

CAMSING HEALTHCARE LIMITED

(Company Registration No. 197903888Z)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE FULL YEAR ENDED 31 JANUARY 2021

Introduction

Please refer to the reasons and circumstances leading to the delayed release of this set of financial results announcement for the full year ended 31 January 2021 ("FY 2021") as set out in our unaudited financial results for the full year ended 31 January 2019 released via SGXNET on 4 December 2021.

Part I Information required for announcements of quarterly (Q1, Q2 & Q3), Half year and Full year results

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Unaudited Financial Year Ended 31.01.21 S\$'000	Audited Financial Year Ended 31.01.20 S\$'000	Change % +/-
Revenue	5,690	7,308	-22
Cost of sales	(2,313)	(3,040)	-24
Gross profit	3,377	4,268	-21
Other income:			
Other income and gains	1,267	26	N.M.
Expenses and losses:			
Marketing and distribution costs	(3,764)	(7,159)	-47
General and administrative and other operating expenses	(1,510)	(987)	53
Finance costs	(237)	(372)	-36
Impairment loss on right-of-use assets	(171)	(1,513)	-89
Reversal of impairment loss on financial assets	20	-	N.M.
Reversal of impairment loss on property, plant and equipment	157	279	-44
Reversal of provision for reinstatement cost	32	-	N.M.
Loss before tax	(829)	(5,458)	-85
Income tax expense	-	-	N.M.
Loss for the year	(829)	(5,458)	-85

1(a) (continued)

	Unaudited Financial Year Ended 31.01.21 S\$'000	Audited Financial Year Ended 31.01.20 S\$'000	Change % +/-
Other comprehensive (loss) / income:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
- Foreign currency translation	(1)	-	N.M.
<i>Items that will not be reclassified subsequently to profit or loss</i>			
- Effect of deferred tax on revaluation reserve	-	67	N.M.
Other comprehensive (loss) / income for the year, net of tax	(1)	67	N.M.
Total comprehensive loss for the year	(830)	(5,391)	-85
Loss attributable to:			
Owners of the Company	(828)	(5,458)	-85
Non-controlling interest	(1)	-	N.M.
	(829)	(5,458)	-85
Total comprehensive loss attributable to:			
Owners of the Company	(829)	(5,391)	-85
Non-controlling interest	(1)	-	N.M.
	(830)	(5,391)	-85

N.M.: Not Meaningful

Other than as presented and disclosed in the statement of comprehensive income, loss before tax is arrived after charging/(crediting):

	Unaudited Financial Year Ended 31.01.21 S\$'000	Audited Financial Year Ended 31.01.20 S\$'000	Change % +/-
Depreciation of property, plant and equipment	206	366	-44
Depreciation on right-of-use assets	1,488	2,393	-38
Property, plant and equipment written off	359	-	N.M.
Impairment loss on right-of-use assets	171	1,513	-89
Allowance / (Reversal) for inventory obsolescence	25	(100)	N.M.
Inventories written off	10	64	-84
Interest expenses	237	301	-21
Foreign exchange loss/ (gain)	17	(12)	N.M.
Reversal of impairment loss on property, plant and equipment	(157)	(279)	-44
Reversal of impairment loss on financial assets	(20)	-	N.M.

Reversal of provision for reinstatement cost	(32)	-	N.M.
Gain on disposal of property, plant and equipment	(17)	-	N.M.
Interest income	(7)	-	N.M.
Rent concessions and rebate	(825)	-	N.M.

