



**MEDI LIFESTYLE LIMITED  
AND ITS SUBSIDIARIES**

Company Registration No: 201117734D

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**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER (“3Q2024”) AND NINE MONTHS (“9M2024”)  
ENDED 30 SEPTEMBER 2024**

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*In view of the material uncertainty related to going concern assumption issued by the Company’s independent auditors, Forvis Mazars LLP (formerly known as Mazars LLP), on the audited financial statements of the Group for the financial ended 31 December 2023, the Company is required by the Singapore Exchange Securities Trading Limited (“Exchange”) to announce its quarterly financial statements pursuant to Catalist Rule 705.*

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

Group	Note	3 months ended 30 September ("3Q")			9 months ended 30 September ("9M")		
		3Q2024 RM'000 (Unaudited)	3Q2023 RM'000 (Unaudited)	Change + / (-) %	9M2024 RM'000 (Unaudited)	9M2023 RM'000 (Unaudited)	Change + / (-) %
Revenue	4	522	672	(22.3)	1,057	1,563	(32.4)
Cost of sales		(593)	(524)	13.2	(1,213)	(1,432)	(15.3)
<b>Gross profit</b>		(71)	148	(148.0)	(156)	131	(219.1)
Other operating income		153	72	112.5	273	187	46.0
Administrative expenses		(1,097)	(1,286)	(14.7)	(3,609)	(4,929)	(26.8)
Exchange gain/(loss)		678	11	>100	662	(332)	n.m.
Other operating expenses		-	-	-	-	(188)	n.m.
Finance costs		(121)	(119)	1.7	(371)	(476)	(22.1)
Loss before tax	5	(458)	(1,174)	(61.0)	(3,201)	(5,607)	(42.9)
Income tax		-	-	-	-	-	-
Loss for the period		(458)	(1,174)	(61.0)	(3,201)	(5,607)	(42.9)
<b>Other comprehensive (loss)/income, net of tax</b>							
- Exchange differences on translation of foreign operations		216	(10)	n.m.	225	(120)	n.m.
Total comprehensive loss for the period, net of tax		(242)	(1,184)	(79.6)	(2,976)	(5,727)	(48.0)
<b>Total loss attributable to:</b>							
Owners of the Company		(458)	(1,174)	(61.0)	(3,201)	(5,607)	(42.9)
Non-controlling interests		-	-	-	-	-	-
		(458)	(1,174)	(61.0)	(3,201)	(5,607)	(42.9)
<b>Total comprehensive loss attributable to:</b>							
Owners of the Company		(242)	(1,184)	(79.6)	(2,976)	(5,727)	(48.0)
Non-controlling interests		-	-	-	-	-	-
		(242)	(1,184)	(79.6)	(2,976)	(5,727)	(48.0)
Loss per share for the period attributable to owners of the Company							
Basic (Malaysia sen)		(0.31)	(1.06)		(2.25)	(7.24)	
Diluted (Malaysia sen)		(0.31)	(1.06)		(2.25)	(7.24)	

n.m. denotes not meaningful

## B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Company		Group	
		As at 30 September 2024 RM'000 (Unaudited)	As at 31 December 2023 RM'000 (Audited)	As at 30 September 2024 RM'000 (Unaudited)	As at 31 December 2023 RM'000 (Audited)
<b>Current assets</b>					
Cash and bank balances		67	10	210	106
Trade receivables	6	-	-	147	202
Other receivables and prepayments	7	3,220	25	323	237
Inventories		-	-	145	6
		<u>3,287</u>	<u>35</u>	<u>825</u>	<u>551</u>
<b>Non-current assets</b>					
Property, plant and equipment	8	-	-	107	167
Right-of-use assets	9	-	-	-	93
		<u>-</u>	<u>-</u>	<u>107</u>	<u>260</u>
<b>Total assets</b>		<b><u>3,287</u></b>	<b><u>35</u></b>	<b><u>932</u></b>	<b><u>811</u></b>
<b>Current liabilities</b>					
Trade payables		-	-	20	9
Other payables and other provisions	10	7,393	2,184	9,710	6,133
Borrowings	11	2,271	2,482	2,271	2,482
Lease liabilities	12	-	-	-	137
Contract liabilities		-	-	50	35
Income tax payable		-	-	8	10
		<u>9,664</u>	<u>4,666</u>	<u>12,059</u>	<u>8,806</u>
<b>Non-current liabilities</b>					
Borrowings	11	1,125	1,225	1,125	1,225
		<u>1,125</u>	<u>1,225</u>	<u>1,125</u>	<u>1,225</u>
<b>Total liabilities</b>		<b><u>10,789</u></b>	<b><u>5,891</u></b>	<b><u>13,184</u></b>	<b><u>10,031</u></b>
<b>Capital and reserves</b>					
Share capital		134,460	132,132	134,460	132,132
Treasury shares		(38)	(38)	(38)	(38)
Currency translation reserve		707	89	93	(132)
Capital reserve		3,893	6,277	3,893	6,277
Accumulated losses		(146,524)	(144,316)	(150,660)	(147,459)
Equity attributable to owners of the Company		<u>(7,502)</u>	<u>(5,856)</u>	<u>(12,252)</u>	<u>(9,220)</u>
Non-controlling interests		-	-	-	-
<b>Net equity / (capital deficiency)</b>		<b><u>(7,502)</u></b>	<b><u>(5,856)</u></b>	<b><u>(12,252)</u></b>	<b><u>(9,220)</u></b>
<b>Total liabilities and equity</b>		<b><u>3,287</u></b>	<b><u>35</u></b>	<b><u>932</u></b>	<b><u>811</u></b>

## C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

### Company

	Share capital (RM'000)	Treasury shares (RM'000)	Accumulated losses (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Total (RM'000)
<b>At 1 January 2024</b>	132,132	(38)	(144,316)	6,277	89	(5,856)
Total comprehensive loss for the period	-	-	(2,208)	-	618	(1,590)
Transaction with owners:						
Increase in paid-up capital	2,384	-	-	(2,384)	-	-
Capitalised expenses	(56)	-	-	-	-	(56)
<b>At 30 September 2024</b>	<b>134,460</b>	<b>(38)</b>	<b>(146,524)</b>	<b>3,893</b>	<b>707</b>	<b>(7,502)</b>

