



(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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## **UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD ENDED 31 MARCH 2021 (“1Q2021”)**

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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.*

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

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.**

	<b>Group</b> <b>3 months ended 31 March ("1Q")</b>		
	<b>Unaudited</b> <b>1Q2021</b> <b>(RM'000)</b>	<b>Unaudited</b> <b>1Q2020<sup>(a)</sup></b> <b>(RM'000)</b>	<b>% change</b> <b>increase/</b> <b>(decrease)</b>
Revenue	107	162	(34.0)
Cost of sales	(108)	(117)	(7.7)
Gross (loss) / profit	(1)	45	n.m.
Other operating income	30	-	n.m.
Administrative expenses	(2,804)	(2,384)	17.6
Exchange loss	(42)	(108)	(61.1)
Finance costs	(144)	(162)	(11.1)
Loss before tax	(2,961)	(2,609)	13.5
Income tax	-	-	-
Loss for the period from continuing operations	(2,961)	(2,609)	13.5
<b>Discontinued operations<sup>(b)</sup></b>			
Loss for the period from discontinued operations	(14)	(1,095)	(98.7)
Loss for the period	(2,975)	(3,704)	(19.7)
Other comprehensive gain/(loss) net of tax			
- Exchange differences on translation of foreign operations	15	(135)	n.m.
Total comprehensive loss for the period, net of tax	(2,960)	(3,839)	(22.9)
<b>Total loss attributable to:</b>			
Owners of the Company			
- Continuing operations	(2,961)	(2,609)	13.5
- Discontinued operations	(14)	(1,095)	(98.7)
Non-controlling interests	-	-	n.m.
	(2,975)	(3,704)	(19.7)
<b>Total comprehensive loss attributable to:</b>			
Owners of the Company	(2,960)	(3,839)	(22.9)
Non-controlling interests	-	-	n.m.
	(2,960)	(3,839)	(22.9)

n.m. denotes not meaningful.

**Notes:**

- (a) *Financial statements for 1Q2021 and 1Q2020 have been re-presented after 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. The disposal was completed on 25 November 2020. The financial results presented under continuing operations for 1Q2021 and 1Q2020 comprises of the Healthcare Sector and corporate costs subsequent to the completion of the Group's acquisition of Lady Paradise Sdn. Bhd. (now known as HealthPro Life Sdn. Bhd.) in December 2019.*
- (b) *Discontinued operations is in relation to: (i) 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; and (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.*

**1(a)(ii) Loss for the financial period from continuing operations is arrived after crediting/(charging) the following:**

	Group 3 months ended 31 March ("1Q")		
	1Q2021 (RM'000) Unaudited	1Q2020 (RM'000) Unaudited	% change increase/ (decrease)
Interest expense	(144)	(162)	(11.1)
Depreciation of property, plant and equipment	(13)	(5)	160.0
Depreciation of right-of-use assets <sup>(a)</sup>	(1,349)	(1,339)	0.7

n.m. denotes not meaningful

*Notes:*

(a) Depreciation of right-of-use assets is in relation to classification of leasing transactions under SFRS(I)16 Leases effective for annual periods beginning on or after 1 January 2019.

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

	Group 3 months ended 31 March ("1Q")		
	Unaudited 1Q2021 (RM'000)	Unaudited 1Q2020 (RM'000)	% change increase/ (decrease)
Revenue	-	152	n.m.
Cost of sales	-	(109)	n.m.
Gross profit	-	43	n.m.
Other operating income	-	92	n.m.
Administrative expenses	(14) <sup>(a)</sup>	(1,431)	(99.0)
Exchange gain	-	278	n.m.
Other operating expenses	-	(7)	(500.0)
Finance costs	-	(70)	n.m.
Loss before tax	(14)	(1,095)	(98.7)
Income tax	-	-	-
Loss for the period from discontinued operations	(14)	(1,095)	(98.7)

n.m. denotes not meaningful

*Notes:*

(a) This was related to liquidation expenses of PT IEV Pabuaran KSO

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

	Group 3 months ended 31 March ("1Q")		
	1Q2021 (RM'000) Unaudited	1Q2020 (RM'000) Unaudited	% change increase/ (decrease)
Interest expense	-	(70)	n.m.
Depreciation of property, plant and equipment (include depreciation accounted for in cost of sales)	-	(114)	n.m.
Depreciation of right-of-use assets	-	(66)	n.m.
Write-back of impairment of property, plant and equipment	-	57	n.m.
Amortisation of intangible assets (include amortization accounted for in cost of sales)	-	(12)	n.m.

