

Singular Health Group
Appendix 4D
Half-year report

1. Company details

Name of entity: Singular Health Group
ACN: 639 242 765
Reporting period: For the half-year ended 31 December 2020
Previous period: There is no previous reporting period as the company was incorporated on 20 February 2020

2. Results for announcement to the market

	%	\$
Revenue from ordinary activities	n/a	28,942
Revenue from ordinary activities (proforma basis)	n/a	28,942
Loss from ordinary activities after tax attributable to the owners of Singular Health Group Ltd	n/a	(2,093,756)
Loss from ordinary activities after tax attributable to members (proforma basis – half year 2019: Nil)	n/a	(2,093,756)
Loss for the half-year attributable to members	n/a	(2,093,756)

Dividends

The Directors do not recommend the payment of a dividend.

Comments

The loss for the consolidated entity after providing for income tax amounted to (\$2,093,756) (31 December 2019: Nil). Refer to the “Review of Operations” section included within the directors’ report of the financial report for the half year ended 31 December 2020 for further detail.

3. Net tangible assets

	31 December 2020
	\$
Net tangible assets per ordinary security	(0.05)

4. Control gained over entities

The Group made no acquisitions during the reporting period.

5. Dividends

No dividends were paid or proposed during the reporting period. There was no dividend reinvestment plan in operation during the half year ended 31 December 2020.

6. Investments in Associates and Joint Ventures

Not applicable.

7. Audit qualification or review

Details of audit/review dispute or qualification (if any):

There are no audit/review disputes or qualifications. The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Financial Report for the half year ended 31 December 2020.

8. Attachments

Details of attachments (if any):

The Interim Report of Singular Health Group Ltd for the half-year ended 31 December 2020 is attached.

8. Signed

Signed

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Thomas Hanly
Managing Director

Date: 26 February 2021

Singular Health Group Ltd

ACN 639 242 765

Interim Financial Report – 31 December 2020

Singular Health Group Ltd Financial Statements
Directors' report
31 December 2020

The directors present their report, together with the financial statements, on Singular Health Group Limited (referred to hereafter as the 'Company') for the half-year ended 31 December 2020.

Directors

The following persons were directors of Singular Health Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Thomas Hanly

Kwang Guan Tay

Denning Chong

Andrew Ian Just (appointed 22 Jan 2021)

Howard Andrew Digby (appointed 27 Jan 2021)

Principal activities

During the financial half-year, the principal continuing activities of the Company consisted of:

- Development of Volumetric Rendering Platform ("VRP") and derivative software solutions
- Research and development activities
- Sales and marketing of MedVR & 3Dicom products
- Capital Raising

The Company made significant progress in the development of the 3Dicom product and domestic commercialisation of MedVR in the first half 2020.

Dividends

No dividends were paid during the financial half-year.

Review of operations

The loss for the Company after providing for income tax amounted to \$2,093,756.

Major operational focus on Initial Public Offering, resulting in heavily oversubscribed \$6M IPO

- Focus on the business model from "Direct Sales" to "Direct to Patient" and "Direct to Practitioner" model using digital advertising and enter to achieve software downloads on global scale
- Substantial advances made to core Volumetric Rendering Platform and first artificial intelligence project commenced with CSIRO's Data61 division
- Subsequent to the period, successful IPO on the Australian Securities Exchange, listing on the 12th of February 2021
- Subsequent to the period, received purchase order from FlowCentric Technologies for \$170,000 for the development of GeoVR pilot program
- 3Dicom software was further developed in H1 FY21 with a commercial version of the software anticipated for release in Q3 '21. Vendor neutral and cross-platform compatible, 3Dicom Viewer holds a competitive advantage against existing DICOM viewers.

Review of financial results

The half year results demonstrate the strong focus on corporate and research and development activities undertaken by the Company prior to its February listing. Revenue from customers was \$28,942 with other income of \$57,909. There has been a controlled expansion of the software development team with an additional two developers during this term and 2 part time interns.

A number of expenses were incurred and paid under the prospectus as costs of the raise prior to the IPO.

The Profit and Loss shows an interest payment on the convertible notes of \$1,054,327. This is an accounting entry based on the calculation of the discount of 50% of the convertible note to the anticipated IPO price and reflected as an interest charge. Please see note 10.

Sales and Operations

During the period, the Company's primary focus was the development of 3Dicom Viewer and MedVR in addition to the corporate activities relating to the February 2021 IPO on the ASX.

