815)	(3,773)	(2,417)	8,408	16,281	264	16,545
Profit for the financial year	-	-	-	-	-	8,000	8,000	854	8,854
Total comprehensive income for the financial year	-	-	-	-	-	8,000	8,000	854	8,854
Contributions by and distributions to owners									
Acquisition of a subsidiary	-	313	-	(157)	-	-	156	-	156
Purchase of treasury shares	-	(768)	-	-	-	-	(768)	-	(768)
Dividends	-	-	-	-	-	(3,602)	(3,602)	-	(3,602)
Total transactions with owners	-	(455)	-	(157)	-	(3,602)	(4,214)	-	(4,214)
Transactions with non-controlling interests									
Dividends	-	-	-	-	-	-	-	(196)	(196)
Total transactions with non-controlling interests	-	-	-	-	-	-	-	(196)	(196)
Others									
Present value of forward purchase contract	-	-	-	-	(10,241)	-	(10,241)	-	(10,241)
Total others	-	-	-	-	(10,241)	-	(10,241)	-	(10,241)
Balance at 31 May 2021	15,419	(996)	(815)	(3,930)	(12,658)	12,806	9,826	922	10,748

Group

(Unaudited)

	Share capital S\$'000	Treasury shares S\$'000	Merger reserve S\$'000	Capital reserve S\$'000	Other reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 December 2020	15,419	(652)	(815)	(3,930)	(2,417)	12,351	19,956	427	20,383
Profit for the financial period	-	-	-	-	-	3,000	3,000	593	3,593
Total comprehensive income for the financial period	-	-	-	-	-	3,000	3,000	593	3,593
Contributions by and distributions to owners									
Purchase of treasury shares	-	(344)	-	-	-	-	(344)	-	(344)
Dividends	-	-	-	-	-	(2,545)	(2,545)	-	(2,545)
Total transactions with owners	-	(344)	-	-	-	(2,545)	(2,889)	-	(2,889)
Transactions with non-controlling interests									
Dividends	-	-	-	-	-	-	-	(98)	(98)
Total transactions with non-controlling interests	-	-	-	-	-	-	-	(98)	(98)
Others									
Present value of forward purchase contract	-	-	-	-	(10,241)	-	(10,241)	-	(10,241)
Total others	-	-	-	-	(10,241)	-	(10,241)	-	(10,241)
Balance at 31 May 2021	15,419	(996)	(815)	(3,930)	(12,658)	12,806	9,826	922	10,748

Group

(Audited)

	Share capital S\$'000	Treasury shares S\$'000	Merger reserve S\$'000	Capital reserve S\$'000	Other reserve S\$'000	Equity component of convertible bond S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
Balance at 1 June 2019	14,433	(541)	(815)	(7)	(829)	-	7,631	19,872	410	20,282
Profit for the financial year	-	-	-	-	-	-	3,987	3,987	542	4,529
Total comprehensive income for the financial year	-	-	-	-	-	-	3,987	3,987	542	4,529
Contributions by and distributions to owners										
Dividends	-	-	-	-	-	-	(3,743)	(3,743)	-	(3,743)
Total transactions with owners	-	-	-	-	-	-	(3,743)	(3,743)	-	(3,743)
Transactions with non-controlling interests										
Acquisition of non-controlling interests without a change in control	986	-	-	(3,766)	-	-	-	(2,780)	(99)	(2,879)
Disposal of non-controlling interests in a subsidiary	-	-	-	-	-	-	-	-	(73)	(73)
Dividends	-	-	-	-	-	-	-	-	(516)	(516)
Total transactions with non-controlling interests	986	-	-	(3,766)	-	-	-	(2,780)	(688)	(3,468)
Others										
Present value of forward purchase contract	-	-	-	-	(1,588)	-	-	(1,588)	-	(1,588)
Initial recognition of equity component of convertible bond	-	-	-	-	-	533	-	533	-	533
Derecognition of convertible bond	-	-	-	-	-	(533)	533	-	-	-
Total others	-	-	-	-	(1,588)	-	533	(1,055)	-	(1,055)
Balance at 31 May 2020	15,419	(541)	(815)	(3,773)	(2,417)	-	8,408	16,281	264	16,545