N.M.: Not Meaningful

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

	Group		Company	
	Unaudited As at 31.01.21 S\$'000	Audited As at 31.01.20 S\$'000	Unaudited As at 31.01.21 S\$'000	Audited As at 31.01.20 S\$'000
Non-current assets				
Property, plant and equipment	230	650	-	-
Right-of-use assets	1,210	2,167	-	-
Investment in subsidiaries	-	-	900	4,072
Other receivables	256	673	-	-
Deferred tax assets	-	74	-	-
	<u>1,696</u>	<u>3,564</u>	<u>900</u>	<u>4,072</u>
Current assets				
Inventories	720	1,219	-	-
Trade receivables	116	107	-	-
Amount due from subsidiaries	-	-	21	-
Other receivables	817	528	113	140
Cash and cash equivalents	735	663	51	51
	<u>2,388</u>	<u>2,517</u>	<u>185</u>	<u>191</u>
Total assets	<u>4,084</u>	<u>6,081</u>	<u>1,085</u>	<u>4,263</u>
Current liabilities				
Trade payables	536	640	-	-
Other payables and accruals	1,847	822	614	173
Provisions	12	12	-	-
Amount due to subsidiaries	-	-	-	27
Lease liabilities	1,514	2,191	-	-
Loans and borrowings	1,300	1,661	-	-
	<u>5,209</u>	<u>5,326</u>	<u>614</u>	<u>200</u>
Net current liabilities	<u>(2,821)</u>	<u>(2,809)</u>	<u>(429)</u>	<u>(9)</u>
Non-current liabilities				
Lease liabilities	672	1,610	-	-
Provisions	203	228	-	-
Deferred tax liabilities	20	107	-	-
	<u>895</u>	<u>1,945</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>6,104</u>	<u>7,271</u>	<u>614</u>	<u>200</u>
Net (liabilities) / assets	<u>(2,020)</u>	<u>(1,190)</u>	<u>471</u>	<u>4,063</u>

Share capital, reserves and non-controlling interest

Share capital	14,250	14,250	14,250	14,250
Foreign currency translation deficit	(19)	(18)	-	-
Accumulated losses	(16,249)	(15,421)	(13,779)	(10,187)
Equity attributable to owners of the Company	(2,018)	(1,189)	471	4,063
Non-controlling interest	(2)	(1)	-	-
Net equity	(2,020)	(1,190)	471	4,063

1(b)(ii) Aggregate amount of group's borrowings and debt securities**(a) Amount repayable in one year or less, or on demand**

	As at 31.01.21		As at 31.01.20	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Short-term bank borrowings	-	1,300	-	1,661
Lease liabilities	-	1,514	4	2,187
	-	2,814	4	3,848

(b) Amount repayable after one year

	As at 31.01.21		As at 31.01.20	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities	-	672	-	1,610

(c) Details of any collateral

Short-term bank borrowings as at 31 January 2021 were supported by corporate guarantees provided by the Company and a subsidiary of the Company.

Lease liabilities (not pertaining to right-of-use assets) are secured by the lessors' title to the leased assets.

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

	Unaudited Financial Year Ended 31.01.21 S\$'000	Audited Financial Year Ended 31.01.20 S\$'000
Operating activities:		
Loss before tax	(829)	(5,458)
Adjustments for:		
Depreciation of property, plant and equipment	206	366
Depreciation for right-of-use assets	1,488	2,393
Reversal of impairment loss on property, plant and equipment	(157)	(279)
Property, plant and equipment written off	359	-
Gain on disposal of property, plant and equipment	(17)	-
Impairment loss on right-of-use assets	171	1,513
Reversal of impairment loss on financial assets	(20)	-
Reversal of provision for reinstatement cost	(32)	-
Allowance / (Reversal) for inventory obsolescence	25	(100)
Inventories written off	10	64
Interest expense	237	301
Interest income	(7)	-
Rent concessions and rebate	(825)	-
Operating cash flows before changes in working capital	609	(1,200)
Trade and other receivables	139	2,556
Inventories	464	939
Provisions	7	(9)
Trade and other payables	846	680
Net cash flows from operating activities	2,065	2,966
Investing activities:		
Purchase of property, plant and equipment	(6)	(183)
Net proceeds from disposal of property, plant and equipment	35	852
Net cash flows from investing activities	29	669
Financing activities:		
Repayment of interest-bearing loans and borrowings	(361)	(1,739)
Repayment of lease liabilities	(1,484)	(2,299)
Interest paid	(177)	(301)
Net cash flows used in financing activities	(2,022)	(4,339)
Net increase/ (decrease) in cash and cash equivalents	72	(704)
Cash and cash equivalents at beginning of year	663	1,367
Cash and cash equivalents at end of financial year (Note A)	735	663

