Asian American
MEDICAL GROUP

POSITION FOR **FUTURE GROWTH**

ANNUAL REPORT 2021

DEDICATED TO HEALING POWERED BY INNOVATION

Asian American Medical Group Limited

ABN NUMBER 42 091 559 125

Annual Report for the year ended 31 August 2021

TABLE OF CONTENTS

CORPORATE DIRECTORY

BOARD OF DIRECTORS
Dato' Dr Kai Chah Tan
(Executive Director and Chairman)

Mr Evgenii Tugolukov
(Non-Executive Director)

Ms Jeslyn Jacques Wee Kian Leong
(Independent Non-Executive Director)

Mr Pang Fey Yu
(Independent Non-Executive Director)

Mr Peter Hurley
(Independent Non-Executive Director)

Mr Stuart L Dean
(Independent Non-Executive Director)
– resigned on 4 January 2021

AUDIT COMMITTEE
Mr Pang Fey Yu (Chairman)
Ms Jeslyn Jacques Wee Kian Leong
Mr Peter Hurley

NOMINATION AND REMUNERATION COMMITTEE
Mr Pang Fey Yu (Chairman)
Mr Evgenii Tugolukov
Mr Peter Hurley

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 (SA) 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 the Australian Securities Exchange Limited.
ASX Code : AJJ

CORPORATE PROFILE

Asian American Medical Group Limited (AAMG or the Group), based in Singapore, has been listed on the Australian Securities Exchange (ASX) since September 2009. The Group's main clinical operations include the Asian American Liver Centre Pte Ltd (AALC), established 1994 in Singapore.

The Group entered into a collaboration agreement in April 2021 with King's College Hospital London (KCH). Established in 1849, KCH is today one of the leading medical institutions in United Kingdom. The Liver Institute is the largest and most comprehensive centre in Europe for treatment of liver disease in both children and adults. KCH's Liver Intensive Care Unit is one of the first in the world and has been at the forefront of clinical research and treatment of patients with liver failure. There are substantial amount of peer reviewed scientific papers in research, innovation and treatment of liver infections, autoimmune liver diseases and liver cancers. The Liver Transplant Program, for both children and adults, is one of the largest in Europe, with excellent results. Together with KCH the Group will set up King's College Hospital Liver Centre Asia (KCHLC) in Hainan.

AALC, one of Asia's foremost liver centres, is led by renowned hepatobiliary expert and liver transplant surgeon, Dato' Dr Kai Chah Tan (Dr KC Tan), who helped start the Liver Transplant Programme at King's College Hospital in London, United Kingdom (U.K.), and pioneered the highly successful Living Donor Liver Transplantation (LDLT) programme in Singapore. In 2014, AALC began conducting surgical procedures at iHEAL Medical Centre in Kuala Lumpur, Malaysia. Following the setting up of our subsidiary Gold Bell Asia American Healthcare Ventures Company Limited (GBAA) in Myanmar, AALC began conducting consultancy and surgical procedures at Grand Hantha International Hospital in Yangon from 2017.

In March 2018, AAMG completed the acquisition of Hippocrates Development Sdn Bhd (HDSB). HDSB owns a 5-acre plot of land in Iskandar Puteri, in the Southern Malaysian state of Johor, which has been earmarked to be developed into Medical hub, which will include an international cancer centre to be built in memory of the Late Johor Prince Almarhum Tunku Abdul Jalil Iskandar ibni Sultan Ibrahim Ismail.

AAMG marked another major milestone in 2019 when it expanded its presence into Hainan Boao LeCheng International Medical Tourism Pilot Zone (Pilot Zone), located in Hainan Island, China. The multi-specialty medical clinic was officially launched in November 2020.

OUR VISION

To develop AAMG into an international healthcare brand through organic growth and geographical expansion.

OUR MISSION

To deliver excellent multi–disciplinary medical care through clinical excellence, technological innovation and patient–centric care.

OUR VALUES

Excellence	We always strive to excel and take pride in all that we do.
Innovation	We practise the most up-to-date clinical techniques, employ the latest technology and keep abreast of advancements in medical treatment.
Integrity	Honesty and integrity are fundamental to our organisation. We take pride in our ethical conduct and comply strictly with legal requirements.
Transparency	We carefully communicate to our patients what their care will entail so that they clearly understand the medical process. We regularly publish and present our clinical outcomes.
Compassion	Patients are our top priority, and we work hard to meet their diverse needs. Empathy and compassion are integral to our mission to provide the best quality care.

KEY BUSINESS SEGMENTS

LIVER	AAMG's liver segment operates under AALC and is headquartered at Gleneagles Hospital in Singapore. Today, AALC is one of Asia's foremost liver centres dedicated to treatment of all liver, pancreas and bile duct diseases in adults and children, and has expanded to Malaysia, Myanmar and China.
MULTI-SPECIALTY	While the Group already have a network of highly skilled and experienced medical specialists in Singapore and abroad, mainly in the USA and Great Britain to collaborate with. The strategy is to commence a multi-specialty medical centre in the Pilot Zone of Hainan Boao Lecheng to cater for the healthcare needs within China.
HEALTHCARE MANAGEMENT AND CONSULTANCY	Leveraging on the rich pool of experience, knowledge and network of AAMG's key management team, the Group's healthcare management and consultancy segment aims to source and identify potential healthcare–related projects that AAMG can participate in.
HEALTHCARE REAL ESTATE	This segment is managed under AAMG's subsidiary Asian American Healthcare Ventures Pte Ltd (AAHV) (formerly known as Million Health Ventures Pte. Ltd), which owns HDSB in Malaysia. HDSB is undertaking the development of a cancer centre on its 5-acre land in Johor, Malaysia.

1990 - 2012

1990 The **world's first** heart-and-liver transplant performed by Dato' Dr KC Tan

1991 **First** split-liver transplant in the **U.K.** by Dato' Dr KC Tan

1992 **First** auxiliary liver transplant for liver failure **in the U.K.** by Dato' Dr KC Tan

1993 **First** paediatric living donor liver transplant ("LDLT") **in the U.K.** and **Second** auxiliary liver transplant for metabolic disease **in the world** by Dato' Dr KC Tan

1994 **AALC,** formerly known as **Asian Centre for Liver Diseases & Transplantation ("ACLDT")** is established by Dato' Dr KC Tan

1995 **First** paediatric LDLT **in Southeast Asia** by Dato' Dr KC Tan

1997 **Second** split-liver transplant in **Asia** by Dato' Dr KC Tan

2002 **First** successful adult LDLT **in Southeast Asia** by Dato' Dr KC Tan

2004 - 2006 **Performed first liver** transplants for patients **from Pakistan, Sri Lanka, Myanmar, Bangladesh** and the **United Arab Emirates** in our centre by Dato' Dr KC Tan

2007 **First** private medical centre to successfully perform the **100th** LDLT in **Asia**

2009 **Listed on the Australian Securities Exchange ("ASX")**, stock code **AJJ**

2010 **First** healthcare company in **Singapore** to use remote patient monitoring devices for the Intensive Care Unit

Established its **first** satellite clinic, which incorporated **telemedicine** services, in **Ho Chi Minh City, Vietnam.**

2011 **Entered into a Management Services Agreement with Parkway Hospitals** to co-manage Gleneagles Hospital's liver diseases clinical program.

2012 **Signed Service Agreement with UPMC,** a top Global Healthcare Enterprise based in Pittsburgh, U.S.

Successfully perform the 200th LDLT.

Signed Consultancy Agreement with **iHEAL Medical Services** to practice at iHEAL Medical Centre in **Kuala Lumpur, Malaysia.**

2013 - 2017

2013 Established **Haematopoietic Stem Cell Transplant centre** which offers treatment for other blood related diseases.

Signed Service Agreement with **Vinmec International Hospital** to set up a liver clinic in **Hanoi, Vietnam**

Successful placement of 21,000,000 new shares to **RusSing Med Holdings.**

Creation of new brand corporate identity, renamed **Asian American Medical Group ("AAMG")**

2014 **Signed a Joint Venture agreement with Pinlon Hospital and 30th Street Clinic in Yangon, Myanmar** to establish the **first** premier liver centre based in Pinlon Hospital to provide treatment for liver diseases

2015 Successful placement of 30,000,000 new shares to a group of sophisticated investors.

Set up a Radiation Oncology division, **Asian American Radiation Oncology Pte Ltd** (subsequently changed to Asian American Radiation & Oncology Pte Ltd (AARO)), led by Dr Daniel Yat Harn Tan.

2016 Successful placement of 57,000,000 new shares to a group of sophisticated investors.

Opened the **Pinlon Gastrointestinal & Liver Centre (PGLC)** in Yangon, Myanmar.

2017 Partnered **Golden Land United Health Group Company Limited** to explore healthcare opportunities in Myanmar through **Gold Bell Asia American Healthcare Ventures Co., Ltd.**

Signed a Joint Venture Agreement with Grand Hantha Company Limited through Gold Bell Asia American Healthcare Ventures Co., Ltd to provide clinical services to **Grand Hantha International Hospital.**

Entered into a **Service Agreement** with **Hippocrates Development Sdn Bhd (HDSB),** to provide advice and project leadership for HDSB's development of a premium cancer treatment centre in Johor, Malaysia.

Entered into a **Conditional Agreement** to subscribe for 19,408,163 new shares or 95.1% in **HDSB.**

2018 - 2020

2018 On 6 March 2018, **Million Health Ventures Pte Ltd** (**MHV**, now known as Asian American Healthcare Ventures Pte Ltd) **completed the acquisition of HDSB** and 40,000,000 new ordinary shares were issued to the His Majesty Sultan Ibrahim Ibni Almarhum Sultan Iskandar, the Sultan of Johor as part satisfaction of amount due to His Majesty as land vendor.

On 1 April 2018, **His Majesty Sultan Ibrahim Ibni Almarhum Sultan Iskandar,** the Sultan of Johor, **officially announced the launch of the Tunku Laksamana Johor Cancer Centre (TLJCC).**

2019 AAMG signed a Letter of Intent (LOI) with **LeCheng Committee** on 22 February 2019 to establish and operate a world-class medical and wellness facility within the Pilot Zone in Hainan, China.

Successful placement of 10,000,000 new shares to a sophisticated investor

2020 **Multi-Specialty Medical Clinic** located in Boao, Hainan was officially launched on 28 November 2020.

2021

2021 On 7 April 2021 signed collaboration agreement with King's College Hospital London, to establish **King's College Hospital Liver Centre Asia** in Hainan.

CHAIRMAN'S MESSAGE

Dato' Dr Kai Chah Tan
Executive Chairman

Dear Shareholders,

On behalf of the Board of Directors of Asian American Medical Group (AAMG), I am pleased to present the Annual Report for the financial year ended 31 August 2021 (FY2021).

STRATEGIC REVIEW

Our businesses in Singapore continued to be adversely affected by the Covid-19 pandemic, primarily because of travel restrictions that led to a sharp drop in patients at our Asian American Liver Centre.

The hope that this disease, like others before it such as SARS and MERS, will fade away did not happen. Despite the discovery and clinical deployment of the various vaccines against it, especially in developed economies such as Singapore, the effects have been uncertain and disappointing. Most countries around the world except for China have experienced higher rates of infection and fatalities in the 12 months to August compared to the previous financial year. Travel restrictions have remained largely in place and as such the number of oversea patients visiting our clinic in Singapore has been negligible.

Given all these uncertainties, we downsized our clinic space and cut staff and salaries in Singapore during the financial year. It has been very tough on our staff and I am grateful that they have continued to be supportive. On a more positive note, all our staff have been vaccinated and none of our nurses and doctors or their family members were infected by the virus.

While it has been a difficult year financially, AAMG embarked on several initiatives that will help the Group grow over the medium to long term.

On 28 November 2020, our Multi-Specialty Medical Clinic located in Boao, Hainan was officially launched at an event attended by representatives from Enterprise Singapore and officials from the Lecheng Pilot Zone Qionghai City Council. The clinic, which operates under Asian American Healthcare Services (Qionghai) Co Ltd (AAHSQ), has started receiving local Chinese patients for consultation and general health screening.

Unfortunately, both doctors and patients from overseas have not been able to travel to Hainan at the moment due to travel restrictions. We hope that some of the 600,000 Chinese nationals who seek overseas medical treatment every year will instead visit Hainan.

As mentioned previously, Covid-19 is extremely well controlled in China and daily activities are normal in most parts of the country. There are reports of sporadic cases, usually sparked off by people from overseas, but these are very quickly brought under control through efficient contact tracing and isolation. China's economy is stronger than it was pre-pandemic and visitor arrivals in Hainan have fully recovered.

An increasing number of overseas doctors have expressed interest in practicing in the Hainan Boao Lecheng International Medical Tourism Pilot Zone, and we have helped a number of them get registered under our Multi-Specialty Medical Clinic in disciplines such as aesthetic/plastic surgery, orthopaedics and obstetrics and gynaecology.

On 7 April 2021, the Group signed a collaboration agreement with King's College Hospital of London (KCH) to jointly establish the King's College Hospital Liver Centre, Asia (KCHLC) in the Pilot Zone. This is the first time KCH's prestigious hepatology (liver medicine) service has ventured into Asia.

KCHLC will be a standalone comprehensive medical centre catering for the large number of people with liver diseases in China and the region.

KCH's move into China was strongly supported by the Lecheng Pilot Zone Administration and Qionghai City's local government. We hope that this will mark the start of more collaboration between the Chinese authorities and other renowned medical institutions, with AAHSQ acting as a bridge to bring the different parties together.

AAHSQ also signed a contract with Dream Medical Group of Seoul to establish an Aesthetic/Plastic Surgical Clinic in Boao. The proposed clinic will cater to the large number of local Chinese patients who are unable to visit South Korea now for their aesthetic needs.

The launch of the Masterplan in making Hainan a Free Trade Port and that medical tourism and healthcare industries were to be encouraged have led to a great deal of interest in the Boao Lecheng Pilot Zone.

Many healthcare companies have expressed strong interest in the Pilot Zone, and AAHSQ is fortunate to be one of the Pilot Zone's very few pioneers.

We are in active discussions to help a number of medical device companies introduce their products into China via the Pilot Zone. The Pilot Zone is widely regarded to be the fastest route for introducing a new drug or medical device in China, provided they have already been registered with the United States Food and Drug Administration (USFDA) or the EU-FDA.

One such product is the Liver MultiScan, an MRI software developed by Perspectum Diagnostic of the UK which measures the degree of fatty infiltration, iron content and liver inflammation. The software is USFDA approved but has not been licensed in China. We have found Liver MultiScan to be extremely useful in assessing and diagnosing fatty liver disease in Singapore. This is a revenue stream AAHSQ has been actively exploring in the Pilot Zone.

FINANCIAL PERFORMANCE

For FY2021, Group revenue fell 82.8% to $1.2 million from $7.2 million in the previous year. All business segments saw a decline in revenue, with liver being the hardest hit, as overall patient transactions dropped 65.1% from FY2020.

The net loss for the Group amounted to $5.8 million, widening from FY2020's net loss of $2.4 million. The higher FY2021 net loss was due primarily to the write-off of $2.5 million in preliminary expenses connected with our planned cancer centre in Johor Bahru. We do not see a recovery of these expenses over the next 12 months due to the prolonged Covid-19 situation.

Patient transactions for the Group's liver treatment and transplant segment, operating under wholly-owned subsidiary Asian American Liver Centre (AALC), declined 65.1% to 832 in FY2021 from 2,386 in FY2020. Accordingly, AALC's clinical revenue fell 75.7% to $1.2 million in FY2021 while the net loss widened to $1.3 million from $0.1 million in FY2020.

BOARD CHANGES

On behalf of the Board, I would like to express my deepest appreciation to Mr Stuart L Dean, our Independent Non-Executive Director, who stepped down as of 4 January 2021, for his time and valuable counsel to the Board. I wish him all the best in his future endeavours.

APPRECIATION

Finally, my heartfelt gratitude goes to our patients, partners, shareholders, associates and Board of Directors for their continued support over the years.

I would once again like to thank AAMG's management team and staff who have given up so much over a very trying and difficult year due to this continuing Covid-19 pandemic.

Dato' Dr Kai Chah Tan
Executive Director and Chairman

AAMG'S EXPANSION INTO HAINAN BOAO LECHENG INTERNATIONAL MEDICAL TOURISM PILOT ZONE

Hainan is integral to President Xi Jinping's focus to develop opportunities in service industries as Hainan is one of China's largest Special Economic Zones. In an effort to attract medical tourists to Hainan, the State Council in 2013 approved the creation of a Medical Tourism Pilot Zone over 5,000 acres (20 km2) in LeCheng, Hainan.

Known as Hainan Boao LeCheng International Medical Tourism Pilot Zone (Pilot Zone), it is the only one of its kind in China. The Pilot Zone offers incentives and special policies to attract foreign healthcare service providers to offer medical treatments and medication that is not readily available elsewhere within China.

In June 2020 two new policies were announced: (1) Master Plan for the Development of Hainan Free Trade Port released on 1 June 2020; and (2) Hainan Free Trade Port Boao Lecheng International Medical Tourism Pilot Zone Regulations released on 16 June 2020. In September 2020 two new policies were announcement on 2 September and 13 September respectively. There new policies enhanced the nine (9) preferential policies already in place that are only available in the Pilot Zone.