Group

(Unaudited)

	Share capital S\$'000	Treasury shares S\$'000	Merger reserve S\$'000	Capital reserve S\$'000	Other reserve S\$'000	Equity component of convertible bond S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 December 2019	15,419	(541)	(815)	(3,825)	(829)	-	8,011	17,420	281	17,701
Profit for the financial period	-	-	-	-	-	-	1,821	1,821	133	1,954
Total comprehensive income for the financial period	-	-	-	-	-	-	1,821	1,821	133	1,954
Contributions by and distributions to owners										
Dividends	-	-	-	-	-	-	(1,957)	(1,957)	-	(1,957)
Total transactions with owners	-	-	-	-	-	-	(1,957)	(1,957)	-	(1,957)
Transactions with non-controlling interests										
Acquisition of non-controlling interests without a change in control	-	-	-	52	-	-	-	52	(52)	-
Disposal of non-controlling interests in a subsidiary	-	-	-	-	-	-	-	-	(54)	(54)
Dividends	-	-	-	-	-	-	-	-	(44)	(44)
Total transactions with non-controlling interests	-	-	-	52	-	-	-	52	(150)	(98)
Others										
Present value of forward purchase contract	-	-	-	-	(1,588)	-	-	(1,588)	-	(1,588)
Initial recognition of equity component of convertible bond	-	-	-	-	-	533	-	533	-	533
Derecognition of convertible bond	-	-	-	-	-	(533)	533	-	-	-
Total others	-	-	-	-	(1,588)	-	533	(1,055)	-	(1,055)
Balance at 31 May 2020	15,419	(541)	(815)	(3,773)	(2,417)	-	8,408	16,281	264	16,545

**Statement of Changes in Equity
Company**

(Unaudited)

	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Equity component of convertible bond S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 June 2020	15,419	(541)	(7)	-	3,775	18,646
Profit for the financial year	-	-	-	-	6,614	6,614
Total comprehensive income for the financial year	-	-	-	-	6,614	6,614
Contributions by and distributions to owners						
Acquisition of a subsidiary	-	313	(157)	-	-	156
Purchase of treasury shares	-	(768)	-	-	-	(768)
Dividends	-	-	-	-	(3,602)	(3,602)
Total transactions with owners	-	(455)	(157)	-	(3,602)	(4,214)
Balance at 31 May 2021	15,419	(996)	(164)	-	6,787	21,046

(Unaudited)

	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Equity component of convertible bond S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 December 2020	15,419	(652)	(164)	-	5,765	20,368
Profit for the financial period	-	-	-	-	3,567	3,567
Total comprehensive income for the financial period	-	-	-	-	3,567	3,567
Contributions by and distributions to owners						
Purchase of treasury shares	-	(344)	-	-	-	(344)
Dividends	-	-	-	-	(2,545)	(2,545)
Total transactions with owners	-	(344)	-	-	(2,545)	(2,889)
Balance at 31 May 2021	15,419	(996)	(164)	-	6,787	21,046

Company

(Audited)

	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Equity component of convertible bond S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 June 2019	14,433	(541)	(7)	-	6,804	20,689
Profit for the financial year	-	-	-	-	181	181
Total comprehensive income for the financial year	-	-	-	-	181	181
Contributions by and distributions to owners						
Issue of shares	986	-	-	-	-	986
Dividends	-	-	-	-	(3,743)	(3,743)
Total transactions with owners	986	-	-	-	(3,743)	(2,757)
Others						
Initial recognition of equity component of convertible bond	-	-	-	533	-	533
Derecognition of convertible bond	-	-	-	(533)	533	-
Total others	-	-	-	-	533	533
Balance at 31 May 2020	15,419	(541)	(7)	-	3,775	18,646

(Unaudited)

