



## **MEDI LIFESTYLE LIMITED**

(Formerly known as IEV HOLDINGS LIMITED)

(Company Registration No: 201117734D)

(Incorporated in the Republic of Singapore on 26 July 2011)

(the "Company", and together with its subsidiaries, the "Group")

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### **CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ("3Q2021") AND NINE MONTHS ("9M2021") ENDED 30 SEPTEMBER 2021**

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*In view of the material uncertainty relating to going concern issued by the Company's independent auditors, Mazars LLP, on the audited financial statements of the Group for the financial ended 31 December 2020, the Company is required by the Singapore Exchange Securities Trading Limited ("**Exchange**") to announce its quarterly financial statements pursuant to Catalist Rule 705.*

*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.*

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1(a)(i) Statement of Comprehensive Income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	3 months ended 30 September ("3Q")			9 months ended 30 September ("9M")		
	Unaudited 3Q2021 (RM'000)	Unaudited 3Q2020 <sup>(a)</sup> (RM'000)	% change Increase/ (decrease)	Unaudited 9M2021 (RM'000)	Unaudited 9M2020 <sup>(a)</sup> (RM'000)	% change Increase/ (decrease)
Revenue	147	195	(24.6)	556	536	3.7
Cost of sales	(90)	(150)	(40.0)	(433)	(405)	6.9
Gross profit	57	45	26.7	123	131	(6.1)
Other operating income	-	17	n.m.	3	34	(91.2)
Administration expenses	(1,404)	(940)	49.4	(3,527)	(2,738)	28.8
Exchange gain/(loss)	7	32	(78.1)	(52)	(86)	(39.5)
Other operating expenses	1	(3)	n.m.	(1,847)	(4)	n.m.
Finance costs	(136)	-	n.m.	(314)	-	n.m.
Loss before tax	(1,475)	(849)	73.7	(5,614)	(2,663)	110.8
Income Tax	-	-	-	-	4	n.m.
Loss for the period from continuing operations	(1,475)	(849)	73.7	(5,614)	(2,659)	111.1
<b>Discontinued operations</b> <sup>(a)(c)</sup>						
Loss for the period from discontinued operations	(2,570)	(1,207)	112.9	(6,602)	(3,758)	75.7
Loss for the period	(4,045)	(2,056)	96.7	(12,216)	(6,417)	90.4
Other comprehensive income/(loss) after tax						
- exchange differences on translation of foreign operations	105	83	26.5	131	361	(63.7)
Total comprehensive (loss)/income for the period, net of tax	(3,940)	(1,973)	99.7	(12,085)	(6,056)	99.6
<b>Total loss attributable to:</b>						
Owners of the Company						
- Continuing operations	(1,475)	(849)	73.7	(5,614)	(2,659)	111.1
- Discontinued operations	(2,570)	(1,207)	112.9	(6,602)	(3,758)	75.7
Non-controlling interests	-	-	-	-	-	-
	(4,045)	(2,056)	96.7	(12,216)	(6,417)	90.4
<b>Total comprehensive (loss)/income attributable to:</b>						
Owners of the Company	(3,940)	(1,973)	99.7	(12,085)	(6,056)	99.6
Non-controlling interests	-	-	-	-	-	-
	(3,940)	(1,973)	99.7	(12,085)	(6,056)	99.6

n.m. denotes not meaningful.

Notes:

(a) Financial statements for 3Q2021, 3Q2020, 9M2021 and 9M2020 have been presented after (i) reclassifying the subsidiaries under the Asset Integrity Management ("AIM") sector under discontinued operations, upon receiving shareholders' approval in an extraordinary general meeting held on 15 October 2020 to dispose of IEV Group Sdn Bhd; and (ii) reclassifying HealthPro Pte Ltd under discontinued operations after placing it under provisional liquidation on 29 July 2021. The disposal of IEV Group Sdn Bhd was completed on 25 November 2020. 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.

(b) The financial results presented under continuing operations for 3Q2021 and 9M2021 comprises of the Healthcare Sector which includes 2 postpartum care centres in Malaysia as well as 1 chiropractic and physiotherapy centre in Malaysia and corporate expenses.

(c) Discontinued operations is in relation to: (i) the voluntary liquidation of HealthPro Pte Ltd as announced on 29 July 2021; (ii) the exit from the AIM Sector subsequent to the disposal of IEV Group Sdn. Bhd. as announced on 14 September 2020, 22 September 2020, 15 October 2020 and 25 November 2020; and (iii) the exit from the exploration and production sector as announced on 10 January 2018 and 13 September 2019 in relation to the member's voluntary liquidation of PT IEV Pabuaran KSO.

1(a)(ii) The disaggregation of the Group's revenue for the financial period for both continuing and discontinued operations are as follows:

	Group					
	3 months ended 30 September ("3Q")			9 months ended 30 September ("9M")		
	Unaudited 3Q2021 (RM'000)	Unaudited 3Q2020 (RM'000)	% change increase/ (decrease)	Unaudited 9M2021 (RM'000)	Unaudited 9M2020 (RM'000)	% change Increase/ (decrease)
<b>Continuing operations (Healthcare Sector)</b>						
Rendering of confinement centre services – Over time	122	176	(30.7)	473	475	(0.4)
Rendering of chiro & physio services – Point in time	8	-	n.m.	10	-	n.m.
Sale of related products – Point in time	17	19	(10.5)	73	61	19.7
	147	195	(24.6)	556	536	3.7
<b>Discontinued operations (AIM Sector)</b>						
Rendering of services – Over time	-	1,206	n.m.	-	4,030	n.m.
	-	1,206	n.m.	-	4,030	n.m.

1(a)(iii) Profit/(loss) for the financial period from continuing operations is arrived after crediting / (charging) the following:

	Group			Group		
	3 months ended 30 September ("3Q")			9 months ended 30 September ("9M")		
	Unaudited 3Q2021 (RM'000)	Unaudited 3Q2020 (RM'000)	% change increase/ (decrease)	Unaudited 9M2021 (RM'000)	Unaudited 9M2020 (RM'000)	% change Increase/ (decrease)
Interest expense	(136)	-	n.m.	(314)	-	n.m.
Depreciation of property, plant and equipment	(24)	(7)	242.9	(59)	(17)	247.1
Depreciation of right-of-use asset	(50)	-	n.m.	(66)	-	n.m.
Impairment of goodwill	-	-	-	(1,840)	-	n.m.
Property, plant and equipment written off	-	(3)	n.m.	-	(4)	n.m.
Deferred tax credit in respect of prior years	-	-	-	-	4	n.m.

n.m. denotes not meaningful

1(a)(iv) Results of the discontinued operations are as follow:

	Group			Group		
	3 months ended 30 September ("3Q")			9 months ended 30 September ("9M")		
	Unaudited 3Q2021 (RM'000)	Unaudited 3Q2020 (RM'000)	% change Increase/ (decrease)	Unaudited 9M2021 (RM'000)	Unaudited 9M2020 (RM'000)	% change Increase/ (decrease)
Revenue	-	1,206	n.m.	-	4,030	n.m.
Cost of sales	-	(183)	n.m.	-	(666)	n.m.
Gross profit	-	1,023	n.m.	-	3,364	n.m.
Other operating income	1	444	(99.8)	129	2,016	(93.6)
Administration expenses	(133)	(2,830)	(95.3)	(4,120)	(8,226)	(49.9)
Exchange loss	-	(526)	n.m.	-	(310)	n.m.
Selling and distribution expenses	-	238	n.m.	-	(575)	n.m.
Other operating expenses	(2,437)	(173)	n.m.	(2,437)	(191)	n.m.