Dr KC Tan at the soft launch of the Multi-Specialty Medical Clinic at Boao, Hainan on 28 November 2020

The main policies beneficial to the Group's medical specialist clinic operation are summarised below:

Medical devices	• Shorten processing time for importing medical devices: 30-40 days faster • Reduced duty rates or zero duty • Simplified approval process for large-scale medical devices
Importation of medicines	• Special approval for drugs unregistered in China, but approved by foreign authorities • Patients who consulted medical doctor at Boao pilot zone and prescribed such drugs may take them out of Boao for use at the usual residential place • Reduced duty rates
Foreign investments in medical institutions	• Gradual easing of foreign ownership restrictions • Long term goal: Special approval for 100% foreign-owned medical institutions • Medical institutions with at least 30% Chinese (non-medical individual or enterprise) shareholding may apply for hospital license.
Foreign physicians and workers	• Longer practicing period for foreigners: Up to 5 years, instead of 1 year • Facilitation of work permits for selected medical professionals/management • Foreign medical professionals are permitted to work in multiple hospitals (previously attached to only 1 hospital).
Medical R&D	• Special approval for stem cells and genomics related research
Lower corporate income tax rate	• Companies registered and operate within the Pilot Zone enjoy a preferential corporate income tax rate of 15%
Lower individual income tax	• Maximum individual income tax rate cap at 15%
Zero custom duty	• Waiver of import duties and VAT on a list of selected goods before implementation of Free Port status • Companies that are not on the approved exempt list are allowed to apply for duty and VAT exemption.
Immigration regulations change	• Relaxed residence policy for foreign professional and technical personnel • Implement relaxed temporary exit and entry policy for business personnel Policy target to attract foreign talents to meet human resource needs of enterprises in Free Port Pilot zone
Construction of R&D Centre	• Support the construction of advances technology clinical research centers, laboratories and establish medical colleges and universities jointly with world renowned medical institutions. • One time tax deductible capital allowance of up to RMB 5.0 million (S$1.05 million) in the year of purchase for both tangible and intangible fixed assets. • Speed up land sales for the construction of medical R&D center, laboratories and medical institutions, explore "rent first buy later", flexible lease period, simplified land approval and purchase procedures.
Commercial healthcare insurance	• Encourage development of diversified differentiated and personalized commercial health insurance products. • Simplify claim processing procedures. • Explore the establishment of commercial health insurance services linked to the international commercial insurance payment system. • Support local insurance financial institutions to cooperate with foreign institutions in the development of cross-border commercial health insurance products in the pilot zone.

PROFILE OF BOARD OF DIRECTORS

Dato' Dr Kai Chah Tan
Executive Director and Chairman
D.P.M.P., MBBS (MAL), FRCS (EDIN), FAMS

Dato' Dr Kai Chah Tan serves as the Executive Director and Chairman of AAMG. He is also the Executive Chairman of Asian American Liver Centre Pte Ltd (AALC) and the Director of Asian American Medical Group Inc. (AAMG Inc), Asian American Medical Group Pte Ltd (AAMGPL), Asian American Healthcare Ventures Pte Ltd (AAHV) (formerly known as Million Health Ventures Pte. Ltd.), Asian American Oncology Management Sdn Bhd (AAOM), Hippocrates Development Sdn Bhd (HDSB) and Asian American Healthcare Services (Qionghai) Pte Ltd (AAHS(Q)), all of which are subsidiaries of AAMG. Dr Tan is the Lead Surgeon (Hepatobiliary/Transplant) of AALC.

Dr Tan graduated from the University of Malaya in 1978 before obtaining his Surgical Fellowship from the Royal College of Surgeons, Edinburgh in 1982. From 1984 to 1987, he received advanced training in paediatric surgery in Manchester and Southampton, U.K. and further training in paediatric hepatobiliary surgery and liver transplant surgery at King's College Hospital (KCH), London. Dr Tan was Consultant Liver Surgeon at KCH and taught surgery at the University of London from 1988 to 1994.

Pioneering various liver transplant procedures in the U.K. for both adults and paediatric patients from the first 'split-liver' transplant and the first auxiliary liver graft to five liver-kidney and two heart-liver transplants, Dr Tan has received many accolades from his peers, patients and their families alike.

Having completed more than 400 liver transplant procedures in the U.K. under his belt, Dr Tan set up his practice, the Asian Centre for Liver Diseases & Transplantation (ACLDT), in Gleneagles Hospital, Singapore in 1994. Dr Tan was also appointed the Director of the Liver Transplant Programme, National University Hospital (NUH), Singapore from 1995 to 2002.

In April 2002, the first successful adult-adult LDLT in Southeast Asia was performed in Gleneagles Hospital, Singapore. Dr Tan and his team have successfully performed more than 200 LDLTs - the only private centre in Southeast Asia to reach this historic milestone. He has published extensively, including co- editing a textbook on 'The Practice of Liver Transplantation', and lectured on the subjects of hepatobiliary and liver transplantation surgery.

PROFILE OF
BOARD OF DIRECTORS

Mr Evgenii Tugolukov
Non–Executive Director
B Econ

Mr Evgenii Tugolukov holds a degree in Economics and Enterprise Management from the Ural State Technical University (USTU) in Russia. He is the President and Founder of Strongbow Investments Pte Ltd (Strongbow) which was founded to create more linkages between Russia and Singapore/ Southeast Asia to create new business visions and ideas as well as strengthen bilateral cultural communications.

Mr Tugolukov has over 20 years of rich entrepreneurial background in various businesses. Under his management, several sizeable holdings were created, including one of Russia's largest power machine-building companies, PJSC EMAlliance. He is currently involved in industries such as agriculture, healthcare and real estate development. Having established a successful track record in the business field, Mr Tugolukov became an Honorary Business Representative of Enterprise Singapore in Russia.

Mr Tugolukov was appointed as Non-Executive Director of AAMG on 3 June 2013 and is also a member of the Nomination and Remuneration Committee.

Ms Jeslyn Jacques Wee Kian Leong
Independent Non–Executive Director

Ms Jeslyn Leong holds a professional body qualification with Association of Chartered Certified Accountants (United Kingdom). She has more than 26 years of extensive experience in the field of corporate finance, which included tenure as a Financial Accountant of Teys Australia Pty Ltd, Australia's leading beef processor and exporter.

She is currently an Accountant with Orrcon Steel, a wholly-owned subsidiary of BlueScope Steel Limited (listed on ASX), a leading Australian distributor and manufacturer of steel, tubes and pipes. In this role, she obtained extensive experience in manufacturing management. She is currently an Independent Director of Botanical Services Pty Ltd, a property management company in Australia.

Ms Leong joined AAMG as an Independent Non-Executive Director on 1 January 2012 and is a member of the Audit Committee.

PROFILE OF BOARD OF DIRECTORS

Mr Pang Fey Yu
Independent Non-Executive Director
B Acc

Mr Pang Fey Yu studied at the University of Singapore (now known as NUS) and graduated with a degree in Accountancy in 1977. He joined Price Waterhouse (now known as Price Waterhouse Coopers) as a fresh graduate and left as a Senior Audit Manager to join the Singapore Turf Club, the operator of horse racing and legal wagering on horse races in Singapore, as Deputy General Manager in 1988.

Mr Yu led the Singapore Turf Club as the President and Chief Executive from 1991 to 2017. Prior to his retirement, Mr Yu was a member of the Executive Council of the Asia Racing Federation and a member of the Executive Council of the International Federation of Horseracing Authorities. He held several positions in a voluntary capacity and was appointed by the Ministry of Defence as the Chairman of the Make-Up Pay Appeals Advisory Board for four consecutive terms. He was also a member of the Public Transport Council and a member of the Complaints and Disciplinary Panel of the Accounting and Corporate Regulatory Authority.

Mr Yu was a member of the Institute of Certified Public Accountants of Singapore (now known as ISCA) and a member of the Institute's Governing Council from 1990 to 1995.

Mr Yu was appointed to the Board on 8 January 2019 as an Independent Non-Executive Director and is a member of the Audit Committee.

Mr Peter Hurley
Independent Non-Executive Director
B Eng (Hons)

Mr Hurley founded Aspire Strategy, a real estate advisory and investment firm, in 2011. For fourteen years prior to that, he was Managing Director and Owner of Valad Property Group, an ASX-listed real estate investment group whose core business is value-adding real estate.

Mr Hurley joined Valad as co-owner in 1997, and grew the business from Assets Under Management of approximately A$5 million to approximately A$20 billion with more than 30 offices in Australia, New Zealand, Japan, Canada and 14 European countries. He was Founder and Chairman of Valad's European operations.

Before joining Valad, Mr Hurley held senior positions at Lend Lease in a 10 year career that included establishing their funds management operations in Paris, London and Singapore. Mr Hurley has an honours degree in engineering from the University of New South Wales.

Mr Hurley was appointed to the Board on 15 March 2019 as an Independent Non-Executive Director and is a member of the Nomination and Remuneration Committee.

PROFILE OF **DOCTORS**

Dr Kang Hoe Lee
Respiratory Physician & Intensivist
(Critical Care & Liver Transplant)
MA (U.K.), MBBChir (U.K.), MRCP (U.K.), FRCP (EDIN),
FAMS (SIN), EDIC (EUR)

Dr Kang Hoe Lee graduated from University of Cambridge, U.K. He was a scholar at Jesus College, Cambridge and a recipient of the Duckworth Prize. He also received support from Kuok Foundation, Malaysia for his medical studies. Dr Lee interned with Professor Sir Roy Calne at Addenbrooke's Hospital and finished his general medicine training at Cambridge before coming to Singapore. In 1990, he joined the Department of Medicine at the National University Hospital (NUH), Singapore. Dr Lee completed his Fellowship in Critical Care Medicine at the UPMC in the U.S. from 1993 to 1995, and was awarded Fellow of the Year in 1994. From 1994 to 1995, Dr Lee performed research with Professor Michael Pinsky at UPMC on acute lung injury.

On his return to Singapore, Dr Lee joined NUS as a Lecturer in Medicine and was promoted to Associate Professor. He was also the Medical Director of the ICU at NUH, where he started the liver dialysis programme in 2000.

Dr Lee was with NUS until 2005 when he joined Gleneagles Hospital, Singapore as Director of the ICU. Since then, he has been working together with AALC. Dr Lee has expanded the liver dialysis programme to include other devices and also helped set up the dedicated liver ICU where he has been active in the management of liver failure and liver transplant patients.

Dr Lee was one of the founding members of the Society of Intensive Care Medicine and was also a previous member of the Specialist Training Committee for Intensive Care Medicine and Respiratory Medicine.

He has published extensively in the areas of critical care and liver transplant, and has also been involved in various research protocols together with scientists at NUS and A*STAR in Singapore.

PROFILE OF KEY MANAGEMENT

Angela Choong
Group Chief Financial Officer
CA (S'pore), FCMA (U.K.)

Ms Angela Choong joined AAMG as its Chief Commercial Officer in August 2015 and was promoted to Group Chief Financial Officer on 1 March 2020.

She has more than 25 years of regional business experience with a strong track record in finance, risk management, management of new factories under construction and implementation of business improvement projects across China, Taiwan, Hong Kong and Southeast Asia. She is a fellow member of the Institute of Singapore Chartered Accountants and the Chartered Institute of Management Accountants in the UK.

Ms Choong started her career in 1989 at the International Paint Sdn Bhd (now a subsidiary of global paints and coatings company Akzo Nobel NV) as an accountant. She rose rapidly through the ranks within the group's finance department. As the Regional Finance Manager (Asia), she performed due diligence, recruited, trained and managed a team for the initial takeover process of a joint-venture business in Taiwan. In 1995, she was promoted to Finance Director of the group's Singapore manufacturing plant, overseeing finance, internal control and compliance, IT system, logistics and warehousing operations.

She became the SBU (Regional) Financial Controller of Marine & Protective Coatings business unit in 2000 for China, India and Southeast Asia. Between 2005 and 2007, she was a member of the company's project steering committee for the construction of a new factory in China. She was responsible for the project's finance, legal, tax planning (exemption and grant), worked closely with the project manager (construction) to commission the plant on time. She later became the Regional Controller for Marine Coatings Asia, where she was responsible for operations in Asia, covering six legal entities in five countries. She took on several key management and process improvement projects for the company during this time, and was extensively involved in negotiations for the extension of a JV contract in China and the extension of land use rights for the JV.

FINANCIAL REVIEW

Year ended 31 August	2021	2020	Changes
	S$'000	S$'000	%
Revenue from continuing operations	1,242	7,210	(82.8)
Other income	320	439	(27.1)
Direct costs and operating expenses	(7,215)	(10,222)	(29.4)
Share of results of associates	-	(3)	n.m
Loss before income tax from continuing operations	(5,653)	(2,576)	119.4
Taxation	-	-	n.m
Loss after income tax from continuing operations	(5,653)	(2,576)	119.4
Discontinued operations			
Profit/(Loss) from discontinued operation	(156)	174	(190)
Loss after taxation	(5,809)	(2,402)	141.8
Loss attributable to:			
Members of the parent entity	(5,649)	(2,455)	130.0
Non-controlling interest	(160)	53	(401.9)
	(5,809)	(2,402)	141.8
Total share capital and reserves	5,373	11,967	(55.1)

	2021	2020
	S Cents	S Cents
Basic loss per share for operations	(1.62)	(0.71)
Basic loss per share for continuing operations	(1.57)	(0.74)
Net asset value per share	1.55	3.44
Net tangible asset value per share	1.55	3.44

n.m – not meaningful

The availability of Covid-19 vaccine since early 2021 and high vaccination rate did not translate to imminent reduction in the number of daily cases in Singapore and the neighbouring countries. The prolonged Covid-19 pandemic globally due to new variants and cross border travel remained closed. There were no foreign patients allowed into Singapore. The Group received requests from patients in Malaysia, Indonesia and India regarding application to Singapore MOH for approval to enter Singapore for medical treatment. But the Group could not help these patients as it was very difficult to obtain permission for such requests. As more than 80% of the Group's patients are from abroad the Group suffered a big drop in revenue from previous year.

On 28 November 2020 the Multi-Specialty Medical Clinic located at Boao, Hainan, operated under Asian American Healthcare Services (Qionghai) Co Ltd (AAHSQ) was officially launched. The soft launch was attended by representatives from Enterprise Singapore and Chinese officials from Lecheng Pilot Zone Committee and Qionghai City Council and was well received.

After the soft launch the Clinic started to receive local patients for consultation and liver disease and general health screening. Dr KC Tan who was in Boao Hainan since the beginning of October 2020 is the only doctor on site. Due to the global travel restrictions and China's mandatory quarantine requirement for foreign visitors (2 weeks at any of the 6 approved Chinese airports of entry plus 1 week at the final destination in China), doctors from Singapore have not been travelling to Hainan.

FINANCIAL REVIEW

For the financial year ended 31 August 2021, (FY2021) Group revenue fell 82.8% to S$1.2 million from S$7.2 million in the previous year. All business segments saw a decline in revenue, with liver being the hardest hit, as overall patient transactions dropped 65.1% from FY2020.

The net loss for the Group amounted to S$5.8 million, widening from FY2020's net loss of S$2.4 million. Current year net loss was due primarily to the write-off of S$2.5 million in preliminary expenses connected with our planned cancer centre in Johor Bahru. We do not see a recovery of these expenses over the next 12 months due to the prolonged Covid-19 situation (Note 14a).

The Group continued its cost reduction exercise, Singapore clinic and office space was reduced twice during the year. In January 2021 early termination of 2 units office area saved S$8,636 per month; and in June 2021 upon expiry of lease on the clinic area the Group renewed the lease with a 50% reduction of area saving S$25,000 a month. Make Good cost incurred from the reduction in area is estimated at S$100,000. Headcount number was down by 7 from 19 on 31 August 2020 to 12 at 31 August 2021.

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 65.1% from 2,386 in FY2020 to 832 in FY2021. Accordingly, AALC's clinical revenue fell 75.7% to S$1.2 million in FY2021.

There were no surgical cases (5 cases in 2020) and zero living donor liver transplantations (LDLTs) in FY2021. The absence of surgical and LDLT cases was the main cause for the 78.2% drop in professional fees, 87.7% lower third party fees (typically hospital charges); and sales of medicine were 44.9% lower. The Group provided tele-consult services and supplied medication to overseas patients who could not travel to Singapore for treatment. In FY2021 50.2% of revenue was from sale of medicine, 19.1% from professional fees and the remaining from 3rd party fees. The Group supplied a small amount of Covid-19 test kits S$0.1 million (2020: S$2.39 million).

Included in other income was S$141,607 Covid-19 job support scheme (JSS) grant (2020: S$131,465) and S$150,779 Covid-19 rental rebate received from Singapore government (2020: S$32,201).

Direct costs decreased 84.5%, from S$3.7 million in FY2020 to S$0.6 million in FY2021 majority of this decrease is related to lower revenue. Operating expenses were 37.2% lower mainly from drop in employment cost as AALC reaped the full year benefit reduction of S$0.9 million from 20% pay cut implemented in July 2020, freeze recruitment for staff who resigned, and the non-recurring payment of S$0.4 million to a doctor who provided urgent medical care to a patient in Brunei last year. Net loss before tax for the liver segment increased from S$0.1 million in FY2020 to S$1.3 million in FY2021.