Singular Health Group Ltd Financial Statements
Directors' report
31 December 2020

Despite COVID restrictions, the sales team did achieve local sales of MedVR demonstrating the early-stage commercialisation of MedVR and was able to remotely commission a number of MedVR trial systems domestically and internationally for consideration by potential resellers and customers.

From a technical perspective, the Company made significant progress to further develop the core VRP technology and effectively leveraging the underlying platform to develop 5 derivative products tailored for specific market segments, these being;

- MedVR; the Company's flagship virtual reality software for viewing complex medical cases,
- 3Dicom; a 3D DICOM viewer for enhanced visualisation operating on a freemium model,
- VisualEyes; a specialist retinal image viewing software developed for Bailey Nelson,
- Virtual Anatomy; interactive 3D/VR human anatomy education software, and
- GeoVR; applying the VRP to mineral resources exploration and mining applications.

Furthermore, the Company was successfully granted a KickStart grant to cover 50% of the Company's first AI project with CSIRO's Data61 division. This project focuses on the semi-automated segmentation of the spinal vertebrae and is expected to conclude on 31 March 2021.

The company also submitted an R&D Tax Incentive Application for the period 2020, with an estimated refund of \$232,196.

Response to COVID-19 and Development of 3Dicom Viewer

During the period, the Company enacted a Work From Home (WFH) business plan in addition to flexible working arrangements to conform with office occupancy restrictions and support staff wellbeing. Software development was minimally impacted; however, the direct sales team was impacted by COVID restrictions and the inability to conduct domestic and international travel.

Having conducted an internal review of the Company's commercialisation strategy and accounting for the impact of COVID restrictions, it was decided to pursue the development of a non-VR software program leveraging the Company's core VRP to provide a true 3D DICOM Viewer.

Research and Development initiatives along with technical development focused on the development of 3Dicom Viewer which can be, and has been, marketed globally using digital marketing strategies and downloaded on users existing Windows and Mac hardware. 3Dicom Viewer is anticipated to be commercialised in early Q3 FY21 with paid tiers for Pro & Surgical use cases.

Purchase Order for GeoVR Software Development

Subsequent to the end of period, the Company received a purchase order from FlowCentric Technologies for \$170,000 to develop a pilot program for the GeoVR software (ASX Announcement 22nd February 2021).

The pilot program aims to develop a prototype, commercially viable product, with an integrated special database that utilises imaging and predictive technologies for mining and exploration leveraging the Company's proprietary VRP.

Events after the reporting period

Subsequent to the period end, the Company completed an IPO, commencing trading on the ASX on Friday 12 February.

As set out in the Prospectus dated 9 December 2020, the Company issued 30,000,000 new shares at \$0.20 under the maximum offer to raise \$6,000,000 in new funds, before costs.

In addition, the Company converted the convertible notes previously on issue resulting in the issue of 14,230,370 new shares prior to the IPO, issued 2,000,000 shares to the Lead Manager for the IPO and 1,000,000 shares to the Corporate Advisor. 10,000,000 Performance Rights were issued in conjunction with the IPO, as were 19,250,000 Options.

As at the 27th January 2021 as part of the IPO, Denning Chong stepped down as board chairman, and remains a non-executive director. Two new members of the board were appointed, Howard Digby as Chairman and Andrew Just as Non-Executive Director.

Please refer to the Prospectus for further details in respect of the IPO.

Singular Health Group Ltd Financial Statements
Directors' report
31 December 2020

No further matters or circumstances have arisen since 31st December 2020 that have significantly affected, or may significantly affect the Company's operations, the result of those operations, or the Company's state of affairs in future financial years.

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the Company during the financial half-year.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this director's report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to be 'Thomas Hanly', written over a horizontal line.

Thomas Hanly
Managing Director

26/02/2021

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF SINGULAR HEALTH GROUP LTD**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



GREG GODWIN
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 26th day of February 2021.

Singular Health Group Ltd Financial Statements

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General information

The financial statements cover Singular Health Group Ltd and its subsidiaries. The financial statements are presented in Australian dollars, which is Singular Health Group Ltd's functional and presentation currency.

Singular Health Group Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

c/o – Grange Consulting Pty Ltd
945 Wellington Street,
WEST PERTH WA 6005

Principal place of business

Unit 3, 26 Railway Road
SUBIACO WA 6008

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 February 2021.