Share of result of associate	-	822	n.m.	-	822	n.m.
Finance costs	(1)	(206)	(99.5)	(174)	(659)	(73.7)
Loss before tax	(2,570)	(1,208)	112.7	(6,602)	(3,759)	75.6
Taxation	-	1	n.m.	-	1	n.m.
Loss for the period from discontinued operations	(2,570)	(1,207)	112.9	(6,602)	(3,758)	75.7

**1(a)(v) Profit for the financial period from discontinued operations is arrived after crediting / (charging) the following:**

	Group			Group		
	3 months ended 30 September ("3Q")			9 months ended 30 September ("9M")		
	Unaudited 3Q2021 (RM'000)	Unaudited 3Q2020 (RM'000)	% change increase/ (decrease)	Unaudited 9M2021 (RM'000)	Unaudited 9M2020 (RM'000)	% change Increase/ (decrease)
Rental income	-	34	n.m.	-	103	n.m.
Interest expenses	(1)	(206)	(99.5)	(174)	(659)	(73.6)
Depreciation of property, plant and equipment (incl. depreciation accounted for in cost of sales)	-	(106)	n.m.	(2)	(333)	(99.4)
Depreciation of right-of-use asset	(8)	(1,413)	(99.4)	(2,727)	(4,239)	(35.7)
Amortisation of intangible assets (incl. amortisation accounted for in cost of sales)	-	(9)	n.m.	-	(34)	n.m.
Write-back on impairment of property, plant and equipment	-	88	n.m.	-	250	n.m.
(Impairment) / Write back on impairment of receivables	-	(9)	n.m.	-	1,152	n.m.
Write back on impairment of VAT receivables	-	32	n.m.	-	28	n.m.
Inventory written off	-	(21)	n.m.	-	(21)	n.m.
Impairment and write-down of inventories	-	(154)	n.m.	-	(124)	n.m.
Loss on liquidation of subsidiary	(2,437)	-	n.m.	(2,437)	-	n.m.
Write back payables and accrued expenses due to deconsolidation of subsidiary	-	179	n.m.	-	179	n.m.
Tax credit/(charge) in respect of prior year	-	1	n.m.	-	1	n.m.

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

	Company		Group	
	Unaudited As at 30 September 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)	Unaudited As at 30 September 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and bank balances	6	208	281	496
Trade receivables	-	-	11	-
Other receivables and prepayments	16,508	11,410	828	2,050
Inventories	-	-	26	27
	16,514	11,618	1,146	2,573
<b>Non-Current Assets</b>				
Property, plant and equipment	-	-	362	4,814
Right-of-use assets	-	-	527	7,397
Goodwill	-	-	4,293	6,133
Subsidiaries	7,178	7,036	-	-
Other receivables and prepayments	-	-	-	27

	Company		Group	
	Unaudited As at 30 September 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)	Unaudited As at 30 September 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)
	7,178	7,036	5,182	18,371
<b>Total assets</b>	<b>23,692</b>	<b>18,654</b>	<b>6,328</b>	<b>20,944</b>

<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Convertible Loans	5,384	-	5,384	-
Trade payables	-	-	11	9
Other payables and other provisions	1,030	1,582	3,381	5,711
Contract liabilities	-	-	-	8
Lease liabilities	-	-	174	5,352
Income tax payable	-	-	-	-
	6,414	1,582	8,950	11,080
<b>Non-Current Liabilities</b>				
Lease liabilities	-	-	362	2,256
	-	-	362	2,256
<b>Total liabilities</b>	<b>6,414</b>	<b>1,582</b>	<b>9,312</b>	<b>13,336</b>
<b>Capital and reserves</b>				
Share capital	121,211	119,718	121,211	119,718
Treasury shares	(38)	(38)	(38)	(38)
Currency translation reserve	103	(69)	(3,229)	(3,360)
Capital reserve	3,526	3,526	3,526	3,526
Accumulated losses	(107,524)	(106,065)	(124,454)	(112,238)
Equity attributable to owners of the Company	17,278	17,072	(2,984)	7,608
Non-controlling interests	-	-	-	-
<b>Total equity / (Capital Deficiency)</b>	<b>17,278</b>	<b>17,072</b>	<b>(2,984)</b>	<b>7,608</b>
<b>Total liabilities and equity</b>	<b>23,692</b>	<b>18,654</b>	<b>6,328</b>	<b>20,944</b>

Note: In the condensed interim financial statements for the half year ended 30 June 2021 ("HY2021"), the assets and liabilities of HealthPro Pte Ltd amounting to RM11.1 million and RM8.5 million respectively, were presented as being held in liquidation. Upon commencement of the creditors' voluntary liquidation of HealthPro Pte Ltd, as announced on 29 July 2021, the said assets and liabilities held in liquidation were de-consolidated from the Group's condensed interim financial statements for 9M2021.

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures as at the end of the immediately preceding financial year

Group	Unaudited As at 30 September 2021 Secured (RM'000)	Audited As at 31 December 2020 Secured (RM'000)
Bank loans	-	-
Convertible Loans	5,384	-
<b>Total</b>	<b>5,384</b>	<b>-</b>
Amount repayable in one year or less, or on demand	5,384	-
Amount repayable after one year	-	-

#### Details of Convertible Loans

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. 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 30 September 2021, S\$1.65 million out of S\$2.25 million of the convertible loan has been received by the Group.

### 1(b)(iii) Additional notes to Financial Position

#### Financial assets & liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 Sep 2021 and 31 December 2020:

	Company		Group	
	Unaudited As at 30 September 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)	Unaudited As at 30 September 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)
<b>Financial assets</b>				
Financial assets at amortised cost	16,376	11,567	955	1,932
<b>Financial liabilities</b>				
Financial liabilities at amortised cost	6,414	1,582	8,773	5,726
Lease Liabilities	-	-	536	7,608

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 loan, trade and other payables and advances from a related party excluding value-added tax payables, withholding tax and income tax payable.

#### Property, plant and equipment

During the nine months ended 30 September 2021 construction-in-progress amounting to RM4,588,765 (30 September 2020: Nil) under HealthPro Pte Ltd has been written off in view of the subsidiary being placed under creditors voluntary liquidation.

#### Intangible Asset

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating unit (CGU) that is expected to benefit from that business combination. The goodwill is allocated to the Healthcare sector.