During the financial year, staff cost and other costs amounting to S$0.5 million (2020: S$0.6 million) were recharged to Asian American Healthcare Services (Qionghai) Co Ltd (AAHSQ) to reflect the time and expenses incurred for the entity.

MANAGEMENT AND CONSULTANCY SEGMENT

The Management and Consultancy segment, operated under Asian American Medical Group Pte Ltd (AAMGPL), did not generate any revenue in FY2021 (2020: Nil). No services were rendered to Hippocrates Development Sdn Bhd (HDSB) as development work on Tunku Laksamana Johor Cancer Centre project in Johor Bahru continued to be put on hold due to the Covid-19 lockdown.

During the financial year, staff cost and other costs amounting to S$0.58 million (2020: S$0.53 million) were recharged to Asian American Healthcare Services (Qionghai) Co Ltd (AAHSQ) to reflect the time and expenses incurred for the entity. Cost re-charged to HDSB was nil in FY2021 (2020: S$16,332).

Direct expenses decreased to S$0.003 million (2020: S$0.013 million) as there was no management fee income in FY2021 (2020: S$0.03 million). Other operating expenses decreased to S$0.067 million compared to S$0.091 million in FY2020, mainly attributed to lower staff costs (S$0.032 million) and exchange difference (S$0.038 million), but negated by S$0.035 impairment of investment in subsidiary (Note 22). As a result, this segment returned a net loss of S$0.006 million, compare with net profit of S$0.046 in FY2020.

MULTY-SPECIALTY MEDICAL CLINIC – BOAO, HAINAN

The Multi-Specialty Medical Clinic located at Boao, Hainan, operating under Asian American Healthcare Services (Qionghai) Co Ltd (AAHSQ). In the 3rd quarter of 2020, the Group started light marketing and promotional activities in Hainan, China.

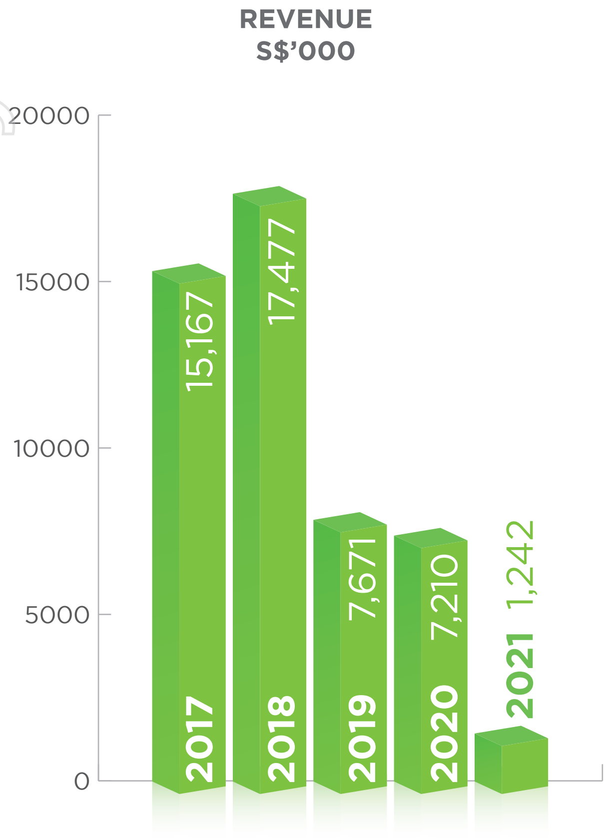
The Clinic started to receive local patients for consultation and liver disease and general health screening after the soft launch. Dr KC Tan who was in Boao Hainan since the beginning of October 2020 is the only doctor on site. Due to the travel restrictions and China's mandatory quarantine requirement for foreign visitors (2 weeks at any of the 6 approved Chinese airports of entry plus 1 week at the final destination in China), doctors from Singapore and abroad have not been travelling to Hainan at this stage.

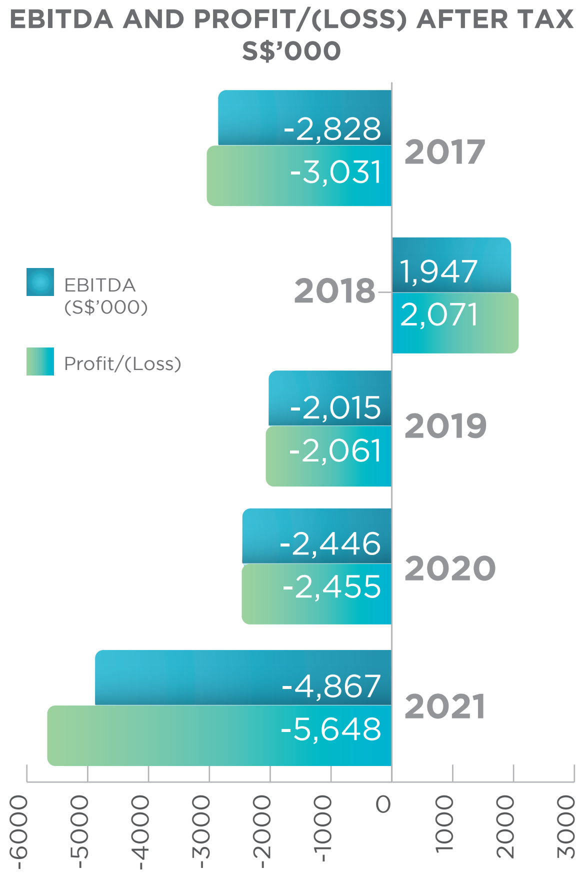
On 7 April 2021 the Group signed a collaboration agreement with King's College Hospital London (KCH) to establish the KCH Liver Centre Asia (KCHLC) at Boao. Unfortunately clinical operation and work on KCHLC is delayed by the prolonged Covid-19 pandemic.

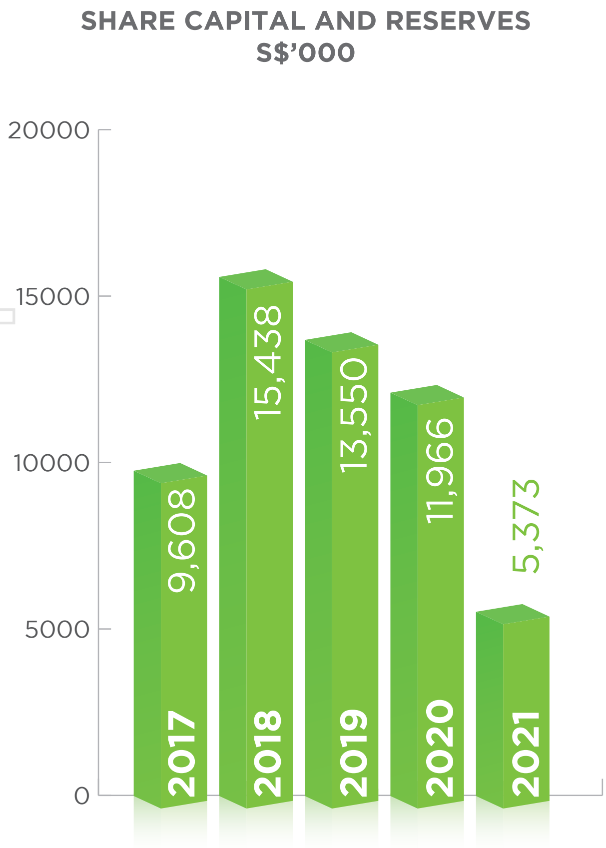
On 31 August 2021 the Group terminated lease at Boao International Hospital (BIH) on mutually agreed terms. BIH took over ownership of the renovation works paying 40% of the original cost to AAHSQ. At the moment the Group is operating out of two hospitals in the Pilot Zone: The Boao Super Hospital and The Evergrande Hospital, making full use of the hospitals' different equipment and medical personnel. It is foreseeable that in the near future the Group will continue to operate from different hospitals in the Pilot Zone as most of the hospitals have different facilities and concentrate on different clinical specialities.

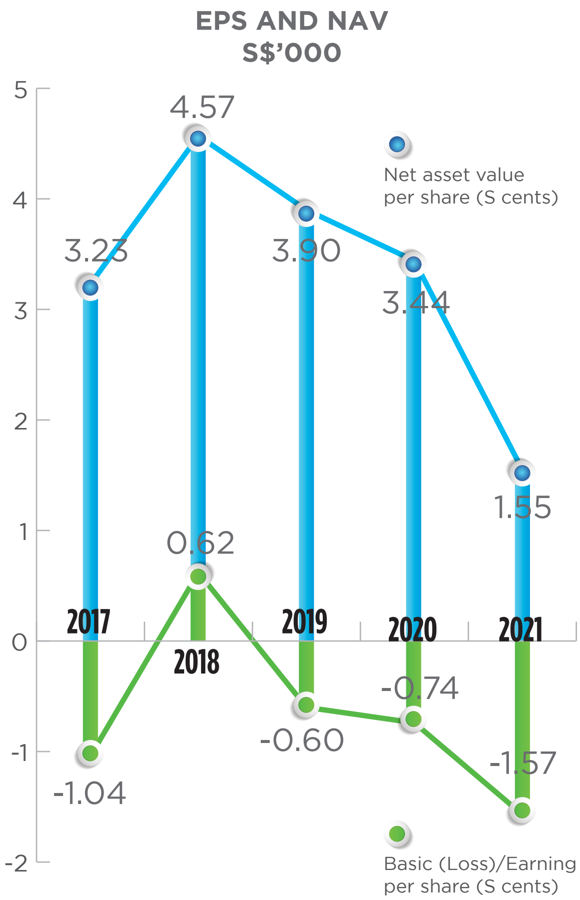
For FY2021, the clinic incurred operating expenses of S$1.8 million (2020 : S$1.3 million), this covered staff cost of S$0.7 million (2020 : S$0.9 million), professional fee S$0.4 million (2020 : S$0.2 million) of which S$0.32 million was fees paid to KCH, loss on disposal of fixed assets S$0.4 million, depreciation on fixed assets S$0.1 million (2020 : nil) and depreciation on right of use assets S$0.2 million (2020 : S$0.2 million). Net loss for the year was S$1.8 million (2020 : S$1.3 million).

FINANCIAL REVIEW









FINANCIAL REVIEW

REVIEW OF FINANCIAL POSITION

Net assets for the Group decreased S$6.6 million from 12.0 million in FY2020 to S$5.4 million, as the Group recorded a net loss of S$5.8 million for the year.

Significant changes during the year under review were:

a) Decrease in cash and cash equivalents by S$0.4 million from S$1.3 million in FY2020 to S$0.9 million, as a result of the net loss of S$5.8 million for the financial year, non-cash movement expense item of S$2.5 million building cost written off, drawn down term loan from DBS Bank of S$0.9 million net of repayment.

b) Decrease in trade and other payables by S$0.2 million, to S$1.8 million in FY2021 from lower purchase of materials and consumables in line with lower revenue and payment to trade creditors.

c) Decrease in trade and other receivables by S$0.8 million to S$0.4 million from decline in revenue.

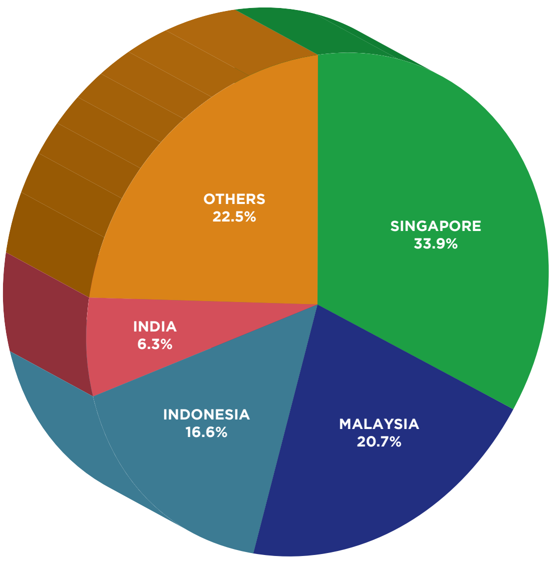
d) Increase in foreign currency reserves of S$1.2 million (2020: increase of S$0.8 million).

As a result of the above, net asset value per share decreased by S$1.89 cent (54.9%) to S$1.55 cents in FY2021 from S$3.44 cents last financial year

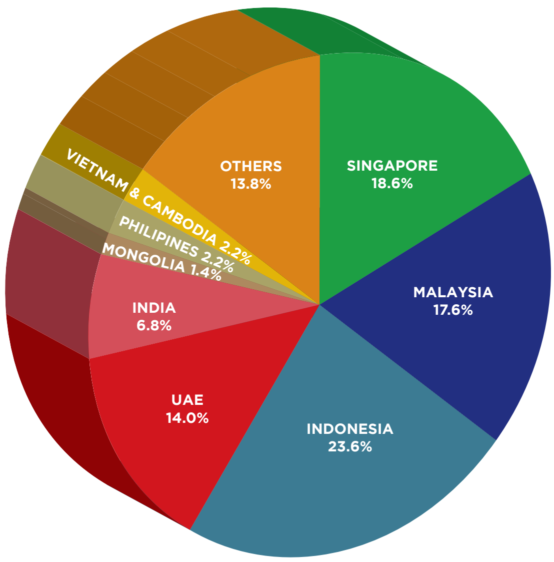
DISCONTINUED OPERATIONS

On 22 October 2020 the board of directors approved the plan to sell the Group's entire shareholding in its 69% owned subsidiary Asian American Radiation & Oncology Pte Ltd (AARO) to one of the existing shareholders Dr Daniel Tan. At 31 August 2020 AARO was classified as a disposal group held for sale and a discontinued operation, and the Radiation & Oncology segment was no longer presented in the segment note. On 21 December 2020 a Share Purchase Agreement was signed between the Group and Dr Daniel Tan (Purchaser). The Purchase price for the Group's holding of 350,000 shares was S$693,000.00 to be fully paid in Cash. The transaction was completed on 24 December 2020. Loss from disposal of AARO was included in overall financial statements (Note 18).

AALC- TRANSACTION BY PATIENTS NATIONALITY % FY 2021



AALC- TRANSACTION BY PATIENTS NATIONALITY % FY 2020



PATIENT NATIONALITY MIX FOR LIVER SEGMENT

Liver segment continued to be badly affected by the prolonged Covid-19 pandemic and cross border travel restriction. Singaporean patients as a % of total patients increased from 19% to 34% in FY2021. Patients from UAE dropped to 0% from 14% in FY2020, whereas Indonesian patients maintained at dropped from 24% in FY2020 to 16.6% in FY2021, Malaysian patients increased from 15% in FY2020 to 20.7% in FY2021 and Indian patients reduced slightly from 6.8% in FY2020 to 6.3% in FY2021. Patients from Indonesia, Malaysia and Singapore continues to form a major part of the patient profile, collectively at 71.2% up from 60%, in FY2020.

CORPORATE GOVERNANCE STATEMENT

The Board of Asian American Medical Group Limited (AAMG) seeks to practice the highest ethical and commercial standards while executing its responsibilities in directing the business and affairs of the Company on behalf of its shareholders.

The Board of AAMG has considered the principles of good corporate governance and best practice recommendations as published by the ASX Corporate Governance Council (ASXCGC). ASX Listing Rule 4.10.3 requires the Company to disclose the extent to which it follows or diverges from these best practice recommendations in its Annual Report. This report discloses corporate governance practices the Board would like to highlight to stakeholders.

Additional information relating to corporate governance practices that the Company has adopted can be found on the Company's web site: www.aamg.co.

THE ROLE OF THE BOARD & MANAGEMENT

The Company has formalised and disclosed the roles and responsibilities of the Board and those delegated to senior management.

The Board of the Company is responsible for the overall corporate governance of the AAMG, including its ethical behavior, strategic direction, establishing goals for management and monitoring the achievement of those goals with a view to optimising Company performance and maximising shareholder value.

The role of management is to support the Executive Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Full details of the matters reserved to the Board and to senior management are available on the Company's web site at www.aamg.co.

Scheduled meetings of the Board are held at least four times a year and the Board meets on other occasions to deal with matters that require attention between scheduled meetings. The responsibility for the operation and administration of the consolidated entity is delegated by the Board to the senior management.

The Board is responsible for:

- Setting the strategic direction of the Company and establishing goals to ensure these strategic objectives are met;
- Appointing the senior management, setting objectives for the senior management and reviewing performance against those objectives, ensuring appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- Monitoring financial performance including approval of the annual and half-yearly financial reports and liaison with the Company's auditors;
- Ensuring that risks facing the company and its controlled entities have been identified ensuring that appropriate and adequate controls, monitoring and reporting mechanisms are in place;
- Receiving detailed briefings from senior management on a regular basis during the year;
- Approving the Board of directors of subsidiary companies; and
- Ensuring the Company complies with the law and conforms to the highest standards of financial and ethical behavior.

AAMG has obligations to its stakeholders to ensure the Company is managed with appropriate due diligence and that all necessary processes are implemented to minimise risk and maximise business opportunities.

To this end, all commercial arrangements, capital expenditure, operational expenditure and other commitments are appropriately documented and have been authorised by either the Executive Director or the Board as appropriate.

The composition of the Board is determined in accordance with the Company's constitution and the following principles and guidelines:

- The Board should comprise of at least three directors with at least two non-executive directors;
- The Board should comprise of directors with an appropriate range of qualifications and expertise; and
- The Board should meet formally at least four times per annum and informally on an "as required" basis with all directors being made aware of, and having available, all necessary information, to participate in an informed discussion of all agenda items.