Singular Health Group Ltd Financial Statements
Consolidated Statement of profit or loss and other comprehensive income
For the period half year ended 31 December 2020

	Note	31 Dec 2020
		\$
Revenue	3	28,942
Other Income		57,909
		86,851
Cost of sales		(14,724)
		72,127
Expenses		
Salaries & Wages		(220,950)
Consultants		(571,848)
Operating, general and administration expenses		(288,440)
Amortisation and depreciation		(30,318)
Interest on Convertible Notes	10	(1,054,327)
Loss before income tax expense		(2,093,756)
Income Tax		-
Loss after income tax for the period		(2,093,756)
Other comprehensive income		-
FX movements from translating foreign operations		(2,780)
Total comprehensive income for the period attributable to the owners of Singular Health Group Ltd		(2,096,536)

Note: No comparative information has been presented as the company was incorporated on 20 February 2020.

The above statement should be read in conjunction with the accompanying notes

Singular Health Group Ltd Financial Statements
Consolidated Statement of Financial Position
As at 31 December 2020

	Note	31 December 2020 \$	30 June 2020 \$
Current Assets			
Cash at bank	4	194,308	130,552
Trade and other receivables	5	98,349	70,391
Prepaid Interest on Convertible Notes		<u>284,578</u>	<u>240,390</u>
Total Current Assets		<u>577,235</u>	<u>441,333</u>
Non-Current Assets			
Plant and equipment	6	78,139	27,691
Right of use asset		130,500	
Intangible assets	8	<u>183,196</u>	<u>199,245</u>
Total Non-Current Assets		<u>391,835</u>	<u>226,936</u>
Total Assets		<u>969,070</u>	<u>668,269</u>
Liabilities			
Current Liabilities			
Trade payables	7	279,263	110,160
Directors Loans	9	164,052	155,941
Convertible notes	10	2,660,000	590,000
Lease Liability		43,500	-
Other current liabilities		<u>45,377</u>	<u>25,754</u>
Total Current Liabilities		<u>3,192,192</u>	<u>881,855</u>
Non-current Liabilities			
Lease Liability		<u>87,000</u>	<u>-</u>
Total Non-current Liabilities		<u>87,000</u>	<u>-</u>
Total Liabilities		<u>3,279,192</u>	<u>881,855</u>
Net Liabilities		<u>(2,310,122)</u>	<u>(213,586)</u>
Equity			
Issued Capital	11	500,000	500,000
Reserves		(8,778)	(5,998)
Accumulated losses		<u>(2,801,344)</u>	<u>(707,588)</u>
Total Equity		<u>(2,310,122)</u>	<u>(213,586)</u>

The above statement should be read in conjunction with the accompanying notes

Singular Health Group Ltd Financial Statements
Consolidated Statement of Change in Equity
For the half year ended 31 December 2020

	Note	31 December 2020 \$	30 June 2020 \$	
	Issued capital \$	Foreign Currency Reserves \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2019	-	-	-	-
Shares issued during the period	500,000			500,000
Loss for the period	-	-	(707,588)	(707,588)
Foreign currency reserve	-	(5,998)		(5,998)
Total comprehensive income for the period	500,000	(5,998)	(707,588)	(213,586)
Transactions with owners in their capacity as owners:	-	-	-	-
Balance at 30 June 2020	500,000	(5,998)	(707,588)	(213,586)

	Issued capital \$	Foreign Currency Reserves \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2020	500,000	(5,998)	(707,588)	(213,586)
Loss for the period	-	-	(2,093,756)	(2,093,756)
Foreign currency reserve	-	(2,780)		(2,780)
Transactions with owners in their capacity as owners:	-	-	-	-
Balance at 31 December 2020	500,000	(8,778)	(2,801,344)	(2,310,122)

The above statement should be read in conjunction with the accompanying notes

Singular Health Group Ltd Financial Statements
Consolidated Statement of Changes in Cashflow
For the half year ended 31 December 2020

	Note	31 December 2020 \$
Receipts from customers (inclusive of GST)		58,893
Payments to suppliers and employees (inclusive of GST)		<u>(910,016)</u>
Net cash used in operating activities	13	<u>(851,123)</u>
Cash flows from investing activities		
Payments for plant and equipment		(50,512)
Payments for intangible asset		<u>(14,205)</u>
Net cash used in investing activities		<u>(64,717)</u>
Cash flows from financing activities		
Proceeds from issue of shares		
Proceeds from Director Loan		8,111
Proceed from convertible notes		<u>971,485</u>
Net cash from financing activities		<u>979,596</u>
Net increase/(decrease) in cash and cash equivalents		63,756
Effect of exchange rate fluctuation		
Cash and cash equivalents at the beginning of the financial period		130,552
Cash and cash equivalents at the end of the financial period	4	<u><u>194,308</u></u>

The above statement should be read in conjunction with the accompanying notes

Singular Health Group Ltd Financial Statements
Notes to the financial statements
For the half year ended 31 December 2020

Note 1. Significant accounting policies

General Information

The Company was incorporated on 20 February 2020. The principal activity of the Company is investment holding.

