



**MEDI LIFESTYLE LIMITED
AND ITS SUBSIDIARIES**

Company Registration No: 201117734D

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER (“4Q2023”) AND FINANCIAL YEAR (“12M2023”)
ENDED 31 DECEMBER 2023**

In view of the disclaimer of opinion on going concern assumption issued by the Company’s independent auditors, Mazars LLP, on the audited financial statements of the Group for the financial ended 31 December 2022, the Company is required by the Singapore Exchange Securities Trading Limited (“Exchange”) to announce its quarterly financial statements pursuant to Catalist Rule 705.

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group	Note	3 months ended 31 December ("4Q")			12 months ended 31 December ("12M")		
		4Q2023 RM'000 (Unaudited)	4Q2022 RM'000 (Unaudited)	Change + / (-) %	12M2023 RM'000 (Unaudited)	12M2022 RM'000 (Audited)	Change + / (-) %
Revenue	4	380	268	41.8	1,943	2,401	(19.1)
Cost of sales		(357)	(605)	(41.0)	(1,789)	(2,308)	(22.5)
Gross profit		23	(337)	n.m.	154	93	65.6
Other operating income		115	623	(81.5)	302	1,985	(84.8)
Administrative expenses		(1,028)	(995)	3.3	(5,957)	(5,105)	16.7
Exchange (loss)/gain		(95)	(76)	25.0	(427)	(299)	48.2
Other operating expenses		(416)	(489)	(14.9)	(604)	(622)	(2.9)
Finance costs		(184)	(141)	30.5	(660)	(382)	72.8
Loss before tax	5	(1,585)	(1,415)	12.0	(7,192)	(4,330)	66.1
Income tax	6	(3)	28	n.m.	(3)	28	n.m.
Loss for the period		(1,588)	(1,387)	14.5	(7,195)	(4,302)	67.2
Other comprehensive income/(loss), net of tax							
- Exchange differences on translation of foreign operations		11	(22)	n.m.	(109)	(45)	n.m.
Total comprehensive loss for the period, net of tax		(1,577)	(1,409)	11.9	(7,304)	(4,347)	68.0
Total loss attributable to:							
Owners of the Company		(1,588)	(1,387)	14.5	(7,195)	(4,302)	67.2
Non-controlling interests		-	-	-	-	-	-
		(1,588)	(1,387)	14.5	(7,195)	(4,302)	67.2
Total comprehensive loss attributable to:							
Owners of the Company		(1,577)	(1,409)	11.9	(7,304)	(4,347)	68.0
Non-controlling interests		-	-	-	-	-	-
		(1,577)	(1,409)	11.9	(7,304)	(4,347)	68.0
Loss per share for the period attributable to owners of the Company							
Basic (Malaysia sen)		(1.39)	(2.32)		(8.29)	(7.51)	
Diluted (Malaysia sen)		(1.39)	(2.32)		(8.29)	(7.51)	

n.m. denotes not meaningful

Note: The financial statements for 4Q2022 have been restated, compared to the unaudited results announcement for the financial year ended 31 December 2022 ("FY2022") that was announced on 27 February 2023 ("Unaudited Results"). Details on the material differences between the audited financial statements and the Unaudited Results for FY2022 can be found in the Company's announcement dated 13 April 2023.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Company		Group	
		As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Current assets					
Cash and bank balances		10	13	106	510
Trade receivables	7	-	-	202	624
Other receivables and prepayments	8	684	45	237	220
Inventories		-	-	6	37
		<u>694</u>	<u>58</u>	<u>551</u>	<u>1,391</u>
Non-current assets					
Property, plant and equipment	9	-	-	167	240
Right-of-use assets	10	-	-	93	345
Intangible assets	11	-	-	-	200
Subsidiaries		9,787	7,056	-	-
		<u>9,787</u>	<u>7,056</u>	<u>260</u>	<u>785</u>
Total assets		<u>10,481</u>	<u>7,114</u>	<u>811</u>	<u>2,176</u>
Current liabilities					
Trade payables		-	-	9	11
Other payables and other provisions	12	1,898	2,421	5,849	7,244
Borrowings	13	2,767	719	2,767	719
Lease liabilities	14	-	-	137	293
Contract liabilities		-	-	35	99
Income tax payable		-	-	9	6
		<u>4,665</u>	<u>3,140</u>	<u>8,806</u>	<u>8,372</u>
Non-current					
Borrowings	13	1,225	2,384	1,225	2,384
Lease liabilities	14	-	-	-	131
		<u>1,225</u>	<u>2,384</u>	<u>1,225</u>	<u>2,515</u>
Total liabilities		<u>5,890</u>	<u>5,524</u>	<u>10,031</u>	<u>10,887</u>
Capital and reserves					
Share capital		132,132	127,721	132,132	127,721
Treasury shares		(38)	(38)	(38)	(38)
Currency translation reserve		347	255	(132)	(23)
Capital reserve		6,277	3,893	6,277	3,893
Accumulated losses		(134,129)	(130,241)	(147,459)	(140,264)
Equity attributable to owners of the Company		4,591	1,590	(9,220)	(8,711)
Non-controlling interests		-	-	-	-
Net equity / (capital deficiency)		<u>4,591</u>	<u>1,590</u>	<u>(9,220)</u>	<u>(8,711)</u>
Total liabilities and equity		<u>10,481</u>	<u>7,114</u>	<u>811</u>	<u>2,176</u>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Company

	Share capital (RM'000)	Treasury shares (RM'000)	Accumulated losses (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Total (RM'000)
At 1 January 2023	127,721	(38)	(130,241)	3,893	255	1,590
Total comprehensive loss for the period	-	-	(3,888)	-	94	(3,794)
Transaction with owners:						
Increase in paid-up capital	4,478	-	-	-	-	4,478
Capitalised expenses	(67)	-	-	-	-	(67)
Reclassification of convertible bond to equity reserve	-	-	-	2,384	-	2,384
At 31 December 2023	132,132	(38)	(134,129)	6,277	349	4,591

Company

	Share capital (RM'000)	Treasury shares (RM'000)	Accumulated losses (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Total (RM'000)
At 1 January 2022	126,156	(38)	(127,406)	3,893	123	2,728
Total comprehensive loss for the period	-	-	(2,835)	-	132	(2,703)
Transaction with owners:						
Increase in paid-up capital	1,600	-	-	-	-	1,600
Capitalised expenses	(35)	-	-	-	-	(35)
At 31 December 2022	127,721	(38)	(130,421)	3,893	255	1,590

Group

	Share capital (RM'000)	Treasury shares (RM'000)	Retained earnings (Accumulated losses) (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Equity attributable to owners of the Company (RM'000)	Non-controlling interests (RM'000)	Total equity (RM'000)
At 1 January 2023	127,721	(38)	(140,264)	3,893	(23)	(8,711)	-	(8,711)
Loss for the year	-	-	(7,195)	-	-	(7,195)	-	(7,195)
Other comprehensive income - Currency translation difference arising from consolidation	-	-	-	-	(109)	(109)	-	(109)
Transaction with owners:								
Increase in paid-up capital	4,478	-	-	-	-	4,478	-	4,478
Capitalised expenses	(67)	-	-	-	-	(67)	-	(67)
Reclassification of convertible bond to capital reserve	-	-	-	2,384	-	2,384	-	2,384
At 31 December 2023	132,132	(38)	(147,459)	6,277	(132)	(9,220)	-	(9,220)