	Goodwill RM'000	Total RM'000
<u>Group</u>		
<b>At 31 December 2020</b>		
Cost	7,434	7,434
Accumulated impairment	(1,301)	(1,301)
Carrying amounts at 31 December 2020	6,133	6,133
<b>Cost</b>		
<b>At 1 January 2021</b>	7,434	7,434
Additions	-	-
<b>At 30 September 2021</b>	7,434	7,434
<b>Accumulated impairment losses</b>		
<b>At 1 January 2021</b>	(1,301)	(1,301)
Impairment during the period	(1,840)	(1,840)
<b>At 30 September 2021</b>	(3,141)	(3,141)

	Goodwill RM'000	Total RM'000
Carrying amounts at 30 September 2021	4,293	4,293

#### Right-of-use-assets

	Office unit RM'000	Confinement centre RM'000	Total RM'000
<b>Group</b>			
<b>Cost:</b>			
<b>At 1 January 2020</b>	<b>601</b>	<b>12,771</b>	<b>13,372</b>
Additions	-	394	394
Disposal of subsidiaries	(601)	-	(601)
Currency translation difference	-	51	51
<b>At 31 December 2020</b>	<b>-</b>	<b>13,216</b>	<b>13,216</b>
Additions	-	595	595
Liquidation of subsidiaries	-	(13,165)	(13,165)
Currency translation difference	-	(53)	(53)
<b>At 30 September 2021</b>	<b>-</b>	<b>593</b>	<b>593</b>
<b>Accumulated depreciation:</b>			
<b>At 1 January 2020</b>	<b>267</b>	<b>426</b>	<b>693</b>
Depreciation for the year	245	5,388	5,633
Disposal of subsidiaries	(512)	-	(512)
Currency translation difference	-	5	5
<b>At 31 December 2020</b>	<b>-</b>	<b>5,819</b>	<b>5,819</b>
Depreciation for the period	-	2,793	2,793
Liquidation of subsidiaries	-	(8,532)	(8,532)
Currency translation difference	-	(14)	(14)
<b>At 30 September 2021</b>	<b>-</b>	<b>66</b>	<b>66</b>
<b>Carrying amount:</b>			
<b>At 30 September 2021</b>	<b>-</b>	<b>527</b>	<b>527</b>
<b>At 31 December 2020</b>	<b>-</b>	<b>7,397</b>	<b>7,397</b>

#### Lease Liabilities

The Group as lessee:

	Unaudited As at 30 September 2021 RM'000	Audited As at 31 December 2020 RM'000
Lease Liabilities		
<b>Maturity analysis:</b>		
Year 1	215	5,624
Year 2	361	2,286
Year 3	-	-
	576	7,910
Less: Unearned interest	(40)	(302)
	536	7,608
Analysed as:		
Current	174	5,352
Non-current	362	2,256
	536	7,608

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

	Group 3 Months ended 30 September ("3Q")		Group 9 Months ended 30 September ("9M")	
	Unaudited 3Q2021 (RM'000)	Unaudited 3Q2020 (RM'000)	Unaudited 9M2021 (RM'000)	Unaudited 9M2020 (RM'000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Loss before tax				
- from continuing operations	(1,475)	(849)	(5,614)	(2,663)
- from discontinued operations	(2,570)	(1,208)	(6,602)	(3,759)
	(4,045)	(2,057)	(12,216)	(6,422)
Adjustments for:				
Share of results of associate	-	(822)	-	(822)
Amortisation of intangible assets	-	9	-	34
Depreciation of property, plant and equipment	24	113	61	350
Depreciation of right-of-use asset	58	1,413	2,793	4,239
Property, plant and equipment written off	-	3	-	4
Inventory written off	-	21	-	21
Impairment and write-down of inventories	-	154	-	124
Impairment of goodwill	-	-	1,840	-
Loss from liquidation of subsidiary	2,437	-	2,437	-
Write back payables and accrued expenses	-	(179)	-	(179)
Write back Impairment of property, plant and equipment	-	(88)	-	(250)
Write back Impairment of VAT receivables	-	(32)	-	(28)
Impairment / (write-back of impairment) of receivables	-	9	-	(1,152)
Rental discount received	-	(204)	-	(204)
Interest expense	137	206	488	659
Operating loss before working capital changes	(1,389)	(1,454)	(4,597)	(3,626)
Long term other receivables and prepayment classified as non-current assets	-	(1)	-	315
Inventories	4	(13)	2	79
Contract costs	-	(141)	-	(581)
Trade and other receivables and prepayments classified as current assets	(71)	932	(302)	(1,075)
Contract liabilities	-	142	-	684
Trade and other payables	785	(575)	1,187	(1,434)
Amount due from an associate	-	154	-	1,301
Cash used in operating activities (before renovation works)	(671)	(956)	(3,710)	(4,337)
Other payables- renovation works	-	(9)	11	(4,525)
Cash used in operating activities	(671)	(965)	(3,699)	(8,862)
Interest paid	-	(69)	-	(199)
Tax paid	-	(11)	-	(52)
Net cash used in operating activities	(671)	(1,045)	(3,699)	(9,113)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(44)	(94)	(111)	(213)
Net cash used in investing activities	(44)	(94)	(111)	(213)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Lease payments	(62)	(85)	(2,982)	(3,116)
Rental discount received	-	204	-	204
Convertible Loans	(14)	-	5,081	-
Repayment of bank borrowings	-	-	-	(1)
Proceeds from issuance of ordinary shares	-	-	1,542	11,490
Capitalised transaction costs of issuance of ordinary shares	-	-	(49)	(31)



Net cash (used in) / generated from financing activities	(76)	119	3,592	8,546
Net decrease in cash and cash equivalents	(791)	(1,020)	(218)	(780)
Cash and cash equivalents at beginning of period/year	1,074	953	496	647
Currency translation difference of cash and cash equivalents at beginning of period/year	(2)	(19)	3	47
<b>Cash and cash equivalents at end of period</b>	<b>281</b>	<b>(86)</b>	<b>281</b>	<b>(86)</b>
<i>Cash and cash equivalents comprise:</i>				
Cash and bank balances	281	1,196	281	1,196
Cash and bank balances – asset held for sale	-	412	-	412
Fixed deposits – asset held for sale	-	69	-	69
	281	1,677	281	1,677
Less: Pledged fixed deposits	-	(69)	-	(69)
Less: Bank overdrafts	-	(1,694)	-	(1,694)
Cash and cash equivalents at end of period	281	(86)	281	(86)

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

<b>Company</b> <b>Current Period</b>	<b>Share capital</b> <b>(RM'000)</b>	<b>Treasury shares</b> <b>(RM'000)</b>	<b>Accumulated losses</b> <b>(RM'000)</b>	<b>Capital Reserve</b> <b>(RM'000)</b>	<b>Currency translation reserve</b> <b>(RM'000)</b>	<b>Total</b> <b>(RM'000)</b>
Balance as at 1 January 2021	119,718	(38)	(106,065)	3,526	(69)	17,072
Total comprehensive loss for the period	-	-	(1,459)	-	172	(1,287)
Transaction with owner:						
Increase in paid-up capital	1,542	-	-	-	-	1,542
Capital expenses	(49)	-	-	-	-	(49)
Balance as at 30 September 2021	121,211	(38)	(107,524)	3,526	(103)	17,278

<b>Company</b> <b>Previous Period</b>	<b>Share capital</b> <b>(RM'000)</b>	<b>Treasury shares</b> <b>(RM'000)</b>	<b>Accumulated losses</b> <b>(RM'000)</b>	<b>Capital Reserve</b> <b>(RM'000)</b>	<b>Currency translation reserve</b> <b>(RM'000)</b>	<b>Total</b> <b>(RM'000)</b>
Balance as at 1 January 2020	107,674	(38)	(103,775)	3,526	(188)	7,199
Total comprehensive loss for the period	-	-	(2,128)	-	77	(2,051)
Transaction with owner:						
Increase in paid-up capital	11,490	-	-	-	-	11,490
Capital expenses	(31)	-	-	-	-	(31)
Balance as at 30 September 2020	119,133	(38)	(105,903)	3,526	(111)	16,607