### Company

	Share capital (RM'000)	Treasury shares (RM'000)	Accumulated losses (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Total (RM'000)
<b>At 1 January 2023</b>	127,721	(38)	(130,241)	3,893	255	1,590
Total comprehensive loss for the period	-	-	(3,176)	-	(5)	(3,181)
Transaction with owners:						
Increase in paid-up capital	4,478	-	-	-	-	4,478
Capitalised expenses	(67)	-	-	-	-	(67)
<b>At 30 September 2023</b>	<b>132,132</b>	<b>(38)</b>	<b>(133,417)</b>	<b>3,893</b>	<b>250</b>	<b>2,820</b>

### Group

	Share capital (RM'000)	Treasury shares (RM'000)	Retained earnings (Accumulated losses) (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Equity attributable to owners of the Company (RM'000)	Non-controlling interests (RM'000)	Total equity (RM'000)
<b>At 1 January 2024</b>	132,132	(38)	(147,459)	6,277	(132)	(9,220)	-	(9,220)
Loss for the year	-	-	(3,201)	-	-	(3,201)	-	(3,201)
Other comprehensive income								
- Currency translation difference arising from consolidation	-	-	-	-	225	225	-	225
Transaction with owners:								
Increase in paid-up capital	2,384	-	-	(2,384)	-	-	-	-
Capitalised expenses	(56)	-	-	-	-	(56)	-	(56)
<b>At 30 September 2024</b>	<b>134,460</b>	<b>(38)</b>	<b>(150,660)</b>	<b>3,893</b>	<b>93</b>	<b>(12,252)</b>	<b>-</b>	<b>(12,252)</b>

### Group

	Share capital (RM'000)	Treasury shares (RM'000)	Retained earnings (Accumulated losses) (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Equity attributable to owners of the Company (RM'000)	Non-controlling interests (RM'000)	Total equity (RM'000)
<b>At 1 January 2023</b>	127,721	(38)	(140,264)	3,893	(23)	(8,711)	-	(8,711)
Loss for the year	-	-	(5,607)	-	-	(5,607)	-	(5,607)
Other comprehensive income								
- Exchange difference on translating foreign operations	-	-	-	-	(120)	(120)	-	(120)
Transaction with owners:								
Increase in paid-up capital	4,478	-	-	-	-	4,478	-	4,478
Capitalised expenses	(67)	-	-	-	-	(67)	-	(67)
<b>At 30 September 2023</b>	<b>132,132</b>	<b>(38)</b>	<b>(145,871)</b>	<b>3,893</b>	<b>(143)</b>	<b>(10,027)</b>	<b>-</b>	<b>(10,027)</b>

## D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

<b>Group</b>	<b>3 Months ended</b>		<b>9 Months ended</b>	
	<b>30 September ("3Q")</b>		<b>30 September ("9M")</b>	
	<b>3Q2024</b>	<b>3Q2023</b>	<b>9M2024</b>	<b>9M2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Loss before tax:	(458)	(1,174)	(3,201)	(5,607)
	(458)	(1,174)	(3,201)	(5,607)
Adjustments for:				
Depreciation of property, plant and equipment	19	22	59	64
Depreciation of right-of-use assets	-	71	93	215
Write back impairment of right-of-use assets	-	(2)	-	(2)
Impairment of trade receivables	-	-	-	188
Interest expenses	121	119	371	476
Operating loss before working capital changes	(318)	(964)	(2,678)	(4,666)
Inventories	(139)	1	(138)	5
Trade and other receivables and prepayments	10	(81)	(53)	150
Contract liabilities	8	(97)	14	(70)
Trade and other payables and other provisions	(890)	(412)	(2,607)	(2,086)
Tax paid	-	-	(1)	-
Net cash used in operating activities	(1,329)	(1,553)	(5,463)	(6,667)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	-	-	-	(25)
Net cash used in investing activities	-	-	-	(25)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of lease liabilities	-	(79)	(139)	(239)
Repayment of loans and interest	-	(1,029)	(494)	(1,846)
Loan from shareholder	-	-	6,263	-
Proceeds from issuance of convertible loans	-	-	-	332
Proceeds from issuance of convertible bonds	-	1,698	-	6,884
Medium-term loan	-	-	-	332
Short-term loan	-	-	-	1,047
Capitalised transaction costs on issuance of ordinary shares	-	(60)	(56)	(67)
Net cash generated from financing activities	-	530	5,574	6,443
Net (decrease)/increase in cash and cash equivalents	(1,329)	(1,023)	111	(249)
Cash and cash equivalents at beginning of the period	1,535	1,323	106	510
Currency translation difference of cash and cash equivalents at beginning of the period	4	(33)	(7)	6
<b>Cash and cash equivalents at end of period</b>	<b>210</b>	<b>267</b>	<b>210</b>	<b>267</b>
<i>Cash and bank balances comprise:</i>				
Cash and bank balances	210	267	210	267
Cash and cash equivalents at end of period	210	267	210	267

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## E. SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate and group information

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

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are in the Healthcare and Wellness sector. The financial results presented under continuing operations for the three months (“3Q2024”) and nine months ended 30 September 2024 (“9M2024”) comprise of (i) the Healthcare and Wellness sector which includes 1 postpartum care centre as well as 2 chiropractic and physiotherapy centres in Malaysia; and (ii) Outsourced services in Malaysia and Singapore including human resource recruitment and payroll, and other support services. Due to rectification works by the landlord, the Group’s postpartum care centre and chiropractic and physiotherapy centre at SS2 Petaling Jaya ceased operations temporarily since November 2023. During 3Q2024 the Group has embarked on the trading of agriculture commodities through its wholly owned subsidiary Global Agriculture Product Pte Ltd (formerly known as Healthpro Pharma Pte Ltd) with the initial trade of palm oil derivatives from Indonesia.

### 2. Basis of preparation

The condensed interim financial statements for 3Q2024 and 9M2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited financial statements for the twelve months ended 31 December 2023.

The interim statements of financial position of the Company and its subsidiaries as at 30 September 2024 and related interim consolidated profit or loss and other comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for 3Q2024 and 9M2024 and certain explanatory notes have not been independently audited or reviewed.

Except as disclosed in Note 2.1 below, the Group has applied the same accounting policies and methods of computation in the financial statements for current financial period reported on, as those applied in the Group’s most recently audited financial statements for the financial year ended 31 December 2023, which were prepared in accordance with Singapore Financial Reporting Standards (International).