Group

	Share capital (RM'000)	Treasury shares (RM'000)	Retained earnings (Accumulated losses) (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Equity attributable to owners of the Company (RM'000)	Non-controlling interests (RM'000)	Total equity (RM'000)
At 1 January 2022	126,156	(38)	(135,962)	3,893	22	(5,929)	-	(5,929)
Loss for the year	-	-	(4,302)	-	-	(4,302)	-	(4,302)
Other comprehensive income - Currency translation difference arising from consolidation	-	-	-	-	(45)	(45)	-	(45)
Transaction with owners:								
Increase in paid-up capital	1,600	-	-	-	-	1,600	-	1,600
Capitalised expenses	(35)	-	-	-	-	(35)	-	(35)
At 31 December 2022	127,721	(38)	(140,264)	3,893	(23)	(8,711)	-	(8,711)

D. INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Group	3 Months ended		12 Months ended	
	31 December ("4Q")		31 December ("12M")	
	4Q2023 RM'000 (Unaudited)	4Q2022 RM'000 (Unaudited)	12M2023 RM'000 (Unaudited)	12M2022 RM'000 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax:	(1,585)	(1,415)	(7,192)	(4,330)
	(1,585)	(1,415)	(7,192)	(4,330)
Adjustments for:				
Depreciation of property, plant and equipment	21	15	85	53
Depreciation of right-of-use ("ROU") assets	68	71	283	403
Loss on lease modification	-	19	-	81
Gain on termination of lease	-	(239)	-	(1,258)
Property, plant and equipment written off	-	2	-	2
Impairment of inventories	11	-	11	-
Gain arising from extinguishment of loan	-	(203)	-	(203)
Loss/(Gain) in fair value of convertible loan	171	(347)	171	(347)
Impairment of receivables	22	362	210	433
Impairment of rights of use assets	-	46	-	46
Impairment of property, plant and equipment	13	53	13	53
Impairment of intangible asset	200	-	200	-
Write back of impairment of right of use assets	(17)	-	(19)	-
Interest expenses	184	141	660	382
Operating loss before working capital changes	(912)	(1,495)	(5,578)	(4,685)
Inventories	14	10	19	10
Trade and other receivables and prepayments	84	245	234	173
Contract liabilities	4	19	(66)	19
Trade and other payables and other provisions	732	246	(1,354)	2,363
Net cash used in operating activities	(78)	(975)	(6,745)	(2,120)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	-	(95)	(25)	(191)
Net cash used in investing activities	-	(95)	(25)	(191)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of lease liability	(83)	(20)	(322)	(950)
Repayment of convertible and short-term loans (principal & interest)	-	(790)	(1,846)	(1,300)
Convertible loan note	-	2,128	332	2,128
Convertible bond	-	-	6,884	-
Medium-term loan	-	-	332	-
Short-term loan	-	-	1,047	-
Proceeds from issuance of ordinary shares	-	-	-	1,600
Capitalised transaction costs on issuance of ordinary shares	-	-	(67)	(35)
Net cash generated from / (used in) financing activities	(83)	1,318	6,360	1,443
Net decrease in cash and cash equivalents	(161)	248	(410)	(868)
Cash and cash equivalents at beginning of the period	267	123	510	1,218
Currency translation difference of cash and cash equivalents at beginning of the period	-	139	6	160
Cash and cash equivalents at end of period	106	510	106	510
<i>Cash and bank balances comprise:</i>				
Cash and bank balances	106	510	106	510
Cash and cash equivalents at end of period	106	510	106	510

E. SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate and group information

Medi Lifestyle Limited (the “Company”) (Registration No. 201117734D) is incorporated in Singapore with its principal place of business at Unit 100.3.015, 129 Offices, Block J, Jaya One, 72A Jalan Universiti, Section 13, 46200 Petaling Jaya, Selangor, Malaysia and registered office at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619. Its shares are publicly traded on the Catalist board of the Singapore Exchange.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are in the Healthcare and Wellness sector. The financial results presented under continuing operations for the three months (“4Q2023”) and financial year (“12M2023”) ended 31 December 2023 comprise of (i) the Healthcare and Wellness sector which includes 1 postpartum care centre as well as 2 chiropractic and physiotherapy centres in Malaysia; and (ii) Outsourced services in Malaysia and Singapore including human resource recruitment and payroll, and other support services.

During the financial year ended 31 December 2021, the voluntary liquidation of HealthPro Pte Ltd and appointment of a liquidator was approved at an extraordinary general meeting and a meeting of creditors on 27 August 2021, whereupon the subsidiary was reclassified under discontinued operations and its assets and liabilities being held under liquidation were deconsolidated from the Group’s condensed interim financial statements. HealthPro Pte Ltd was dissolved on 22 September 2022.

2. Basis of preparation

The condensed interim financial statements for 4Q2023 and 12M2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited financial statements for the twelve months ended 31 December 2022.

The interim statements of financial position of the Company and its subsidiaries as at 31 December 2023 and related interim consolidated profit or loss and other comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for 4Q2023 and 12M2023 and certain explanatory notes have not been independently audited or reviewed.

Except as disclosed in Note 2.1 below, the Group has applied the same accounting policies and methods of computation in the financial statements for current financial period reported on, as those applied in the Group’s most recently audited financial statements for the financial year ended 31 December 2022, which were prepared in accordance with Singapore Financial Reporting Standards (International).

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates its functional currency. The functional currency of the Company is Singapore Dollar (“S\$”) while the consolidated financial statements of the Group and the statement of financial position and changes in equity of the Company are presented in Malaysia Ringgit (“RM”).

2.1 New and amended standards adopted by the Group

The Group has adopted all the new and revised Singapore Financial Reporting Standards (International) (“SFRS(I)”) and SFRS(I) Interpretations (“SFRS(I) INTs”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2023, where applicable. The adoption of these standards from the effective date has not resulted in material adjustments to the financial position, results of operations or cash flows of the Group for 4Q2023 and 12M2023. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of estimates and judgement

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions about the carrying amount of assets and liabilities that were not readily apparent from other sources in the application of the Group’s accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors considered to be reasonable under the circumstances. Actual results may differ from these estimates.

Other than the following disclosure, there are no critical judgement made by management in the process of applying the Group's accounting policies which may have the most significant effect on the amounts recognised in the financial statements.

Impairment review of property, plant and equipment and right-of-use asset

Property, plant and equipment and right-of-use assets are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value-in-use) of the asset is estimated to determine the impairment loss.

The estimation of recoverable amount involves projection of future cash flows and use of an appropriate discount rate to discount the projected cash flows to net present value. These projections and discount rate are significant accounting estimates which can cause significant change in the carrying amount in the future should the estimates change.

The Group has experienced the effects of challenging economic conditions in the Healthcare sector. Management has made significant estimates on the probability of the economic conditions improving in their projected cash flows.

Impairment of investment in subsidiaries

Management exercises their judgement in estimating recoverable amounts of its investment in subsidiaries of the Company. The recoverable amounts of the investments are reviewed at the end of each reporting period to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value-in-use. In assessing value-in-use, management needs to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows.

Calculation of loss allowance for trade and other receivables

When measuring expected credit loss ("ECL") the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Impairment review of intangible assets

Intangible assets are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value-in-use) of the asset is estimated to determine the impairment loss.

The estimation of recoverable amount involves projection of future cash flows and use of an appropriate discount rate to discount the projected cash flows to net present value. These projections and discount rate are significant accounting estimates which can cause significant change in the carrying amount in the future should the estimates change.

The Group's intangible asset is in relation to the acquisition of an e-Commerce platform to support the marketing and sales of the DNA profiling product "Qodify". In view of prevailing business economics, the Group has suspended the marketing and sales efforts of Qodify and future cash flows from this business is indeterminate. In addition, the e-Commerce platform is a customized application for Qodify and as such is unlikely to have a resale value. In view of the above, management has assessed a full impairment of the Group's intangible asset is necessary for 12M2023.