CORPORATE GOVERNANCE STATEMENT

DIRECTORS IN OFFICE

At the date of this statement the following directors are considered independent by the Board:

Name	Position	Independent
Ms Jeslyn Jacques Wee Kian Leong	Non-Executive Director	Yes
Mr Pang Fey Yu	Non-Executive Director	Yes
Mr Peter Hurley	Non-Executive Director	Yes

The skills, experience, expertise and tenure of each director are disclosed in the Directors' Report within this Annual Report.

DIRECTOR INDEPENDENCE

The Board considers three of AAMG's directors as independent under the guidelines.

In assessing the independence of directors, the Board follows the ASX guidelines as set out:

An independent director is a non-executive director (i.e. is not a member of management) and:

- Is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- Within the last three years has not been employed in an executive capacity by the Company or another Group member, or been a director after ceasing to hold any such employment;
- Within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with the service provided;
- Is not a material supplier or customer of the Company or other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- Has no material contractual relationship with the Company or another Group member other than as a director of the Company;
- Has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company; and
- Is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

ASXCGC Recommendation 2.1 states that the majority of directors of the Company should be independent and AAMG does comply with that recommendation.

Where additional skills are considered necessary for specific purposes, access is made to independent professional advice at the expense of the Company. Such advice is to be shared amongst the directors.

CHAIRMAN

Due to the size of the Company, Dato' Dr Kai Chah Tan is the Company's Chairman. While recognising that the ASXCGC recommends that the chairperson be independent, the Company feels that the strong independence exercised by the other Board members mitigates any negative impact on the Company that it may have.

APPOINTMENT TO THE BOARD

Where a casual vacancy arises during the year, the Board has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective board. Any director appointed during the year to fill a casual vacancy or as an addition to the current board, holds office until the next Annual General Meeting and is then eligible for re-election by the shareholders.

New directors receive a letter of appointment which sets out the terms of their appointment. On appointment, an induction programme is available to directors that include one-on-one sessions with members of the senior management team.

CORPORATE GOVERNANCE STATEMENT

EVALUATION OF SENIOR EXECUTIVES

Senior Executives, including the Group Chief Financial Officer have a formal job description and letter of appointment describing their term of office, duties, rights, responsibilities and entitlements upon termination.

The performance of senior executives is reviewed annually before the budgets are approved for the next financial year. This process is a formal one with the executive's performance assessed against Company, division and personal benchmarks by the Nomination and Remuneration Committee. Benchmarks are agreed with the respective senior executives and reviews are based upon the degree of achievement against those benchmarks.

Induction procedures are in place to allow new senior executives to participate fully and actively in management decision-making. The induction program includes orientation of:

- The Company's financial position, strategies, operations and risk management policies.
- The respective rights, duties, responsibilities and roles of the board and senior executives.

ETHICAL BUSINESS PRACTICES

The Company has adopted a Code of Conduct to maintain confidence in the Company's integrity, its legal obligations and the expectations of its stakeholders. The Company is committed to being a socially responsible corporate citizen, using honest and fair business practices, to act in the best interests of clients so as to achieve the best outcome for shareholders.

The Board has procedures in place for reporting any matters that may give rise to unethical practices or conflicts between the interests of a director or senior executive and those of the Company. These procedures are reviewed as required by the Board. To this end, the Company has adopted a Conflict of Interest Policy that clarifies the processes for directors and senior executives to determine and disclose when a conflict of interest exists.

DIVERSITY POLICY

The Company values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Our recruitment processes encourage the development of diversity in our workplace, bearing in mind that employees must have the required skills to be successful in their positions.

In accordance with this policy and ASX Corporate Governance Principles, the Board has established the following objectives in relation to gender diversity. We currently meet our objectives but will continue to monitor and improve on our objectives to be in line with our Company's needs and direction. A written diversity policy has been developed by the Board to ensure gender diversity.

	Objective	**Actual**
	%	**%**
Number of women employees in the whole organisation	75	87
Number of women in senior executive positions	29	33
Number of women on the Board	33	25

SHAREHOLDING AND TRADING

The Board encourages directors and senior executives to own shares in the Company to further link their interests with the interests of all shareholders. Trading of shares by directors or senior executives is prohibited under certain circumstances and as described in the ASX Listing Rules and during certain periods of the financial year. A director or senior executive must not deal in the Company shares at any time when he or she has unpublished information which, if generally available, might affect the share price. Directors are required to notify the Company Secretary following any dealing.

CORPORATE GOVERNANCE STATEMENT

SAFEGUARD INTEGRITY

The Board has established an Audit Committee (AC) comprised of the three non-executive directors. This committee operates under a charter to enable it to perform its roles and responsibilities. Where considered appropriate, the Company's external auditors and the Company's management are invited to attend meetings.

The members of the AC are:

- Mr Pang Fey Yu(Chairman)
- Ms Jeslyn Jacques Wee Kian Leong
- Mr Peter Hurley

The qualifications of members of the committee together with their attendances at committee meetings are disclosed in the Directors' Report within this Annual Report.

The role of the AC is to assist the Board fulfill its responsibilities in relation to the identification of the areas of significant business risks and the monitoring of the following:

- Effective management of financial and other business risks;
- Reliable management reporting;
- Compliance with laws and regulations in respect to financial reporting;
- Maintenance of effective and efficient audits;
- Meeting with external auditors on a twice-yearly basis and informally as circumstances require; and
- Recommending to the Board the appointment, rotation, removal and remuneration of the external auditors, and review their terms of engagement, and the scope and quality of the audit. Periodically, the AC reviews the appointment of the external audit engagement partners using a formal process of evaluation to determine the most appropriate level of skills and experience to suit the size and complexity of the Company.

AC provides the Board with additional assurances regarding the reliability of financial information for inclusion in the financial statements.

The committee is chaired by an independent chair who is not the chairman of the Board.

TIMELY AND BALANCED DISCLOSURE

The Board recognises the need to comply with ASX Listing Rule 3.1 concerning continuous disclosure.

At each meeting of directors, consideration is given as to whether notice of material information concerning the Company, including its financial position, performance, ownership and governance has been made available to all investors.

The Continuous Disclosure Policy also requires senior executives in possession of disclosable information to comply with that policy.

COMMUNICATION WITH SHAREHOLDERS

The Board aims to ensure that shareholders, on behalf of whom they act, are informed of all major developments affecting the Company's activities and its state of affairs, including information necessary to assess the performance of the directors.

Communication with shareholders is achieved through the distribution of the following information:

- The Annual Report distributed to shareholders;
- The Half Yearly Report which is available on the Company's web site;
- The Annual General Meeting and other meetings called to obtain shareholder approval for Board action as appropriate. Shareholders are encouraged to attend and participate at the Company's Annual General Meeting and other General Meetings;
- Letters to shareholders when considered to be appropriate and informative;
- Announcements to the Australian Securities Exchange; and
- Investor information through the Company's internet portal at www.aamg.co.

The Company strives to ensure that Company announcements via the ASX are made in a timely manner, are factual, do not omit material information and are expressed in a clear and objective manner.

CORPORATE GOVERNANCE STATEMENT

SHAREHOLDERS' ROLE

The shareholders of the Company are responsible for voting on the election of directors at the Annual General Meeting in accordance with the constitution.

All directors (other than a Managing Director) are subject to re-election by rotation, no later than every three years.

The Annual General Meeting also provides shareholders with the opportunity to express their views on matters concerning the Company and to vote on other items of business for resolution by shareholders.

RISK MANAGEMENT

The Board is responsible for overseeing the risk management function. The Company believes that it is crucial for all Board members to be a part of the process and as such has established risk management as a component of the AC.

The Board is responsible for ensuring the risks and opportunities are identified on a timely basis.

The Board has a number of mechanisms in place to ensure the management's objectives and activities are aligned with the risks identified by the Committee. These include the following:

- Implementation of Board approved operating plans and budgets;
- Board monitoring of progress against these budgets, including the monitoring of key performance indicators of both a financial and non-financial nature; and
- The establishment of committees to report on specific risk as identified.

INTERNAL RISK MANAGEMENT SYSTEM COMPLIANCE

Management is accountable to the Board to ensure that operating efficiency, effectiveness of risk management procedures, internal compliance control systems and controls and policies are all being monitored. Management has designed and implemented a risk management and internal control system to manage the Company's material business risks and reports to the Board at each meeting on the effective management of those risks. The Company has developed a series of operational risks which the Company believes to be inherent in the industry in which the Company operates. These include:

- Changed operating, market or regulatory environments;
- Fluctuations in demand volumes;
- Fluctuations in exchange rates; and
- Increasing costs of operations.

These risk areas are provided here to assist investors better understand the nature of the significant risks faced by the Company.

CORPORATE GOVERNANCE STATEMENT

MONITORING PERFORMANCE

The Board and senior management monitor the performance of all divisions through the preparation of monthly management accounts. The monthly management accounts are prepared using accrual accounting techniques and report each business unit's result as contribution after overhead allocation. These monthly management accounts are compared to monthly budgets, which have been set allowing for the seasonality of anticipated revenues and costs in each of the divisions.

The monitoring of the Company's performance by the Board and management assists in identifying the correct allocation of resources and staff to maximise the overall return to shareholders.

A performance evaluation for senior management was undertaken during the year and was in accordance with the process developed by the Board for that purpose.

Details of the structure of non-executive directors' and senior executives' remuneration are included in the Remuneration Report within the Directors' Report in this Annual Report.

NOMINATION AND REMUNERATION

The Nomination and Remuneration Committee (NRC) is comprised of three non-executive directors. The members of the NRC are:

- Mr Pang Fey Yu (Chairman)
- Mr Evgenii Tugolukov
- Mr Peter Hurley

The qualifications of members of the committee together with their attendances at committee meetings are disclosed in the Directors' Report within this Annual Report.

The role of the NRC is to make decisions on the following matters:

- Determine the appropriate size and composition of the Board;
- Determine the terms and conditions of appointment to and retirement from the Board;
- Develop appropriate criteria for Board membership;
- Reviewing membership of the Board and proposing candidates for consideration by the Board;
- Arranging a review of the Board's own performance;
- Determine the Company's remuneration plans, policies and practices, including compensation arrangements for the non-executive directors, executive directors, Group Chief Financial Officer and senior executives; and
- Responsible for considering general remuneration policies and practices, recruitment and termination policies and superannuation requirements.

The Board believes that it has the right numbers and skill sets within its Board members for the current size of the Company, and is confident that each non-executive director brings independent judgement to bear on Board decisions.

The Company does not have a policy to preclude its executives from entering into transactions to limit their economic risk from investing in Company shares, options or rights and has made executives aware of their obligations in relation to financial commitments against shares issued under the executive securities plan and has requested that they take sufficient professional advice in relation to their individual financial position.

There are no retirement schemes or retirement benefits other than statutory benefits for non-executive directors.

DIRECTORS' REPORT

The directors present their report, together with the financial statements of the Asian American Medical Group Limited (AAMG or the Group) for the year ended 31 August 2021.

Directors
The directors of the Group at any time during or since the end of the financial year are as set out below.

Dato' Dr Kai Chah Tan (Executive Director and Chairman)
Mr Evgenii Tugolukov (Non-Executive Director)
Ms Jeslyn Jacques Wee Kian Leong (Independent Non-Executive Director)
Mr Pang Fey Yu (Independent Non-Executive Director)
Mr Peter Hurley (Independent Non-Executive Director)
Mr Stuart L Dean (Independent Non-Executive Director) (resigned on 4 January 2021)

The skills, experience, expertise and tenure of each director are disclosed in the profile of directors section within the Annual Report.

Below is the profile of a director who is no longer in office:

Mr Stuart L Dean BA Econ & PSC, M.B.A. (resigned 4 January 2021)

Mr Stuart Dean is an experienced senior advisor and director whose professional career spans over 35 years within General Electric, Inc's business functions in the United States and Asia; including sales, marketing, product management, capital markets and business development. As the former President and Chief Executive Officer of General Electric International Inc. (GEII) in Kuala Lumpur, Malaysia, he oversaw all of GEII's operations within the ASEAN region. He retired from GE in April 2015 and joined ASEAN Advisory Pte Ltd (a subsidiary of ZICO Holdings Inc.) as Senior Advisor.

Mr Dean holds various directorships and advisory positions at Air Asia Bhd, ASEAN Advisory Pte Ltd, Duke University Nicholas School of Visitors, Harvard Business School Asia, Junior Achievement Malaysia, Junior Achievement Asia, Malaysian Investment Development Authority and Orbis ASEAN.

PRINCIPAL ACTIVITIES

The principal activity of AAMG and its controlled entities are that of provision of specialised medical services for liver diseases and transplantation, cancer treatment, lung diseases healthcare project management, consultancy services, healthcare real estate and sale of medical supplies related to Covid-19 pandemic.

There has been no change in the principal activity of the Group during the financial year other than the expansion into a multi-specialty medical centre in Hainan, China, the sale of the entire shareholding in Asian American Radiation and Oncology Pte Ltd and reduction in medical supplies related to Covid-19.

COMPANY SECRETARY

The following person held the position of company secretary at the end of the financial year:

Mr Dario Nazzari

Mr Nazzari has a Bachelor of Commerce, a Diploma in Financial Planning and has more than 20 years professional experience. He is a Chartered Accountant and a member of the Chartered Accountants Australia and New Zealand.

REVIEW AND RESULTS OF OPERATIONS

Details of the Operations of AAMG during the year, the financial position and the strategies and prospects for the future years can be found in the Chairman's message found on pages 8 to 9 and Financial Review section on pages 17 to 21, which forms part of this Annual Report.

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The following table sets out the number of director's meetings (including meetings of Committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, six (6) Board meetings, two (2) Audit Committee meetings and one (1) Nomination and Remuneration Committee meetings were held.

	Directors' Meetings		Audit Committee Meetings		Nomination and Remuneration Committee Meetings	
	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended
Dato' Dr Kai Chah Tan	6	6	–	–	–	–
Mr Evgenii Tugolukov	6	2	–	–	1	–
Ms Jeslyn Jacques Wee Kian Leong	6	6	2	2	–	–
Mr Stuart L Dean	2	1	–	–	–	–
Mr Pang Fey Yu	6	6	2	2	1	1
Mr Peter Hurley	6	6	2	2	1	1

^ Mr Stuart L Dean resigned on 4 January 2021

DIRECTORS' INTEREST

The relevant interests of each director in the shares of the parent entity at the date of this report are as follows:

Director	**Number of shares**
Dato' Dr Kai Chah Tan	116,640,180
Mr Evgenii Tugolukov	^ 21,000,000
Ms Jeslyn Jacques Wee Kian Leong	–
Mr Stuart L Dean	–
Mr Pang Fey Yu	–
Mr Peter Hurley	* 4,000,000

^ Indirect interest through RusSing Med Holdings Pte Ltd.
* Indirect interest through Aspire Strategy Pte Ltd.

None of the directors have share options in the Company.

DIVIDENDS PAID OR RECOMMENDED

No interim or final dividend has been paid or recommended by the Directors for the financial year ended 31 August 2021 (2020 : Nil).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the year other than those reported in the Principal activities section above.

DIRECTORS' REPORT

EVENTS SUBSEQUENT TO BALANCE SHEET DATE

The Group entered into Subscription Agreement with a sophisticated investor on 29 September 2021 to take up placement of 34,775,275 new fully paid ordinary shares in the Group (New Shares) at an issue price of A$0.0388 per New Share (Placement), raising a total of A$1.35 million before transaction-related expenses.

The New Shares under the Placement were issued on 6 October 2021 and will rank parri passu with the Group's existing fully paid ordinary shares on issue as at their date of issue. Upon completion of the placement, the Company's issued share capital is enlarged from 347,752,754 shares to 382,528,029 shares. The New Shares represents 10.0% of the existing issued and paid-up share capital and 9.1% of the new enlarged share capital.

The issue price of At A$0.0388 per share is based on the volume weighted average price (VWAP) of the Company's ordinary shares as traded on ASX over the 30 days up to and including 4 August 202,1 and a 2.1% premium to the closing price on 20 September 2021.

The net proceeds from the Placement will be used for business expansion into new healthcare-related businesses in China and general corporate working capital purposes.

The Placement is being made to a sophisticated investor under the Company's 15% annual issuing capacity for the purposes of ASX Listing Rule 7.1 and therefore shareholder approval for the Placement shares is not required.

Other than the share subscription via placement reported 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.

LIKELY DEVELOPMENTS

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations in future years are detailed in the Chairman's message on pages 8 to 9. These are mainly in line with the Group's growth strategies as follows:

1) Continue with the Group's geographical expansion plans and build on existing presence overseas in China, in the area of specialised clinical services and project management;
2) Strengthen our position in our core markets for liver services;
3) Explore investment opportunities in the region in the healthcare sector;
4) Commence operations of the multi specialty medical clinic in Hainan, China.

OPTIONS

At the date of this report, there are no unissued ordinary shares of AAMG.

There have been no unissued shares or interests under option of any controlled entity within the Group during or since reporting date.

ENVIRONMENTAL REGULATION

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

The directors are not aware of any particular or significant environmental issues which have been raised in relation to the Company's operations during the financial year. The directors are also not aware of any breach in the environmental regulations in China, Singapore, Malaysia and Myanmar during the financial year.