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

#### 2.1 New and amended standards adopted by the Group

The Group has adopted all the new and revised Singapore Financial Reporting Standards (International) (“SFRS(I)”) and SFRS(I) Interpretations (“SFRS(I) INTs”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024, 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 3Q2024 and 9M2024. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### 2.2 Use of estimates and judgement

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

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

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

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

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

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

#### ***Impairment of investment in subsidiaries***

Management exercises their judgement in estimating recoverable amounts of its investment in subsidiaries of the Company.

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

#### ***Calculation of loss allowance for trade and other receivables***

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

#### ***Fair value of convertible loans***

Classification and measurement of convertible loans as compound financial instruments or hybrid financial instruments requires significant judgements to assess whether the Group can settle the convertible loans by issuing a fixed number of shares in exchange for a fixed amount of cash ("**fixed for fixed criteria**") based on the terms and conditions of the respective convertible loan agreements. Management has exercised judgement and assessed that part of the loans meet the fixed for fixed criteria and hence these are accounted for as compound financial instruments.

### **2.3 Going concern assumption**

As at 30 September 2024, the Group's current liabilities exceeded its current assets by RM11.2 million. In addition, the Group incurred a net loss of RM3.2 million and net operating cash outflow of RM5.5 million for the nine months ended 30 September 2024. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. To support the financial statements having been prepared on a going concern basis and to ensure the adequacy of funds required to meet its obligations, working capital and capital commitment needs, the Group prepared a 15-month consolidated cash flow forecast from 1 October 2024 ("**Cash Flow Forecast**"). In preparing the Cash Flow Forecast, the management has taken the following into consideration:

- (i) an interest-free shareholder loan from Lingholm Holdings Pte. Ltd. ("**LHPL**") amounting to S\$1.3 million that was received on 29 February 2024. Further details can be found in the Company's announcement dated 27 February 2024;
- (ii) a further interest-free shareholder loan (including formalisation of S\$0.5 million advances) totalling S\$2.1 million, of which S\$0.5 million was received on 25 June 2024 and S\$0.78 million was received on 1 November 2024. Further details can be found in the Company's announcement dated 4 November 2024;
- (iii) letter of undertaking from LHPL to provide financial support to the Group to enable it to meet its financial obligations so as to continue as a going concern basis;
- (iv) letter of undertaking from LHPL to not demand repayment of amounts owing to them totaling approximately RM6.9 million until the Group's resources permit; and



- (v) the conversion of non-redeemable convertible loan notes with an aggregate principal amount of S\$647,000 (approximately RM 2.1 million) into new issued shares in the capital of the Company, pursuant to the terms and conditions of the respective convertible loan notes. Further details of which can be found in the Company's announcement dated 1 November 2024.

## **2.4 Board's comments on going concern assumption**

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

- (a) the Cash Flow Forecast prepared by management, including estimated earnings from the Healthcare Sector, the Outsourced Services Sector and the Commodity Trading Sector which the Company has on 30 April 2024 recently obtained shareholders' approval for diversification into;
- (b) a total of S\$2.58 million (approximately RM 8.6 million) extended by LHPL to the Group to date, with S\$0.82 million available for disbursement in January 2025 and March 2025 pursuant to the terms of the loan agreement dated 1 November 2024;
- (c) the letter of financial support from LHPL to provide financial support to the Group to enable it to meet its financial obligations so as to continue as a going concern basis;
- (d) letter of undertaking from LHPL to not demand repayment of amounts owing to them totaling approximately RM6.9 million until the Group's resources permit; and
- (e) the conversion of non-redeemable convertible loan notes with an aggregate principal amount of S\$647,000 (approximately RM 2.1 million) into new issued shares in the capital of the Company, pursuant to the terms and conditions of the respective convertible loan notes.

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

## **3. Seasonal operations**

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

#### 4. Segmental and revenue information

The Group's reportable segments were identified as follows:

Operations consist of:

- Corporate – investment holding activities
- Healthcare – postpartum care and chiropractic & physiotherapy services and cell-therapy products.
- Outsourced Services – human resource recruitment and payroll, event management, information technology and other outsourced support services
- Commodity Trading - agricultural commodities trading in the Southeast Asia region with the initial trade of palm oil derivatives from Indonesia.

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

##### 4.1 Reportable Segments

The segment analysis on the Group's results for three months ended 30 September 2024 ("3Q2024") and 30 September 2023 ("3Q2023") are as follows:-

Group	Healthcare		Corporate		Outsourced Services		Commodity Trading		Combined	
	3Q2024	3Q2023	3Q2024	3Q2023	3Q2024	3Q2023	3Q2024	3Q2023	3Q2024	3Q2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>										
Total sales	79	405	-	-	80	267	365	-	524	672
Inter-segment sales	(2)	-	-	-	-	-	-	-	(2)	-
External sales	77	405	-	-	80	267	365	-	522	672
<b>RESULTS</b>										
Segment results	351	(451)	(513)	(613)	(124)	9	(51)	-	(337)	(1,055)
Finance costs	-	(3)	(121)	(116)	-	-	-	-	(121)	(119)
Taxation	351	(454)	(634)	(729)	(124)	9	(51)	-	(458)	(1,174)
Loss for the period									(458)	(1,174)
Loss attributable to									(458)	(1,174)
- owners of the Company									-	-
- non-controlling interest									(458)	(1,174)
Loss for the period									(458)	(1,174)
Depreciation of property, plant and equipment	(10)	(12)	(9)	(10)	-	-	-	-	(19)	(22)
Depreciation of right-of-use assets	-	-	-	(71)	-	-	-	-	-	(71)
Write back of right-of-use assets	-	-	-	2	-	-	-	-	-	2

The segment analysis on the Group's results for nine months ended 30 September 2024 ("9M2024") and 30 September 2023 ("9M2023") are as follows:-