Note A:

Cash and Cash Equivalents

	Group	
	31.01.21 Unaudited S\$'000	31.01.20 Audited S\$'000
	<hr/>	<hr/>
Cash and bank balances, representing cash and cash equivalents	735	663
	<hr/>	<hr/>

1(e)(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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Share capital	Foreign currency translation reserve	Accumulated losses	Revaluation reserve	Equity attributable to owners of the Company	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 February 2019	14,250	(18)	(10,420)	390	4,202	(1)	4,201
Loss for the year	-	-	(5,458)	-	(5,458)	-	(5,458)
Other comprehensive income for the year	-	-	457	(390)	67	-	67
Total comprehensive loss for the year	-	-	(5,001)	(390)	(5,391)	-	(5,391)
Balance at 31 January 2020 (audited)	14,250	(18)	(15,421)	-	(1,189)	(1)	(1,190)
Balance at 1 February 2020	14,250	(18)	(15,421)	-	(1,189)	(1)	(1,190)
Loss for the year	-	-	(828)	-	(828)	(1)	(829)
Other comprehensive loss for the year	-	(1)	-	-	(1)	-	(1)
Total comprehensive loss for the year	-	(1)	(828)	-	(829)	(1)	(830)
Balance at 31 January 2021 (unaudited)	14,250	(19)	(16,249)	-	(2,018)	(2)	(2,020)

Company	Share capital S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance at 1 February 2019	14,250	(9,585)	4,665
Loss for the year, representing total comprehensive loss for the year	-	(602)	(602)
Balance at 31 January 2020 (audited)	14,250	(10,187)	4,063
Balance at 1 February 2020	14,250	(10,187)	4,063
Loss for the year, representing total comprehensive loss for the year	-	(3,592)	(3,592)
Balance at 31 January 2021 (unaudited)	14,250	(13,779)	471

1(f)(g) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles 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.

Not applicable.

1(h)(a) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31.01.21	As at 31.01.20
Total number of shares	<u>29,999,993</u>	<u>29,999,993</u>

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

The Company does not have any treasury shares.

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

The figures have not been audited nor reviewed by the auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 January 2020.

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

Not applicable.

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	
	Financial Year	Financial Year
	Ended	Ended
	31.01.21	31.01.20
Loss per share (in SGD cents)		
- Basic ⁽¹⁾	(2.76)	(18.19)
- Fully diluted ⁽²⁾	(2.76)	(18.19)

⁽¹⁾ Basic loss/ earnings per share ("EPS") is calculated on the Group's loss for the period divided by the weighted average number of ordinary shares in issue during the reporting period of 29,999,993 shares (2020: 29,999,993 shares).

⁽²⁾ As there are no dilutive potential ordinary shares issued and/or granted, the fully diluted EPS is the same as the basic EPS.

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) currently period reported on and (b) immediately preceding financial year

	Group		Company	
	As at	As at	As at	As at
	31.01.21	31.01.20	31.01.21	31.01.20
	Cents	Cents	Cents	Cents
Net (liabilities) / assets per ordinary share based on existing issued share capital as at the end of the period	(6.73)	(3.97)	1.57	13.54

Net (liability) / asset value per ordinary share was based on 29,999,993 (2020: 29,999,993) ordinary shares outstanding as at end of the reporting period.

- 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 revenue, costs, 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 and liabilities of the group during current financial period reported on.**

A) Performance Review

Revenue

The Group reported a decrease of \$1.6 million or 22% in revenue from \$7.3 million in the financial year ended 31 January 2020 ("FY2020") to \$5.7 million in the financial year ended 31 January 2021 ("FY2021"). The decrease was mainly attributable to lower local retail sales revenue as a result of the closure of certain outlets of Nature's Farm Pte Ltd ("Nature's Farm") during FY2021.