REMUNERATION REPORT (AUDITED)

The Directors of Asian American Medical Group Limited (AAMG or the Group) present the Remuneration Report for Non-Executive Directors, Executive Directors and other KMP, prepared in accordance with the Corporations Act 2001 and the Corporations Regulations 2001.

DIRECTORS' REPORT

DETAILS OF MEMBERS OF KEY MANAGEMENT PERSONNEL

The key management personnel of the Group during the financial year ended 31 August 2021 are listed below

Directors:
Dato' Dr Kai Chah Tan – Executive Director and Chairman
Mr Evgenii Tugolukov - Non-Executive Director
Ms Jeslyn Jacques Wee Kian Leong - Independent Non-Executive Director
Mr Pang Fey Yu – Independent Non-Executive Director
Mr Peter Hurley – Independent Non-Executive Director
Mr Stuart L Dean - Independent Non-Executive Director (resigned on 4 January 2021)

Other key management personnel:
Ms Angela Chiew Foong Choong – Group Chief Financial Officer

The skills, experience, expertise and tenure of each director and KMP are disclosed in the profile of directors and KMP sections respectively within the Annual Report.

The Remuneration Report is set out under the following main headings:

a. principles used to determine the nature and amount of remuneration;
b. details of remuneration;
c. service agreements;
d. share-based remuneration; and
e. other information.

A. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The principles of the Group's executive strategy and supporting incentive programs and frameworks are:

- to align rewards to business outcomes that deliver value to shareholders;
- to drive a high performance culture by setting challenging objectives and rewarding high performing individuals; and
- to ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of executive talent.

AAMG has structured a remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The Board has established a Nomination and Remuneration Committee (NRC) which operates in accordance with its charter as approved by the Board and is responsible for determining and reviewing compensation arrangements for the Directors and the Executive Team.

The NRC, consisting of at least two non-executive directors, is responsible for making recommendations on remuneration policies and packages applicable to Board members and for approval of remuneration for executive officers of the Group taking into account the financial position of the Consolidated Group. The Board remuneration policy per the formal Charter is to ensure the remuneration package properly reflects the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Constitution of the Company specifies that the aggregate remuneration of directors, other than salaries paid to executive directors, shall be determined from time to time by general meeting. An amount not exceeding the amount determined is divided between those directors as they agree. The latest determination was at the Annual General Meeting held on 23 November 2009 when shareholders approved an aggregate remuneration pool of A$200,000 per annum.

The Board as a whole determines the amount of the fees paid to each non-executive director. The amount proposed to be paid to each non-executive director during the year is A$5,867-A$13,905 (2020: A$15,450-A$25,750).

DIRECTORS' REPORT

The remuneration structure that has been adopted by the Group consists of the following components:
- fixed remuneration being annual salary; and
- short term incentives, being employee share schemes and bonuses.

The NRC assess the appropriateness of the nature and amount of remuneration on a periodic basis by reference to recent employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and Executive Team.

The payment of bonuses, share options and other incentive payments are reviewed by the NRC annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All bonuses, options and incentives must be linked to pre-determined performance criteria.

SHORT TERM INCENTIVE (STI)

AAMG performance measures involve the use of annual performance objectives, metrics, performance appraisals and continuing emphasis on living the Company values.

The performance measures are set annually after consultation with the Directors and executives and are specifically tailored to the areas where each executive has a level of control. The measures target areas the Board believes hold the greatest potential for expansion and profit and cover financial and non-financial measures.

The Key Performance Indicators (KPI's) for the Executive Team are summarised as follows:

Performance area:
- **financial** – operating profit and earnings per share; and
- **non–financial** – strategic goals set by each individual business unit based on job descriptions.

The STI Program incorporates both cash and share-based components for the Executive Team and other employees.

The Board may, at its discretion, award bonuses for exceptional performance in relation to each person's pre-agreed KPIs.

VOTING AND COMMENTS MADE AT THE COMPANY'S LAST ANNUAL GENERAL MEETING

AAMG received 88.06% of 'yes' votes on its Remuneration Report for the financial year ended 31 August 2020. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

CONSEQUENCES OF PERFORMANCE ON SHAREHOLDER WEALTH

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years:

Item	2021	2020	2019	2018	2017
EPS (S cents)*	(1.57)	(0.74)	(0.60)	0.62	(1.04)
Dividends (S cents per share)	-	-	-	-	-
Net (loss)/profit (S$000)	(5,809)	(2,402)	(2,061)	2,067	(3,031)
Net (loss)/profit (S$000) continuing operations	(5,653)	(2,576)	(2,034)	2,067	(3,031)
Share price (A$)	0.034	0.034	0.08	0.11	0.11

**continuing operations*

USE OF REMUNERATION CONSULTANTS

AAMG did not make use of Remuneration Consultants during the financial year.

DIRECTORS' REPORT

B. DETAILS OF REMUNERATION

Details of the nature and amount of each element of the remuneration of each KMP of AAMG are shown in the table below:

	Short Term Employee Benefit			Post-employment benefit		
	Cash salary and fees	**Cash bonus**	**Non-monetary Benefits**	**Central Provident Fund/ Superannuation**	**Total**	**Performance based percentage of remuneration**
31 August 2021	**S$**	**S$**	**S$**	**S$**	**S$**	**%**
Executive Director						
Dato' Dr Kai Chah Tan	856,800	-	-	5,400	862,200	-
Non-Executive Directors						
Mr Evgenii Tugolukov	13,845	-	-	-	13,845	-
Mr Heng Boo Fong	5,842	-	-	-	5,842	-
Ms Jeslyn Jacques Wee Kian Leong	12,530	-	-	1,315	13,845	-
Mr Stuart L Dean (1)	13,845	-	-	-	13,845	-
Mr Pang Fey Yu	13,845	-	-	-	13,845	-
Mr Peter Hurley	12,530	-	-	1,315	13,845	-
Other Key Management Personnel						
Ms Angela Chiew Foong Choong	170,880	7,120	-	7,121	185,121	4%
	1,100,117	7,120	-	15,151	1,122,388	-

(1) Mr Stuart L Dean resigned on 4 January 2021

DIRECTORS' REPORT

B. DETAILS OF REMUNERATION (CON'T)

	Short Term Employee Benefit			Post-employment benefit		
	Cash salary and fees	**Cash bonus**	**Non-monetary Benefits**	**Central Provident Fund/ Superannuation**	**Total**	**Performance based percentage of remuneration**
31 August 2020	**S$**	**S$**	**S$**	**S$**	**S$**	**%**
Executive Director						
Dato' Dr Kai Chah Tan	1,162,800	-	-	5,400	1,168,200	-
Non-Executive Directors						
Mr Evgenii Tugolukov	14,475	-	-	-	14,475	-
Mr Heng Boo Fong (1)	20,504	-	-	-	20,504	-
Mr Paul Vui Yung Lee(2)	7,773	-	-	-	7,773	
Ms Jeslyn Jacques Wee Kian Leong	13,100	-	-	1,375	14,475	-
Mr Stuart L Dean	14,475	-	-	-	14,475	-
Mr Pang Fey Yu	9,320	-	-	-	9,320	-
Mr Peter Hurley	6,066	-	-	637	6,703	-
Other Key Management Personnel						
Mr Cherinjit Kumar Shori (3)	77,868	-	-	8,768	86,636	-
Mr Meng Yau Yeoh (4)	60,800	-	-	9,080	69,880	-
Ms Angela Chiew Foong Choong	173,120	12,240	-	7,582	192,942	6%
	1,560,301	12,240	-	32,842	1,605,383	-

(1) Mr Heng Boo Fong resigned on 1 February 2020
(2) Mr Paul Vui Yung Lee resigned on 15 March 2019
(3) Mr Cherinjit Kumar Shori resigned on 31 January 2020
(4) Mr Meng Yau Yeoh resigned on 28 February 2020

The cash bonus relates to bonus that was vested during the year and is subject to approval by the Nomination and Remuneration Committee. The cash bonus is paid between November and December every year and no part of the bonus is payable in the future years. There was no bonus that was forfeited during the year.

C. SERVICE AGREEMENTS

Remuneration and other terms of employment for the Executive Directors and other KMP are formalised in a service agreement. The major provisions of the agreements relating to remuneration are set out below:

Name	Base salary per month (S$)^	Term of agreement	Notice period
Dato' Dr Kai Chah Tan	71,400	No fixed term	3 months
Ms Angela Chiew Foong Choong	14,240	No fixed term	3 months

DIRECTORS' REPORT

D. SHARE-BASED REMUNERATION

All directors and executives may be allocated options to acquire shares in the Group under the Incentive Option Scheme approved by shareholders from time to time. The last such scheme was approved by shareholders at the Annual General Meeting of shareholders held on 6 December 2010.

E. OTHER INFORMATION

KMP OPTIONS AND RIGHT HOLDINGS

All KMP may be allocated options to acquire shares in the Group under the Incentive Option Scheme approved by shareholders from time to time. The last such scheme was approved by shareholders at the Annual General Meeting of shareholders held on 6 December 2010.

No options were granted, exercised, lapsed/cancelled or vested by any director or KMP of the Group during the financial year (2020: Nil).

KMP SHAREHOLDINGS

The number of ordinary shares in Asian American Medical Group Limited held by each KMP of the Group during the financial year is as follows:

31 August 2021	Balance at beginning of year	Issued during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
Dato' Dr Kai Chah Tan	116,640,180	–	–	–	116,640,180
Mr Evgenii Tugolukov ^	21,000,000	–	–	–	21,000,000
Ms Jeslyn Jacques Wee Kian Leong	–	–	–	–	–
Mr Stuart L Dean (1)	–	–	–	–	–
Mr Pang Fey Yu	–	–	–	–	–
Mr Peter Hurley #	4,000,000	–	–	–	4,000,000
Ms Angela Chiew Foong Choong	–	–	–	–	–
	141,640,180	–	–	–	141,640,180

^ *Indirect interest through RusSing Med Holdings Pte Ltd.*
# *Indirect interest through Aspire Strategy Pte Ltd.*

(1) *Mr Stuart L Dean resigned on 4 January 2021*

DIRECTORS' REPORT

KMP SHAREHOLDINGS (CON'T)

31 August 2020	Balance at beginning of year	Issued during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
Dato' Dr Kai Chah Tan	115,798,180	–	–	842,000	116,640,180
Mr Evgenii Tugolukov ^	21,000,000	–	–	–	21,000,000
Mr Heng Boo Fong (1)	–	–	–	–	–
Ms Jeslyn Jacques Wee Kian Leong	–	–	–	–	–
Mr Stuart L Dean	–	–	–	–	–
Mr Pang Fey Yu	–	–	–	–	–
Mr Peter Hurley #	4,000,000	–	–	–	4,000,000
Mr Cherinjit Kumar Shori (2)	842,000	–	–	(842,000)	–
Mr Meng Yau Yeoh (3)	457,000	–	–	–	457,000
Ms Angela Chiew Foong Choong	–	–	–	–	–
	142,097,180	–	–	–	142,097,180

^ *Indirect interest through RusSing Med Holdings Pte Ltd.*
# *Indirect interest through Aspire Strategy Pte Ltd.*

(1) *Mr Heng Boo Fong resigned on 1 February 2020*
(2) *Mr Cherinjit Kumar Shori resigned on 31 January 2020*
(3) *Mr Meng Yau Teoh resigned on 28 February 2020*

OTHER KMP TRANSACTIONS

There are no other related party transactions in the current financial year.

End of audited remuneration report.

INDEMNIFICATION AND INSURANCE OF OFFICERS

The D&O insurance policy cover for all directors expired in August 2019. Since then AAMG had been actively sourcing for competitive proposal to renew the insurance policy but had not been successful. One of the issue is because whilst AAMG is listed on Australian Stock Exchange, its operations are all outside of Australia, mainly in Singapore, and some in China, Malaysia and Myanmar. AAMG will continue to source.

The insurance policy would cover the liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

The Group has not, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Group against a liability incurred as such by an officer.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. There were no such proceedings brought or interventions on behalf of the Company with leave from the Court under section 237 of the Corporations Act 2001.

DIRECTORS' REPORT

NON-AUDIT SERVICES

During the year, BDO, the Group's auditors, did not perform any other services in addition to their statutory audit duties.

The Board will consider non-audit services to be provided by the auditor and, in accordance with written advice provided by resolution of the Audit Committee, is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Audit Committee to ensure they do not impact upon the impartiality and objectivity of the auditor; and
- The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Group, BDO, and its related practices for audit and non-audit services provided during the year are set out in note 8 to the Financial Statements.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required by section 307C of the Corporations Act 2001 for the year ended 31 August 2021 has been received as set out immediately following the end of the Directors' report.

The Report of Directors is signed in accordance with a resolution of the Board of Directors.

Dato' Dr Kai Chah Tan
Executive Director and Chairman

3 November 2021

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

Level 7, BDO Centre
420 King William Street
Adelaide SA 5000
GPO Box 2018, Adelaide SA 5001
AUSTRALIA

DECLARATION OF INDEPENDENCE
BY PAUL GOSNOLD
TO THE DIRECTORS OF ASIAN AMERICAN MEDICAL GROUP LIMITED

As lead auditor of Asian American Medical Group Limited for the year ended 31 August 2021, I declare that, to the best of my knowledge and belief, there have been:

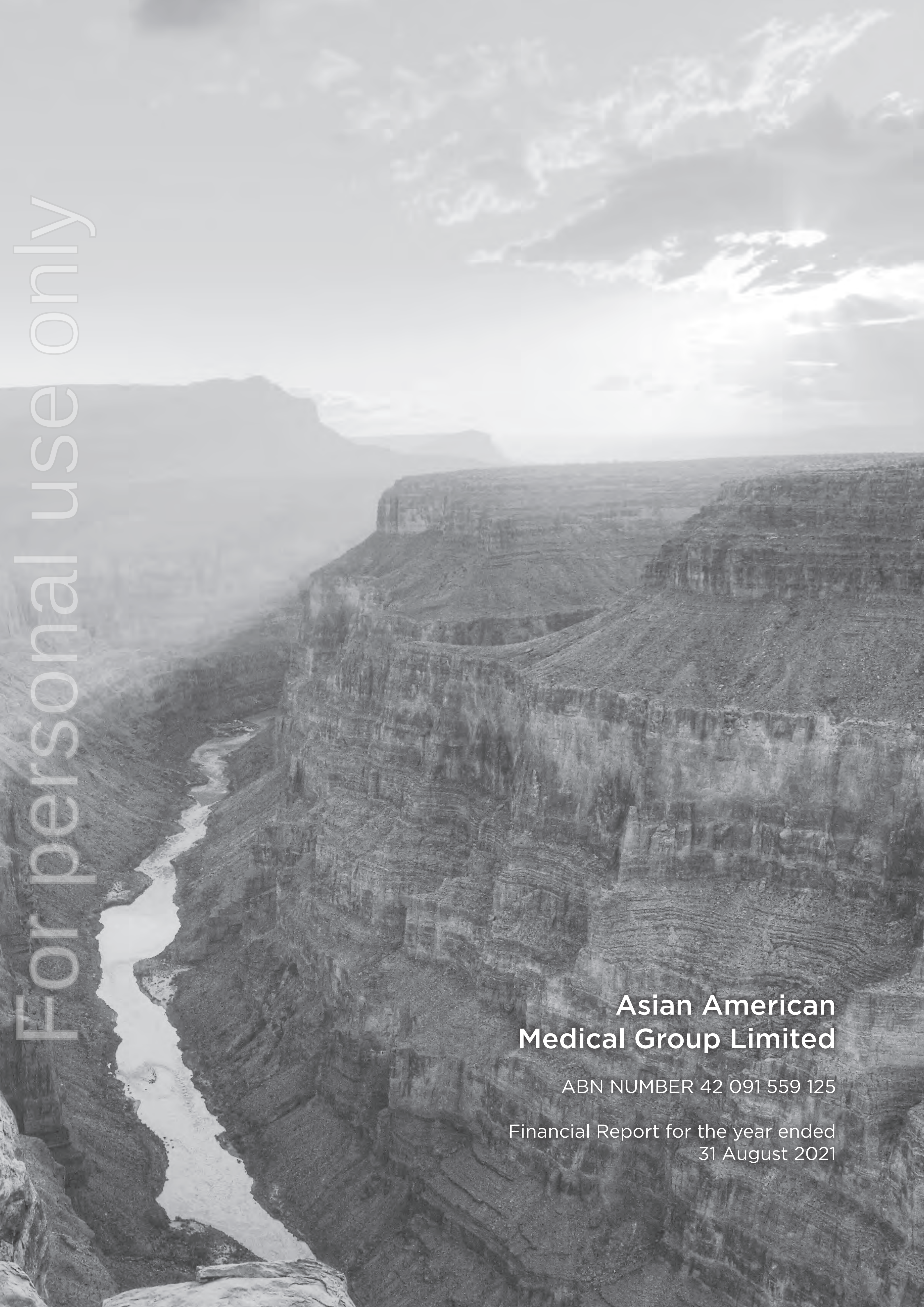
1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Asian American Medical Group Limited and the entities it controlled during the year.