Group	Healthcare		Corporate		Outsourced Services		Commodity Trading		Combined	
	9M2024	9M2023	9M2024	9M2023	9M2024	9M2023	9M2024	9M2023	9M2024	9M2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>										
Total sales	229	915	-	-	465	651	365	-	1,059	1,566
Inter-segment sales	(2)	-	-	-	-	(3)	-	-	(2)	(3)
External sales	227	915	-	-	465	648	365	-	1,057	1,563
<b>RESULTS</b>										
Segment results	(658)	(1,644)	(1,838)	(2,929)	(283)	(558)	(51)	-	(2,830)	(5,131)
Finance costs	(1)	(13)	(370)	(463)	-	-	-	-	(371)	(476)
	(659)	(1,657)	(2,208)	(3,392)	(283)	(558)	(51)	-	(3,201)	(5,607)
Taxation									-	-
Loss for the period									(3,201)	(5,607)
Loss attributable to										
- owners of the Company									(3,201)	(5,607)
- non-controlling interest									-	-
Loss for the period									(3,201)	(5,607)
Depreciation of property, plant and equipment	(32)	(36)	(27)	(27)	-	(1)	-	-	(59)	(64)
Depreciation of right-of-use assets	-	-	(93)	(215)	-	-	-	-	(93)	(215)
Impairment of trade receivables	-	-	-	-	-	(188)	-	-	-	(188)
Write back of right-of-use assets	-	-	-	2	-	-	-	-	-	2

The segment analysis on the Group's assets and liabilities as at 30 September 2024 and 31 December 2023 are as follows:-

	Healthcare		Corporate		Outsourced Services		Commodity Trading		Combined	
	As at 30 September 2024 RM'000	As at 31 December 2023 RM'000	As at 30 September 2024 RM'000	As at 31 December 2023 RM'000	As at 30 September 2024 RM'000	As at 31 December 2023 RM'000	As at 30 September 2024 RM'000	As at 31 December 2023 RM'000	As at 30 September 2024 RM'000	As at 31 December 2023 RM'000
	<b>Assets</b>									
Segment assets	298	225	384	270	229	316	21	-	932	811
Sub-Total	298	225	384	270	229	316	21	-	932	811
Unallocated assets									-	-
<b>Consolidated total assets</b>									932	811
<b>Liabilities</b>										
Segment liabilities	772	1,767	11,570	7,024	806	1,230	28	-	13,176	10,021
Sub-Total	772	1,767	11,570	7,024	806	1,230	28	-	13,176	10,021
Unallocated liabilities									8	10
<b>Consolidated total liabilities</b>									13,184	10,031

## 4.2 Disaggregation of revenue

<u>Group</u>	3 months ended			9 months ended		
	30 September ("3Q")			30 September ("9M")		
	3Q2024	3Q2023	Change	9M2024	9M2023	Change
	RM'000	RM'000	+/(-)%	RM'000	RM'000	+/(-)%
Rendering of confinement centre services – Over time	-	151	n.m.	-	391	n.m.
Rendering of permanent placement services – Over time	80	267	(70.0)	465	597	(22.1)
Rendering of human resource and payroll services – Over time	-	-	n.m.	-	51	n.m.
Rendering of chiro & physio services – Point in time	42	37	13.5	112	101	10.9
Sale of related products – Point in time	35	217	(83.9)	115	423	(72.8)
Agricultural Commodity Trading – Point in time	365	-	n.m.	365	-	n.m.
	522	672	(22.3)	1,057	1,563	(32.4)

## 4.3 Geographical Segment

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

<u>Group</u>	3 months ended		9 months ended	
	30 September ("3Q")		30 September ("9M")	
	3Q2024	3Q2023	9M2024	9M2023
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
Malaysia	77	403	227	920
Singapore	445	269	830	643
<b>Total revenue</b>	<b>522</b>	<b>672</b>	<b>1,057</b>	<b>1,563</b>

## 5. Loss before tax

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

<u>Group</u>	3 months ended			9 months ended		
	30 September ("3Q")			30 September ("9M")		
	3Q2024	3Q2023	Change	9M2024	9M2023	Change
	RM'000	RM'000	+/(-)%	RM'000	RM'000	+/(-)%
Rental Income	33	64	(48.4)	122	169	(27.8)
Interest expense	(121)	(119)	1.7	(371)	(476)	(22.1)
Depreciation of property, plant and equipment	(19)	(22)	(13.6)	(59)	(64)	(7.8)
Depreciation of right-of-use asset	-	(71)	n.m.	(93)	(215)	(56.7)
Impairment of trade receivables	-	-	-	-	(188)	n.m.
Write back impairment of ROU	-	2	n.m.	-	2	n.m.

## 6. Trade receivables

	Company		Group	
	As at 30 September 2024 RM'000 (Unaudited)	As at 31 December 2023 RM'000 (Audited)	As at 30 September 2024 RM'000 (Unaudited)	As at 31 December 2023 RM'000 (Audited)
Third parties	-	-	931	986
Provision for doubtful debts – trade	-	-	(784)	(784)
	-	-	147	202

The trade receivables are derived from the Outsourced Services segment. Management applied the “simplified approach” for assessing expected credit losses for trade receivables from third parties. Under the simplified approach, the Group’s management developed a provision matrix using historical credit loss rates adjusted with forward looking information to reflect the effects of the current and future economic conditions, economic factors impacted by global events and externalities. The main factors considered in determining the lifetime expected credit losses for these customers are debts past due more than 6 months and there was currently uncertainty over the recoverability of the debts.

## 7. Other receivables and prepayments

	Company		Group	
	As at 30 September 2024 RM'000 (Unaudited)	As at 31 December 2023 RM'000 (Audited)	As at 30 September 2024 RM'000 (Unaudited)	As at 31 December 2023 RM'000 (Audited)
Deposits	-	-	118	127
Prepayments	45	25	91	108
Amount owing by subsidiaries	3,175	-	-	-
Others	-	-	114	2
	3,220	25	323	237

## 8. Property, plant and equipment

During the nine months ended 30 September 2024, the Group did not acquire any property, plant and equipment (9M2023: RM25,000 comprising mainly office equipment) nor dispose of any property, plant and equipment (9M2024: Nil).