	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Equity component of convertible bond S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 December 2019	15,419	(541)	(7)	-	6,453	21,324
Profit for the financial period	-	-	-	-	(1,254)	(1,254)
Total comprehensive income for the financial period	-	-	-	-	(1,254)	(1,254)
Contributions by and distributions to owners						
Dividends	-	-	-	-	(1,957)	(1,957)
Total transactions with owners	-	-	-	-	(1,957)	(1,957)
Others						
Initial recognition of equity component of convertible bond	-	-	-	533	-	533
Derecognition of convertible bond	-	-	-	(533)	533	-
Total others	-	-	-	-	533	533
Balance at 31 May 2020	15,419	(541)	(7)	-	3,775	18,646

1(d)(ii) Details of any changes in the company’s share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital – Ordinary Shares

The Company’s issued and fully paid-up capital (excluding treasury shares) as at 31 May 2021 comprised 148,892,230 (30 November 2020: 149,677,330) ordinary shares. The Company performed share buy-backs of 785,100 ordinary shares which were kept as treasury shares in second half ended 31 May 2021.

Outstanding Convertibles

The Company did not have any convertible instruments as at 31 May 2021 (31 May 2020: S\$Nil). The Company had issued S\$5,000,000 convertible bonds to Vanda 1 Investments Pte. Ltd. (“Vanda 1”) in August 2019, which have been fully redeemed as at 31 May 2020.

Treasury Shares

There were 2,503,400 treasury shares (representing 1.68% of the Company’s 148,892,230 ordinary shares (excluding treasury shares)) as at 31 May 2021 and 829,900 treasury shares (representing 0.55% of the Company’s 150,565,730 ordinary shares (excluding treasury shares)) as at 31 May 2020.

Subsidiary Holdings

There were no subsidiary holdings as at 31 May 2021 and 31 May 2020.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	As at 31 May 2021	As at 31 May 2020
Total number of issued shares excluding treasury shares	148,892,230	150,565,730

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, cancellation and/or use of treasury shares during the second half ended 31 May 2021 and as at 31 May 2021. The Company performed share buy-backs of 785,100 ordinary shares which were kept as treasury shares in second half ended 31 May 2021.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable. The figures have not been audited or reviewed by the Company's auditors.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The latest financial statements of the Group are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the reporting period are consistent with those disclosed in the most recently audited consolidated financial statements for the financial year ended 31 May 2020.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

During the financial year ended 31 May 2021, the Group has changed its accounting policy for the subsequent remeasurement and unwinding interest expense of other financial liabilities arising from forward purchase contracts. The subsequent remeasurement of the forward purchase contracts is now recorded in other reserve under equity instead of finance cost in the statement of comprehensive income. This approach is supported by the guidance of SFRS(I) 10 to recognise any adjustments related to changes in the parent's ownership interest that do not result in the parent losing control over a subsidiary as ownership transactions.

Accordingly, there is a change in the comparative figures in the financial year ended 31 May 2020 where the finance cost of S\$489,000 is now recorded in other reserve.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings per share ("EPS")	Group			
	Second Half Ended		Twelve Months Ended	
	31-May-21 (Unaudited)	31-May-20 (Unaudited)	31-May-21 (Unaudited)	31-May-20 (Audited)
Profit attributable to owners of the parent (S\$)	3,000,000	1,821,000	8,000,000	3,987,000
Weighted average number of ordinary shares in issue	148,469,283 ⁽¹⁾	150,565,730	149,966,858 ⁽¹⁾	149,930,976 ⁽²⁾
Basic EPS (cents per share)	2.02	1.21	5.33	2.66
Fully diluted EPS (cents per share) ⁽³⁾	2.02	1.21	5.33	2.66