Paul Gosnold
Director

BDO Audit (SA) Pty Ltd

Adelaide, 3 November 2021



Asian American Medical Group Limited

ABN NUMBER 42 091 559 125

Financial Report for the year ended 31 August 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 August 2021

		Consolidated Group	
	Note	**2021**	**2020**
Continuing operations		**S$**	**S$**
Revenue	3	1,241,608	7,209,876
Other operating income	3	320,396	439,387
Changes in inventories		(30,960)	(43,887)
Raw materials and consumables used		(551,771)	(3,705,325)
Employee benefits expense		(2,440,224)	(3,826,989)
Depreciation on property, plant and equipment	14	(101,514)	(12,759)
Depreciation on right of use assets	16	(599,191)	(677,183)
Directors' fees		(75,717)	(81,697)
Advertising and marketing expenses		(8,010)	(72,698)
Professional fees		(514,147)	(377,387)
Operating lease expense	4	(4,728)	(7,596)
Interest: Finance expense	5	(84,880)	(117,744)
Other expenses	4	(2,803,361)	(1,299,878)
Share of results of associates	22	-	(2,669)
Loss before income tax from continuing operations		**(5,652,499)**	**(2,576,549)**
Income tax expense	6	-	-
Loss for the year from continuing operations	4	**(5,652,499)**	**(2,576,549)**
Discontinued operations			
(Loss)/Profit for the year from discontinued operations	18	(155,780)	174,356
Loss for the year	4	**(5,808,279)**	**(2,402,193)**
Other comprehensive income			
Items that may be reclassified to Profit or Loss:			
Net effect of foreign currency translation		(361,942)	818,737
Total comprehensive loss for the year		**(6,170,221)**	**(1,583,456)**
Loss attributable to:			
Members of the parent entity		(5,648,290)	(2,455,556)
Non-controlling interest		(159,989)	53,363
		(5,808,279)	**(2,402,193)**
Total comprehensive loss attributable to:			
Members of the parent entity		(6,010,232)	(1,636,819)
Non-controlling interest		(159,989)	53,363
		(6,170,221)	**(1,583,456)**
Loss per share			
Basic loss per share (S cents)	10	**(1.62)**	**(0.71)**
Diluted loss per share (S cents)	10	**(1.62)**	**(0.71)**
Loss per share for continuing operations			
Basic loss per share (S cents)	10	**(1.57)**	**(0.74)**
Diluted loss per share (S cents)	10	**(1.57)**	**(0.74)**

These financial statements should be read in conjunction with the accompany notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 August 2021

	Note	Consolidated Group 2021	Consolidated Group 2020
		S$	S$
ASSETS			
Current assets			
Cash and cash equivalents	11	874,422	1,332,071
Trade and other receivables	12	436,729	1,254,793
Inventories	13	74,020	104,980
		1,385,171	2,691,844
Assets held for sale	18	-	2,101,443
TOTAL CURRENT ASSETS		1,385,171	4,793,287
Non-current assets			
Property, plant and equipment	14	6,775,794	10,057,990
Right of use assets	16	473,710	1,935,041
Investment in joint venture	22	-	66,286
TOTAL NON-CURRENT ASSETS		7,249,504	12,059,317
TOTAL ASSETS		8,634,675	16,852,604
LIABILITIES			
Current liabilities			
Trade and other payables	15	1,773,437	1,973,839
Lease liability	16	160,073	645,740
Borrowings	17	193,342	-
		2,126,852	2,619,579
Liabilities directly associated with the assets held for sale	18	-	829,639
TOTAL CURRENT LIABILITIES		2,126,852	3,449,218
Non- current liabilities			
Deferred tax liability	19	75,922	75,922
Lease liability	16	315,611	1,361,001
Borrowings	17	743,071	-
Total non-current liabilities		1,134,604	1,436,923
Total liabilities		3,261,456	4,886,141
Net assets		**5,373,219**	**11,966,463**
EQUITY			
Equity attributable to members of the parent entity:			
Issued capital	20	18,223,133	18,223,133
Reserves	21	(1,232,482)	(870,540)
Accumulated losses		(11,852,969)	(6,178,697)
		5,137,682	**11,173,896**
Non-controlling interest		235,537	792,567
Total equity		**5,373,219**	**11,966,463**

These financial statements should be read in conjunction with the accompany notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 August 2021

	Issued capital	Accumulated losses	Foreign currency translation reserve	Non-controlling interest	Total
	S$	S$	S$	S$	S$
Balance at 1.9.2019	18,223,133	(3,723,141)	(1,689,277)	739,204	13,549,919
Total comprehensive income:					
Loss for the year from continuing operations	-	(2,576,549)	-	-	(2,576,549)
Discontinued operations	-	120,993	-	53,363	174,356
Other comprehensive loss	-	-	818,737	-	818,737
	-	(2,455,556)	818,737	53,363	(1,583,456)
Balance at 31.8.2020	18,223,133	(6,178,697)	(870,540)	792,567	11,966,463
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)
Discontinued operations	-	(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

These financial statements should be read in conjunction with the accompany notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For year ended 31 August 2021

		Consolidated Group	
	Note	**2021**	**2020**
		S$	**S$**
Cash flows from operating activities			
Receipts from customers		3,812,290	12,756,413
Payments to suppliers and employees		(5,270,419)	(13,822,539)
Net cash used in continuing operations	26	(1,458,129)	(1,066,126)
Cash flows from investing activities			
Interest income		17	16
Purchase of property, plant and equipment	14	(17,556)	(810,175)
Proceeds from disposal of property, plant and equipment	14b	329,012	200
Disposal of subsidiary, net of cash	18	(912,099)	-
Net cash used in investing activities		(600,626)	(809,959)
Cash flows from financing activities			
Interest expense	5	(84,880)	(131,409)
Repayment of obligations under leases	16	(604,782)	(698,404)
Advance from a related party		-	210,001
Withdrawn of borrowings	17	1,000,000	-
Repayment of loan		(63,587)	-
Net cash generated from /(used in) financing activities		246,751	(619,812)
Net change in cash and cash equivalents held		(1,812,004)	(2,495,897)
Cash and cash equivalents at beginning of financial year		2,690,875	5,086,849
Effect of exchange rate change on cash held in foreign currencies		(4,449)	99,923
Cash and cash equivalents at end of financial year	**11**	**874,422**	**2,690,875**

These financial statements should be read in conjunction with the accompany notes.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

1. PRINCIPAL ACTIVITIES

Asian American Medical Group Limited (AAMG or Company) is a company domiciled in Australia. The consolidated financial report of the Company as at and for year ended 31 August 2021 comprises the Company and its controlled entities (together referred to as the Group). The principal activity of AAMG is that of provision of specialised medical services for liver diseases and transplantation, healthcare project management and consultancy services and healthcare real estate. On 24 December 2020 the Group disposed of its shareholdings in the Radiation and Oncology unit, Asian American Oncology & Radiation Pte Ltd (AARO) to an existing shareholder of AARO. There has been no other change in the principal activities 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 AAMG 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. 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).

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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

These consolidated financial statements have been approved for issue by the Board of Directors on 3 November 2021.

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 2021. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

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$7.2 million in FY2020 to S$1.2 million in FY2021, the Group made a net loss of S$5,808,279 from S$2,402,193 in FY2020 after recognising S$292,386 Covid-19 related government support and cash outflow from operating activities was S$1,458,129 in FY2021 compared to S$1,066,126 in the prior year. Included in total expense were preliminary expenses of S$2,454,489 on the proposed building at Johor Bahru cancer centre written off and $397,687 being loss on disposal of renovation works, furniture and fittings at Boao, Hainan, China. Cash balance decreased from S$1,332,071 on 31 August 2020 to S$874,422 on 31 August 2021. As at 31 August 2021 the Group had net current liabilities of S$741,682 compared to net current assets of S$1,344,069 at 31 August 2020. The decline in the financial position was primarily related to the effects of COVID-19 and related limitation in travel between countries.

Despite the reported net loss and cash outflow from operating activities for FY2021, and the net current liability position as at 31 August 2021, 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:

- The Group completed the first tranche of the share subscription equal to 10% of the existing share capital, of which payment was received on 5 October 2021 in full (S$1,335,921) and shares issued on 6 October 2021 (Note 20c).

- Fully-vaccinated travellers from 13 countries are now allowed to enter Singapore without quarantine and more countries are expected to be added to the list in the near future. Management expects the Group's business activities in Singapore to improve with the return of overseas patients, especially those from neighbouring countries.

- Management expects China to lift travel restriction gradually from Q1 2022. When our doctors are allowed to travel to China we can commence clinical operations in Hainan.

(b) Principles of consolidation

The Group financial statements consolidate those of the Parent company and all of its subsidiaries as of 31 August 2021. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 31 August, except for Gold Bell Asia American Healthcare Ventures Company and Asian American Healthcare Services (Qionghai) Pte Ltd that have a reporting date of 31 March and 31 December, respectively.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intragroup asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(c) Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the entity interest issued by the acquirer.

Reverse acquisition, where the cost of the business combination is deemed to have been incurred by the legal subsidiary (i.e. the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent (i.e. the acquiree for accounting purposes), are accounted for under AASB 3: *Business Combinations*. The method calculates the fair value of the instruments issued by the legal parent on the basis of existing instruments of the legal subsidiary.

All transaction costs incurred in relation to the business combination are expensed to the profit or loss.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(d) Income tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.
Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates that have been enacted, or substantially enacted, as at reporting date.

Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

(e) Inventories

Inventories are initially measured at cost and subsequently measured at the lower of cost and net realisable value, assigned on a first-in-first-out basis.

The cost of inventories includes direct costs associated with the purchase of inventory including transportation costs.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Property, plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

Depreciation

The depreciation of all fixed assets, other than freehold land and buildings under construction, is depreciated on a straight line basis over the asset's useful life to the Consolidated Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	***Depreciation Rate***
Office equipment	5 years
Medical equipment	5 years
Computers	5 years
Furniture and fittings	5 years
Renovations	5 years
Leasehold Improvements	4 years
Building	30 years

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

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

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(g) Right of Use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the lease term or the estimated useful life of the asset, whichever is the shorter. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(h) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(i) Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(j) Investments in joint ventures

A joint venture is an arrangement that the Group controls jointly with one or more other investors, and over which the Group has rights to a share of the arrangement's net assets rather than direct rights to underlying assets and obligations for underlying liabilities. A joint arrangement in which the Group has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation.

Investments in joint ventures are accounted for using the equity method. Interests in joint operations are accounted for by recognising the Group's assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly).

Any goodwill or fair value adjustment attributable to the Group's share in the joint venture is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in joint ventures is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

(k) Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 18. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(l) Foreign Currency Transactions and Balances

Functional and presentation currency
The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Singapore dollars.

Transaction and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income depending on the nature of the non-monetary items.

Group companies
The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the year; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

(m) Employee benefits
Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year are measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on high quality corporate bond rate with terms to maturity that match the expected timing of cash flows.

Central Provident Fund (CPF) contributions/Superannuation contributions: The Group makes contributions to the Central Provident Fund scheme in Singapore and Superannuation scheme in Australia, a defined contribution post-employment or pension scheme. Contributions to post-employment benefits under defined contribution plans are recognised as an expense in the profit or loss as incurred.

Equity-settled compensation: The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a binomial option pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(n) Provisions
Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(o) Cash and cash equivalents
Cash and cash equivalents includes cash on hand, demand deposits held with banks, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(p) Patients' deposits

Patients' deposits represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customers. Patients' deposits are included in Trade and other payables.

(q) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable. It is recognised when the Group satisfies a performance obligation (PO) by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

(a) Provision of services

Revenue from provision of services are assessed to be a series of treatments which are distinct in each and every treatment. Revenue that relates to medical consultation, surgery and transplantation is recognised at a point in time. Revenue that relates to radiation procedure is recognised over time as the services are rendered, based on the amount of the expected contract costs allocated to each PO.

Significant payment terms: Invoices are issued upon completion of services and are payable within 30 days.

(b) Sales of medication

Revenue from sale of medication is recognised upon delivery of the medication to the patient.

Significant payment terms: Invoices are issued upon completion of services and are payable within 30 days.

(c) Management fee

Management fees revenue is recognised by reference to the completion of performance obligations over time.

Significant payment terms: Invoices are issued on a monthly basis and are payable within 30 days.

(d) Interest received

Interest is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

(e) Other income

Other income is recognised when it is received or when the right to receive payment is established.

All revenue is stated net of goods and services tax (GST).

(r) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting year for goods and services received by the Group during the reporting year which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of initial recognition.

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

(s) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO) or Inland Revenue Authority of Singapore (IRAS). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated in the statement of financial position inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO or IRAS is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO or IRAS are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(t) Transaction costs on the issue of equity instruments

Transaction costs arising from the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

(u) 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 12 with respect to Management's consideration of impairment of receivables as at 31 August 2021.

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.

(v) Earnings per share

Basic earnings per share is calculated by dividing income by the weighted-average number of shares outstanding during the year. Diluted earnings per share is calculated by dividing income by the weighted-average number of shares outstanding during the year, assuming that all potentially dilutive securities were exercised, if dilutive.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

3 REVENUE

	Consolidated Group	
	2021	**2020**
	S$	**S$**
Operating activities		
Provision of services	861,659	3,611,579
Medical supply income (a)	80,000	2,390,358
Sale of medication	299,949	1,011,776
Management fee	-	196,163
Total revenue from operating activities	1,241,608	7,209.876

(a) Medical supply income is derived from trading of Covid-19 test kits. There is an associated material cost of S$46,882 (FY2020: $1,410,538) recognised in the profit or loss in relation to this.

Other operating income		
Interest received	94	4,889
Grant received from Singapore government	305,403	227,754
Rental concession received from Jimin Boao International Hospital	-	147,182
Other income	14,899	59,562
Total other operating income	320,396	439,387

a. Disaggregation of revenue

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

Consolidated – 31 August 2021	**Liver**	**Management and Consultancy**	**Total**
	S$	**S$**	**S$**
Sectors			
Healthcare	1,240,631	977	1,241,608
	1,240,631	977	1,241,608
Geographical regions			
Singapore	1,100,331	–	1,100,331
Asia (ex–Singapore)	140,300	977	141,277
Others	–	–	–
	1,240,631	977	1,241,608
Timing of revenue recognition			
Goods and services recognised at a point in time	1,240,631	977	1,241,608
Services rendered over time	-	–	–
	1,240,631	977	1,411,608

Consolidated – 31 August 2020	**Liver**	**Management and Consultancy**	**Total**
	S$	**S$**	**S$**
Sectors			
Healthcare	7,198,275	11,601	7,209,876
Geographical regions			
Singapore	4,042,799	11,601	4,054,400
Asia (ex–Singapore)	2,891,361	–	2,891,361
Others	264,115	–	264,115
	7,198,275	11,601	7,209,876
Timing of revenue recognition			
Goods transferred at a point in time	7,198,275	–	7,198,275
Services rendered over time	-	11,601	11,601
	7,198,275	11,601	7,209,876

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

4 LOSS FOR THE YEAR

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

	Consolidated Group	
	2021	**2020**
	S$	**S$**
Expenses		
Cost of sales	(582,731)	(3,749,212)
Net foreign exchange gain	292,984	(795,809)
Administrative expenses include rental expense on operating leases as follows:		
- premises	(4,728)	(7,596)
Depreciation on property, plant and equipment	(101,514)	(12,759)
Depreciation on right of use assets	(599,191)	(677,183)
Professional fees		
- Professional fees	(196,372)	(377,387)
- KCH Brand Fee	(317,775)	-
Credit card charges	(10,099)	(23,289)
Inventory written off	-	(24,369)
Impairment of investment in joint venture	(62,000)	-
Bad debts written off	-	(5,129)
Provision for expected credit losses (Note 12)	(7,074)	-
Write off of property, plant and equipment	(2,455,003)	147
Central Provident Fund/Superannuation	(97,501)	(157,862)

5 FINANCE EXPENSES

	Consolidation Group	
	2021	**2020**
	S$	**S$**
Interest on loans	6,524	-
Interest on lease liabilities (Note 16)	78,356	117,744
	84,880	117,744

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

6 INCOME TAX EXPENSE/(BENEFIT)

	Consolidated Group	
	2021	2020
	S$	S$
a. The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
Under provision in respect of prior years	-	-
	-	-

b. The prima facie tax on loss before income tax is reconciled to the income tax as follows:

	2021	2020
Prima facie tax refundable on loss before income tax at Australian tax rate of 25% (2020: 26%)	(1,413,125)	(669,903)
Effect of tax rates in foreign jurisdiction	129,183	48,587
Add:		
Tax effect of:		
- non-deductible expenses	753,362	5,075
- non-taxable incomes	(49,885)	48,336
- (under)/over provision for income tax in prior years	-	-
- withholding tax deducted at source	-	601
- utilisation of deferred tax assets previously not recognised	(5,490)	1,476
- deferred tax asset not recognised	585,955	567,593
- deferred tax asset recognised	-	-
- other	-	(1,765)
Income tax expense	-	-

The value of tax losses not recognised is S$12,996,460 (2020: S$12,515,792 of which S$968,942 was related to discontinued operations). No capital allowances were unrecognised in the current financial year (2020: NIL).

Non-deductible expenses were mainly pre-operation expenses: S$733,619 in HDSB and S$129,731 in AAHSQ.