<b>Group</b> <b>Current Period</b>	<b>Share capital</b> <b>(RM'000)</b>	<b>Treasury shares</b> <b>(RM'000)</b>	<b>Accumulated Losses</b> <b>(RM'000)</b>	<b>Capital Reserve</b> <b>(RM'000)</b>	<b>Currency translation reserve</b> <b>(RM'000)</b>	<b>Equity attributable to owners of the Company</b> <b>(RM'000)</b>	<b>Non-controlling interests</b> <b>(RM'000)</b>	<b>Total equity</b> <b>(RM'000)</b>
Balance as at 1 January 2021	119,718	(38)	(112,238)	3,526	(3,360)	7,608	-	7,608
Loss for the period	-	-	(12,216)	-	-	(12,216)	-	(12,216)

<b>Group</b> <b>Current Period</b>	<b>Share capital</b> <b>(RM'000)</b>	<b>Treasury shares</b> <b>(RM'000)</b>	<b>Accumulated Losses</b> <b>(RM'000)</b>	<b>Capital Reserve</b> <b>(RM'000)</b>	<b>Currency translation reserve</b> <b>(RM'000)</b>	<b>Equity attributable to owners of the Company</b> <b>(RM'000)</b>	<b>Non-controlling interests</b> <b>(RM'000)</b>	<b>Total equity</b> <b>(RM'000)</b>
Other comprehensive income - Currency translation difference arising from consolidation	-	-	-	-	131	131	-	131
Total comprehensive income	-	-	(12,216)	-	131	(12,085)	-	(12,085)
Transaction with owner: Increase in paid-up capital Capital expenses	1,542 (49)					1,542 (49)		1,542 (49)
Balance as at 30 September 2021	121,211	(38)	(124,454)	3,526	(3,229)	(2,984)	-	(2,984)

<b>Group</b> <b>Previous Period</b>	<b>Share capital</b> <b>(RM'000)</b>	<b>Treasury shares</b> <b>(RM'000)</b>	<b>Accumulated losses</b> <b>(RM'000)</b>	<b>Capital reserve</b> <b>(RM'000)</b>	<b>Currency translation reserve</b> <b>(RM'000)</b>	<b>Equity attributable to owners of the Company</b> <b>(RM'000)</b>	<b>Non-controlling interests</b> <b>(RM'000)</b>	<b>Total equity</b> <b>(RM'000)</b>
Balance as at 1 January 2020	107,674	(38)	(109,475)	3,526	1,761	3,448	(29)	3,419
Profit for the period Other comprehensive income Currency translation difference arising from consolidation	- - -	- - -	(6,417) - -	- - -	- - 361	(6,417) 361	- -	(6,417) 361
Total comprehensive income	-	-	(6,417)	-	361	(6,056)	-	(6,056)
Transaction with owner: Increase in paid-up capital Capital expenses	11,490 (31)					11,490 (31)		11,490 (31)
Balance as at 30 September 2020	119,133	(38)	(115,892)	3,526	2,122	8,851	(29)	8,822

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

	<b>Number of shares</b>	<b>Resultant issued and paid-up share capital (S\$)</b>
Issued and paid-up share capital of the Company as at 31 December 2020 (excluding treasury shares)	492,882,927	47,291,018
Issuance of new ordinary shares on 13 April 2021	19,685,039	500,000
Issued and paid-up share capital of the Company as at 30 June 2021 and 30 September 2021 (excluding treasury shares)	512,567,966	47,791,018

On 13 April 2021, the Company allotted and issued an aggregate of 19,685,039 ordinary shares at an issue price of S\$0.0254 per ordinary share pursuant to a share subscription exercise. Please refer to the Company's announcement dated 1 April 2021, 12 April 2021 and 14 April 2021 for more information.

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. 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 (“Conversion Shares”) 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 30 September 2021, S\$1.65 million out of S\$2.25 million of the convertible loan has been received by the Group.

Save as discussed above, there were no outstanding convertibles, share options or subsidiary holdings as at 30 September 2021 and 30 September 2020.

	<b>As at 30 September 2021</b>	<b>As at 30 September 2020</b>
Total number of treasury shares	200,000	200,000
Total number of ordinary shares	512,567,966	487,674,594
% of treasury shares over total number of ordinary shares	0.04%	0.04%

As at 30 September 2021, the only outstanding convertibles of the Company are the 56,532,663 Conversion Shares to be issued pursuant to the convertible loans against 512,567,966 issued shares (excluding treasury shares). As at 30 September 2020, there were no outstanding convertibles, share options and subsidiary holdings.

**1(d)(iii) 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**

	<b>As at 30 September 2021</b>	<b>As at 31 December 2020</b>
Number of issued shares of the Company	512,767,966	493,082,927
Shares held as treasury shares	(200,000)	(200,000)
Number of issued shares excluding treasury shares	512,567,966	492,882,927

**1(d)(iv) 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 30 September 2021.

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

There were no sales, transfers, cancellation and / or use of subsidiary holdings as at 30 September 2021.

**2(a) Corporate Information**

Medi Lifestyle Limited (formerly known as IEV Holdings Limited) is incorporated in Singapore with its principal place of business at 380 Jalan Besar, #09-05 ARC 380, Singapore 209000 and registered office at 80 Robinson Road #02-00, Singapore 068898.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are in the Healthcare and Wellness Sector. During the financial year ended 31 December 2020, the Group completed the disposal of IEV Group Sdn Bhd together with its subsidiaries and associate company, which were grouped under the Asset Integrity Management Sector and classified as discontinued operations.

**2(b) Whether the figures have been audited, or reviewed and in accordance with which standard or practice**

The condensed interim financial statements for the nine months ended 30 September 2021 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 annual financial statements for the year ended 31 December 2020.

The condensed consolidated statement of financial position of Medi Lifestyle Limited and its subsidiaries as at 30 September 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the third-quarter and nine-month period then ended and certain explanatory notes have not been audited or reviewed.

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

Not applicable.

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

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

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

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

Not applicable as the Group's audit opinion is with respect to a material uncertainty related to going concern.

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

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period reported on, as those applied in the Group's most recently audited financial statements for the financial year ended 31 December 2020.

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

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 2021, 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 3Q2021 and 9M2021.

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**").

**Use of estimates and judgement**

In preparing the condensed interim financial statements, management has made judgements, estimate 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 goodwill*

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. In view of the delayed expansion plans and opening of postpartum centres in Malaysia and Singapore due to the continuing Covid-19 pandemic, management has assessed that an impairment of goodwill of RM1.8 million is required for 9M2021. The carrying value of goodwill as at 30 September 2021 is RM4.3 million compared to a carrying value of RM6.1 million as at 31 December 2020.