2.3 Going concern assumption

As at 31 December 2023, the Group's current liabilities exceeded its current assets by RM8.3 million. In addition, the Group incurred a net loss of RM7.2 million and net operating cash outflow of RM6.7million for the twelve months ended 31 December 2023. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. To support the financial statements having been prepared on a going concern basis and to ensure the adequacy of funds required to meet its obligations, working capital and capital commitment needs, the Group prepared a 15-month consolidated cash flow forecast from 1 January 2024 ("Cash Flow Forecast"). In preparing the Cash Flow Forecast, the management has taken the following into consideration:

- (i) raised S\$2.0 million of the planned S\$3.0 million of convertible bonds, of which S\$1.7 million has been converted into ordinary shares of the Company as at the date of this announcement;

- (ii) letter of undertaking from a third-party creditor has been obtained, to not demand repayment of the amounts owing to them of approximately RM0.9 million until resources permit.

2.4 Board's comments on going concern assumption

In the assessment of Group's going concern, the Board has considered the followings:

- (a) the Cash Flow Forecast prepared by management, including estimated earnings from the Healthcare Sector and the Outsourced Services Sector;
- (b) having raised S\$2.0 million of the planned fund-raising of up to S\$3.0 million in the form of convertible bonds, of which S\$1.7 million of convertible bonds have been converted into ordinary shares of the Company as at the date of this announcement;
- (c) raising of S\$1.3 million through a shareholder loan is expected to be signed by end February 2024; and
- (d) letter of undertaking from a third-party creditor, to not demand repayment of the amounts owing to them of approximately RM0.9 million until the Group's resources permit.

Barring any unforeseen circumstances, the Board is of the opinion that the Group should be able to meet its working capital commitments for the next 12 months and the Group's financial statements be prepared on a going concern basis.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segmental and revenue information

The Group's reportable segments were identified as follows:

Operations consist of:

- Healthcare – postpartum care, chiropractic & physiotherapy services and cell-therapy products.
- Outsourced Services – human resource recruitment and payroll, and other outsourced support services
- Corporate – investment holding activities

These operating segments are reported in a manner consistent with internal reporting provided to the Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments

4.1 Reportable Segments

The segment analysis on the Group's results for three months ended 31 December 2023 ("4Q2023") and 31 December 2022 ("4Q2022") are as follows:-

Group	Healthcare		Corporate		Outsourced Services		Combined	
	4Q2023	4Q2022	4Q2023	4Q2022	4Q2023	4Q2022	4Q2023	4Q2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE								
Total sales	35	218	-	-	345	87	380	305
Inter-segment sales	-	-	-	-	-	(37)	-	(37)
External sales	35	218	-	-	345	50	380	268
RESULTS								
Segment results	(937)	1,209	(464)	(1,705)	-	(778)	(1,401)	(1,274)
Finance costs	(2)	-	(182)	(141)	-	-	(184)	(141)
Taxation	(939)	1,209	(646)	(1,846)	-	(778)	(1,585)	(1,415)
Loss for the period							(3)	28
Loss attributable to							(1,588)	(1,387)
- owners of the Company							(1,588)	(1,387)
- non-controlling interest							-	-
Loss for the period							(1,588)	(1,387)
Depreciation of property, plant and equipment	(12)	(10)	(9)	(5)	-	-	(21)	(15)
Depreciation of right-of-use assets	-	-	(68)	(69)	-	(2)	(68)	(71)
Impairment of property, plant and equipment	(13)	-	-	(53)	-	-	(13)	(53)
Impairment of intangible asset	(200)	-	-	-	-	-	(200)	-
Impairment of trade receivables	-	-	-	-	(22)	(362)	(22)	(362)
Property, plant and equipment written off	-	(2)	-	-	-	-	-	(2)
Write back of right-of-use assets	-	-	17	-	-	-	17	-
Impairment of ROU assets	-	-	-	(46)	-	-	-	(46)
Impairment of inventories	(11)	-	-	-	-	-	(11)	-
Gain arising from extinguishment of loan	-	-	-	203	-	-	-	203
(Loss)/Gain in fair value of convertible loan	-	-	(171)	347	-	-	(171)	347
Gain on termination of lease	-	239	-	-	-	-	-	239
Loss on lease modification	-	(19)	-	-	-	-	-	(19)

The segment analysis on the Group's results for twelve months ended 31 December 2023 ("12M2023") and 31 December 2022 ("12M2022") are as follows:-

Group	Healthcare		Corporate		Outsourced Services		Combined	
	12M2023	12M2022	12M2023	12M2022	12M2023	12M2022	12M2023	12M2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE								
Total sales	950	682	-	-	996	1,806	1,946	2,488
Inter-segment sales	-	-	-	-	(3)	(87)	(3)	(87)
External sales	950	682	-	-	993	1,719	1,943	2,401
RESULTS								
Segment results	(2,581)	252	(3,393)	(3,138)	(558)	(1,062)	(6,532)	(3,948)
Finance costs	(15)	(42)	(645)	(334)	-	(6)	(660)	(382)
	(2,596)	210	(4,038)	(3,472)	(558)	(1,068)	(7,192)	(4,330)
Taxation							(3)	28
Loss for the period							(7,195)	(4,302)
Loss attributable to								
- owners of the Company							(7,195)	(4,302)
- non-controlling interest							-	-
Loss for the period							(7,195)	(4,302)
Depreciation of property, plant and equipment	(48)	(35)	(36)	(17)	(1)	(1)	(85)	(53)
Depreciation of right-of-use assets	-	-	(283)	(270)	-	(133)	(283)	(403)
Impairment of property, plant and equipment	(13)	-	-	(53)	-	-	(13)	(53)
Impairment of intangible asset	(200)	-	-	-	-	-	(200)	-
Impairment of trade receivables	-	-	-	-	(210)	(433)	(210)	(433)
Property, plant and equipment written off	-	(2)	-	-	-	-	-	(2)
Write back of right-of-use assets	-	-	19	-	-	-	19	-
Impairment of ROU assets	-	-	-	(46)	-	-	-	(46)
Impairment of inventories	(11)	-	-	-	-	-	(11)	-
Gain arising from extinguishment of loan	-	-	-	203	-	-	-	203
(Loss)/Gain in fair value of convertible loan	-	-	(171)	347	-	-	(171)	347
Gain on termination of lease	-	1,258	-	-	-	-	-	1,258
Loss on lease modification	-	(78)	-	-	-	(3)	-	(81)

The segment analysis on the Group's assets and liabilities as at 31 December 2023 and 31 December 2022 are as follows:-

	Continuing Operations						Combined	
	Healthcare		Corporate		Outsourced Services		As at 31 December 2023	As at 31 December 2022
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Assets								
Segment assets	226	548	270	927	315	701	811	2,176
Sub-Total	226	548	270	927	315	701	811	2,176
Unallocated assets							-	-
Consolidated total assets							811	2,176
Liabilities								
Segment liabilities	1,750	2,486	7,041	6,870	1,230	1,520	10,021	10,876

	Continuing Operations						Combined	
	Healthcare		Corporate		Outsourced Services		As at 31 December 2023	As at 31 December 2022
	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022	As at 31 December 2023	As at 31 December 2022		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Sub-Total	1,750	2,486	7,041	6,870	1,230	1,520	10,021	10,876
Unallocated liabilities							10	11
Consolidated total liabilities							10,031	10,887

4.2 Disaggregation of revenue

<u>Group</u>	3 months ended 31 December ("4Q")			12 months ended 31 December ("12M")		
	4Q2023	4Q2022	Change	12M2023	12M2022	Change
	RM'000	RM'000	+ / (-) %	RM'000	RM'000	+ / (-) %
Continuing operations (Healthcare Sector)						
Rendering of confinement centre services – Over time	-	132	n.m.	391	479	(18.4)
Rendering of permanent placement services – Point in time	342	111	208.0	939	1,053	(10.8)
Rendering of human resource and payroll services – Over time	3	(85)	n.m.	54	641	(91.6)
Rendering of chiro & physio services – Point in time	35	41	(14.6)	136	115	18.3
Sale of related products – Point in time	-	69	n.m.	423	113	274.3
	380	268	41.8	1,943	2,401	(19.1)

4.3 Geographical Segment

The following table shows the distribution of the Group's combined sales based on geographical location of customers.