7 KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel (KMP) compensation included in employment expenses includes:

	2021	2020
	S$	S$
Short-term benefits	1,107,237	1,572,541
Post-employment benefit	15,151	32,842
Total compensation	1,122,388	1,605,383

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

8 AUDITOR'S REMUNERATION

	Consolidation Group	
	2021	**2020**
	S$	**S$**
Audit and review of financial statement fees:		
- Paid to auditors of the Company	42,935	26,234
- Paid to other auditors	43,463	45,660
Non Audit fees:		
- Paid to other auditors (i)	14,253	11,576

(i) Tax fee $12,953 (2020: $10,476), medical audit $1,300 (2020: $1,100)

9 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 2021 (2020: Nil).

10 EARNINGS PER SHARE

Basic earnings or loss per share amounts are calculated by dividing the profit or loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings or loss per share amounts are calculated by dividing the profit or loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the profit and loss and share data used in the computation of basic and diluted earnings per share for the year ended 31 August:

	Consolidation Group	
	2021	**2020**
	S$	**S$**
Loss attributable to ordinary equity holders of the parent:		
Continuing operations	(5,468,485)	(2,576,549)
Discontinued operations	(179,805)	120,993
Loss attributable to ordinary equity holders of the parent adjusted for the effect of dilution	(5,648,290)	(2,455,556)
	Number of shares	Number of shares
Weighted average number of ordinary shares during the year used in calculating basic/diluted EPS	347,752,754	347,752,754
Basic loss per share for operations (S cents)	(1.62)	(0.71)
Diluted loss per share for operations (S cents)	(1.62)	(0.71)
Basic loss per share for continuing operations (S cents)	(1.57)	(0.74)
Diluted loss per share for continuing operations (S cents	(1.57)	(0.74)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

11 CASH AND CASH EQUIVALENTS

	Consolidation Group	
	2021	**2020**
	S$	**S$**
Cash and bank balances	874,422	1,332,071
Cash and cash equivalents	874,422	1,332,071

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 August:

Cash and bank balances	874,422	1,332,071
Cash and bank balances attributable to discontinued operations	-	1,358,804
Cash and cash equivalents	874,422	2,690,875

12 TRADE AND OTHER RECEIVABLES

	Consolidation Group	
	2021	**2020**
	S$	**S$**
Current		
Trade receivables	88,083	1,003,815
Less: Provision for expected credit losses (Note 4)	(7,074)	-
	81,009	1,003,815
Other receivables	213,298	
Grant receivables	-	22,031
Deposits	142,422	145,617
Total current trade and other receivables	436,729	1,254,793

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 indicators of expected credit losses using an allowance matrix. Furthermore, we have taken into consideration 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 2021 is adequate as the Group has no significant default in trade receivables based on historical experience.

An impairment loss of $7,074 has been allowed for trade receivables for the year ended 31 August 2021 (2020: 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	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Consolidated	**%**	**%**	**S$**	**S$**	**S$**	**S$**
Not overdue	0%	0%	31,799	940,279	-	-
Due 1 – 30 days	0%	0%	30,683	19,158	-	-
Due 31 – 60 days	0%	0%	264	32,023	-	-
Due over 60 days	0%	0%	25,337	12,355	(7,074)	-
			88,083	1,003,815	(7,074)	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

13 INVENTORIES

	Consolidated Group	
	2021	**2020**
	S$	**S$**
Medical Supplies	74,020	104,980

14 PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group	
	2021	**2020**
	S$	**S$**
Office equipment		
At cost	2,695	5,994
Accumulated depreciation	(2,335)	(5,493)
Total office equipment	360	501
Medical equipment		
At cost	5,455	333,884
Accumulated depreciation	(1,653)	(328,991)
Total medical equipment	3,802	4,893
Computers		
At Cost	95,378	89,418
Accumulated depreciation	(83,621)	(81,811)
Total computers	11,757	7,607
Furniture and fittings		
At cost	-	95,084
Accumulated depreciation	-	(95,084)
Total furniture and fittings	-	-
Land		
At Cost	6,759,875	6,803,785
Accumulated depreciation	-	-
Total land	6,759,875	6,803,785
Work in progress		
At Cost *(Note 14a)*	-	3,241,204
Accumulated depreciation	-	-
Total work in progress	-	3,241,204
Total property, plant and equipment	6,775,794	10,057,990

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

Note 14a:

In the closing balance of $3,241,204 at 31 August 2020 are $2,454,489 preliminary expenses incurred on the proposed building for Johor Bahru cancer centre, and $786,714 renovation, office equipment and computers costs for clinic at Boao, Hainan. During the year, these costs for clinic at Boao was reclassed to Renovation $757,355, Computers $16,609, Office Equipment $57,588 and exchange gain $27,281 upon completion of the works. The renovation work is subsequently disposed of when the Group terminated the lease on 1 August 2021.

Preliminary expenses incurred on the proposed building for Johor Bahru cancer centre building consist mainly of architectural design fee, legal and consultancy advisory fees and related personnel and travelling expenses from January 2017 to February 2020 recharged from associates. The proposed project was delayed as the Group's application to MIDA and MOH Malaysia for "pioneer status" of the land was put on hold since there was a change in government. Covid-19 pandemic resulted in the closure of cross border travel is another major cause of delay. The Group do not see recovery of the expenses or a firm date when work on the proposed cancer centre can resume, in the next twelve months. The Group adopted the approach to write off the full amount of expenses booked to Building Work In Progress.

Note 14b – Disposal of Property, Plant and Equipment at Hainan

	Office equipment	Computers	Renovation	Total
Cost transfer from WIP	57,588	-	756,409	813,997
Additions during the year	-	7,735	946	8,681
Total cost	57,588	7,735	757,355	822,678
Accumulated depreciation	(6,719)	(902)	(88,358)	(95,979)
Net book value	50,869	6,833	668,997	726,699
Sale proceeds				(329,012)
Loss on disposal				397,687

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

	Office equipment	Medical equipment	Computers	Furniture and 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 (Note 14a)	-	-	(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 (Note 14b)	(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

	Office equipment	Medical equipment	Computers	Furniture and fittings	Leasehold Improvement	Land	Work in progress	Total
	S$	S$	S$	S$	S$	S$	S$	S$
Balance at 31 August 2019	1,861	780	12,738	4,586	48,695	6,857,287	2,478,933	9,404,880
Additions	-	5,455	6,739	-	5,100	-	-	17,294
Construction in Progress	-	-	-	-	-	-	792,881	792,881
Write-off	(1,220)	-	1,220	(53)	-	-	-	(53)
Exchange Difference	-	-	-	-	-	(53,502)	(30,610)	(84,112)
Depreciation expense	(140)	(802)	(9,549)	(4,494)	(594)	-	-	(15,579)
Assets held for sale	-	(540)	(3,541)	(39)	(4,506)	-	-	(8,626)
Reclass to ROU	-	-	-	-	(48,695)	-	-	(48,695)
Carrying amount at 31 August 2020	501	4,893	7,607	-	-	6,803,785	3,241,204	10,057,990

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

15 TRADE AND OTHER PAYABLES

	Consolidated Group	
	2021	**2020**
	S$	**S$**
Current		
Trade payables	670,549	735,867
Patients' deposits (Note 15a)	56,444	29,405
Other Payables	-	2,454
Deferred grant income (Note 15b)	-	86,705
Provision for employee benefits	32,739	39,553
Due to an employee	-	470,000
Sundry payables and accrued expenses		
- Parkway Hospitals Singapore Pte Ltd	343,572	136,405
- Others	670,133	473,450
Total current trade and other payables	1,773,437	1,973,839

The provision for employee benefits relates to the provision for cash bonus to employees for the period from January to August 2021 (2020: January to August 2020) and is payable by December 2021 (2020: December 2020).

The amount due to an employee was collected from a Bruneian patient on behalf of the Group's medical doctor who was engaged to attend to and provide urgent medical care to the patient who was admitted to an intensive care unit at a hospital in Brunei.

a. Contract liabilities

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

	2021	**2020**
	S$	**S$**
Patients' deposits at the beginning of the period recognised as revenue	25,648	131,368

b. Deferred grant income

Deferred grant income consists of Job Support Scheme grant. This is a one off grant from the Singapore government to help ease the manpower cost burden this amount received in FY2020 was discharged from September to December 2020.

16 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 2020	1,935,041
Addition *(Note 16b)*	501,575
Depreciation	(599,191)
Early termination *(Note 16a)*	(444,352)
Exchange differences	23,201
Lease expired *(Note 16b)*	(847,253)
Lease modification	(95,311)
At 31 August 2021	**473,710**

Note 16a: The Group terminated the lease of administration office at Gleneagles Hospital on 31 December 2020, and the lease of clinic at Boao, Hainan, China on 31 August 2021.

Note 16b: The lease of the main clinic at Gleneagles Hospital expired on 27 June 2021 and was renewed on new terms with a 50% reduction of leased area. Thus, the renewal option portion that was previously measured, was removed, and the lease at new terms and reduced area is added.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

16 LEASES (CON'T)

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 2020	2,006,741
Additions	501,575
Early termination (Note 16a)	(457,218)
Exchange differences	26,560
Interest expense	78,356
Lease expired (Note 16b)	(901,881)
Lease modification	(95,311)
Lease payments	(683,138)
At 31 August 2021	**475,684**

	2021	2020
	S$	S$
Of which:		
Lease liabilities - current	160,073	645,740
Lease liabilities - non-current	315,611	1,361,001
	475,684	2,006,741

The following are the amounts recognised in profit or loss of continuing operations:

	2021	2020
	S$	S$
Short-term lease expense	4,728	9,996
Depreciation on right of use assets	599,191	677,183
Interest expense on lease liabilities	78,356	117,744

The Group had total cash outflows for leases of 683,138 (2020: $698,404) during the year ended 31 August 2021.

Lease categories	Original non-cancellable lease term	Renewal options available
Properties	3 years	1 year

Maturity analysis

At 31 August 2021	Up to 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities	179,968	179,968	149,974	-

At 31 August 2020	Up to 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities	732,176	714,117	715,747	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

17 INTEREST BEARING LOANS AND BORROWINGS

	2021	2020
	S$	S$
Current		
Unsecured – bridging loan	193,342	-
Non-current		
Unsecured – bridging loan	743,071	-
	936,413	-

The Group took a bridging loan of S$1.0 million from DBS Bank through its subsidiary under Enterprise Singapore's special financial support scheme for SMEs. The loan is repayable by equal monthly payment over five years, at a preferential interest rate of 2% per annum. The loan was drawn down in full on 1 April 2021. The bank loan is supported by a personal guarantee from the Executive Chairman Dr KC Tan.

The carrying amount of the non-current term loan payable approximates its fair value as at the end of the reporting period.

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

18 DISCONTINUED OPERATIONS

On 22 October 2020 the board of directors approved the plan to sell the Group's entire shareholding in its 69% owned subsidiary Asian American Radiation & Oncology Pte Ltd (AARO) to one of the existing shareholders Dr Danial Tan. As a result, at 31 August 2020 AARO was classified as a disposal group held for sale and a discontinued operation, and the Radiation & Oncology segment was no longer presented in the segment note. On 21 December a Share Purchase Agreement was signed between the Group and Dr Daniel Tan (Purchaser). Key aspects of the agreement were as follows:

(i) The Group to accept the Purchaser's Notice of Exercise and issue 210,000 ordinary shares in the name of the Purchaser and lodge the issuance of Option Shares with ACRA; (The enlarged share capital of AARO reduced the Group's shareholding from 68.6% to 48.6%)

(ii) The Purchase price for the Group's holding of 350,000 shares was S$693,000.00 to be fully paid in Cash.

The transaction was completed on 24 December 2020. Loss from disposal of AARO is included in overall financial statements.

Financial information relating to the discontinued operation to the date of sale is set out below.
The aggregate details of this transaction are:

	2021	2020
	S$	S$
Disposal price	693,000	-
Cash consideration received	693,000	-
Cash in subsidiary disposed of	(1,605,099)	-
Disposal of subsidiary, net of cash	(912,099)	-

	2021	2020
	S$	S$
Assets and liabilities held at disposal date:		
Property, plant and equipment	8,062	-
Right of use assets	173,288	-
Trade and other receivables	457,784	-
Cash and bank balances	1,605,099	-
Trade and other payables	(717,505)	-
Lease liabilities	(178,346)	-
Non-controlling equity interests	(423,022)	-
	925,360	-
Net loss on disposal	(232,360)	-
Net cash received	693,000	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

18 DISCONTINUED OPERATIONS (CON'T)

The financial performance of the discontinued operation to the date of the sale, which is included in profit/(loss) from discontinued operation per the statement of comprehensive income, is as follows:

	2021	2020
	S$	S$
Revenue	1,391,212	5,515,108
Expenses	(1,314,632)	(5,169,377)
Profit before income tax	76,580	345,731
Income tax	-	(171,375)
Non-controlling interest	(24,025)	(53,363)
Profit attributable to owners of the parent entity	52,555	120,993
Total profit after tax attributable to owners of the parent entity from the discontinued operation	52,555	120,993
Total net cash flows of the discontinued operation, which have been incorporated into the statement of cash flows, are as follows:		
Net cash inflow from operating activities	294,293	400,846
Net cash outflow from investing activities	-	(9,086)
Net cash (outflow)/inflow from financing activities	(48,000)	38,946
Net increase in cash generated by discontinued operation	246,293	430,706
Summary of (Loss)/Profit on sale of discontinued operation:		
Loss on disposal	(232,360)	-
Profit from discontinued operation	76,580	-
Net loss on sale of discontinued operation	(155,780)	-

19 TAXATION

Non-current	1 September 2020	Utilised	Written off	31 August 2021
	S$	S$	S$	S$
Deferred tax asset and liability				
Tax liability arising from land revaluation	75,922	-	-	75,922
Net deferred tax liability / (asset)	75,922	-	-	75,922

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

20 ISSUED CAPITAL

	Consolidated Group	
	2021	2020
	S$	S$
Opening share balance	18,223,133	18,223,133
Shares issued during the year	-	-
Total capital	18,223,133	18,223,133

	Consolidated Group	
	2021	2020
	Number of shares	Number of shares
a. Ordinary Shares		
At the beginning of reporting year	347,752,754	347,752,754
Shares issued during year	-	-
At reporting date	347,752,754	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. Currently the Group has no debt.

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 2021 gearing ratio of the Group is 17.26% (2020: zero).

c. Events after Reporting: Share Subscription via Placement

The Group entered into Subscription Agreement with a sophisticated investor on 29 September 2021 to take up placement of 34,775,275 new fully paid ordinary shares in the Group (New Shares) at an issue price of A$0.0388 per New Share (Placement), raising a total of A$1.35 million before transaction-related expenses.

The New Shares under the Placement were issued on 6 October 2021 and will rank parri passu with the Group's existing fully paid ordinary shares on issue as at their date of issue. Upon completion of the placement, the Company's issued share capital is enlarged from 347,752,754 shares to 382,528,029 shares. The New Shares represents 10.0% of the existing issued and paid-up share capital and 9.1% of the new enlarged share capital.

The issue price of At A$0.0388 per share is based on the volume weighted average price (VWAP) of the Company's ordinary shares as traded on ASX over the 30 days up to and including 4 August 202,1 and a 2.1% premium to the closing price on 20 September 2021.

The net proceeds from the Placement will be used for business expansion into new healthcare-related businesses in China and general corporate working capital purposes.

The Placement is being made to a sophisticated investor under the Company's 15% annual issuing capacity for the purposes of ASX Listing Rule 7.1 and therefore shareholder approval for the Placement shares is not required.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

21 RESERVES

a. Nature and purpose of reserve

(i) Foreign currency translation

Exchange difference arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 2(l) 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	
		2021	**2020**
		S$	**S$**
(i)	Foreign currency translation reserve		
	Beginning of financial year	(870,540)	(1,689,277)
	Net currency translation difference of financial statements of foreign subsidiaries	(361,942)	818,737
	End of financial year	(1,232,482)	(870,540)
	Total as at the end of financial year	**(1,232,482)**	**(870,540)**

22 INVESTMENT IN JOINT VENTURE

GBAA is in a joint collaboration with its strategic partner All-Star American Medical Specialists (Myanmar) Limited (AAMS) in Myanmar. GBAA has a 50% shareholding under this joint venture, which entitles AAMGPL to 25.5% of AAMS's profit.

During the financial period under review there were no business activities in AAMS due to the Covid-19 pandemic and the change in government in February 2021. The Group does not see improvement in operating conditions in Myanmar in the next 12 to 24 months and has adopted a prudent approach to write off the investment in full.

	Consolidated Group	
	2021	**2020**
	S$	**S$**
Investment in Joint Venture	-	66,286
Loss from joint venture (continuing operations)	-	(2,669)
Other comprehensive income	-	-
Total comprehensive income	-	(2,669)
Total net assets of AAMS	132,573	132,573
Proportion of ownership interest held by the Group	50%	50%
	66,286	66,286
Impairment of investment	(66,286)	-
Carrying amount of the investment in AAMS	**-**	**66,286**

The financial year end for GBAA is on 31st March.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

23 SHARED-BASED EMPLOYEE REMUNERATION

As at 31 August 2021, the Group maintained an equity settled share-based payment scheme for employee remuneration.

There are no outstanding share options at the end of the current and previous reporting years.