Notes:-

- (1) The weighted average number of ordinary shares in issue for the second half and twelve months ended 31 May 2021 was computed based on 150,565,730 ordinary shares as at 1 June 2020 and adjusted for (i) the transfer of 480,000 treasury shares to Dr. Goh Minghui on 7 July 2020 as satisfaction of the consideration shares for the acquisition of 51.0% of the equity interest in GMH Endoscopy & Surgery Pte. Ltd. ("**GMHES**"); (ii) the buy-back of an aggregate of 1,368,400 shares which were kept as treasury shares in October and November 2020; and (iii) the buy-back of an aggregate of 785,100 shares which were kept as treasury shares during the period from January to May 2021.
- (2) The weighted average number of ordinary shares in issue for the twelve months ended 31 May 2020 was computed based on 148,805,730 ordinary shares as at 1 June 2019 and adjusted for the issue of 1,760,000 new ordinary shares to Dr. Julian Ong on 11 October 2019 as satisfaction of the consideration shares for the acquisition of an additional 19.0% of the equity interest in Julian Ong Endoscopy & Surgery Pte. Ltd. ("**JOES**").
- (3) EPS on a fully diluted basis for the second half and twelve months ended 31 May 2021 and the second half and twelve months ended 31 May 2020 is the same as the basic EPS because the Company did not have any potentially dilutive ordinary shares as at the end of the respective financial periods.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the
(a) Current financial period reported on; and
(b) Immediately preceding financial year

Net asset value ("NAV")	Group		Company	
	31-May-21 (Unaudited)	31-May-20 (Audited)	31-May-21 (Unaudited)	31-May-20 (Audited)
NAV (S\$)	9,826,000	16,281,000	21,046,000	18,646,000
Number of ordinary shares in issue (excluding treasury shares)	148,892,230	150,565,730	148,892,230	150,565,730
NAV per ordinary share (S\$ cents)	6.60	10.81	14.14	12.38

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following :-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Review for the performance of the Group for the financial year ended 31 May 2021 ("FY2021") as compared to the year ended 31 May 2020 ("FY2020").

The increase in revenue of approximately S\$6.64 million was mainly due to the increase in the number of patients after the circuit breaker measures were lifted on 2 June 2020.

Other income decreased by approximately S\$0.12 million due to (i) lower dividend income from investment in financial assets at fair value through profit or loss ("FVTPL") of S\$211,000; (ii) lower facility income and property tax rebates of S\$118,000, and (iii) lower consultancy fee income from The Prestige Hospital Co. Ltd of S\$24,000. This was partially offset by higher government grants (including the Jobs Support Scheme) of S\$211,000; higher management income from associate of S\$12,000 and higher dividend income from joint venture of S\$7,000.

Fair value gain on financial assets at FVTPL of S\$0.46 million arose primarily due to (i) the increase in share price of Medinex Limited ("**Medinex**") in which the Company holds a direct interest of 22.92% and a deemed interest of 9.50% of Medinex's total issued share capital; and (ii) the increase in fair value of investment in Singapore Paincare Holdings Limited subsequent to its listing on the Catalist Board of the Singapore Exchange Securities Trading Limited on 30 July 2020 based on the quoted market share price. In FY2020, the fair value loss on financial assets at FVTPL of S\$1.98 million was due to the decrease in share price of Medinex.

Fair value loss on derivative financial instruments ("**DFI**") of S\$0.68 million arose mainly due to remeasurement of fair value for put option of a subsidiary and forward purchase contract of an associate. The fair value gain on DFI in FY2020 of S\$1.92 million was related to the recognition of financial assets for put option of a subsidiary and forward purchase contract of an associate.

Gain on disposal of investments in subsidiaries of S\$0.20 million in FY2020 was related to the disposal of investments in HMC Medical Pte. Ltd. and CTK Tan Surgery Pte. Ltd. There was no disposal of investments in subsidiaries in FY2021.

Gain on modification of debt instruments at amortised cost of S\$0.03 million was related to exchange of new bonds held by the Company.

Gain on modification of other financial liabilities of S\$0.54 million arose due to modification of financial liability for forward purchase contract of a subsidiary.

Inventories, consumables and surgery expenses increased by approximately S\$0.84 million in line with increased revenue.

Employee benefits expenses increased by approximately S\$1.54 million due to higher provision of bonus for the current financial year and increased headcount.