<u>Group</u>	3 months ended 31 December ("4Q")		12 months ended 31 December ("12M")	
	4Q2023	4Q2022	12M2023	12M2022
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
Malaysia	37	184	957	998
Singapore	343	84	986	1,403
Total revenue	380	268	1,943	2,401

4.4 A breakdown of sales

<u>Group</u>	12 months ended 31 December ("12M")		
	12M2023	12M2022	%
	RM'000	RM'000	Change
a) Sales reported for first half year	891	1,334	(33.2)
b) Operating profit/loss after tax before deducting non-controlling interest for first half year	(4,433)	(2,570)	72.5
c) Sales reported for second half year	1,052	1,067	(1.4)
d) Operating profit/loss after tax before deducting non-controlling interests reported for second half year	(2,762)	(1,732)	59.5

5. Loss before tax

Loss for the financial period is arrived after charging the following:

<u>Group</u>	3 months ended			12 months ended		
	31 December ("4Q")			31 December ("12M")		
	4Q2023	4Q2022	Change	12M2023	12M2022	Change
	RM'000	RM'000	+ / (-) %	RM'000	RM'000	+ / (-) %
Rental Income	86	-	n.m.	255	-	n.m.
Interest expense	(184)	(141)	30.5	(660)	(382)	72.8
Depreciation of property, plant and equipment	(21)	(15)	40.0	(85)	(53)	60.4
Depreciation of right-of-use asset	(68)	(71)	(4.2)	(283)	(403)	(29.8)
Impairment of property, plant and equipment	(13)	(53)	(75.5)	(13)	(53)	(75.5)
Impairment of intangible asset	(200)	-	n.m.	(200)	-	n.m.
Impairment of trade receivables	(22)	(362)	(93.9)	(210)	(433)	(51.5)
Property, plant and equipment written off	-	(2)	n.m.	-	(2)	n.m.
Write back of right-of-use assets	17	-	n.m.	19	-	n.m.
Impairment of ROU Asset	-	(46)	n.m.	-	(46)	n.m.
Impairment of inventories	(11)		n.m.	(11)		n.m.
Gain arising from extinguishment of loan	-	203	n.m.	-	203	n.m.
(Loss)/Gain in fair value of convertible loan	(171)	347	n.m.	(171)	347	n.m.
Loss on lease modification	-	(19)	n.m.	-	(81)	n.m.
Gain on termination of lease	-	239	n.m.	-	1,258	n.m.

6. Income Tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	12M2023	12M2022
	RM'000	RM'000
	(Unaudited)	(Audited)
Current tax expense	(3)	-
Adjustments recognised in the current year in relation to the current tax of prior years	-	28
Deferred tax	-	-
	(3)	28

7. Trade receivables

	Group	
	As at 31 December 2023	As at 31 December 2022
	RM'000	RM'000
	(Unaudited)	(Audited)
Third parties	993	1,205
Provision for doubtful debts – trade	(791)	(581)
	202	624

The trade receivables are derived from the Outsourced Services segment. Management applied the "simplified approach" for assessing expected credit losses for trade receivables from third parties. Under the simplified approach, the Group's

management developed a provision matrix using historical credit loss rates adjusted with forward looking information to reflect the effects of the current and future economic conditions, economic factors impacted by global events and externalities. The main factors considered in determining the lifetime expected credit losses for these customers are debts past due more than 6 months and there was currently uncertainty over the recoverability of the debts.

8. Other receivables and prepayments

	Company		Group	
	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Deposits	-	-	128	124
Prepayments	25	45	108	93
Accrued revenue	-	-	-	2
Amount owing by subsidiaries	652	-	-	-
Others	7	-	1	1
	<u>684</u>	<u>45</u>	<u>237</u>	<u>220</u>

9. Property, plant and equipment

During the twelve months ended 31 December 2023, the Group acquired property, plant and equipment amounting to RM25,000 (31 December 2022: RM191,000) comprising mainly computer software and office equipment.

10. Right-of-use assets

<u>Group</u>	Office unit RM'000	Confinement centre RM'000	Integrated units RM'000	Total RM'000
Cost:				
At 1 January 2022	387	1,752	795	2,934
Termination of lease	(387)	(1,752)	-	(2,139)
Currency translation difference	-	-	39	39
At 31 December 2022	-	-	834	834
Currency translation difference	-	-	(15)	(15)
At 31 December 2023	-	-	819	819
Accumulated depreciation:				
At 1 January 2022	77	531	159	767
Depreciation for the year	133	-	270	403
Termination of lease	(210)	(531)	-	(741)
Currency translation difference	-	-	14	14
At 31 December 2022	-	-	443	443
Depreciation for the period	-	-	283	283
Currency translation difference	-	-	(27)	(27)
At 31 December 2023	-	-	699	699
Accumulated Impairment:				
At 1 January 2022	-	1,221	-	1,221
Impairment during the year	-	-	46	46
Termination of lease	-	(1,221)	-	(1,221)
At 31 December 2022	-	-	46	46
Write Back Impairment for the period	-	-	(19)	-
At 31 December 2023	-	-	27	46
Carrying amount:				
At 31 December 2023	-	-	93	93
At 31 December 2022	-	-	345	345

11. Intangible Assets

During the 12 months ended 31 December 2021, the Group has launched a genetic screening service for Malaysia and Singapore markets under the brand name, “Qodify” where the intangible asset represents the purchase of brand name and internet platform from Malaysia Genomics Resources Berhad, a listed company in Malaysia. In view of prevailing business economics, the Group has suspended the marketing and sales efforts of Qodify and future cash flows from this business is indeterminate. In addition, the e-Commerce platform is a customized application for Qodify and as such is unlikely to have a resale value. In view of the above, management has assessed a full impairment of the Group’s intangible asset is necessary for 12M2023.

12. Other payables and other provisions

	Company		Group	
	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Amount owing to directors	366	345	1,873	1,858
Amount owing to subsidiaries	3	3	-	-
Service tax payable	-	-	-	5
Accruals	872	973	1,475	2,111
Other payables	657	1,100	2,501	3,232
Others	-	-	-	38
	<u>1,898</u>	<u>2,421</u>	<u>5,849</u>	<u>7,244</u>

The amount owing to Directors of the Company relate to reimbursable disbursements incurred for business use and are repayable on demand.

13. Borrowings

In relation to the aggregate amount of the Group's borrowings and debt securities, the following are convertible loans and bonds and other debt instruments outstanding at the end of the financial period reported on with comparative figures as at the end of the immediately preceding financial year.

Group and Company	Convertible Loan (RM'000)
At 1 January 2022	2,438
Proceeds from issue of convertible loans	2,128
Accumulated interest	240
Repayment of convertible loans (principal and interest)	(1,300)
Fair value adjustment through profit or loss	(347)
Gain arising from loan extinguishment	(204)
Currency translation difference	148
At 31 December 2022	3,103
Proceeds from issue of convertible loans	332
Proceeds from a medium-term loan	332
Proceeds from a short-term loan	1,047
Proceeds from issue of convertible bonds	6,884
Repayment of convertible loans and short-term loan (principal and interest)	(1,846)
Fair value adjustment of convertible loans	171
Conversion to shares in the Company	(4,478)
Reclassification of convertible bonds to equity component	(2,384)
Accrued interest	644
Currency translation difference	187
At 31 December 2023	3,992
Amount repayable in one year or less, or on demand	2,767
Amount repayable after one year	1,225

Note: Convertible loans include accrued interests and recorded at fair value of the liability component. The fair value of the liability component is calculated using a market interest rate for an equivalent non-convertible loan at the date of issue. The residual amount, representing the value of the equity conversion component, is included in shareholders' equity in other reserves

Details of Borrowings

(a) January 2021 convertible loan agreements

On 29 January 2021, the Company had entered into 1-year unsecured convertible loan agreements with 5 lenders, for an aggregate principal amount of S\$2.25 million ("**29 Jan 2021 CLAs**"). The maturity date is 12 months from the date of disbursement of the loan. The convertible loan bears an interest rate of 10.0% per annum. At the option of the lenders, these loans are convertible into 56,532,663 ordinary shares in the Company at the conversion price of S\$0.0398 per ordinary share on 3 specified dates (i.e. 30 June 2021, 30 September 2021 and/or 31 December 2021). Please refer to the Company's announcement dated 29 January 2021, 4 February 2021, 1 April 2021 and 12 April 2021 for more information.