**1(b) 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 31 March 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)	Unaudited As at 31 March 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)
<b>ASSETS</b>				
<b>Current</b>				
Cash and bank balances	929	208	2,228	496
Other receivables and prepayments	14,627	11,410	2,226	2,050
Inventories	-	-	26	27
	15,556	11,618	4,480	2,573
<b>Non-current</b>				
Property, plant and equipment	-	-	4,940	4,814
Right-of-use assets	-	-	6,119	7,397
Goodwill	-	-	6,133	6,133
Subsidiaries	7,118	7,036	-	-
Other receivables and prepayments	-	-	-	27
	7,118	7,036	17,192	18,371
<b>Total assets</b>	<b>22,674</b>	<b>18,654</b>	<b>21,672</b>	<b>20,944</b>

<b>LIABILITIES AND EQUITY</b>				
<b>Current</b>				
Convertible Loans	5,092	-	5,092	-
Trade payables	-	-	9	9
Other payables and other provisions	1,040	1,582	5,589	5,711
Contract liabilities	-	-	-	8
Lease liabilities	-	-	5,416	5,352
Income tax payables	-	-	-	-
	6,132	1,582	16,106	11,080
<b>Non-current</b>				
Lease liabilities	-	-	919	2,256
	-	-	919	2,256
<b>Total liabilities</b>	<b>6,132</b>	<b>1,582</b>	<b>17,025</b>	<b>13,336</b>
<b>Capital and reserves</b>				
Share capital	119,718	119,718	119,718	119,718
Treasury shares	(38)	(38)	(38)	(38)
Currency translation reserve	120	(69)	(3,346)	(3,360)
Capital reserve	3,526	3,526	3,526	3,526
Accumulated losses	(106,784)	(106,065)	(115,213)	(112,238)
Equity attributable to owners of the Company	16,542	17,072	4,647	7,608
Non-controlling interests	-	-	-	-
<b>Total equity</b>	<b>16,542</b>	<b>17,072</b>	<b>4,647</b>	<b>7,608</b>
<b>Total liabilities and equity</b>	<b>22,674</b>	<b>18,654</b>	<b>21,672</b>	<b>20,944</b>

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 31 March 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)
Bank Borrowings	-	-
Convertible Loans	5,092	-
<b>Total Borrowings &amp; Debt Securities</b>	<b>5,092</b>	<b>-</b>
Amount repayable in one year or less, or on demand	5,092	-

Group	Unaudited As at 31 March 2021 (RM'000)	Audited As at 31 December 2020 (RM'000)
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 31 March 2021, S\$1.63 million out of S\$2.25 million of the convertible loan has been received by the Group.

#### **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	
	Unaudited 1Q2021 (RM'000)	Unaudited 1Q2020 (RM'000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation		
- from continuing operations	(2,961)	(2,609)
- from discontinued operations	(14)	(1,095)
	(2,975)	(3,704)
Adjustments for:		
Amortisation of intangible assets	-	12
Depreciation of property, plant and equipment	13	119
Depreciation of right-of-use assets	1,349	1,405
Write back on Impairment of property, plant and equipment	-	(57)
Interest expense	144	232
Operating loss before movements in working capital changes	(1,469)	(1,993)
Inventories	1	(61)
Contract costs	-	(108)
Other receivables and prepayments	(157)	(44)
Trade and other payables and other provisions	(189)	(2,407)
Contract Liabilities	(8)	123
Amount due from an associate	-	549
Cash used in operations (before renovation works)	(1,822)	(3,941)
Other payables – renovation works	-	(4,483)
Cash used in operations (after renovation works)	(1,822)	(8,424)
Interest paid	-	(63)
Tax paid	-	(12)
Net cash used in operating activities	(1,822)	(8,499)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(59)	(68)
Net cash used in investing activities	(59)	(68)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease payments	(1,442)	(1,505)
Advances from a related party	-	84
Net proceeds from issuance of ordinary shares	-	11,459
Convertible Loans	5,043	-
Net cash generated from financing activities	3,601	10,038
Net increase in cash and cash equivalents	1,720	1,471
Cash and cash equivalents at beginning of period	496	647
Currency translation difference of cash and cash equivalents at beginning of year	12	36
<b>Cash and cash equivalents at end of period</b>	<b>2,228</b>	<b>2,154</b>