The increase in depreciation and amortisation expenses by approximately S\$0.38 million was due to recognition of additional lease liabilities during the year for new and renewed tenancy agreements for clinic premises.

Lease expenses of negative S\$163,000 arose due to rental reliefs received in FY2021.

Other expenses decreased by S\$767,000 mainly due to no allowance for impairment loss recorded in FY2021 for (i) goodwill (FY2020: S\$722,000); (ii) right-of-use assets (FY2020: S\$95,000); and (iii) plant and equipment (FY2020: S\$41,000). This was partially offset by allowance for impairment loss for debt instruments at amortised cost of S\$149,000 (FY2020: S\$Nil).

Finance costs decreased by S\$199,000 mainly due to the redemption of the convertible bonds, issued to Vanda 1, in May 2020. This was partially offset by the increase in interest expenses for bank borrowings and lease liabilities.

As a result of the abovementioned, profit before income tax increased by approximately S\$4.96 million or 93.3% in FY2021 as compared to FY2020.

Income tax expense increased by S\$631,000 or 80.6% due to higher taxable profit recorded in FY2021 as compared to FY2020.

As a result of the abovementioned, profit after income tax increased by approximately S\$4.33 million or 95.5% in FY2021 as compared to FY2020.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The comparative performance for both the assets and liabilities are based on the Group's financial statements as at 31 May 2021 and 31 May 2020.

Intangible assets comprise of goodwill and computer software. The increase in intangible assets from approximately S\$4.06 million as at 31 May 2020 to S\$4.79 million as at 31 May 2021 was primarily due to the increase in goodwill of approximately S\$0.73 million from the acquisition of GMHES in July 2020.

Right-of-use (“**ROU**”) assets increased by S\$0.39 million mainly due to recognition of ROU assets for the new clinic.

Investment in joint ventures increased by S\$182,000 due to the investment in Healthcare Essentials Pte. Ltd. (“HEPL”) in December 2020.

Debt instruments at amortised cost decreased by S\$118,000 mainly due to allowance for impairment loss of S\$149,000 which was partially offset by gain on modification of S\$32,000.

Financial assets at FVTPL increased mainly due to change in fair value of approximately S\$0.46 million.

Deferred tax assets increased by S\$63,000 due to increase in temporary differences arising from accelerated tax depreciation.

Advance payments in FY2020 comprise of payment for proposed acquisition of a subsidiary. There were no such advance payments made in FY2021.

Derivative financial instruments classified under assets decreased by S\$679,000 due to remeasurement of fair value for put option of a subsidiary and forward purchase contract of an associate.

Other receivables in FY2020 related to amount due from a joint venture, which was fully reclassified to current receivables in FY2021.

Inventories decreased by approximately S\$145,000 due to an increase in medication and consumables sold during the financial year, which is in line with the increase in revenue.

Trade and other receivables increased by S\$1.47 million due to an increase in trade receivables outstanding from patients, in line with higher revenue.

Prepayments decreased by approximately S\$75,000 mainly due to the absence of advance payment made for the purchase of medical equipment during the current financial year.

Capital reserve decreased by approximately S\$0.16 million due to the acquisition of 51.0% equity interest in GMHES in July 2020.

Other reserve decreased by approximately S\$10.24 million due to recognition and remeasurement of financial liabilities for forward purchase contracts of subsidiaries.

Current and non-current other financial liabilities comprise present value of forward purchase contracts of subsidiaries relating to certain contractual payment obligations due under the acquisition terms for the relevant subsidiaries. The increase from approximately S\$2.42 million in FY2020 to approximately S\$12.12 million in FY2021 was due to recognition and remeasurement of financial liabilities of these forward purchase contracts, which had increased due to the significant improvement in revenue and profit generated by one of the subsidiaries.

Trade and other payables increased by approximately S\$1.03 million mainly due to increased trade payables in line with increased revenue; and higher provision of bonus for the current financial year.