Other income

Higher other income was mainly due to rental rebates from landlords, job support scheme and wage credits from the government in view of the advent of Covid-19 pandemic amounting to \$1.3 million in FY2021.

Marketing and distribution costs

Marketing and distribution costs decreased by \$3.4 million or 47% from \$7.2 million to \$3.8 million in FY2021. The decrease was mainly attributable lower headcounts required with reduced retail fronts and lower depreciation of right-of-use assets as more outlets were closed during the year. Efforts are in place to find other format of sales points.

General and administrative and other operating expenses

General and administrative expenses increased by \$0.5 million, primarily due to higher professional fees recognized in FY2021.

Finance costs

The reduced finance costs in FY2021 was due mainly to the higher amount of interest on lease liabilities being recognised in FY2020 when SFRS(I) 16 was first adopted.

Impairment loss on right-of-use assets

Lower impairment loss on right-of-use assets was recorded in FY2021 as compared to that of FY2020 as the bulk of these ROU assets had been impaired in FY2020.

Loss before tax

In view of the above reasons, loss before tax decreased by \$4.7 million from \$5.5 million in FY2020 to \$0.8 million in FY2021.

B) Statement of Financial Position Review

Property, plant and equipment

The decrease in the carrying amount of property, plant and equipment was due mainly to the write-offs and/or disposals arising from the termination of some leases during FY2021.

Right-of-use assets/ lease liabilities

The decrease in ROU assets and lease liabilities was due mainly to the termination of some leases during FY2021.

Other receivables

The decrease in other receivables by \$0.13 million was due mainly to the refund of rental deposits as a few outlets were closed in FY2021.

Inventories

Inventories decreased mainly due to lesser purchases for the FY2021 and in line with lower sales demand.

Cash and cash equivalents

Please refer to the Statement of Cash Flows at paragraph 1(d) above for detail of changes in cash and cash equivalents.

Other payables

The increase in other payables by \$1.0 million was primarily due to rental in arrears and the accruals of professional fees.

Investment in subsidiaries

A further allowance for impairment of \$3.2 million was made against the Company's investment in subsidiaries for FY2021 to reflect its estimated recoverable amount as at 31 January 2021.

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, the issuer must explain any variance between the forecast or prospect statement and the actual results**

Not applicable.

- 10 Commentary at the date of the announcement of the 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**

While business activities in general are gradually showing signs of improvement in recent months with the easing of pandemic containment measures, the effects and impacts of Covid-19 on the Singapore economy (especially the severely affected retail sector) remained slow in recovery.

The Group will continue its efforts to create more online presence on purchasing platforms to garner more sales and identify new markets. It will look at ways to optimize its business operations and create better shareholders' value.

As announced via SGXNET on 27 December 2021, the Company had entered into an investment agreement and a loan agreement ("First Loan Agreement"), both dated 25 December 2021, with an independent party (the "Investor") wherein the Investor will be extending fresh funds to the Company subject to the satisfaction of certain conditions as set out therein. In view of some imminent business opportunities (including expanding the range of products and business coverage) and its operational needs, on 3 March 2021, the Company entered into, among others, a second loan agreement ("Second Loan Agreement") with the Investor. Pursuant to and subject to the terms and conditions of the Second Loan Agreement, the Investor shall loan to the Company up to an aggregate principal amount of \$2.99 million for purchase of healthcare supplements and other operational or working capital purposes. Please refer to the aforementioned announcements for more details.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date Payable

Not applicable.

(d) Books Closure Date

Not applicable.

12 If no dividend has been declared/recommendedd, a statement to that effect

No dividend has been declared or recommended as the Company and/or the Group recorded net losses for the financial year under review.