	Group	
	Unaudited 1Q2021 (RM'000)	Unaudited 1Q2020 (RM'000)
<i>Cash and cash equivalents comprise:</i>		
Cash and bank balances excluding fixed deposits	2,228	4,117
Fixed deposits	-	69
Cash and bank balances	2,228	4,186
Less: Pledged fixed deposits	-	(69)
Less: Bank overdrafts	-	(1,963)
<b>Cash and cash equivalents at end of period</b>	<b>2,228</b>	<b>2,154</b>

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

<u>Company</u> Current Period	Share capital (RM'000)	Treasury shares (RM'000)	Accumulated losses (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Total (RM'000)
Balance as at 1 January 2021	119,718	(38)	(106,065)	3,526	(69)	17,072
Total comprehensive income for the period	-	-	(719)	-	189	(530)
Balance as at 31 March 2021	119,718	(38)	(106,784)	3,526	120	16,542

<u>Company</u> Previous Period	Share capital (RM'000)	Treasury shares (RM'000)	Accumulated losses (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Total (RM'000)
Balance as at 1 January 2020	107,674	(38)	(103,775)	3,526	(188)	7,199
Total comprehensive income for the period	-	-	(784)	-	20	(764)
Transaction with owner: Increase in paid-up capital	11,490	-	-	-	-	11,490
Capital expenses	(31)	-	-	-	-	(31)
Balance as at 31 March 2020	119,133	(38)	(104,559)	3,526	(168)	17,894

<u>Group</u> Current Period	Share capital (RM'000)	Treasury shares (RM'000)	Accumu- Lated Losses (RM'000)	Capital reserves (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)
Balance as at 1 January 2021	119,718	(38)	(112,238)	3,526	(3,360)	7,608	-	7,608
Loss for the period	-	-	(2,975)	-	-	(2,975)	-	(2,975)
Other comprehensive income								
- Currency translation difference arising from consolidation	-	-	-	-	14	14	-	14
Transaction with owner	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	119,178	(38)	(115,213)	3,526	(3,346)	4,647	-	4,647

<b>Group Previous Period</b>	<b>Share capital (RM'000)</b>	<b>Treasury shares (RM'000)</b>	<b>Accumu- lated Losses (RM'000)</b>	<b>Capital reserves (RM'000)</b>	<b>Currency translation reserve (RM'000)</b>	<b>Equity attributable to owners of the Company (RM'000)</b>	<b>Non- controlling interests (RM'000)</b>	<b>Total equity (RM'000)</b>
Balance as at 1 January 2020	107,674	(38)	(109,475)	3,526	1,761	3,448	(29)	3,419
Loss for the period	-	-	(3,704)	-	-	(3,704)	-	(3,704)
Other comprehensive income								
- Currency translation difference arising from consolidation	-	-	-	-	(135)	(135)	-	(135)
Transaction with owner								
- increase in paid-up capital	11,490	-	-	-	-	11,490	-	11,490
- Capitalised expenses	(31)	-	-	-	-	(31)	-	(31)
Balance as at 31 March 2020	119,133	(38)	(113,179)	3,526	1,626	11,068	(29)	11,039

**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	-	-
Issued and paid-up share capital of the Company as at 31 March 2021 (excluding treasury shares)	492,882,927	47,291,018

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 31 March 2021, S\$1.63 million out of S\$2.25 million of the convertible loan has been received by the Group.

Save as disclosed above, there were no outstanding convertibles, share options and subsidiary holdings as at 31 March 2021 and 31 March 2020.