## 9. Right-of-use assets

Group	Office unit RM'000	Confinement centre RM'000	Integrated units RM'000	Total RM'000
<b>Cost:</b>				
At 1 January 2023	-	-	833	833
Currency translation difference	-	-	38	38
At 31 December 2023	-	-	871	871
Currency translation difference	-	-	(3)	(3)
At 30 September 2024	-	-	868	868
<b>Accumulated depreciation:</b>				
At 1 January 2023	-	-	443	443
Depreciation for the year	-	-	264	264
Currency translation difference	-	-	25	25
At 31 December 2023	-	-	732	732
Depreciation for the period	-	-	93	93
Currency translation difference	-	-	(3)	(3)
At 30 September 2024	-	-	822	822

Group	Office unit	Confinement	Integrated	Total
	RM'000	centre	units	
	RM'000	RM'000	RM'000	RM'000
<b>Impairment:</b>				
At 1 January 2023	-	-	46	46
Impairment during the year	-	-	-	-
At 31 December 2023	-	-	46	46
Impairment during the period	-	-	-	-
At 30 September 2024	-	-	46	46
<b>Carrying amount:</b>				
At 30 September 2024	-	-	-	-
At 31 December 2023	-	-	93	93

## 10. Other payables and other provisions

	Company		Group	
	As at 30 September 2024 RM'000 (Unaudited)	As at 31 December 2023 RM'000 (Audited)	As at 30 September 2024 RM'000 (Unaudited)	As at 31 December 2023 RM'000 (Audited)
Amount owing to directors	-	366	-	1,873
Amount owing to subsidiaries	54	3	-	-
Amount owing to shareholders	6,448	-	7,860	-
Accruals	335	1,157	990	2,200
Other payables	556	658	860	2,033
Others	-	-	-	27
	7,393	2,184	9,710	6,133

Accruals include the rental expenses of PJ confinement centre at SS2 Petaling Jaya, Malaysia amounting to RM324,000 (2023: RM360,000) and accrual staff expenses amounting to RM78,000 (2023: RM494,000). The remaining balance mainly pertains to accrued operating expenses such as professional fees and corporate support services related expenses.

The amount owing to shareholders include the non-interest-bearing loan and advances of S\$1.8 million (approximately RM5.8 million) from a shareholder and amount due to a shareholder who was a former director amounting to RM2.1 million.

Other payables include the interest payable on convertible loan note amounting to RM175,000.

The amount owing to subsidiaries are interest free and repayable on demand.

## 11. Borrowings

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

	Group and Company	
	As at 30 September 2024 RM'000 (Unaudited)	As at 31 December 2023 RM'000 (Audited)
Compound instrument	297	322
Loan	887	987
Hybrid financial instruments	2,212	2,398
	3,396	3,707

	<b>Group and Company</b>	
	<b>As at 30 September 2024 RM'000 (Unaudited)</b>	<b>As at 31 December 2023 RM'000 (Audited)</b>
Represented by:		
Current liabilities	2,271	2,482
Non-current liabilities	1,125	1,225
	3,396	3,707

(a) Compound instrument

	<b>Group and Company</b>	
	<b>As at 30 September 2024 RM'000 (Unaudited)</b>	<b>As at 31 December 2023 RM'000 (Audited)</b>
Beginning balance of the year	322	719
Accreted interest	-	22
Principal paid	-	(522)
Interest paid	-	(65)
Currency translation difference	(25)	168
Carrying amount of interest-bearing liabilities	297	322

(b) Loan

	<b>Group and Company</b>	
	<b>As at 30 September 2024 RM'000 (Unaudited)</b>	<b>As at 31 December 2023 RM'000 (Audited)</b>
Amortised cost as at beginning of the year	987	602
Proceeds from loan entered during the year	-	1,393
Accreted interest	78	248
Principal paid	-	(1,045)
Interest paid	(105)	(139)
Currency translation difference	(73)	(72)
Carrying amount of interest-bearing liabilities	887	987

(c) Hybrid financial instruments

	<b>Group and Company</b>	
	<b>As at 30 September 2024 RM'000 (Unaudited)</b>	<b>As at 31 December 2023 RM'000 (Audited)</b>
Fair value as at beginning of the year	2,398	1,782
Proceeds from issue of convertible loans	-	348
Fair value adjustment through profit or loss	-	171
Currency translation difference	(186)	97
	2,212	2,398

Note: Convertible loans include accrued interests and recorded at fair value of the liability component. The fair value of the liability component is calculated using a market interest rate for an equivalent non-convertible loan at the date



of issue. The residual amount, representing the value of the equity conversion component, is included in shareholders' equity in other reserves

#### **Details of Borrowings as at 30 September 2024**

(a) **January 2021 convertible loan agreements**

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

Of the S\$2.25 million, a principal sum of S\$1.6 million was converted by I Concept Global Growth Fund into 40,201,005 new ordinary shares of the Company at S\$0.0398 per ordinary share. Please refer to the Company's announcement dated 31 December 2021 for more information.

On 7 November 2022, the Company entered into supplemental agreements with each Wong Soh Shyan and Wong Chui Chui, who were lenders of the 29 Jan 2021 CLAs, to extend the maturity date of amounts totaling S\$200,000 till 31 October 2025. More details can be found in the Company's announcement dated 8 November 2022. The remaining S\$0.45 million principal of the 29 Jan 2021 CLAs has been fully repaid.

(b) **October 2022 convertible loan agreements**

In October 2022, the Company entered into non-redeemable convertible loan note agreements ("**CLNAs**") with 6 lenders, for an aggregate principal amount of S\$647,000 (approximately RM2,128,000). These CLNAs have a tenure of two (2) years and the Company has the option to convert the principal amount into new ordinary shares of the Company prior to the maturity date. Please refer to the Company's announcement dated 14, 18 and 31 October 2022 for more information.

(c) **Feb 2023 convertible loan agreement**

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

(d) **March 2023 loan agreement**

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

(e) **March 2023 short term loan agreement**

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

(f) **S\$30 million convertible bond issuance**

During FY2023, the Company issued Convertible Bonds with an aggregate principal of S\$2.0 million pursuant to a Subscription Agreement dated 15 March 2023. As at 31 December 2023, S\$1.3 million of Convertible Bonds were converted into 54,932,574 new ordinary shares in the Company with the remaining S\$0.7 million converted into 35,000,000 new ordinary shares in the Company as at 31 March 2024. Please refer to the Company's announcements dated 15 March 2023, 1 May 2023, 15 June 2023, 26 June 2023, 28 June 2023, 3 July 2023, 10 July 2023, 11 July 2023, 4 August 2023, 19 February 2024, 20 February 2024, 18 March 2024 and Circular dated 13 April 2023 for more details.