As at 31 December 2021, S\$2.25 million of the convertible loans has been received by the Group and the Company received a Conversion Notice from I Concept Global Growth Fund ("I Concept") to convert a loan principal sum of S\$1.6 million ("Conversion Amount") into new ordinary shares in the Company. Accordingly, the Company has on 31 December 2021 allotted and issued 40,201,005 new ordinary shares of the Company at S\$0.0398 per ordinary share in favour of I Concept. Please refer to the Company's announcement dated 31 December 2021 for more information.

On 7 November 2022, the Company entered into supplemental agreements with each Wong Soh Shyan and Wong Chui Chui, who were lenders of the 29 Jan 2021 CLAs, to extend the maturity date of amounts totaling S\$200,000 till 31 October 2025. More details can be found in the Company's announcement dated 8 November 2022.

(b) October 2022 convertible loan agreements

In October 2022, the Company entered into non-redeemable convertible loan note agreements ("CLNAs") with 6 lenders, for an aggregate principal amount of S\$647,000 (RM2,128,000). These CLNAs have a tenure of two (2) years and the Company

has the option to convert the principal amount into new ordinary shares of the Company prior to the maturity date. Please refer to the Company's announcement dated 14, 18 and 31 October 2022 for more information.

(c) Feb 2023 convertible loan agreement

On 17 February 2023, the Company entered into a non-redeemable convertible loan note agreement ("CLNA") with a lender for an aggregate principal amount of S\$100,000 (RM332,000). The CLNA has a tenure of two (2) years and the Company has the option to convert the principal amount into new ordinary shares of the Company prior to the maturity date. Please refer to the Company's announcement dated 17 February 2023 for more information.

(d) March 2023 loan agreement

On 1 March 2023, Wong Soh Shyan extended a loan of S\$100,000 (RM332,000) to the Company. The loan has a 10% interest per annum and shall be repayable within 3 years from the date of the drawdown.

(e) March 2023 short term loan agreement

On 31 March 2023, the Company entered into a short term loan ("STL") agreement with a lender for an aggregate principal of S\$300,000 (RM1,047,000) at an interest of 2.5% per month and shall be payable within 4 months from the date of the drawdown. The STL has been fully repaid during 12M2023.

(f) S\$30 million convertible bond issuance

In an extraordinary general meeting held on 28 April 2023, shareholders of the Company approved the issuance of Convertible Bonds of a principal amount of up to S\$30,000,000 to 2 Aces Premier Equity Fund. On 29 April 2023, the Company received from SGX-ST the approval for up to 1,500,000,000 Conversion Shares; and up to 27,583,058 Adjustment Shares to be issued pursuant to adjustments made to the outstanding convertible securities in relation to the Convertible Bonds Subscription Agreement entered between 2 Aces Premier Equity Fund and the Company.

On 19 May 2023, the Company issued Convertible Bonds with an aggregate principal of S\$1.5 million to 2 Aces Premier Equity Fund. Subsequently on 10 July 2023, the Company issued Convertible Bonds with an aggregate principal of S\$0.5 million to 2 Aces Premier Equity. As at 31 December 2023, the Company, upon receipt of conversion notices, had converted Convertible Bonds with an aggregate principal of S\$1.3 million into shares with the allotment and issuance of 54,932,574 new ordinary shares in the Company.

14. Lease liabilities

The Group as lessee:

Group	As at 31 December 2023 RM'000	As at 31 December 2022 RM'000
Lease Liabilities		
Maturity analysis:		
Year 1	154	308
Year 2	-	135
	154	443
Less: Unearned interest	(17)	(19)
	137	424
Analysed as:		
Current	137	293
Non-current	-	131
	137	424

15. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2023 and 31 December 2022:

	Company		Group	
	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Financial Assets				
Financial assets at amortised cost	669	13	437	1,261
Financial Liabilities				
Financial liabilities at amortised cost	1,898	2,421	5,893	7,282
Borrowings	3,992	3,103	3,992	3,103
Lease liabilities	-	-	137	424

Financial assets consist of cash and bank balances, trade and other receivables, excluding prepayments, prepaid leases, tax recoverable and value-added tax receivables. Financial liabilities consist of convertible loans, trade and other payables and advances from a related party excluding value-added tax payables, withholding tax and income tax payable.

16. Subsequent events

On 19 February 2024, the Company, 2 Aces Premier Equity Fund and T2S Pte Ltd (“**T2S**”) had entered into a Deed of Termination that with effect from 19 February 2024, the Subscription Agreement dated 15 March 2023 shall be terminated in its entirety. Notwithstanding the termination of the Subscription Agreement, the S\$700,000 in principal amount of Convertible Bonds held with T2S remain in issue and continue to be governed by the terms and condition of the Convertible Bond. T2S had subsequently transferred S\$400,000 in principal amount of Convertible Bonds to Lingholm Holdings Pte. Ltd. (“**Lingholm**”) and S\$300,000 in principal amount of Convertible Bonds to NCY Energy Pte. Ltd. Further details can be found the announcement dated 19 February 2024.

Lingholm has converted the Convertible Bonds with an aggregate principal of S\$400,000 into 20,000,000 new ordinary shares in the Company. Further details can be found in the announcements dated 20 February 2024.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

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

	Number of shares	Resultant issued and paid-up share capital (S\$)
Issued and paid-up share capital of the Company as at 31 December 2022 (excluding treasury shares) (before share consolidation on 10 May 2023)	597,016,759	49,891,018
Number of consolidated shares after 10:1 share consolidation on 10 May 2023 (excluding treasury shares)	59,701,669	49,891,018
Issuance of new ordinary shares from the conversion of Convertible Bonds	54,932,574	1,300,000
Issued and paid-up share capital of the Company as at 31 December 2023 (excluding treasury shares)	114,634,243	51,191,018

In October 2022, the Company entered into non-redeemable convertible loan note agreements (“CLNAs”) with 6 lenders, for an aggregate principal amount of S\$647,000. These CLNAs have a tenure of two (2) and the Company has the option to convert the principal amount into new ordinary shares of the Company prior to the maturity date. Please refer to the Company's announcement dated 14, 18 and 31 October 2022 for more information.

On 17 February 2023, the Company entered into a non-redeemable convertible loan note agreement (“CLNA”) with a lender for an aggregate principal amount of S\$100,000. The CLNA has a tenure of two (2) years and the Company has the option to convert the principal amount into new ordinary shares of the Company prior to the maturity date. Please refer to the Company's announcement dated 17 February 2023 for more information.