Singular Health Pte Ltd (incorporated in Singapore) and Singular Health Pty Ltd (incorporated in Australia) were incorporated in September 2019. Singular Health Pte Ltd acquired the intellectual property and software development associated with the MedVR technology from MedVR Pty Ltd for cash of \$230,000 effective 30 September 2020.

Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 have been prepared in accordance with the requirements of the *Corporation Act 2001* and Australian Accounting Standard 134: *Interim Financial Reporting*.

These financial statements were approved by the Board of Directors on the date of the Directors Declaration.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Company. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2020, together with any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Going Concern Basis of Preparation

As disclosed in the financial statements, the Consolidated Group has incurred losses for the half year ended 31 December 2020 of \$2,093,756. As at 31 December 2020 the Consolidated Group had cash assets of \$194,308 and net liabilities of \$2,310,122.

The Company has assessed its ability to continue as a going concern, taking into account all available information, for a period of 12 months from the date of issuing of the financial report.

The Company's financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities, including the realisation of assets and settlement of liabilities in the normal course of business.

On 12 February 2021 the company listed on the Australian Stock Exchange. The company issued an additional 30,000,000 shares at an issue price of \$0.20 raising \$6,000,000.

After consideration of the above factors, the Directors are of the opinion that it is appropriate for the Company to prepare the financial statements on a going concern and, as a result, the financial statements do not include any adjustments relating to the recoverability and classification of the recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not be able to continue as a going concern basis

Note 2 (a). Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial period are discussed below.

Income tax

The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Convertible notes

The convertible notes are valued and recorded in the accounts having regard to the conversion features attributable to the notes including the discount on conversion to the ASX listing price (which is assumed to be 20 cents per share). The implicit cost of the conversion discount described as "prepaid interest on Convertible Notes" is amortised to profit and loss over the estimated period it will take the company to complete its IPO and list on the ASX.

Note 2 (b). Segment reporting

Based on the information used for internal reporting purposes by the chief operating decision maker (being the Board), the company operated in one reportable segment during the period ended 31 December 2020.

The reportable segment financial information is therefore the same as the statement of financial position and the statement of profit or loss and other comprehensive income.

Singular Health Group Ltd
Notes to the financial statements
For the half year ended 31 December 2020

Note 3. Revenue	31 Dec 2020	31 Dec 2019
	\$	\$
Product Sales	28,942	-
	<u>28,942</u>	<u>-</u>

Note 4. Current assets - cash and cash equivalents

	31 Dec 2020	30 Jun 2020
	\$	\$
Cash at bank	194,308	130,552
Cash and cash equivalents	<u>194,308</u>	<u>130,552</u>

Note 5. Current assets - trade and other receivables

	31 Dec 2020	30 Jun 2020
	\$	\$
Trade debtors	98,349	95,391
Less provision for doubtful debts	-	(25,000)
	<u>98,349</u>	<u>70,391</u>

Note 6. Non-current assets - property, plant and equipment

	31 Dec 2020	30 Jun 2020
	\$	\$
Office equipment at cost	82,135	31,623
Less: Accumulated depreciation	<u>(3,996)</u>	<u>(3,932)</u>
	<u>78,139</u>	<u>27,691</u>

Singular Health Group Ltd
Notes to the financial statements
For the half year ended 31 December 2020

Note 7. Current liabilities - trade and other payables

	31 Dec 2020 \$	30 Jun 2020 \$
Trade payables	<u>279,263</u>	<u>110,160</u>

Note 8. Intangible assets

Intellectual property and software development – at cost
Less : Accumulated amortisation

	242,546	227,708
	<u>(59,350)</u>	<u>(28,463)</u>
Balance at the end of the period	<u>183,196</u>	<u>199,245</u>

Note 9. Directors loans

	31 Dec 2020 \$	30 Jun 2020 \$
Current	<u>164,052</u>	<u>155,941</u>
Directors loans are unsecured, bear interest at 5%pa, with no fixed terms of repayment		