## **12. Lease liabilities**

The Group as lessee:

<b>Group</b>	<b>As at 30 September 2024 RM'000 (Unaudited)</b>	<b>As at 31 December 2023 RM'000 (Audited)</b>
<b>Lease Liabilities</b>		
Maturity analysis:		
Year 1	-	154
	-	154

Group	As at	As at
	30 September 2024	31 December 2023
	RM'000	RM'000
	(Unaudited)	(Audited)
Less: Unearned interest	-	(17)
	-	137
Analysed as:		
Current	-	137
Non-current	-	-
	-	137

### 13. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2024 and 31 December 2023:

	Company		Group	
	As at 30 September 2024	As at 31 December 2023	As at 30 September 2024	As at 31 December 2023
	RM'000 (Unaudited)	RM'000 (Audited)	RM'000 (Unaudited)	RM'000 (Audited)
<b>Financial Assets</b>				
Financial assets at amortised cost	3,242	10	589	437
<b>Financial Liabilities</b>				
Financial liabilities at amortised cost	7,393	2,184	9,730	6,142
Borrowings	3,396	3,707	3,396	3,707
Lease liabilities	-	-	-	137

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

### 14. Subsequent events

On 1 November 2024, the Company exercised its option to convert non-redeemable CLNAs with an aggregate principal of S\$647,000, as outlined in Section E Paragraph 11(b) above, into 12,406,199 new shares in the capital of the Company. Please refer to the Company's announcement dated 1 November 2024 for more information.

On 1 November 2024, the Company entered into a second loan agreement with LHPL pursuant to which LHPL has agreed to provide a non-interest-bearing loan of up to S\$2.1 million, to be disbursed in four instalments. The first and second instalment totaling S\$1,280,000 has been received as at the date of this announcement. Please refer to the Company's announcement dated 4 November 2024 for more information.

**F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C**

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

	Number of shares	Resultant issued and paid-up share capital (S\$)
Issued and paid-up share capital of the Company as at 31 December 2023 (excluding treasury shares)	114,634,243	51,191,018
Issuance of new ordinary shares	35,000,000	700,000
Issued and paid-up share capital of the Company as at 30 September 2024 (excluding treasury shares)	149,634,243	51,891,018

On 20 February 2024 and 18 March 2024, the Company announced the allotment and issuance of 20 million and 15 million new shares in the capital of the Company at S\$0.02 per share following the conversion of Convertible Bonds totaling S\$700,000. Further details are available in the Company's announcements dated 20 February 2024 and 18 March 2024.

Save as disclosed above and under Section E Paragraph 11, there were no outstanding convertibles, share options or subsidiary holdings as at 30 September 2024 and 31 December 2023.

**The total number of treasury shares as at 30 September 2024 and 31 December 2023 are presented below:**

	As at 30 September 2024	As at 31 December 2023
Total number of treasury shares	20,000 <sup>(1)</sup>	20,000 <sup>(1)</sup>
Total number of ordinary shares	149,634,243	114,634,243
% of treasury shares over total number of ordinary shares	0.01%	0.01%

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

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

	As at 30 September 2024	As at 31 December 2023
Number of issued shares of the Company	149,654,243	114,654,243
Share buy-backs held as treasury shares	(20,000)	(20,000)
Number of issued shares excluding treasury shares	149,634,243	114,634,243

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

There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at 30 September 2024.

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

There were no sales, transfers, cancellation and / or use of subsidiary holdings as at 30 September 2024.

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

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

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

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

<b>Group</b>	<b>3Q2024 (Malaysia sen)</b>	<b>3Q2023 (Malaysia sen)</b>	<b>9M2024 (Malaysia sen)</b>	<b>9M2023 (Malaysia sen)</b>
Loss per ordinary share for the period based on the net loss attributable to shareholders of the Company:				
(i) Basic	(0.31)	(1.06)	(2.25)	(7.24)
(ii) On a fully diluted basis	(0.31)	(1.06)	(2.25)	(7.24)
Weighted average number of ordinary shares	149,634,243	110,299,287	142,061,250	77,410,960

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

The basic and fully diluted loss per ordinary share for 3Q2024 and 3Q2023, 9M2024 and 9M2023 were the same as there were no potentially dilutive ordinary shares existing during 3Q2024 and 3Q2023, 9M2024 and 9M2023 respectively.

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

	<b>Net asset value per ordinary share (Malaysian sen)</b>	
	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
Group	(8.2)	(8.0)
Company	(5.0)	(5.1)

Net asset value per ordinary share as at 30 September 2024 and 31 December 2023 have been calculated based on the aggregate number of ordinary shares of 149,634,243 and 114,634,243 as at the respective dates, excluding treasury shares.

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

**Review of Statement of Comprehensive Income**

*Breakdown by business segments*

**Three Months ended 30 September 2024 and 30 September 2023**

Business segment	3Q2024			3Q2023		
	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %
Healthcare services	77	26	33.8	405	116	28.6
Outsourced services	80	(96)	(120.0)	267	32	12.0
Commodity trading	365	(1)	(0.3)	-	-	n.m.
<b>Total</b>	<b>522</b>	<b>(71)</b>	<b>(13.6)</b>	<b>672</b>	<b>148</b>	<b>22.0</b>

**Nine Months ended 30 September 2024 and 30 September 2023**

Business segment	9M2024			9M2023		
	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %
Healthcare services	227	13	5.7	915	168	18.4
Outsourced services	465	(168)	(36.1)	648	(37)	(5.7)
Commodity trading	365	(1)	(0.3)	-	-	n.m.
<b>Total</b>	<b>1,057</b>	<b>(156)</b>	<b>(14.7)</b>	<b>1,563</b>	<b>131</b>	<b>8.4</b>

**Continuing Operations**

*Revenue*

Revenue for the Group in 3Q2024 decreased by 22.3% to RM0.5 million from RM0.7 million in 3Q2023 due mainly to (i) the suspension of postpartum services; (ii) decline in sales of cell-therapy related products pending a review of sales and marketing strategies; and (iii) decline from manpower recruitment services due to delays in the renewal of Singapore recruitment licences; and these revenue streams decline were partially offset by the commencement of agricultural commodity trade of RM0.4 million in palm oil derivatives. The location for the Group's postpartum service at SS2 Petaling Jaya has suspended bookings since November 2023 following rectification works by the landlord. For the same reasons, the Group's revenue for 9M2024 decreased by 32.4% to RM1.1 million from RM1.6 million for 9M2023.