6. Earnings 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	3Q2021 (Malaysian sen)	3Q2020 <sup>(1)</sup> (Malaysian sen)	9M2021 (Malaysian sen)	9M2020 <sup>(1)</sup> (Malaysian sen)
Loss per ordinary share for the period based on the net loss attributable to shareholders of the Company:				
(i) Basic				
- from continuing operations	(0.29)	(0.17)	(1.11)	(0.55)
- from discontinued operations	(0.50)	(0.25)	(1.31)	(0.78)
	(0.79)	(0.42)	(2.42)	(1.33)
(ii) On a fully diluted basis	(0.79)	(0.42)	(2.42)	(1.33)
Weighted average number of ordinary shares	512,567,966	487,674,594	505,213,116	484,068,755

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

The basic and diluted earnings per ordinary share for each of 3Q2021, 3Q2020, 9M2021 and 9M2020 were the same as there were no potentially dilutive instruments existing during 3Q2021, 3Q2020, 9M2021 and 9M2020 respectively. The convertible loans, given their exercise price of S\$0.0398 per Conversion Share, are not considered to be dilutive for the financial period ended 30 September 2021.

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 30 September 2021	As at 31 December 2020
Group	(0.6)	1.5
Company	3.4	3.5

Net asset value per ordinary share as at 30 September 2021 and 31 December 2020 have been calculated based on the aggregate number of ordinary shares (excluding treasury shares) of 512,567,966 and 492,882,927 as at the respective dates.

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.

**Seasonal Operations**

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

**Review of Statement of Comprehensive Income**

*Breakdown by business segments*

**Three Months ended 30 September 2021**

Business sector	3Q2021			3Q2020		
	Revenue (RM'000)	Gross Profit (RM'000)	Gross Profit Margin %	Revenue (RM'000)	Gross Profit/ (Loss) (RM'000)	Gross Profit Margin %
<b><u>Continuing Operations</u></b>						
Healthcare Sector	147	57	38.8	195	45	23.1
Total from continuing operations	147	57	38.8	195	45	23.1

Business sector	3Q2021			3Q2020		
	Revenue (RM'000)	Gross Profit (RM'000)	Gross Profit Margin %	Revenue (RM'000)	Gross Profit/ (Loss) (RM'000)	Gross Profit Margin %
<b><u>Discontinued Operations</u></b>						
Asset Integrity Management Sector	-	-	-	1,206	1,023	84.8
Total from discontinued operations	-	-	-	1,206	1,023	84.8
<b>Total</b>	<b>147</b>	<b>57</b>	<b>38.8</b>	<b>1,401</b>	<b>1,068</b>	<b>76.2</b>

#### **Nine Months ended 30 September 2021**

Business sector	9M2021			9M2020		
	Revenue (RM'000)	Gross Profit (RM'000)	Gross Profit Margin %	Revenue (RM'000)	Gross Profit/ (Loss) (RM'000)	Gross Profit Margin %
<b><u>Continuing Operations</u></b>						
Healthcare Sector	556	123	22.1	536	131	24.4
Total from continuing operations	556	123	22.1	-	-	-
<b><u>Discontinued Operations</u></b>						
Asset Integrity Management Sector	-	-	-	4,030	3,364	83.5
Total from discontinued operations	-	-	-	4,030	3,364	83.5
<b>Total</b>	<b>556</b>	<b>123</b>	<b>22.1</b>	<b>4,566</b>	<b>3,495</b>	<b>76.5</b>

#### **Continuing Operations**

##### *Revenue*

Revenue for the Group in 3Q2021 decreased by 25% to RM0.15 million from RM0.20 million in 3Q2020 due mainly to lower room bookings during the period in review at the postpartum centre in Petaling Jaya Malaysia ("**PJ Confinement Centre**"). In contrast, Group revenue for 9M2021 increased marginally to RM0.56 million from RM0.54 million in 9M2020 due mainly to higher room bookings during the first six months of the financial year ending 31 December 2021 ("**FY2021**") compared to the financial year ended 31 December 2020 ("**FY2020**"). Revenue for 9M2021 was expected to be higher if not for the prolonged government-mandated Covid-19 restricted movements.

##### *Gross Profit*

The Group's gross profit for 3Q2021 increased by 26.7% to RM57 thousand from RM 45 thousand for 3Q2020, partly due to reduced direct manpower cost at the PJ Confinement Centre. Group gross profit for 9M2021 reduced marginally to RM0.12 million from RM0.13 million, due mainly to sales promotions to attract increased room bookings in 1Q2021.

The Group's gross profit margin for 3Q2021 was 38.8% compared to 23.1% for 3Q2020 due mainly to reduced direct manpower cost for the period in review. Gross profit margin for 9M2021 reduced marginally to 22.1% compared to 24.4% for 9M2020 as reduced manpower cost was offset by sales promotion discount to attract increased room bookings during 9M2021.

##### *Other Operating Income*

The Group reported other operating income for 3Q2021 of nil compared to RM17 thousand for 3Q2020, which were from rental rebates and government subsidy arising from government restrictions on business activities to address the Covid-19 outbreak. Other operating income for 9M2021 of RM3 thousand is a 91.2% reduction from the RM34 thousand reported for 9M2020. These amounts were mainly from Covid-19 related government subsidies and rental rebates that began during 9M2020 and ceased during 1Q2021.

##### *Administrative Expenses*

Administrative expenses in 3Q2021 increased by 49.4% to RM1.4 million from RM0.9 million in 3Q2020 due mainly to (i) increase in corporate manpower cost of RM0.4 million as such costs were no longer shared by IEV Group Sdn Bhd which

was disposed of in FY2020; (ii) increased sales and marketing efforts of RM0.1 million to promote the healthcare business; and (iii) increased rental expenses of RM0.1 million for a commercial lease related to the planned Mines2 Confinement Centre. The addition of depreciation of right-of-use asset of RM50 thousand for 3Q2021 is for the lease of the Group's corporate office in Singapore. Depreciation of property, plant and equipment ("PPE") for 3Q2021 increased by 243% to RM24 thousand from RM7 thousand in 3Q2020 was mainly due to upgrading works on the PJ Confinement Centre and the acquisition of office equipment.

Similarly, administrative expenses in 9M2021 increased by 28.8% to RM3.5 million from RM2.7 million in 9M2020 due mainly to (i) increase in corporate manpower cost of RM0.5 million as such costs were no longer shared by IEV Group Sdn Bhd which was disposed of in FY2020; (ii) increased sales and marketing efforts of RM0.2 million to promote the healthcare business; and (iii) increased rental expenses of RM0.1 million for a commercial lease related to the planned Mines2 Confinement Centre. The addition of depreciation of right-of-use asset of RM66 thousand for 9M2021 is in relation to the lease of a corporate office in Singapore. Similar to 3Q2021, depreciation of PPE for 9M2021 increased by 247% to RM59 thousand from RM17 thousand in 9M2020 due to upgrading works at the PJ Confinement Centre and acquisition of office equipment.

#### *Exchange Loss/Gain*

The Group recorded a marginal exchange gain of RM7 thousand in 3Q2021 compared to a exchange gain of RM32 thousand in 3Q2020. For 9M2021, the Group recorded an exchange loss of RM52 thousand compared to an exchange loss of RM86 thousand in 9M2020. The exchange gain for 3Q2021 and 3Q2020 were mainly due to a partial recovery of the depreciation of the Malaysia Ringgit against the Singapore Dollar in HY2021 and HY2020.