Current lease liabilities increased by approximately S\$0.29 million due to the new lease entered for the new clinic.

CONSOLIDATED STATEMENT OF CASH FLOWS

Review for the performance of the Group for the financial year ended 31 May 2021 ("FY2021") as compared to the year ended 31 May 2020 ("FY2020").

The Group recorded net cash from operating activities of S\$10,877,000 in FY2021 as compared to net cash from operating activities of S\$6,474,000 in FY2020, due mainly to higher revenue.

Net cash used in investing activities in FY2021 was primarily related to the acquisition of 51.0% equity interest in GMHES of S\$561,000 and the purchase of plant and equipment for existing and new clinics of S\$535,000. This was partially offset by the dividends and interest received of S\$407,000. The net cash used in investing activities in FY2020 was mainly related to the acquisition of additional equity interests in JOES and Medical Services @ Tampines Pte. Ltd. of S\$2,877,000 and the purchase of plant and equipment for new clinics of S\$1,268,000.

Net cash used in financing activities in FY2021 was mainly related to (i) the payment of FY2020 final dividends of S\$1,057,000 and FY2021 interim dividends of S\$2,545,000 to shareholders; (ii) share buy-backs of S\$768,000; and (iii) repayments of obligations (including the interest portion) under leases of S\$1,161,000.

Overall, the Group recorded a net increase in cash and cash equivalents of S\$4,200,000 in FY2021, resulting in cash and cash equivalents of S\$10,988,000 as at 31 May 2021.

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

Not applicable as no forecast or a prospect statement has been disclosed previously.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group had a record performance in FY2021 despite the ongoing COVID-19 pandemic. In December 2020, the Group obtained its medical licence from the Ministry of Health for its Toa Payoh specialist clinic, located in the Toa Payoh central area within the Toa Payoh town centre and directly linked to Toa Payoh MRT station and bus interchange. The Group believes that this will further widen its reach to the population in the heartlands, providing convenience for its patients. The Group will continue to expand its network of specialists and centres both locally and regionally when and where the opportunity arises.

In the next 12 months, it is believed that the country will still be affected by the COVID-19 pandemic, with new variants and clusters popping up every now and then. With the return to Phase 2 (Heightened Alerts) from 22 July 2021 to 18 August 2021, many businesses, including the

Group's, will be impacted. However, with the government push for vaccinations, coupled with aggressive testing and contact tracing, in a bid to open up the economy, the Group hopes that the situation will stabilise soon, and Singapore can live with the virus while enabling most activities to resume under the "new norm".

11. Dividend

If a decision regarding dividend has been made: -

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

Yes.

The following interim dividend was declared for the 6 months ended 30 November 2020 and paid on 2 February 2021.

Name of Dividend	Interim
Dividend Type	Ordinary
Dividend Amount per Share (in S\$ cents)	1.70 cents per ordinary share (one tier tax exempt)
Tax Rate	Tax Exempt

The Directors are recommending a final dividend for FY2021 which will be subject to shareholders' approval at the forthcoming annual general meeting to be held in September 2021.

Name of Dividend	Proposed Final
Dividend Type	Ordinary
Dividend Amount per Share (in S\$ cents)	2.30 cents per ordinary share (one tier tax exempt)
Tax Rate	Tax Exempt

If approved, the final dividend of 2.30 cents per share including the interim dividend of 1.70 cents per share paid on 2 February 2021 would bring the total dividends for the financial year ended 31 May 2021 to 4.00 cents per share.

- (b) Previous corresponding period (cents)

Name of Dividend	Interim
Dividend Type	Ordinary
Dividend Amount per Share (in S\$ cents)	1.30 cents per ordinary share (one tier tax exempt)
Tax Rate	Tax Exempt

Name of Dividend	Final
Dividend Type	Ordinary
Dividend Amount per Share (in S\$ cents)	0.70 cents per ordinary share (one tier tax exempt)
Tax Rate	Tax Exempt

- (c) The date the dividend is payable.