	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Total number of treasury shares	200,000	200,000
Total number of ordinary shares	492,882,927	487,674,594
% of treasury shares over total number of ordinary shares	0.04%	0.04%

As at 31 March 2021, the only outstanding convertibles of the Company are the 56,532,663 Conversion Shares to be issued pursuant to the convertible loans against 492,882,927 issued shares (excluding treasury shares). As at 31 March 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 31 March 2021</b>	<b>As at 31 December 2020</b>
Number of issued shares of the Company	493,082,927	493,082,927
Shares held as treasury shares	(200,000)	(200,000)
Number of issued shares excluding treasury shares	492,882,927	492,882,927

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

There were no sales, transfers, cancellation and / or use of treasury shares as at 31 March 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 31 March 2021.

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

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditor's 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 relating 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 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.**

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 1Q2021.

**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**



<b>Group</b>	<b>1Q2021 (Malaysian sen)</b>	<b>1Q2020 (Malaysian sen)</b>
Loss per ordinary share for the period based on the net loss attributable to shareholders of the Company:		
(i) Basic		
- from continuing operations	(0.60)	(0.55)
- from discontinued operations	(0.00)	(0.23)
	(0.60)	(0.78)
(ii) On a fully diluted basis	(0.60)	(0.78)
Weighted average number of ordinary shares	492,882,927	475,982,286

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 loss per ordinary share for 1Q2021 and 1Q2020 were the same as there were no potentially dilutive ordinary shares existing during 1Q2021 and 1Q2020, respectively. The convertible loan, given their exercise price of S\$0.0398 per Conversion Share, are not considered to be dilutive for the financial period ended 31 March 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**

	<b>Net asset value per ordinary share (Malaysian sen)</b>	
	<b>As at 31 March 2021</b>	<b>As at 31 December 2020</b>
Group	0.9	1.5
Company	3.4	3.5

Net asset value per ordinary share as at 31 March 2021 and 31 December 2020 have been calculated based on the aggregate number of ordinary shares (excluding treasury shares) of 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**

**Review of Statement of Comprehensive Income**

*Breakdown by business segments*

Three Months ended 31 March 2021 and 31 March 2020

<b>Business sector</b>	<b>1Q2021</b>			<b>1Q2020</b>		
	<b>Revenue (RM'000)</b>	<b>Gross Profit/(Loss) (RM'000)</b>	<b>GP Margin %</b>	<b>Revenue (RM'000)</b>	<b>Gross Profit (RM'000)</b>	<b>GP Margin %</b>
<b><u>Continuing Operations</u></b>						
Healthcare Sector	107	(1)	(0.93)	162	45	27.8
Total from continuing operations	107	(1)	(0.93)	162	45	27.8
<b><u>Discontinued Operations</u></b>						
Asset Integrity Management Sector	-	-	-	152	43	28.3
Total from discontinued operations	-	-	-	152	43	28.3
<b>Total</b>	<b>107</b>	<b>(1)</b>	<b>(0.93)</b>	<b>314</b>	<b>88</b>	<b>28.0</b>

## Continuing Operations

### *Revenue*

Revenue for the Healthcare Sector in 1Q2021 decreased by 34.0% to RM107 thousand from RM162 thousand in 1Q2020 due to lower guest room bookings at the postpartum centre in Petaling Jaya Malaysia (“**PJ Confinement Centre**”). The revenue for the periods in review, mainly generated from PJ Confinement Centre, has been lower than planned due to lower business and reduced marketing activities resulted from the government-mandated restricted movements to address the Covid-19 outbreak.

### *Gross Profit/Loss*

The Group experienced a gross loss of RM1 thousand for 1Q2021 compared to a gross profit of RM45 thousand for 1Q2020. The gross loss was mainly due to lower guest room bookings and the inclusion of lease rental and utilities of the PJ Confinement Centre as cost of sales for 1Q2021.

### *Other Operating Income*

The Group’s other operating income for 1Q2021 of RM30 thousand were due mainly to Covid-19 related to job growth incentives and support schemes received from the Singapore and Malaysia governments. In comparison, the Group did not record any other operating income for 1Q2020.