24 CONTROLLED ENTITIES

a Controlled entities consolidated

	Country of incorporation	Percentage owned (%)	
		2021	**2020**
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 Radiation & Oncology Pte. Ltd. (Note 24b)	Singapore	-	69
Asian American Medical Group Pte. Ltd.	Singapore	100	100
Asian American Healthcare 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	Myanmar	51	51
Asian American Healthcare Services (Qionghai) Pte Ltd	China	100	100
Zhen Mei Aesthetics (Qionghai) Co Ltd (incorporated on 26 October 2020)	China	100	100

b Loss of control in consolidated entity:
The Group disposed of its entire shareholding in Asian American Radiation & Oncology Pte Ltd to an existing shareholder Dr Daniel Tan, the transaction was completed on 24 December 2020.

Refer Note 18 for disclosures on the discontinued operations associated with this disposal.

25 COMMITMENTS AND CONTINGENCIES

a Capital commitments
There is no capital commitment as at reporting date which was not recognized in the financial statements (2020: $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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

26 CASH FLOW INFORMATION

Reconciliation of cash flow from operations with loss after income tax

	Consolidated Group	
	2021	**2020**
	S$	**S$**
Loss after income tax	(5,808,279)	(2,402,193)
Adjustment for:		
Loss on sale of Discontinued operation (Note 18)	232,360	174,356
Write off of property, plant and equipment (Note 14)	2,455,003	(147)
Depreciation on property, plant and equipment (Note 14 & 18)	102,077	15,579
Depreciation on right of use assets	644,811	839,539
Interest expense	87,352	131,409
Gain on lease modification / termination (Note 16)	(67,494)	-
Inventory written off	-	24,369
Impairment of investment in joint venture	62,000	-
Bad debts written off	-	5,129
Share of results of joint venture	-	2,669
Loss on disposal of property, plant and equipment (Note 14b)	397,687	-
Provision for expected credit losses (Note 12)	7,074	-
Foreign exchange gain - net	(292,984)	795,813
Finance income	(17)	(16)
Changes in assets and liabilities:		
Decrease in trade and other receivables	819,250	(485,251)
Decrease in inventories	42,262	16,623
Decrease in trade and other payables	(139,231)	(355,380)
Decrease in deferred and current tax liabilities	-	171,375
Net cash used in operating activities	(1,458,129)	(1,066,126)

27 EVENTS AFTER THE BALANCE DATE

Other than the share subscription via placement reported in Note 20c 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

28 RELATED PARTY

The Group's related parties include its associates 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 and set out in note 24, have been eliminated on consolidation and are not disclosed in this note.

Disclosures relating to KMP are set out in Note 7 and in the remuneration report.

Balances and transactions between the Company and its joint venture, AAMS, incurred in the current financial year are as follows:

	2021	2020
	S$	S$
Balances		
Amount due from related joint venture	47,133	61,000
Amount due to related joint venture	67,296	67,923
Transactions		
Management fee from related joint venture	-	3,379

Other than the above, there have been no other related party transactions in the current financial year.

29 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:

(i) Provision of medical consultation and services in the hepatology and related fields (liver segment);

(ii) Provision of multi-specialty medical consultation and services in the in the medical pilot zone in Boao, Hainan cater to the healthcare needs of China (multi-specialty segment);

(iii) Provision of healthcare management and consultancy services (management and consultancy segment);

(iv) Development of real estate projects (healthcare real estate segment), established through acquisition of HDSB in 2018; and

(v) 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 four businesses, namely the provision of medical consultation and services in the hepatology, multi-specialty, 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 each of these operating segments for the financial years ended 31 August 2021 and 31 August 2020 are set out in the following pages:

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

(i) Segment Performance

	Liver	Multi-specialty	Management and Consultancy	Healthcare Real Estate	Corporate	Total
	S$	S$	S$	S$	S$	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

	Liver	Multi-specialty	Management and Consultancy	Healthcare Real Estate	Corporate	Total
31 August 2021	S$	S$	S$	S$	S$	S$
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
Depreciation on right of use assets	442,250	154,941	–	–	–	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)
Profit from discontinued operation						(155,780)
Total Group net loss after tax						(5,808,279)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(i) Segment Performance (Con't)

	Liver	Multi-specialty	Management and Consultancy	Healthcare Real Estate	Corporate	Total
	S$	S$	S$	S$	S$	S$
31 August 2020						
External sales revenue	7,198,275	–	11,601	–	–	7,209,876
Inter-segment revenue	(3,379)	-	16,332	-	-	12,953
Total segment revenue	7,194,896	-	27,933	-	-	7,222,829
Inter-segment eliminations						(12,953)
Total Group revenue						7,209,876

	Liver	Multi-specialty	Management and Consultancy	Healthcare Real Estate	Corporate	Total
31 August 2020	S$	S$	S$	S$	S$	S$
Other income	190,794	-	-	-	-	190,794
Finance income	-	-	-	-	4,889	4,889
Finance expenses	78,257	39,487	-	-	-	117,744
Depreciation on property, plant and equipment	11,883	-	876	-	-	12,759
Depreciation on right of use assets	482,587	194,596	-	-	-	677,183
Entity's interest in the profit or loss of joint ventures accounted for by equity method	-	-	(2,669)	-	-	(2,669)
Segment net (loss)/profit before tax	(88,859)	(1,274,763)	45,388	(39,519)	(1,218,796)	(2,576,549)
Income tax expense						–
Total Group net loss after tax from continuing operations						(2,576,549)
Profit from discontinued operation						174,356
Total Group net loss after tax						(2,402,193)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(ii) Segment assets

	Liver	Multi-specialty	Management and Consultancy	Healthcare Real Estate	Corporate	Total
	S$	S$	S$	S$	S$	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
Total Group assets	8,634,675

	Liver	Multi-specialty	Management and Consultancy	Healthcare Real Estate	Corporate	Total
	S$	S$	S$	S$	S$	S$
31 August 2020						
Non-current segment assets	1,345,564	1,383,696	2,406,583	8,320,318	20,024,321	33,480,482
Current segment assets	2,626,117	156,458	4,250,359	168,146	5,479,062	12,680,142
Total segment assets	3,971,681	1,540,154	6,656,942	8,488,464	25,503,383	46,160,624

Reconciliation of segment assets to Group assets:	
Inter-segment eliminations	(31,409,463)
Total Group assets from continuing operations	14,751,161
Assets held for sale	2,101,443
Total Group assets	16,852,604

	Liver	Multi-specialty	Management and Consultancy	Healthcare Real Estate	Corporate	Total
	S$		S$	S$	S$	S$
31 August 2021						
Segment asset increases in the year						
Capital expenditure	-	17,556	-	-	-	17,556
Total	-	17,556	-	-	-	17,556

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

(iii) Segment liabilities

	Liver	Multi-specialty	Management & Consultancy	Healthcare Real Estate	Corporate	Total
	S$	S$	S$	S$	S$	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)
Total Group liabilities	(3,261,456)

	Liver	Multi-specialty	Management & Consultancy	Healthcare Real Estate	Corporate	Total
	S$	S$	S$	S$	S$	S$
31 August 2020						
Segment liabilities	(4,107,167)	(2,556,862)	(7,879,874)	(2,215,871)	(7,413,811)	(24,173,585)

Reconciliation of segment liabilities to Group liabilities:

Inter-segment eliminations	20,117,083
Total Group liabilities from continuing operations	(4,056,502)
Liabilities directly associated with the assets held for sale	(829,639)
Total Group liabilities	(4,886,141)

(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	
	2021	2020
	S$	S$
Singapore	1,100,331	4,054,400
Asia (ex-Singapore)	141,277	2,891,361
Others	-	264,115
Total revenue	1,241,608	7,209,876

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(v) Assets by geographical location

	Consolidated Group	
	2021	**2020**
	S$	**S$**
Non-current assets by geographical location:		
Singapore	481,993	1,348,039
Malaysia	6,759,876	9,261,296
Myanmar	–	66,286
China	7,635	1,383,696
Total non-current assets	7,249,504	12,059,317
Current assets by geographical location:		
Australia	365,691	499,043
Singapore	693,281	1,759,481
Malaysia	162,727	171,081
Myanmar	96,187	105,781
China	67,285	156,458
Total current assets	1,385,171	2,691,844
Assets held for sale	-	2,101,443
Total current assets	1,385,171	4,793,287

(vi) Major Customers

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

30 FINANCIAL RISK MANAGEMENT POLICIES

The Group's financial instruments consist mainly of cash at bank and 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.

	Consolidated Group	
	2021	**2020**
	S$	**S$**
Financial assets at amortised cost		
Cash and cash equivalents	874,422	1,332,071
Trade and other receivables	294,307	1,109,176
Total financial assets at amortised cost	1,168,729	2,441,247
Financial liabilities at amortised cost		
Trade and other payables	(1,773,441)	(1,973,839)
Lease liabilities	(475,684)	(2,006,741)
Borrowings	(936,413)	-
Total financial liabilities at amortised cost	(3,185,538)	(3,980,580)

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 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 instrument 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 assets and liabilities 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.

	2021	**2020**
	S$	**S$**
AUD	4,090	30,385

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

30 FINANCIAL RISK MANAGEMENT POLICIES (CON'T)

(b) Credit risk exposures

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 an 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 12, 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 2021 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

(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 as disclosed above have maturities within one year for the 31 August 2021 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.

	Less than 1 month	Between 1 – 3 months	Between 3 – 6 months	Between 6 – 12 months
	S$	S$	S$	S$
Trade and other receivables	106,244	103,404	29,674	54,985
Trade and other payables	(640,206)	(623,097)	(178,809)	(331,329)

The Group manages liquidity risk by monitoring forecasted 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

31 PARENT COMPANY INFORMATION

	2021	2020
Parent entity	**S$**	**S$**
Assets		
Current assets	5,388,216	5,402,610
Non–current assets	-	6,578,268
Total assets	5,388,216	11,980,878
Liabilities		
Current liabilities	(14,999)	(14,416)
Total liabilities	(14,999)	(14,416)
Total net assets	5,373,217	11,966,462
Equity		
Issued capital	31,309,900	31,309,900
Accumulated losses	(24,913,230)	(18,574,981)
Foreign currency revaluation reserve	(1,023,453)	(768,457)
Total equity	5,373,217	11,966,462
Financial performance		
Loss for the year	(6,338,249)	(2,519,996)
Other comprehensive loss	(254,996)	936,540
Total comprehensive loss	(6,593,245)	(1,583,456)

Included in the loss for the year is S$6,227,296 write down (2020: S$4,776,280) 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.

DIRECTORS' DECLARATION

32 **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 Limited
6A Napier Road,
Gleneagles Hospital Annexe Block #02–37,
Singapore 258500

SINGAPORE CENTRES:

Asian American Liver Centre Pte Ltd
6A Napier Road,
Gleneagles Hospital Annexe Block #02–37,
Singapore 258500

Asian American Medical Group Pte Ltd
6A Napier Road,
Gleneagles Hospital Annexe Block #02–37,
Singapore 258500

CHINA CENTRE:

Asian American Healthcare Services (Qionghai) Co Ltd
2nd Floor International Medical Property Centre
No. 1 Kang Le Road, International Medical Tourism Pilot Zone,
Boao Lecheng, Hainan Province, PR China

Zhen Mei Aesthetics (Qionghai) Co Ltd
2nd Floor International Medical Property Centre
No. 1 Kang Le Road, International Medical Tourism Pilot Zone,
Boao Lecheng, Hainan Province, PR China

MALAYSIA CENTRE:

iHEAL Medical Centre
Level 7 & 8, Annexe Block, Menara IGB,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur,
Malaysia

MYANMAR CENTRE:

Grand Hantha International Hospital
No.3, Corner of Nar,
Nat Taw Road & Lower Kyee Myindaing Kanner Road,
Kamaryut Township Yangon, Myanmar

DIRECTORS' DECLARATION

The directors of Company declare that:

(a) the financial statements and notes, as set out on pages 40 to 78, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position as at 31 August 2021 and of the performance for the year ended on that date of the Consolidated Group; and
(ii) complying with Accounting Standards.

(b) the Executive Director and Group Chief Financial Officer have declared that:

(i) the financial records of the Company for the financial year have been properly maintained in accordance with s286 of the Corporations Act 2001;

(ii) The financial statements and notes for the financial year comply with the Accounting Standards; and

(iii) The financial statements and notes for the financial year give a true and fair view.

(c) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(d) complying with International Financial Reporting Standards as disclosed in Note 2 to the financial statements;

This declaration is made in accordance with a resolution of the Board of Directors.

Dato' Dr Kai Chah Tan
Executive Director and Chairman

3 November 2021

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Centre
Level 7, 420 King William Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIAN AMERICAN MEDICAL GROUP LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Asian American Medical Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 August 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 31 August 2021 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Going concern

Key audit matter	How the matter was addressed in our audit
As disclosed in the financial statements, the Group made a net loss of S$5,808,279 and had a cash outflow from operating activities of S$1,458,129 during the year. Despite the reported net loss and cash outflow from operating activities during the year as well as the net current liability position as at 31 August 2021, the Directors assessed that there are reasonable grounds to believe that the Group will be able to continue as a going concern. Note 2(a) of the financial statements outlines the going concern basis of preparation of the financial statements which contemplates that the Group will continue to meet its commitments and can therefore realise its assets and discharge its liabilities in the normal course of business. This is a key audit matter due to the significant judgments involved with the assumptions made over the cash flow forecast and future operational results of the Group.	Our audit procedures to address this matter included, amongst others: • Evaluating management's assessment of the Group's ability to continue as a going concern, taking into consideration all information gathered during the performance of our audit procedures; • Assessing the reliability and integrity of the cash flow forecast model, and evaluating the reasonableness of key judgements and assumptions made. • Performing a sensitivity analysis over the cash flow forecast prepared by management and considering the impact, if any, on the going concern assessment. • Assessing the appropriateness and accuracy of the disclosures to the financial statements in accordance with the applicable Accounting Standards.

Disposal of subsidiary

Key audit matter	How the matter was addressed in our audit
As disclosed in note 18 in the financial statements, the Group announced the completion of the disposal of its entire shareholding in its controlled subsidiary, Asian American Radiation & Oncology Pte Ltd ('AARO') on 24 December 2020. This is a key audit matter as the transaction and consequential accounting is significant, non-routine and complex.	Our audit procedures to address this matter included, amongst others: • Assessing the appropriateness of the accounting for the disposal by reference to supporting documentation, including the sale contract, completion statement and underlying accounting records. • Evaluating management's assessment of the consideration received for the transaction, the carrying amount of the net assets disposed of and the loss recognised for the reporting period. • Assessing the appropriateness and accuracy of the disclosures to the financial statement in accordance with the applicable Accounting

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 August 2021, but does not include the financial report and the auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 30 to 36 of the directors' report for the year ended 31 August 2021.

In our opinion, the Remuneration Report of Asian American Medical Group Limited, for the year ended 31 August 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO

BDO Audit (SA) Pty Ltd

Paul Gosnold

Paul Gosnold
Director

Adelaide, 3 November 2021

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 13 October 2021.

A. Distribution of holders of equity securities

	Ordinary Shares	Employee Options
1 – 1,000	147	-
1,001 – 5,000	49	-
5,001 – 10,000	46	-
10,001 – 100,000	54	-
100,001 and over	36	-
	332	-

There were 248 holders of less than marketable parcel of ordinary shares.

The percentage of the total holdings of the twenty largest holders of ordinary shares was 98.69 per cent.

SHAREHOLDER INFORMATION

B. Equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

	Ordinary shares	
Name	**Number held**	**Percentage**
Citicorp Nominees Pty Limited	148,120,882	38.72
Kong Meng Ang	46,062,300	12.04
Sultan Ibrahim Ibni Almarhum Sultan Iskandar Al–Haj	40,000,000	10.46
Utama Wilayah Sdn Bhd	34,775,275	9.09
Russing Med Holdings Pte Ltd	21,000,000	5.49
HSBC Custody Nominees (Australia) Limited	18,802,500	4.92
BNP Paribas Noms Pty Ltd (DRP)	17,402,385	4.55
HSBC Custody Nominees (Australia) Limited	14,006,491	3.66
Zhi Cheng Ang	12,062,300	3.15
Chin Soon Ong	7,000,000	1.83
Tye Wee Thin	5,000,000	1.31
Aspire Strategy Pte Ltd	4,000,000	1.05
Khai Ping Wun	3,000,000	0.78
Dr Kang Hoe Lee	2,500,040	0.65
Dr Huat Seong Saw	1,000,000	0.26
Hiroshi Tatara	1,000,000	0.26
Ravindran Govindan	699,483	0.18
Harry Vui Khiun Lee	561,915	0.15
Arabesque Unit Trust Pty Ltd	317,400	0.09
JYH Gang James Koh	200,000	0.05

SHAREHOLDER INFORMATION

C. Substantial holders

Substantial holders in the company are set out below:

	Number held	Percentage
Citicorp Nominees Pty Limited	148,120,882	38.72
Kong Meng Ang	46,062,300	12.04
Sultan Ibrahim Ibni Almarhum Sultan Iskandar Al–Haj	40,000,000	10.46
Utama Wilayah Sdn Bhd	34,775,275	9.09
Russing Med Holdings Pte Ltd	21,000,000	5.49

D. Voting rights

Please refer Note 18.

E. On–market buy back

There is no current on–market buy back.

This page has been intentionally left blank

Asian American
MEDICAL GROUP

Asian American Medical Group Limited
www.aamg.co
In collaboration with **UPMC**

6A Napier Road, Gleneagles Hospital
Annexe Block #02-37
Singapore 258500

T (65) 6476 2088 **F** (65) 6476 3088
E enquiry@aamg.co