#### *Other Operating Expenses*

Other operating expense for 9M2021 of RM1.8 million was due to impairment on goodwill of that amount in view of the delayed expansion plans and opening of postpartum centres in Malaysia as a resulted of Covid-19 pandemic induced suspension of economic activities. Plans for the development of a large postpartum centre on Hendon Road, Singapore has been discontinued as it was no longer commercially viable.

#### *Finance Costs*

Finance costs of RM0.1 million for 3Q2021 and RM0.3 million for 3Q2021 were largely in relation to accrued interest on outstanding convertible loans entered into during 1Q2021.

#### *Loss Before Tax*

For reasons set out above, the Group recorded a 73.7% increase in loss before tax to RM1.5 million for 3Q2021 from RM0.8 million for 3Q2020. For 9M2021, the Group recorded a 110.8% increase in loss before tax to RM5.6 million from RM2.7 million in 9M2020.

### **Discontinued Operations**

The voluntary liquidation of HealthPro Pte Ltd and appointment of a liquidator was confirmed at an extraordinary general meeting and a meeting of creditors on 27 August 2021. The Asset Integrity Management ("AIM") Sector had been reclassified under discontinued operations, upon receiving shareholders' approval in an extraordinary general meeting on 15 October 2020 to dispose of IEV Group Sdn. Bhd. and thus exiting from the AIM Sector. The disposal was completed on 25 November 2020. The liquidation of PT Pabuaran KSO for the Exploration and Production Sector was completed and deregistered by the Ministry of Law and Human Rights on 11 January 2021.

Loss before tax from discontinued operations of RM6.6 million for 9M2021 were mainly attributable to (i) RM2.4 million loss from the liquidation of HealthPro Pte Ltd; (ii) depreciation of right of use assets of RM2.7 million for the commercial lease at Hendon Road, Singapore; (iii) manpower costs of RM0.8 million and (iv) professional and consultancy services of RM0.5 million in relation to HR services, engineering and IT infrastructure consulting for the Hendon Road postpartum centre, and liquidation expenses for HealthPro Pte Ltd.

## **Review of Statement of Financial Position**

### *Current Assets*

The Group's current portion of other receivables and prepayments decreased by RM1.2 million to RM0.8 million as at 30 September 2021 from RM2.0 million as at 31 December 2020, due mainly to liquidation write-down of other receivable and prepayments of RM1.5 million related to HealthPro Pte Ltd; and partially offset by additional other receivables of RM0.3 million recorded by other subsidiaries of the Group.

### *Non-Current Assets*

Property plant and equipment ("PPE") decreased by RM4.5 million to RM0.3 million as at 30 September 2021 from RM4.8 million as at 31 December 2020 due to the liquidation write-down of RM4.6 million in PPE related to HealthPro Pte Ltd; and partially offset by the acquisition of RM0.1 million in PPE related to the chiropractic and physiotherapy business. Right-of-use ("ROU") assets reduced by RM6.9 million to RM0.5 million as at 30 September 2021 from RM7.4 million as at 31 December 2020 due mainly to (i) depreciation charges of RM2.8 million related to operations of HealthPro Pte Ltd; and (ii) liquidation write-down of RM4.7 million ROU assets related to HealthPro Pte Ltd; and these were partially offset by the addition of RM0.6 million in ROU asset for a corporate office lease in Singapore. Carrying value of goodwill was reduced to RM4.3 million as at 30 September 2021 from RM6.1 million as at 31 December 2020 due to an impairment provision of RM1.8 million in view of delayed expansion plans and opening of the Group's postpartum care centres in Malaysia and Singapore as a result of Covid-19 pandemic induced suspension of various business activities.

### *Capital and Reserves*

Share capital of the Company and the Group increased to RM121.2 million as at 30 September 2021 from RM119.7 million as at 31 December 2020 due the allotment and issuance of 19,685,039 new ordinary shares in the Company at an issue price of S\$0.0254 per ordinary share pursuant to a placement exercise. Currency translation reserve reduced to RM3.2 million as at 30 June 2021 from RM3.4 million as at 31 December 2020, due to the depreciation of the Malaysian Ringgit against the Singapore Dollar during the period under review.

Accumulated losses for the Group increased by RM12.2 million to RM124.4 million as at 30 September 2021 from RM112.2 million as at 31 December 2020, due to the loss recorded for 9M2021.

### *Non-Current Liabilities and Current Liabilities*

Convertible loans of RM5.4 million as at 30 September 2021 comprise of principal amounts of RM5.1 million drawn during 1Q2021 and accrued interest of RM0.3 million. Current and non-current lease liabilities as at 30 September 2021 decreased to RM0.5 million from RM7.6 million as at 31 December 2020 due to (i) lease payments of RM3.0 million; and (ii) write-down of RM5.0 million upon HealthPro Pte Ltd being placed in liquidation; and these partially offset by (i) additional lease liability of RM0.6 million for the lease of a corporate office in Singapore; and (ii) interest on lease of RM0.2 million. Other payables for the Group as at 30 September 2021 reduced by RM2.3 million to RM3.4 million from RM5.7 million as at 31 December 2020 due mainly to a liquidation write-down of RM3.0 million in relation to HealthPro Pte Ltd and partially offset by the addition of RM0.6 million in other payables incurred by the healthcare business.

The Group has a negative working capital of RM7.8 million as at 30 September 2021, compared to a negative working capital of RM8.5 million as at 31 December 2020. The decrease in negative working capital was due mainly to the write-down of current lease liabilities and other payables upon HealthPro Pte Ltd being placed in liquidation. The Group has a net liability of RM3.0 million as at 30 September 2021 compared to a net equity of RM7.6 million as at 31 December 2020 due mainly to losses of RM12.2 million for 9M2021.

Barring any unforeseen circumstances and any further serious adverse impact of the Covid-19 pandemic, the Group should be able to meet its working capital commitments for the next 12 months in view of: (i) potential additional corporate fund-raising exercises including a share subscription exercise completed in April 2021; (ii) the Group's estimated revenue from the Healthcare Sector for the next 12 months; and (iii) the remaining RM1.9 million proceeds the Group is expecting to receive from the convertible loan agreements, entered into in January 2021, by fourth quarter of 2021.



## **Review of Statement of Cash Flows**

For 3Q2021 the Group's net cash used in operating activities was RM0.7 million. This was mainly due to: (i) an operating loss before working capital changes of RM1.4 million; and (ii) increase in trade and other receivables of RM0.1 million. These were partially offset by an increase in trade and other payables of RM0.8 million. Net cash used in investing activities of RM44 thousand for 3Q2021 was for the acquisition of property, plant and equipment. Net cash used in financing activities of RM63 thousand for 3Q2021 was for lease payments.

For 9M2021, the Group recorded net cash used in operating activities of RM3.7 million. This was mainly due to: (i) an operating loss before working capital changes of RM4.6 million; (ii) increase in trade and other receivables of RM0.3 million. These were partially offset by (i) increase in trade and other payables of RM1.2 million. Net cash used in investing activities of RM0.1 million for 9M2021 was for the acquisition of property, plant and equipment. Net cash generated from financing activities of RM3.6 million for 9M2021 was from (i) convertible loan drawdowns of RM5.1 million and (ii) net proceeds of RM1.5 million from a subscription of the Company's ordinary shares; and these were partially offset by lease payments of RM3.0 million.