### *Administrative Expenses*

Administrative expenses from continuing operations in 1Q2021 increased by 15.8% or RM0.4 million to RM2.8 million from RM2.4 million in 1Q2020 due mainly to (i) increased manpower cost of RM0.2 million arising from higher headcount for purposes of the planned postpartum centres in Singapore and Malaysia; and (ii) RM0.2 million of increased legal & corporate costs related to the issuance of S\$2.25 million of convertible loans during 1Q2021.

### *Exchange Gain*

The Group recorded an exchange loss of RM43 thousand in 1Q2021 compared to an exchange loss of RM108 thousand in 1Q2020. The 1Q2021 exchange loss was due mainly to the appreciation of the Singapore Dollar against the Malaysia Ringgit resulting in foreign exchange loss recorded for advances made by the Company to the Group’s Malaysian subsidiaries which were denominated in Singapore Dollar.

### *Finance Costs*

Finance costs for 1Q2021 decreased by 11.7% to RM143 thousand from RM162 thousand for 1Q2020 due to lower interest of RM68 thousand on lease liabilities in the application of SFRS(I)16 *Leases* for commercial leases. This was partially offset by accrued interest of RM49 thousand for outstanding convertible loans entered into during 1Q2021.

### *Loss Before Tax from Continuing Operations*

For reasons set out above, the Group recorded a loss before tax from continuing operations of RM3.0 million for 1Q2021 which was 13.5% higher than the loss before tax of RM2.6 million for 1Q2020.

## Discontinued Operations

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. For 1Q2021, the loss after tax of RM14 thousand from discontinued operations was due mainly to liquidation expenses of PT IEV Pabuaran KSO.

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

### *Current Assets*

The Group's current portion of other receivables and prepayments increased by RM0.2 million to RM2.2 million as at 31 December 2021 from RM2.0 million as at 31 December 2020, due mainly to increased prepayments and deposits related to professional services and renovation for the second confinement centre at the Klang Valley region ("**Mines2 Centre**"). At the Company level, other receivables and prepayments increased to RM14.6 million as at 31 March 2021 from RM11.4 million as at 31 March 2020 due mainly to advances of RM3.0 million to subsidiaries for planned renovation works of postpartum centres in Singapore and Malaysia and for working capital purposes.

### *Non-Current Assets*

Property plant and equipment ("**PPE**") moderately increased to RM4.9 million as at 31 March 2021 from RM4.8 million as at 31 December 2020 due mainly to acquisition of equipment and minor renovation works at the PJ Confinement Centre for. Right-of-use ("**ROU**") assets reduced to RM6.1 million as at 31 March 2021 from RM7.4 million as at 31 December 2020 due mainly to depreciation charges of RM1.3 million in 1Q2021.

### *Capital and Reserves*

Share capital of the Company and the Group was at RM119.7 million as at 31 March 2021 and 31 December 2020. Currency translation reserve marginally reduced to RM3.35 million as at 31 March 2021 from RM3.36 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 RM3.0 million to RM115.2 million as at 31 March 2021 from RM112.2 million as at 31 December 2020, due to the loss recorded for 1Q2021.

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

Convertible loans of RM5.1 million as at 31 March 2021 comprise of principal amounts of RM5.05 million drawn during 1Q2021 and accrued interest of RM0.05 million. Current and non-current lease liabilities as at 31 March 2021 decreased to RM6.3 million from RM7.6 million as at 31 December 2020 due to lease payments of RM1.4 million which was partially offset by interest expense of RM0.1 million incurred during 1Q2021. Other Payables for the Group as at 31 March 2021 reduced by RM0.1 million to RM5.6 million from RM5.7 million as at 31 December 2020 due mainly to the settlement of accruals and payables for corporate and professional services.

The Group has a negative working capital of RM11.6 million as at 31 March 2021, compared to a negative working capital of RM8.5 million as at 31 December 2020. The increase in negative working capital was due mainly to meet the administrative expenses of RM2.8 million incurred during 1Q2021. Barring any unforeseen circumstances, 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; and (ii) the Group's estimated revenue from the Healthcare Sector for FY2021.