The Directors are pleased to recommend a final dividend of 2.30 cents per ordinary share amounting to approximately S\$3,425,000 in respect of the financial year ended 31 May 2021 for approval by the shareholders at the next Annual General Meeting to be convened on or before 30 September 2021.

The date of payment of the proposed final dividend, if approved at the Annual General Meeting, will be announced at a later date.

- (d) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

The books closure date will be announced at a later date.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable.

13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for interested person transactions.

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (S\$'000)
CH Investment Holdings Pte. Ltd. ⁽¹⁾	Associate of Dr. Heah Sieu Min ("HSM") and Dr. Chia Kok Hong ("CKH"), the Executive Directors of the Company	413	-
G 7 Investment Holdings Pte. Ltd. ⁽²⁾	Associate of HSM and CKH	180	-
Heah Sieu Min (RVP) Pte. Ltd. ⁽³⁾	Associate of HSM	139	-
Mr. Lim Chye Lai, Gjan ⁽⁴⁾	Non-executive non-independent director of the Company	182	-

Notes:-

- (1) Rental of a portion of the entire clinic space at Blk 190 Lorong 6 Toa Payoh #01-572 Singapore 310190 from CH Investment Holdings Pte. Ltd., which is 50% owned by HSM and 50% owned by CKH, the Executive Directors of the Company. Please refer to announcement made on 1 September 2020.
- (2) Rental of a portion of the entire clinic space at Blk 801 Tampines Avenue 4 #01-273 (2nd Floor) Singapore 520801 from G 7 Investment Holdings Pte. Ltd., which is 50% owned by HSM and 50% owned by CKH, the Executive Directors of the Company.
- (3) Rental of office space at 233 River Valley Road #B1-04/05 RV Point Singapore 238291 from Heah Sieu Min (RV Point) Pte. Ltd., which is 100% owned by HSM, the Executive Director of the Company.
- (4) Acquisition of 20% of the total issued and paid-up share capital of Healthcare Essentials Pte. Ltd. (“HEPL”) from HEPL’s sole shareholder, Mr. Lim Chye Lai, Gjan, who is also the non-executive non-independent director of the Company. Please refer to the announcement dated 23 December 2020 for more details.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

(a) Business segments

Not applicable, the Group has only a single business segment

(b) Geographical segment

Not applicable, the Group has only one geographical segment

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

Not applicable as the Group only has a single business and geographical segment. Please refer to paragraph 8 for the review of the Group’s performance.

16. Breakdown of Group's revenue and profit after tax for first half year and second half year

	FY2021	FY2020	Increase/ (Decrease)
	S\$'000	S\$'000	%
(a) Sales reported for first half year	10,980	9,769	12.4
(b) Operating profit after tax before deducting minority interests reported for first half year	5,261	2,575	104.3
(c) Sales reported for second half year	12,378	6,954	78.0
(d) Operating profit after tax before deducting minority interest reported for second half year	3,593	1,954	83.9

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

	FY2021	FY2020
	S\$'000	S\$'000
Ordinary shares (tax exempt 1- tier)		
- Interim	2,545	1,957
- Final (Proposed)	3,425 ⁽¹⁾	1,057
Total Annual Dividend	5,970	3,014

Note:-

(1) The proposed final ordinary dividend for FY2021 is based on estimated number of shares outstanding as at 27 July 2021.

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

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is related to a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10).

19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

BY ORDER OF THE BOARD

Dr. Heah Sieu Min
Executive Director and Chief Executive Officer
27 July 2021

About HC Surgical Specialists Limited

HC Surgical Specialists Limited (the "Company") was incorporated on 1 September 2015 in Singapore and listed on Catalist of the Singapore Exchange Securities Trading Limited on 3 November 2016. The Company, its subsidiaries and associated company are a medical services group primarily engaged in the provision of endoscopic procedures, including gastroscopies and colonoscopies and general surgery services with a focus on colorectal procedures across a network of 18 clinics located throughout Singapore.

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made; or reports contained in this announcement.

The contact person for the Sponsor is Mr. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.