As a result of the above, the cash and bank balances was RM0.3 million as at 30 September 2021, compared to RM1.7 million as at 30 September 2020.

**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**

#### **Malaysia**

The Malaysian government has shifted to viewing Covid-19 as endemic, instead of a pandemic, all economic sectors have now resumed operations. However, the government is still stressing to the public to remain cautious with Covid-19, and continue with the health protocol at public places. The Group remains cautiously optimistic on the future prospects of the Healthcare Business, especially with the heightened public awareness on the need for good hygiene practices. Furthermore, the Group has been diligently maintaining the quality of its postpartum care services, and at the same time, keeping a look out for opportunities within this sector.

#### **Singapore**

Despite the presence of Covid-19 infections, the Singapore government has adopted a "live-with-it" strategy. With a vaccination rate of approximately 85% of the entire population as at the date of this announcement, Singapore is preparing to open for business. Various vaccinated travel lanes ("VTL") has been established with a number of countries and more countries are to be linked up soon.

Notwithstanding the voluntary liquidation of HealthPro Pte Ltd, the Group intends to continue the postpartum care business in Singapore and will continue to lookout for opportunities.

### **New Developments**

#### *Postpartum Care Centres*

The PJ Confinement Centre at SS2 Petaling Jaya, Malaysia, continues to operate despite the current Covid-19 pandemic in Malaysia and at a very encouraging capacity. It has received bookings till the first quarter of 2022.

With regards to the Mines2 Centre in the Klang Valley region, Malaysia, renovation planning has resumed and expect to start renovation towards end of 2021, with the intention to commence operations in early second quarter of 2022.

#### *Complementary Treatments*

The Group had commenced operations of its first chiropractic and physiotherapy centre at the PJ Confinement Centre in April 2021, under the brand name, 'Back To Life' ("BTL"). The month-on-month results has been promising since resuming

operations in August 2021, after lifting of the lockdown. The process to set up a second BTL centre in Petaling Jaya, Malaysia shall resume with renovation in November 2021 and expected commencement of operations in January 2022. The tenancy agreement for the third centre in Cheras, Kuala Lumpur, is currently being reviewed and renovation is expected to commence in January 2022 with the expected commencement of operations in March 2022. An integrated BTL centre is also being planned within the Mines2 Centre, and renovation shall proceed in line with the renovation of the confinement centre.

Chiropractic and physiotherapy services have been heavily sought after in Malaysia for some time 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 centres have opened in major population catchment areas.

#### *DNA Profiling*

The Group launched its e-commerce website for DNA profiling product "Qodify" in third quarter of 2021, and are now focused on creating awareness and marketing of the product to the Malaysia and Singapore. It is expected for the business to pick up more rapidly towards December 2021, given festive seasons.

Again, given the awareness and shift of emphasis towards health and wellbeing being in the midst of the Covid-19 pandemic, there has been an increase in demand for DNA profiling. Our DNA profiling has the ability to provide an individual insights into their genetic profile, including whether an individual has a predisposition, or is at an increased likelihood, of having an inherited disease or disorder. The Group plans to expand sales of Qodify to more countries within the region once presence in Malaysia and Singapore is established.

#### *Covid-19 Antibody Test Kit*

With Covid-19 being treated as endemic and having to live amidst the virus in our daily lives, it is imperative to understand and determine how the mass public are protected against Covid-19. The Group had, in August 2021, obtained exclusive distributorship from Lanson Biotechnology Co., Ltd, a China-based biotechnology company to market and distribute Covid-19 Antibody Test Kits as well as the Dry Fluorescence Immunoassay Analyser in Singapore and Malaysia. The Covid-19 Test Kits are able to detect the presence of neutralizing antibodies which are indicative of the immune system's adaptation to Covid-19 infection and are predictive of the body's immune protection against future symptomatic Covid-19 infection. The Group is in the midst of applying for approval from the respective government agencies in Singapore and Malaysia to commence distribution of these products and expects to commence marketing and distribution in early first quarter of 2022.

**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 30 September 2021 as the Group recorded a loss from its continuing operations in 9M2021.

### 13. Segmental information

The Group's reportable segments were identified as follows:-

Continuing Operations consist of:

- Corporate – investment holding activities
- Healthcare – Rendering postpartum care services and chiropractic & physiotherapy services.

Discontinued Operations consist of:

- Asset Integrity Management - Offshore engineering and petroleum projects
- Exploration & Production –IEV Energy Investment Pte Ltd undergoing a voluntary liquidation
- Healthcare & Wellness – HealthPro Pte Ltd placed under creditors' voluntary liquidation

The segment analysis on the Group's results for three months ended 30 September 2021 and 30 September 2020 are as follows:-

	Continuing Operations				Discontinued Operations						Combined	
	Healthcare		Corporate		Asset Integrity Management		Exploration & Production		Healthcare			
	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000
<b>REVENUE</b>												
Total Sales	147	195	-	-	-	1,983	-	-	-	-	147	2,178
Inter-segment sales	-	-	-	-	-	(777)	-	-	-	-	-	(777)
External sales	147	195	-	-	-	1,206	-	-	-	-	147	1,401
<b>RESULTS</b>												
Segment results	(1,387)	(272)	48	(577)	-	356	-	-	(2,569)	(1,357)	(3,908)	(1,850)
Finance costs	(7)	-	(129)	-	-	(75)	-	-	(1)	(131)	(137)	(206)
	(1,394)	(272)	(81)	(577)	-	281	-	-	(2,570)	(1,488)	(4,045)	(2,056)
Taxation											-	-
Loss for the Year											(4,045)	(2,056)
Loss attributable to												
- owners of the parent											(4,045)	(2,056)
- non-controlling interest											-	-
Profit/(Loss) for the Year											(4,045)	(2,056)
Amortisation of intangible assets	-	-	-	-	-	(9)	-	-	-	-	-	(9)
Depreciation of property, plant and equipment	(24)	(7)	-	-	-	(105)	-	-	-	(1)	(24)	(113)
Depreciation of right-of-use asset	(50)	-	-	-	-	(66)	-	-	(8)	(1,347)	(58)	(1,413)

	Continuing Operations				Discontinued Operations						Combined	
	Healthcare		Corporate		Asset Integrity Management		Exploration & Production		Healthcare			
	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000	3Q2021 RM'000	3Q2020 RM'000
Write-back impairment of property, plant and equipment	-	-	-	-	-	88	-	-	-	-	-	88
Property, plant and equipment written off	-	(3)	-	-	-	-	-	-	-	-	-	(3)
Writeback allowance for inventories	-	-	-	-	-	(30)	-	-	-	-	-	(30)
Inventories written off	-	-	-	-	-	(21)	-	-	-	-	-	(21)
Write back on impairment of receivables	-	-	-	-	-	(9)	-	-	-	-	-	(9)
Impairment of VAT receivables	-	-	-	-	-	32	-	-	-	-	-	32
Write back payables & accrued expenses	-	-	-	-	-	179	-	-	-	-	-	179
Impairment and write-down of inventories	-	-	-	-	-	(124)	-	-	-	-	-	(124)
Loss on liquidation of subsidiary	-	-	-	-	-	-	-	-	(2,437)	-	(2,437)	-
Income tax credit in respect of prior years	-	-	-	-	-	1	-	-	-	-	-	1