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

The Group recorded net cash used in operating activities of RM1.8 million for 1Q2021. This was due mainly to: (i) an operating loss before working capital changes of RM1.5 million; (ii) decrease in other payables and other provisions of RM0.2 million; and (iii) increase in other receivables and prepayments of RM0.2 million. Net cash used in investing activities of RM59 thousand in 1Q2021 was for the purchase of PPE for the PJ Confinement Centre. Net cash generated from financing activities in 1Q2021 of RM3.6 million was mainly from convertible loan drawdowns of RM5.0 million, which as partially offset by payment of lease obligations of RM1.4 million.

As a result of the above the cash and bank balances was RM2.2 million as at 31 March 2021, as compared to RM2.1 million as at 31 March 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**

###### *Postpartum Care Centres*

The PJ Confinement Centre at SS2 Petaling Jaya, Malaysia, continues to operate despite the current Covid-19 pandemic in Malaysia albeit at a lower than planned capacity. It has received bookings till the fourth quarter of 2021. The Mines2 Centre in the Klang Valley region, Malaysia has commenced renovation works and is planned to be operational in early third quarter of 2021 having considered the current restrictions imposed by the Malaysia Government to manage the Covid-19 situation.

With the continuing Covid-19 global pandemic, and parts of Malaysia entering a new cycle of Movement Control Order (“MCO”), strict health and movement controls remain in place at the postpartum centre. Notwithstanding the current situation, 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.

###### *Complementary Treatments*

The Group has 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 process to set up a second BTL centre in Petaling Jaya, Malaysia has commenced, and a third centre is being planned for in Cheras, Kuala Lumpur. Similar to the PJ Confinement Centre, an integrated BTL centre is also being planned within the Mines2 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.

##### **Singapore**

The opening of Hendon Road Confinement Centre has been pushed back to the fourth quarter of 2021 due to a change in renovation work scope and the appointment of new service providers. The sales and marketing campaigns are expected to commence in the third quarter of 2021.

The Singapore Government's nationwide vaccine program is on track, with significant progress being made in vaccinating seniors, and the program will be expanded to include younger age groups. However, a recent rise in Covid-19 cases has prompted the Singapore Government to impose temporary restrictions on social gatherings and encouraged employers to allow staff to work from home for the month of May 2021. The Group is cautiously optimistic that economic activities would return to normalcy in the near future and renovation works at the Hendon Road Confinement Centre would not be unduly interrupted.

The Company will provide further updates on the Healthcare Business as and when there are material developments.

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 and the reason(s) for the decision.**

There is no interim dividend recommended and declared by the Directors in respect of the current financial period ended 31 March 2021 as the Group recorded a loss from its continuing operations in 1Q2021.

**13. 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**

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:

- (i) the allotment and issuance of 5,208,333 new ordinary shares at an issue price of S\$0.0384 per share in the capital of the Company through a share subscription exercise (the “Share Subscription”) that was completed on 19 October 2020 of approximately S\$185 thousand (after deducting expenses of approximately S\$15 thousand incurred by the Company in connection with the Share Subscription) have been utilised as follows:

<b>Use of Proceeds</b>	<b>Amount allocated (as announced on 7 October 2020) (S\$'000)</b>	<b>Amount utilised as at 30 April 2021 (S\$'000)</b>	<b>Balance of net proceeds (S\$'000)</b>
(i) Renovation and refurbishment of postpartum centres	85	85	-
(ii) Working capital	100	100 <sup>(1)</sup>	-
<b>Total</b>	<b>185</b>	<b>185</b>	<b>-</b>

Note 1. Working capital utilisation has been for corporate overheads and rental of commercial leases

- (ii) 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:

<b>Use of Proceeds</b>	<b>Amount allocated (as announced on 29 January 2021) (S\$'000)</b>	<b>Amount utilised as at 30 April 2021 (S\$'000)</b>	<b>Balance of net proceeds (S\$'000)</b>
(i) Renovation and refurbishment of postpartum and chiropractic centres	1,300	135	1,165
(ii) Working capital	885	720 <sup>(1)</sup>	165
<b>Total</b>	<b>2,185</b>	<b>855</b>	<b>1,330</b>

Note 1. Working capital utilisation has been for (i) rental for commercial leases S\$450 thousand; (ii) payment of professional fees of S\$70 thousand; and (iii) manpower and overheads of S\$200 thousand.

**15. 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 1Q2021 to be false or misleading in any material aspect.

**16. 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: 12 May 2021