13 Interested Person Transactions

During the financial period under review, the Group did not have a general mandate pursuant to Rule 920 of the SGX-ST Listing Manual. The Company wishes to highlight that it does not have any Interested Person Transactions exceeding \$100,000 in aggregate value during FY2021.¹

¹ In arriving at the conclusion, the Board wishes to state for the record that it did not include the transactions with Caring Global Health Management (Beijing) Co., Ltd, Global Biotech Medical Inc., Limited, I-Nitra Consulting Limited as interested person transactions as RSM did not conclude these three companies as interested persons after their extensive investigation from April 2019 to September 2020. Please refer to the ES-SAR released by Company on 1 September 2020 via SGXNet.

PART II - Additional information required for full year announcement
(This is not applicable to Q1, Q2, Q3 or Half-year results)

14 Segmental revenue and results for business or geographical segments (of the group) in the form presented in the audited financial statements, with comparative information for the immediately preceding year

Business Segments	Health Food Trade		Corporate		Consolidated	
	31.01.21 S\$'000	31.01.20 S\$'000	31.01.21 S\$'000	31.01.20 S\$'000	31.01.21 S\$'000	31.01.20 S\$'000
Revenue:						
External customers	5,690	7,308	-	-	5,690	7,308
Results:						
Depreciation of property, plant and equipment	206	366	-	-	206	366
Depreciation for right-of-use assets	1,488	2,393	-	-	1,488	2,393
Property, plant and equipment written off	359	-	-	-	359	-
Impairment loss on right-of-use assets	171	1,513	-	-	171	1,513
Allowance / (Reversal) for inventory obsolescence	25	(100)	-	-	25	(100)
Inventories written off	10	64	-	-	10	64
Interest expenses	177	281	60	20	237	301
Reversal of impairment loss on property, plant and equipment	(157)	(279)	-	-	(157)	(279)
Reversal of impairment loss on financial assets	(20)	-	-	-	(20)	-
Gain on disposal of property, plant and equipment	(17)	-	-	-	(17)	-
Interest income	(7)	-	-	-	(7)	-
Other non-cash expenses	-	19	-	-	-	19
Loss before tax	(309)	(4,783)	(520)	(675)	(829)	(5,458)
Assets:						
Additions to non-current assets **	6	183	-	-	6	183
Lease modification to right-of-use assets	390	-	-	-	390	-
Additions to right-of-use assets	28	6,073	-	-	28	6,073
Segment assets	3,861	5,816	223	265	4,084	6,081
Segment liabilities	4,315	7,118	1,789	153	6,104	7,271

** excluding right-of-use assets that were capitalized and recognized pursuant to the adoption of SFRS(I) 16.

	Revenue		Non-current assets	
	31.01.21 S\$'000	31.01.20 S\$'000	31.01.21 S\$'000	31.01.20 S\$'000
Singapore	5,681	7,287	1,696	3,490
Overseas	9	21	-	-
	<u>5,690</u>	<u>7,308</u>	<u>1,696</u>	<u>3,490</u>

15 A breakdown of sales

	Unaudited Financial Year Ended 31.01.21 S\$'000	Audited Financial Year Ended 31.01.20 S\$'000	Change % +/-
(a) Sales reported for first half year	2,772 #	3,537	-22
(b) Loss before tax reported for first half year	(4) #	(1,621)	-100
(c) Sales reported for second half year	2,918 #	3,771	-23
(d) Loss before tax reported for second half year	(825) #	(3,837)	-78

N.M – not meaningful

As the half-year results announcement for the six-month period ended 31 July 2020 has not been released on SGXNet, these figures are extracted from the monthly consolidated management accounts.

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

Not applicable.

17 Report of persons occupying managerial positions who are related to a director, chief executive officer or substantial shareholder Pursuant to Rule 704 (13)

The Board confirms that, to the best of its knowledge, as of the date hereof, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a Director, Chief Executive Officer or Substantial Shareholder of the Company.

18 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

Pursuant to Rule 720(1) of the Listing Manual, the Company has procured undertakings from all its directors and executive officers.

BY ORDER OF THE BOARD

LIU HUI
Executive Director

6 April 2022