On 15 March 2023, the Company entered into a convertible bond subscription agreement (“Subscription Agreement”) with 2 Aces Premier Equity Fund, a company incorporated in the Cayman Islands (the “Subscriber”). Pursuant to the terms of the Subscription Agreement, the Company has agreed to issue, and the Subscriber has agreed to subscribe for, an aggregate of up to S\$30,000,000 in principal amount of convertible bonds, which are convertible into new ordinary shares in the capital of the Company. On 19 May 2023, the Company issued Convertible Bonds with an aggregate principal of S\$1.5 million to the Subscriber. As at 30 June 2023, on receipt of conversion notices, the Company had converted Convertible Bonds with an aggregate principal of S\$1.3 million into shares by the allotment and issuance of 54,932,574 new ordinary shares of the Company. For more information, please refer to the Company's announcement dated 15 June 2023, 26 June 2023, 28 June 2023, 3 July 2023, 10 July 2023, 11 July 2023, and 4 August 2023.

Save as discussed above, there were no outstanding convertibles, share options or subsidiary holdings as at 31 December 2022. There were no outstanding convertibles, share options or subsidiary holdings as at 31 December 2023.

The total number of treasury shares as at 31 December 2023 and 31 December 2022 are presented below:

	As at 31 December 2023	As at 31 December 2022
Total number of treasury shares	20,000 ⁽¹⁾	200,000
Total number of ordinary shares	114,634,243	597,016,759
% of treasury shares over total number of ordinary shares	0.01%	0.03%

Note 1. Upon the 10:1 share consolidation on 10 May 2023, the Company's 200,000 treasury shares were consolidated to 20,000 treasury shares.

2. To show the total number of issued shares excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding financial year

	As at 31 December 2023	As at 31 December 2022
Number of issued shares of the Company	114,654,243	597,216,759
Share buy-backs held as treasury shares	(20,000)	(200,000)
Number of issued shares excluding treasury shares	114,634,243	597,016,759

3. A statement showing all sales, transfers, disposal, cancellation and / or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and /or use of treasury shares as at 31 December 2023.

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

There were no sales, transfers, cancellation and / or use of subsidiary holdings as at 31 December 2023.

5. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:
a) Updates on the efforts taken to resolve each outstanding audit issue.
b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.
This is not required for any audit issue that is a material uncertainty relating to going concern.

Please refer to Section E paragraph 2.4 for the Board's comments on going concern.

Further the Board is of the opinion that sufficient information has been disclosed for the trading of the Company's securities to continue in an orderly manner and the Board is not aware of any material information that requires disclosure but remains undisclosed as of the date of this announcement.

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

Group	4Q2023 (Malaysia sen)	4Q2022 (Malaysia sen)	12M2023 (Malaysia sen)	12M2022 (Malaysia sen)
Loss per ordinary share for the period based on the net loss attributable to shareholders of the Company:				
(i) Basic	(1.38)	(2.32)	(8.29)	(7.51)
(ii) On a fully diluted basis	(1.38)	(2.32)	(8.29)	(7.51)
Weighted average number of ordinary shares	114,634,243	59,701,675	86,793,267	57,289,262

Note 1: In accordance with SFRS(I) 1-33 *Earnings per Share*, in view of the 10:1 Share Consolidation on 10 May 2023, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. The per share calculations for the current financial period and prior period financial statements shall be presented based on the new Consolidated Shares.

Basic and diluted loss per ordinary share have been computed based on the Group's loss attributable to owners of the parent and the weighted average number of ordinary shares in issue during the respective periods.

The basic and fully diluted loss per ordinary share for 4Q2023 and 4Q2022, 12M2023 and 12M2022 were the same as there were no potentially dilutive ordinary shares existing during 4Q2023 and 4Q2022, 12M2023 and 12M2022 respectively.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	Net asset value per ordinary share (Malaysian sen)	
	As at 31 December 2023	As at 31 December 2022
Group	(8.0)	(1.5)
Company	4.0	0.3

Net asset value per ordinary share as at 31 December 2023 and 31 December 2022 have been calculated based on the aggregate number of ordinary shares of 114,634,243 and 597,016,759 as at the respective dates, excluding treasury shares.

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

Review of Statement of Comprehensive Income

Breakdown by business segments

Three Months ended 31 December 2023 and 31 December 2022

Business segment	4Q2023			4Q2022		
	Revenue (RM'000)	Gross Profit (RM'000)	GP Margin %	Revenue (RM'000)	Gross Profit (RM'000)	GP Margin %
<u>Continuing Operations</u>						
Healthcare services	35	(59)	(168.6)	218	27	12.4
Outsourced services	345	82	23.8	50	(364)	(728.0)
Total	380	23	6.0	268	(337)	(125.8)

Twelve Months ended 31 December 2023 and 31 December 2022

Business segment	12M2023			12M2022		
	Revenue (RM'000)	Gross Profit (RM'000)	GP Margin %	Revenue (RM'000)	Gross Profit (RM'000)	GP Margin %
<u>Continuing Operations</u>						
Healthcare services	950	109	11.5	682	94	13.8
Outsourced services	993	45	4.5	1,719	(1)	(0.1)
Total	1,943	154	7.9	2,401	93	3.8

Continuing Operations

Revenue

Revenue for the Group in 4Q2023 was increased by 41.8% to RM0.38 million from RM0.27 million in 4Q2022 was mainly contributed by an increase in revenue from Outsourced services, in particular manpower recruitment services, which was largely offset by a reduction in revenue from Healthcare services arising from the suspension of postpartum care services during 4Q2023. The Group's postpartum centre at SS2 Petaling Jaya is undergoing rectification works by the landlord and the Group has temporarily suspended bookings since November 2023. The Group is exploring other sites for a new postpartum care centre and will resume postpartum care services at an opportune time.

The Group's revenue for 12M2023 was reduced by 19.1% to RM1.9 million from RM2.4 million for 12M2022 due mainly to a 42.2% decline in revenue from Outsourced services in view of the measures taken since fourth quarter of 2022 that payroll services will not be provided to client accounts until outstanding payments have been settled. Revenue from Healthcare services for 12M2023 increased by 39.2% from 12M2022 due mainly to encouraging initial sales from cell-therapy products notwithstanding the suspension of postpartum care services in 4Q2023.

Gross Profit

The Group's gross profit for 4Q2023 was RM23 thousand compared to a gross loss of RM0.3 million for 4Q2022. Outsourced services recorded a gross profit of RM82 thousand for 4Q2023 due to increased business activity for manpower recruitment services compared to a gross loss of RM0.4 million for 4Q2022 due to a decline in revenue from human resource and payroll services. Healthcare services recorded a gross loss of RM59 thousand for 4Q2023 due mainly to the suspension of postpartum care services. The Group reported a gross profit margin of 6.0% for 4Q2023 compared to a gross loss margin for 4Q2022 due to reasons explained above.

Gross profit for 12M2023 increased by 65.6% to RM154 thousand from RM93 thousand in 12M2022 due to an improvement in gross profit from Outsourced services of RM45 thousand in 12M2023 compared to a gross loss of RM1 thousand in 12M2022. Gross profit for Healthcare services in 12M2023 improved by 15.9% to RM109 thousand from RM94 thousand in 12M2022 due mainly to promising initial sales of cell-therapy products notwithstanding the suspension of postpartum care services in 4Q2023. Due to the above, the Group's gross profit margin for 12M2023 was 7.9% compared to the 3.8% gross profit margin for 12M2022.

Other Operating Income

The Group reported other operating income for 4Q2023 of RM115 thousand due mainly to (i) RM86 thousand rental income for the sub-lease of an office space in Singapore and (ii) RM17 thousand write-back on the impairment of a right-of-use asset. In comparison, other operating income of RM0.6 million for 4Q2022 was due mainly to (i) RM203 thousand gain from the extinguishment of a loan; (ii) RM347 thousand gain from the fair valuing of convertible loan notes and (iii) RM52 thousand gain (net of reversal of rental rebate recognised previously of RM187 thousand) from termination of lease planned Mines2 postpartum centre in Malaysia.