The segment analysis on the Group's results for nine months ended 30 September 2021 and 30 September 2020 are as follows:-

	Continuing Operations				Discontinued Operations						Combined	
	Healthcare		Corporate		Asset Integrity Management		Exploration & Production		Healthcare			
	9M2021 RM'000	9M 2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000
<b>REVENUE</b>												
Total Sales	556	536	-	-	-	6,862	-	-	-	-	556	7,398
Inter-segment sales	-	-	-	-	-	(2,832)	-	-	-	-	-	(2,832)
External sales	556	536	-	-	-	4,030	-	-	-	-	556	4,566
<b>RESULTS</b>												

	Continuing Operations				Discontinued Operations						Combined	
	Healthcare		Corporate		Asset Integrity Management		Exploration & Production		Healthcare			
	9M2021 RM'000	9M 2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000
Segment results	(4,101)	(810)	(1,199)	(1,853)	-	860	(14)	(20)	(6,414)	(3,939)	(11,728)	(5,762)
Finance costs	(10)	-	(304)	-	-	(218)	-	-	(174)	(441)	(488)	(659)
Share of results of associates	-	-	-	-	-	-	-	-	-	-	-	-
	(4,111)	(810)	(1,503)	(1,853)	-	642	(14)	(20)	(6,588)	(4,380)	(12,216)	(6,421)
Taxation												4
Loss for the Year											(12,216)	(6,417)
Loss attributable to											(12,216)	(6,417)
- owners of the parent											-	-
- non-controlling interest											(12,216)	(6,417)
Loss for the Year											(12,216)	(6,417)
Amortisation of intangible assets	-	-	-	-	-	(34)	-	-	-	-	-	(34)
Depreciation of property, plant and equipment	(59)	(17)	-	-	-	(332)	-	-	(2)	(1)	(61)	(350)
Depreciation of right-of-use asset	(66)	-	-	-	-	(200)	-	-	(2,727)	(4,039)	(2,793)	(4,239)
Write-back of impairment of property, plant and equipment	-	-	-	-	-	250	-	-	-	-	-	250
Property, plant and equipment written off	-	(4)	-	-	-	-	-	-	-	-	-	(4)
Inventories written off	-	-	-	-	-	(21)	-	-	-	-	-	(21)
Write back impairment of receivables	-	-	-	-	-	1,152	-	-	-	-	-	1,152
Impairment of goodwill	(1,840)	-	-	-	-	-	-	-	-	-	(1,840)	-
Impairment of VAT receivables	-	-	-	-	-	28	-	-	-	-	-	28
Write back payables & accrued expenses	-	-	-	-	-	179	-	-	-	-	-	179

	Continuing Operations				Discontinued Operations						Combined	
	Healthcare		Corporate		Asset Integrity Management		Exploration & Production		Healthcare			
	9M2021 RM'000	9M 2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000	9M2021 RM'000	9M2020 RM'000
Impairment and write-down of inventories	-	-	-	-	-	(124)	-	-	-	-	-	(124)
Loss on liquidation of subsidiary	-	-	-	-	-	-	-	-	(2,437)	-	(2,437)	-
Income tax credit in respect of prior years	-	4	-	-	-	1	-	-	-	-	-	5

The segment analysis on the Group's assets and liabilities as at 30 September 2021 and September 2020 are as follows:-

	Continuing Operations				Discontinued Operations						Combined	
	Healthcare		Corporate		Asset Integrity Management		Exploration & Production		Healthcare			
	As at 30 September 2021 RM'000	2020 RM'000	As at 30 September 2021 RM'000	2020 RM'000	As at 30 September 2021 RM'000	2020 RM'000	As at 30 September 2021 RM'000	2020 RM'000	As at 30 September 2021 RM'000	2020 RM'000	As at 30 September 2021 RM'000	2020 RM'000
<b>Assets</b>												
Segment assets	6,174	7,927	144	130	-	4,138	5	5	-	14,576	6,323	26,776
Sub-Total	6,174	7,927	144	130	-	4,138	5	5	-	14,576	6,323	26,776
Unallocated assets											5	923
<b>Consolidated total assets</b>											<b>6,328</b>	<b>27,699</b>
<b>Liabilities</b>												
Segment liabilities	2,849	1,397	6,414	829	-	5,710	46	51	-	10,827	9,309	18,814
Sub-Total	2,849	1,397	6,414	829	-	5,710	46	51	-	10,827	9,309	18,814
Unallocated liabilities											3	62
<b>Consolidated total liabilities</b>											<b>9,312</b>	<b>18,876</b>

#### 14. Subsequent events

As announced on 4 October 2021, HealthPro Group (S) Pte Ltd and HealthPro Group (M) Sdn Bhd had entered into Share Sale Agreements to fully acquire Impact BPO Services Pte Ltd and Impact BPO Sdn Bhd respectively, with effect from 1 October 2021. Both these newly acquired and wholly-owned subsidiaries are principally engaged in recruitment and outsourced human resource services in Singapore and Malaysia.

#### 15. 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.

#### 16. 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:

- (i) the entry into convertible loan agreements on 29 January 2021 for interest-bearing convertible loans (the “Convertible Loans”) of approximately S\$2.185 million (after deducting expenses of approximately S\$65,000 incurred by the Company in connection with the Convertible Loans) have been utilised as follows:

Use of Proceeds	Amount allocated (as announced on 29 January 2021) (S\$'000)	Amount utilised as at 31 July 2021 (S\$'000)	Balance of net proceeds (S\$'000)
(i) Renovation and refurbishment of postpartum and chiropractic centres	1,300	700	600
(ii) Working capital	885	885 <sup>(1)</sup>	-
Total	2,185	1,585	600

Note 1. Working capital utilisation has been for (i) rental for commercial leases S\$565 thousand; (ii) payment of professional fees of S\$70 thousand; and (iii) manpower and overheads of S\$250 thousand.

- (ii) the allotment and issuance of 19,685,039 ordinary shares at an issue price of S\$0.0254 per share in the capital of the Company through a share subscription exercise (the “Share Subscription”) that was completed on 13 April 2021. The net proceeds of approximately S\$0.48 million (after deducting expenses of approximately S\$0.02 million incurred by the Company in connection with the Share Subscription) have been utilised as follows

Use of Proceeds	Amount allocated (as announced on 1 April 2021) (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Balance of net proceeds (S\$'000)
(i) Renovation and refurbishment of postpartum centres	200	200	-
(ii) Working capital	280	280 <sup>(1)</sup>	-
Total	480	480	-

Note 1. Working capital utilisation has been for (i) rental for commercial leases S\$170 thousand; (ii) professional fees of S\$30 thousand and (iii) manpower and overheads S\$80 thousand.

**17. 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 second quarter and half year ended 30 September 2021 false or misleading in any material aspect.

**18. 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.

**ON BEHALF OF THE BOARD OF DIRECTORS**

LOW KOON POH EXECUTIVE CHAIRMAN & CEO	HARRY NG LEAD INDEPENDENT DIRECTOR
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Date: 11 November 2021