Note 10. Convertible notes

	31 Dec 2020 \$	30 Jun 2020 \$
Balance brought forward	590,000	-
Convertible notes issued during the period	<u>2,070,000</u>	<u>590,000</u>
Balance at 30 June 2020	<u>2,660,000</u>	<u>590,000</u>

The terms of the various convertible notes are as follows:

Conversion Period	A period of 22 months commencing from the date of issue
Conversion Event	The day Singular Health group shares are Listed on the Australian Stock Exchange ("ASX")
Conversion Price	The Convertible Notes are converted at a discount of 50% of the price the shares are listed on the ASX. On that basis the Convertible Notes have been recorded at "fair value" with the associated adjustment being recognized as interest.
Interest	Interest accrues on the Convertible Notes at the rate of 10% pa. Prepaid interest of \$1,430,140 resulting from the fair value adjustment, will be amortised to profit and loss over the period from the date the notes are issued and the estimated date of listing on the ASX.

Singular Health Group Ltd Financial Statements
Notes to the Financial Statements
For the half year ended 31 December 2020

Note 11. Equity - issued capital

	31 Dec 2020	30 Jun 2020
	\$	\$
Opening balance	500,000	-
New shares issued during the period (55,000,000 ordinary shares)	-	500,000
Closing balance (55,000,000 ordinary shares)	<u>500,000</u>	<u>500,000</u>

Note 12. Equity – reserves and retained profits

Reserves represents foreign currency translation reserve.

All net gains and losses and transactions with owners (e.g. dividends) from current and prior periods not recognized elsewhere.

Movement schedule of reserves and retained profits is included in the statement of changes in equity.

Note 13. Reconciliation of profit after income tax to net cash from operating activities

	2020
	\$
Loss after income tax expense for the period	(2,093,756)
Adjustments for:	
Depreciation and amortisation	30,318
Convertible note interest	1,054,327
Foreign exchange translation differences	(2,780)
Change in operating assets and liabilities:	
Increase in trade and other receivables	(27,958)
Increase in trade and other payables	188,726
	<u>(851,123)</u>
Net cash from operating activities	<u><u> </u></u>

Note 14. Financial Instruments

Financial assets and financial liabilities

	31 Dec 2020	30 Jun 2020
	\$	\$
Financial assets		
Cash and cash equivalents	194,308	130,552
Trade and other receivables	98,349	70,391
	<u>292,657</u>	<u>200,943</u>
Financial liabilities		
Trade payables	279,263	110,160
Convertible notes	2,660,000	590,000
Directors loans	164,052	155,941
	<u>3,103,315</u>	<u>856,101</u>

Note 14. Financial Instruments (continued)

Financial risk management objectives

The company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the company and appropriate procedures, controls and risk limits.

Market risk, price risk and interest rate risk

The company is not exposed to any significant market risk, price risk and interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The company does not hold any collateral.

The company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the company based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 period.

Liquidity risk

Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 15. Commitments

Capital commitments

There were no significant capital commitments as at 31 December 2020

Singular Health Group Ltd Financial Statements
Notes to the Financial Statements
For the half year ended 31 December 2020

Note 16. Events after the reporting date

Subsequent to 31 December 2020 the following event occurred:

- On the 12th February 2021 the company listed on the Australian Stock Exchange. The company issued a further 30,000,000 shares at an issue price of \$0.20 raising \$6,000,000.
- Refer to page 2 of Directors' Report

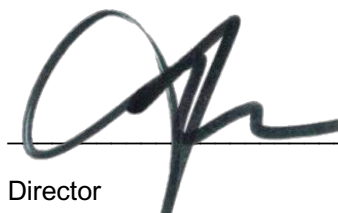
Singular Health Group Ltd Financial Statements
Notes to the Financial Statements
For the half year ended 31 December 2020

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2020 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the directors



A handwritten signature in dark ink, consisting of a large, stylized 'S' followed by a series of loops and a final horizontal stroke, positioned above a solid horizontal line.

Director

26 February 2021

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF SINGULAR HEALTH GROUP LTD****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the financial report of Singular Health Group Ltd (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2020, 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 half-year ended on that date, notes to the financial statements including a summary of significant accounting policies, other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410: *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF SINGULAR HEALTH GROUP LTD (CONTINUED)**

Auditors Responsibility (continued)

As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of *the Corporations Act 2001*.



GREG GODWIN
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 26th day of February 2021.