Other operating income for the Group in 12M2023 was RM0.3 million mainly from (i) RM255 thousand rental income from an office sub-lease and (ii) RM19 thousand write-back on the impairment of a right-of-use asset. In comparison, other operating income for 12M2022 of RM2.0 million was due mainly to (i) RM1.3 million gain from the termination of a lease; (ii) RM0.6 million fair value gain on convertible loan notes and extinguishment of convertible loans; and (iii) 0.1 million of government subsidies for restrictions on business activities from the Covid-19 outbreak.

Administrative Expenses

Administrative expenses in 4Q2023 and 4Q2022 has remained relatively stable at RM1.0 million. Administrative expenses in 12M2023 had increased by 16.7% to RM6.0 million from RM5.1 million in 12M2022 due mainly to: (i) a one-time RM1.3 million legal, corporate and fund raising costs related to the convertible bond and share consolidation exercise that was announced in March 2023. This increase in administrative expenses was partially offset by (i) RM0.3 million decrease in manpower cost from a natural attrition of headcount; and (ii) RM0.1 million reduction in depreciation of ROU assets due to the termination of an office space lease in Singapore during 12M2022. Depreciation of property, plant and equipment ("PPE") for 12M2023 increased by 60.4% to RM85 thousand from RM53 thousand in 12M2022 due to the acquisition of computer software and office equipment.

Exchange Gain/Loss

The Group recorded an exchange loss of RM95 thousand in 4Q2023 compared to an exchange loss of RM76 thousand in 4Q2022. For 12M2023, the Group recorded an exchange loss of RM427 thousand compared to an exchange loss of RM299 thousand for 12M2022. The exchange losses for 4Q2023 and 12M2023 were due to a general strengthening Singapore Dollar against Malaysia Ringgit thereby increasing the costs of other payables of Malaysian subsidiaries that are denominated in Singapore Dollar.

Other Operating Expenses

Other operating expenses of RM416 thousand for 4Q2023 was due mainly to (i) RM200 thousand impairment of intangible asset related to the DNA profiling e-Commerce platform; (ii) RM171 thousand loss from the fair valuing of convertible loans; (iii) RM13 thousand impairment of PPE related to the SS2 Petaling Jaya postpartum centre; (iv) RM11 thousand impairment of inventory of postpartum care services that are no longer in use; and (v) RM22 thousand impairment on trade receivable of a human resource ("HR") and payroll service customer. In comparison, other operating expenses of RM489 thousand for

4Q2022 was due mainly to (i) RM362 thousand impairment of trade receivables related to HR and payroll services; (ii) RM53 thousand impairment of PPE; and (iii) RM46 thousand impairment on right-of-use asset.

Other operating expense of RM604 thousand for 12M2023 was due mainly to (i) RM200 thousand impairment of intangible assets related to the DNA profiling e-Commerce platform; (ii) RM171 thousand fair value loss on convertible loans; (iii) RM210 thousand impairment of trade receivables related to HR and payroll services; (iv) RM13 thousand impairment of PPE; and (v) RM11 thousand impairment of inventory. In comparison, other operating expense of RM622 thousand for 12M2022 was due mainly to (i) RM433 thousand impairment on trade receivables from Outsourced services; (ii) RM81 thousand loss on lease modifications arising from a write-off of prepaid professional and application fees in relation to the termination of the Mines2 postpartum centre in Malaysia; (iii) RM53 thousand impairment of PPE; and (iv) RM46 impairment of ROU asset.

Finance Costs

Finance costs for 4Q2023 increased by 30.5% to RM184 thousand from RM141 thousand for 4Q2022 due mainly to accrued interest payable on convertible loan notes, short and medium term loans that were entered into during 4Q2023 and 12M2023. For the same reasons, finance cost for 12M2023 increased by 72.8% to RM660 thousand from RM382 thousand in 12M2022.

Loss Before Tax

For the reasons set out above, the Group recorded a loss before tax of RM1.6 million for 4Q2023 compared to a loss before tax of RM1.4 million for 4Q2022. For 12M2023, the Group recorded a loss before tax of RM7.2 million compared to a loss before tax of RM4.3 million for 12M2022.

Review of Statement of Financial Position

Current Assets

The Group's trade receivables decreased to RM0.2 million as at 31 December 2023 from RM0.6 million as at 31 December 2022 due mainly to RM0.2 million settlement of trade receivables from Outsourced services and RM0.2 million impairment of receivables from HR and payroll service clients. The Group's current portion of other receivables and prepayments remained relatively stable at RM237 thousand as at 31 December 2023 and RM220 thousand as at 31 December 2022. Inventories decreased to RM6 thousand as at 31 December 2023 from RM37 thousand as at 31 December 2022 due mainly to improved sales from Healthcare business segment in 12M2023 and RM11 thousand impairment of postpartum care inventory no longer in use.

Non-Current Assets

PPE decreased to RM167 thousand as at 31 December 2023 from RM240 thousand as at 31 December 2022 due mainly to depreciation charges of RM85 thousand and RM13 thousand impairment of PPE related to the suspension of operations at the SS2 Petaling Jaya postpartum centre; and these are partially offset by the RM25 thousand acquisition of software, office equipment and fittings. ROU assets reduced to RM93 thousand as at 31 December 2023 from RM345 thousand as at 31 December 2022 due mainly to depreciation charges of RM283 thousand for office space leases in Singapore and Malaysia and partially offset by a RM19 thousand write-back of a previously impaired ROU assets. Intangible assets as at 31 December 2023 is nil compared of RM0.2 million as at 31 December 2022 due to a RM0.2 million impairment on the e-Commerce platform designed for the sales of DNA profiling product "Qodify" given that the Group has suspended the development of Qodify until the Group's financial position improves.

Capital and Reserves

Share capital of the Company and the Group increased by RM4.4 million to RM132.1 million as at 31 December 2023 from RM127.7 million as at 31 December 2022 due to the conversion of S\$1.3 million of Convertible Bonds into new ordinary shares in the Company. Capital reserves increased by RM2.4 million as at 31 December 2023 due to the reclassification of S\$700 thousand in principal value of Convertible Bonds as equity instrument. The Group's currency translation reserve as at 31 December 2023 was a deficit of RM132 thousand compared to a deficit of RM23 thousand as at 31 December 2022 due to the strengthening of the Singapore Dollar during the period in review.

Accumulated losses for the Group increased by RM7.2 million to RM147.5 million as at 31 December 2023 from RM140.3 million as at 31 December 2022 due to the loss recorded for 12M2023.

Non-Current Liabilities and Current Liabilities

Trade payables remained relatively stable at RM9 thousand as at 31 December 2023 compared to RM11 thousand as at 31 December 2022. Other payables for the Group as at 31 December 2023 decreased by RM1.4 million to RM5.8 million from RM7.2 million as at 31 December 2022 due mainly to settlement of RM1.6 million in payables and partially offset by RM0.2 million in currency translation for Singapore Dollar denominated payables that resulted from an appreciation of the Singapore Dollar against the Malaysia Ringgit. Borrowings increased by RM0.9 million to RM4.0 million as at 31 December 2023 from RM3.1 million as at 31 December 2022 due to (i) raising of RM8.6 million in convertible loan notes, convertible bonds, short and medium term loans; (ii) interest accruals of RM0.6 million; (iii) increase of RM0.2 million in the fair value of convertible loan notes and (iv) currency translation of RM0.2 million; which were partially offset by (i) conversion of RM4.5 million in convertible bonds into new ordinary shares in the Company; (ii) settlement of RM1.8 million in convertible notes, short-term loan and accrued interest and (iii) reclassification of RM2.4 million in convertible bonds into equity reserve.

Current and non-current lease liabilities as at 31 December 2023 decreased by RM0.3 million to RM0.1 million from RM0.4 million as at 31 December 2022 due mainly to net lease payments of RM0.3 million. Contract liabilities reduced to RM35 thousand as at 31 December 2023 from RM99 thousand as at 31 December 2022 due mainly to fulfilment of contractual obligations related to manpower recruitment services.