*Gross Profit/(Loss)*

For 3Q2024, the Group recorded a gross loss of RM71 thousand compared to a gross profit of RM148 thousand in 3Q2023, due mainly to (i) the suspension of postpartum services; (ii) decline in sales from cell-therapy related products; and (iii) a slow-down in recruitment services pending Singapore recruitment licences renewal and higher cost of online recruitment platforms and tools. The initial agricultural commodity trade in 3Q2024 had a nominal gross loss of RM1 thousand due to settlement transaction expenses. For the same reasons, the Group recorded a gross loss of RM156 thousand compared to a gross profit of RM131 thousand for 9M2023; and the Group recorded gross loss margin of 14.8% in 9M2024 compared to a gross profit margin of 8.4% for 9M2023.

*Other Operating Income*

The Group reported a 112.5% increase in other operating income for 3Q2024 of RM153 thousand from RM72 thousand for 3Q2023, due mainly to a RM110 thousand net proceeds from the sale of Company shares that were pledged as security for a profit guarantee from vendors for the acquisition of Healthpro Life Sdn Bhd (formerly known as Lady Paradise (M) Sdn. Bhd.) and its associated postpartum services business. Additional information is available in the Company's announcement dated 2 October 2024. This increase in other operating income was partially offset by the decline in rental income after the expiry of an office space sublease in Singapore in mid-2024. Similarly, other operating income for 9M2024 increased by 46.0% to RM273 thousand from RM187 thousand in 9M2023.

*Administrative Expenses*

Administrative expenses in 3Q2024 decreased by 14.7% to RM1.1 million from RM1.3 million in 3Q2023 due mainly to: (i) net reduction in manpower cost of RM0.1 million due to attrition in headcount and (ii) an absence of RM0.1 million in corporate costs related to the issuance of convertible bonds that was incurred in 3Q2023. Depreciation of property, plant

and equipment (“PPE”) for 3Q2024 marginally decreased by 13.6% to RM19 thousand from RM22 thousand in 3Q2023. Depreciation of right-of-use (“ROU”) asset was nil in 3Q2024 compared to RM71 thousand in 3Q2023 due to a non-renewal of an office lease space in Singapore upon its expiry mid-2024.

Administrative expenses in 9M2024 decreased by 26.8% to RM3.6 million from RM4.9 million in 9M2023 due mainly to: (i) absence of one-off RM1.3 million corporate, legal and administrative costs related to the convertible bond and share consolidation exercise announced in March 2023; (ii) net reduction in manpower cost of RM0.1 million due to attrition in manpower headcount; and (iii) RM0.1 million reduction in depreciation of ROU asset upon the expiry of an office space lease in Singapore during mid-2024. The decrease in administrative expenses was partially offset by (i) a one-off RM0.2 million in corporate and legal costs for a proposed business diversification that was approved at an extraordinary general meeting in April 2024; and (ii) RM0.1 million increase in travel and marketing expenses. Depreciation of PPE for 9M2024 decreased marginally by 7.8% to RM59 thousand from RM64 thousand in 9M2023.

#### *Exchange Gain/Loss*

The Group recorded an exchange gain of RM0.7 million in 3Q2024 compared to marginal gain of RM11 thousand in 3Q2023. For 9M2024, the Group recorded a similar exchange gain of RM0.7 million compared to an exchange loss of RM0.3 million in 9M2023. The exchange gains for 3Q2024 and 9M2024 were due to a significant strengthening of the Malaysia Ringgit against the Singapore Dollar during 3Q2024, thereby reducing the cost of other payables of Malaysia subsidiaries that are denominated in Singapore Dollar.

#### *Other Operating Expenses*

Other operating expenses for 3Q2024, 9M2024 and 3Q2023 were nil. In comparison the other operating expense of RM0.2 million in 9M2023 was related to impairment of trade receivables from Outsourced services.

#### *Finance Costs*

Finance costs for 3Q2024 and 3Q2023 remained largely stable at approximately RM120 thousand. Finance cost for 9M2024 decreased by 22.1% to RM371 thousand from RM476 thousand for 9M2023 due to the settlement of convertible loans and short term loans in 9M2023.

#### *Loss Before Tax*

For the reasons set out above, the Group recorded a loss before tax of RM0.5 million for 3Q2024 as compared to a loss before tax of RM1.2 million for 3Q2023. For 9M2024, the Group recorded a loss before tax of RM3.2 million compared to a loss before tax of RM5.6 million for 9M2023.

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

#### *Current Assets*

The Group’s trade receivables decreased to RM0.1 million as at 30 September 2024 from RM0.2 million as at 31 December 2023 due mainly to the settlement of receivables from Outsourced Services. The Group’s current portion of other receivables and prepayments increased to RM0.3 million as at 30 September 2024 from RM0.2 million as at 31 December 2023 due mainly to the pending settlement of the sale of Company shares under a deed of security. Inventories increased to RM145 thousand as at 30 September 2024 from RM6 thousand as at 31 December 2024 due mainly to the procurement of cell-therapy derived products.

#### *Non-Current Assets*

Property plant and equipment (“PPE”) decreased to RM107 thousand as at 30 September 2024 from RM167 thousand as at 31 December 2023 due mainly to depreciation charges of RM59 thousand for 9M2023. Right-of-use (“ROU”) assets reduced to nil as at 30 September 2024 from RM93 thousand as at 31 December 2023 as it has been fully depreciated during 9M2024.

## *Capital and Reserves*

Share capital of the Company and the Group increased by RM2.3 million to RM134.4 million as at 30 September 2024 from RM132.1 million as at 31 December 2023 due to the conversion of S\$0.7 million of Convertible Bonds into new ordinary shares in the Company. For the same reason, capital reserves decreased to RM3.9 million as at 30 September 2024 from RM6.3 million as at 31 December 2023. The Group's currency translation reserve as at 30 September 2024 is RM93 thousand compared to a reserve deficit of RM132 thousand as at 31 December 2023 due mainly to the strengthening of the Malaysia Ringgit against the Singapore Dollar in 3Q2024.

Accumulated losses for the Group increased by RM3.2 million to RM150.7 million as at 30 September 2024 from RM147.5 million as at 31 December 2023 due to the losses recorded for 9M2024.