Review of Statement of Cash Flows

For 4Q2023 the Group used RM0.1 million for operating activities, mainly due to (i) RM0.9 million operating loss before working capital changes which were offset by (i) RM0.7 million increase in trade and other payables and (ii) RM0.1 million decrease in trade and other receivables. Net cash used in financing activities of RM83 thousand was for the repayment of lease liabilities.

For 12M2023, the Group used RM6.7 million in operating activities, mainly due to (i) RM5.6 million in operating loss before working capital changes; (ii) RM1.4 million decrease in trade and other payables and (iii) RM0.1 million reduction in contractual liabilities; which were partially offset by RM0.2 million decrease in trade and other receivables. Net cash used in investing activities of RM25 thousand for 12M2023 was for the acquisition of property, plant and equipment related to office software and equipment. Net cash generated from financing activities of RM6.4 million for 12M2023 were mainly net proceeds from (i) RM6.8 million in convertible bonds; (ii) RM1.4 million in short and medium term loans and (iii) RM0.3 million in convertible loan notes; and partially offset by (i) RM1.8 million repayment of convertible notes and short term loans and (ii) RM0.3 million repayment of lease liabilities.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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

HEALTHCARE BUSINESS OVERVIEW

The Group is focused on preventive healthcare and personal wellbeing of individuals, allowing a high-quality healthy lifestyle. This allows us to focus on individuals regardless of age or gender.

a) Malaysia

The Group is focusing on the wellness aspects of preventive healthcare, in particular, chiropractic & physiotherapy services as well as marketing and distribution of cell therapy products. The Group is cautiously optimistic on the future prospects of the Healthcare Business, given the heightened public awareness on personal wellness and wellbeing. At the same time, we are keeping a look out for more opportunities within this sector.

b) Singapore

We have started the sales and marketing of cell therapy products in Singapore, collaborating with some distribution networks within the country. We are currently promoting aesthetic and wellness treatments to the Singapore market from this initiative.

OUTSOURCED SERVICES OVERVIEW

The Outsourced Services is now focused on providing recruitment services in Singapore and the income stream is on gradual growth. We expect to bring in more recruiters to expand our database of clients as well as talents.

BUSINESS SEGMENT DEVELOPMENTS

i) Chiropractic & Physiotherapy

The Group provides chiropractic and physiotherapy services under the brand name 'Back To Life' ("BTL") at Jaya One, Petaling Jaya. The month-on-month results continue to be promising. The planned opening of additional outlets has been deferred until further funds have been raised. In the meantime, we continue to be on the lookout for potential locations to expand this business at the opportune time.

Chiropractic and physiotherapy services have been heavily sought after in Malaysia and demand is expected to continue to grow for the foreseeable years ahead. The rising trend of an active and sporting lifestyle amongst the young and old has significantly contributed to the high demand for such services. Thus, many new and standalone centres have opened in major population catchment areas to meet market demand.

ii) Cell-therapy products

Sales and marketing of cell therapy products remains encouraging and has contributed to increases in the Group's current period revenues. The Group continues to look for partners in both Singapore and Malaysia for the sales and marketing of these products. At the moment, our registered products include exosome concentrated **Exxo Labs** in Singapore and skin/hair exosome serum **Exo+ Serum** in Malaysia.

We recently commenced collaborations with Malaysian government hospitals on the application of our Exo+ Serum for treatment of chronic and diabetic wounds.

iii) Postpartum Care Centres

The Group's postpartum care centre at SS2 Petaling Jaya is undergoing rectification works by the landlord and the Group has temporarily suspended bookings since November 2023. The Group continues to explore new postpartum care sites while remaining cautious as the local government firms up regulations on postpartum care services. The Group will make the necessary announcements to keep shareholders updated as and when there are material developments on this.

iv) Other Initiatives

DNA Profiling

The Group is suspending development efforts of the Group's DNA profiling products, branded as "Qodify", pending the raising of adequate funds. At an appropriate opportunity and time, the Group intends to launch and roll out the sales of the product in Malaysia and Singapore.

Lansionbio product distribution

The application process with the Malaysian government on the Lansionbio Dry Fluorescence Immunoassay Analyser ("Analyser") Brain Trauma Test Kits is suspended, pending the collation of clinical data from the manufacturer. We are also further evaluating the appropriate tests utilising the Analyser for the Malaysia market.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

No.

(b) Previous corresponding period/rate %

None.

12. If no dividend has been declared (recommended), a statement to that effect

There is no interim dividend recommended and declared by the Directors in respect of the current financial period ended 31 December 2023 as the Group recorded a loss from its continuing operations in 12M2023.

13. Related party transactions and Interested Party Transaction ("IPT"). If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

Save for remuneration of directors and other members of key management during the financial period, there were no other related party transactions.

The Group does not have a general mandate from shareholders for interested person transactions (“**IPTs**”) pursuant to Rule 920(1)(a)(ii) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”). There were no IPTs entered into during the financial period reported on which exceeds S\$100,000 in value.

14. Use of Proceeds from Share Subscription

Pursuant to Rule 1204(5)(f) of the Catalist Rules, the Board of Directors wishes to provide an update on the use of the proceeds arising from the entry into a subscription agreement on 15 March 2023 for the subscription of Convertible Bonds with an aggregate principal of up to S\$30 million. In the circular dated 13 April 2023 (the “**Circular**”), the Minimum Scenario aggregate net proceeds of S\$1,752,000 (after deducting expenses of approximately S\$248,000 incurred by the Company in connection with the Convertible Bonds) have been utilised as follows:

Use of Proceeds	Amount allocated (as indicated in the Circular)	Re-allocated as at announced on 14 November 2023	Amount utilised as at date of this announcement	Balance of net proceeds
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
(i) Repayment of Convertible Loans	250	-	250	-
(ii) Expansion of the Healthcare business including renovation and refurbishment of chiropractic centres	350	(300) ⁽¹⁾	50	-
(iii) Working capital and other payables	1,152	300 ⁽¹⁾	1,452 ⁽²⁾	-
Total	1,752	-	1,752	-

Notes

- The proceeds earmarked for the expansion of the Healthcare business was re-allocated to meet working capital needs including repayment of prior periods’ payables. The Group will reconsider the expansion of the Healthcare business upon raising additional proceeds from the Convertible Bonds.
- Working capital utilisation has been for (i) payment of professional fees of S\$230 thousand, (ii) director and staff remuneration of S\$715 thousand and (iii) payment of overheads and other payables of S\$507 thousand.

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

Company	FY2023 SGD	FY2022 SGD
(a) Ordinary	-	-
(b) Preference	-	-
(c) Total	-	-

16. Confirmation by the Board of Directors pursuant to Rule 705(5) of the Catalist Rules

We, Low Koon Poh and Harry Ng, being Directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the fourth quarter and financial year ended 31 December 2023 to be false or misleading in any material aspect.

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

The Company confirms that all the required undertakings under the Rule 720(1) of the Catalist Rules have been obtained from its Directors and Executive Officers in the format set out in Appendix 7H of the Catalist Rules.

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

The Company confirms that there is no person occupying a managerial position in the Company and its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10) of the Catalist Rules.

19. Disclosure on Acquisitions and Realisation of Shares pursuant to Catalist Rule 706(A)

There were no acquisition or realisation of shares in any of the Group's subsidiary or associated company nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during the full financial year ended 31 December 2023.

ON BEHALF OF THE BOARD OF DIRECTORS

LOW KOON POH EXECUTIVE CHAIRMAN & CEO	HARRY NG LEAD INDEPENDENT DIRECTOR
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Date: 26 February 2024

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

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

The contact person for the Sponsor is Ms. Lee Khai Yinn, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.