## *Non-Current Liabilities and Current Liabilities*

Trade payables marginally increased to RM20 thousand as at 30 September 2024 from RM9 thousand as at 31 December 2023 due mainly to payables arising from commodity trading segment. Other payables for the Group as at 30 September 2024 increased by RM3.6 million to RM9.7 million from RM6.1 million as at 31 December 2023 due mainly to RM6.3 million in loans and advances from a shareholder which was partially offset by (i) the settlement of RM1.8 million in payables; (ii) RM0.7 million of currency translation due to the strengthening of the Malaysia Ringgit; and (iii) RM0.1 million net interest payments. Borrowings as at 30 September 2024 decreased by RM0.3 million to RM3.4 million from RM3.7 million as at 31 December 2023 due mainly to foreign currency translation arising from the strengthening of Malaysia Ringgit against the Singapore Dollar. Lease liabilities as at 30 September 2024 decreased to nil from RM137 thousand as at 31 December 2023 due to the expiry of an office space lease in Singapore during 9M2024. Contract liabilities increased to RM50 thousand as at 30 September 2024 from RM35 thousand as at 31 December 2023 due mainly to increased sign-ups for chiropractic and physiotherapy sessions.

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

For 3Q2024, the Group used RM1.3 million in operating activities, mainly due to (i) RM0.3 million operating loss before working capital changes; (ii) RM0.9 million decrease in trade and other payables; and (iii) RM0.1 million increase in inventory levels. There were no investing activities or financing activities in 3Q2024.

For 9M2024, the Group used RM5.5 million in operating activities, mainly due to (i) RM2.7 million in operating loss before working capital changes; (ii) RM2.6 million decrease in trade and other payables; (iii) RM0.1 million increase in inventory levels; and (iv) RM0.1 million increase in trade and other receivables. Nil cash was used in or generated from investing activities in 9M2024. Net cash generated from financing activities of RM5.6 million for 9M2024 were mainly from RM6.3 million in shareholder loans and advances from a shareholder which were partially offset by (i) RM0.5 million interest payments on convertible loans and medium term loans; and (ii) RM0.1 million payment of lease liabilities.

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

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

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

The Group is focused on the following business segments for the near term:

#### **A. HEALTHCARE BUSINESS OVERVIEW**

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

##### *i) Chiropractic & Physiotherapy*

The Group provides chiropractic and physiotherapy services under the brand name 'Back To Life' ("BTL") at Jaya One, Petaling Jaya. The month-on-month results though promising have stagnated and renewed marketing efforts are being planned to include promotional packages. The planned opening of additional outlets has been deferred until further funds have been

raised. In the meantime, we continue to be on the lookout for potential locations to expand this business at the opportune time.

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

ii) *Cell-therapy products*

Sales and marketing of cell therapy products have been uneven to date and pending the refinement of a regional sales and marketing strategy, market focus may expand to include regional neighbours. The Group continues to look for partners in both Singapore and Malaysia for the sales and marketing of cell therapy and cell-derived hair and facial products.

**B. OUTSOURCED SERVICES OVERVIEW**

The Outsourced Services is now focused on providing recruitment services in Singapore and the income stream is on gradual growth.

**C. COMMODITY TRADING OVERVIEW**

With shareholder approval secured on April 30, 2024, the Group has embarked on expanding its agricultural commodities trading within Southeast Asia, initially focusing on Vietnam, Indonesia, Thailand, and Singapore. Targeting coffee beans, seaweed, and frozen meat, this strategic move positions the Group to capture the region's rising demand for specialty commodities.

The coffee trade, valued at approximately US\$200 billion globally<sup>1</sup>, has faced unique challenges this year. Vietnam and Indonesia, key robusta coffee producers, are experiencing a supply squeeze due to hot, dry weather, pushing robusta prices to 45-year highs<sup>2</sup>. While these conditions have presented unexpected cost challenges, regional coffee consumption grew with Indonesia local coffee consumption growing at 4% per annum in the last decade<sup>3</sup> exceeding global demand growth. Towards end of October 2024, the volatility in coffee prices have finally returned, close to their regular price range. The Group plans to capitalize on this opportunity by securing a trial shipment from Indonesia to China.

To complement these efforts, the Group recently also secured a contract for trading palm acid oil, demonstrating its commitment to prudent expansion. Management remains vigilant in timing market entry for coffee trading and will update shareholders as favourable conditions arise.

**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 2024 as the Group recorded a loss in 9M2024.

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

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

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<sup>1</sup> [Coffee's Future Looks Bitter as Climate Change Hits, from Brazil to Vietnam - Bloomberg](#)

<sup>2</sup> [Robusta Coffee Priciest Since 1970s in Blow to Instant Brews - Bloomberg](#)

<sup>3</sup> [Coffee Craze at Home Transforms Big Asian Exporters Into Buyers - Bloomberg](#)



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 Convertible Bond Subscription**

The Company entered into a subscription agreement on 15 March 2023 for the subscription of Convertible Bonds with an aggregate principal of up to S\$30 million (“**Subscription Agreement**”). The minimum scenario aggregate net proceeds of S\$1,752,000 (after deducting expenses of approximately S\$248,000 incurred by the Company in connection with the Convertible Bonds) as indicated in the circular dated 13 April 2023, have been fully utilised. Further details on the use of proceeds are available in the Company’s announcement on 26 February 2024.

On 19 February 2024, the Company, 2 Aces Premier Equity Fund and T2S Pte Ltd had entered into a Deed of Termination to mutually consent that the Subscription Agreement shall be terminated in its entirety and all rights and obligations of the parties under the Subscription Agreement shall automatically cease and terminate.

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

We, Herry Pudjianto and Ng Lee Eng, 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 third quarter and nine months ended 30 September 2024 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.

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

There were no acquisition or realisation of shares in any of the Group’s subsidiary or associated company nor incorporation of any new subsidiary or associated company by the Company or any of the Group’s entities during the third quarter and nine months ended 30 June 2024.

In addition, as part of the strategy to rationalise the Group structure, the Group had in June 2024 commenced the application process for striking-off of a wholly owned dormant subsidiary, Impact BPO Sdn Bhd (“**Impact MY**”). The striking-off of Impact MY is not expected to have any material impact on the earnings per share and net tangible assets of the for the financial year ending 31 December 2024. None of the Directors and controlling shareholders of the Company has any interest, direct or indirect, in the strike-off, save for their shareholdings in the Company (if any). In September 2024, Impact MY was gazetted for strike off under Section 551(3) of the Companies Act 2016 and is pending final tax clearance from the local tax authorities.

**ON BEHALF OF THE BOARD OF DIRECTORS**

HERRY PUDJIANTO EXECUTIVE CHAIRMAN & CEO	NG LEE ENG LEAD INDEPENDENT DIRECTOR
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Date: 14 November 2024

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*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.*

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