



CAMSING HEALTHCARE LIMITED

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

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
30 APRIL 2023**

Note:

Pursuant to a notice of compliance issued by Singapore Exchange Regulation dated 6 February 2020, Camsing Healthcare Limited is required, under Rule 705(2C) of the Mainboard Rules of the Singapore Exchange Securities Trading Limited, to perform quarterly reporting of financial results with effect from third quarter of 2021.

CAMSING HEALTHCARE LIMITED

Contents

	Page
Condensed Interim Consolidated Statements Comprehensive Income	3
Condensed Interim Statements of Financial Position	4
Condensed Interim Statements of Changes in Equity	6
Condensed Interim Consolidated Statements of Cash Flows	8
Notes to the Condensed Interim Financial Statements	9
Other Information Required by Listing Rules Appendix 7.2	21

CAMSING HEALTHCARE LIMITED

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 30 APRIL 2023**

		3 Months Ended 30 Apr 2023 S\$'000	3 Months Ended 30 Apr 2022 S\$'000	Change % +/-
	Note			
Revenue	5	1,443	1,327	9%
Cost of sales		(656)	(571)	15%
Gross Profit		<u>787</u>	<u>756</u>	4%
Other income		51	36	42%
Marketing and distribution costs		(898)	(919)	(2%)
Administrative and other operating expenses		(230)	(199)	16%
Finance costs		<u>(139)</u>	<u>(73)</u>	90%
Loss Before Tax	7	(429)	(399)	8%
Income tax expense		<u>-</u>	<u>-</u>	-
Loss for the Period		<u>(429)</u>	<u>(399)</u>	8%
Other Comprehensive Income/(Loss):				
Items that may be reclassified subsequently to profit or loss				
Exchange difference on translation of foreign operations		<u>-</u>	<u>-</u>	-
Other Comprehensive Income/(Loss), Net of Tax		<u>-</u>	<u>-</u>	-
Total Comprehensive Loss for the Period		<u>(429)</u>	<u>(399)</u>	8%
Loss Attributable to:				
Equity holders of the Company		(429)	(399)	8%
Non-controlling interest		<u>-</u>	<u>-</u>	-
		<u>(429)</u>	<u>(399)</u>	8%
Total Comprehensive Loss Attributable to:				
Equity holders of the Company		(429)	(399)	8%
Non-controlling interest		<u>-</u>	<u>-</u>	-
		<u>(429)</u>	<u>(399)</u>	8%

N.M.: Not Meaningful

CAMSING HEALTHCARE LIMITED

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 APRIL 2022**

	Note	Group		Company	
		30 Apr 2023 S\$'000	31 Jan 2023 S\$'000	30 Apr 2023 S\$'000	31 Jan 2023 S\$'000
ASSETS					
Non-Current Assets					
Plant and equipment	11	121	141	-	-
Right-of-use assets	12	1,956	1,837	-	-
Investment in subsidiaries		-	-	900	900
Other receivables	14	365	315	-	-
		<u>2,442</u>	<u>2,293</u>	<u>900</u>	<u>900</u>
Current Assets					
Cash and bank balances		403	437	46	204
Trade receivables	14	417	134	-	-
Other receivables, deposits and prepayments	14	38	423	58	27
Inventories	13	932	919	-	-
		<u>1,790</u>	<u>1,913</u>	<u>104</u>	<u>231</u>
TOTAL ASSETS		<u>4,232</u>	<u>3,512</u>	<u>1,004</u>	<u>1,131</u>
LIABILITIES					
Current Liabilities					
Trade payables	16	783	813	-	-
Other payables and accruals	16	2,013	1,954	495	469
Borrowings	15	5,148	4,697	4,091	3,987
Lease liabilities	17	1,260	1,142	-	-
Provisions		20	30	-	-
Contract liabilities	5	110	217	-	-
		<u>9,334</u>	<u>8,853</u>	<u>4,586</u>	<u>4,456</u>
Non-Current Liabilities					
Lease liabilities	17	877	904	-	-
Provisions		186	185	-	-
		<u>1,063</u>	<u>1,089</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>10,397</u>	<u>9,942</u>	<u>4,586</u>	<u>4,456</u>
NET LIABILITIES		<u>(6,165)</u>	<u>(5,736)</u>	<u>(3,582)</u>	<u>(3,325)</u>

CAMSING HEALTHCARE LIMITED

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 APRIL 2023 (cont'd)**

	Note	Group		Company	
		30 Apr 2023 S\$'000	31 Jan 2023 S\$'000	30 Apr 2023 S\$'000	31 Jan 2023 S\$'000
DEFICIT					
Capital and deficit attributable to equity holders of the Company					
Share capital	18	14,250	14,250	14,250	14,250
Foreign currency translation deficit		(4)	(4)	-	-
Accumulated losses		(20,411)	(19,982)	(17,832)	(17,575)
Deficit attributable to owners of the Company		(6,165)	(5,736)	(3,582)	(3,325)
Non-controlling interests		-	-	-	-
NET DEFICIT		(6,165)	(5,736)	(3,582)	(3,325)

CAMSING HEALTHCARE LIMITED

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 30 APRIL 2023**

Group	Share Capital S\$'000	Foreign Currency Translation Reserve S\$'000	Accumulated Losses S\$'000	Equity Attributable to Owners of the Company S\$'000	Non- Controlling Interest S\$'000	Total S\$'000
Balance at 1 February 2022	14,250	(4)	(17,577)	(3,331)	(3)	(3,334)
Loss for the period, representing total comprehensive loss for the period	-	-	(399)	(399)	-	(399)
Balance at 30 April 2022	14,250	(4)	(17,976)	(3,730)	(3)	(3,733)
Balance at 1 February 2023	14,250	(4)	(19,982)	(5,736)	-	(5,736)
Loss for the period, representing total comprehensive loss for the period	-	-	(429)	(429)	-	(429)
Balance at 30 April 2023	14,250	(4)	(20,411)	(6,165)	-	(6,165)

CAMSING HEALTHCARE LIMITED**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 30 APRIL 2023 (cont'd)**

Company	Share Capital S\$'000	Accumulated Losses S\$'000	Total S\$'000
Balance at 1 February 2022	14,250	(14,166)	84
Loss for the period, representing total comprehensive loss for the period	-	(77)	(77)
Balance at 30 April 2022	<u>14,250</u>	<u>(14,243)</u>	<u>7</u>
Balance at 1 February 2023	14,250	(17,575)	(3,325)
Loss for the period, representing total comprehensive loss for the period	-	(256)	(256)
Balance at 30 April 2023	<u>14,250</u>	<u>(17,831)</u>	<u>(3,581)</u>

CAMSING HEALTHCARE LIMITED

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED 30 APRIL 2023**

	3 Months Ended 30 Apr 2023 S\$'000	3 Months Ended 30 Apr 2022 S\$'000
Operating Activities:		
Loss Before Tax	(429)	(399)
Adjustments For:		
Depreciation for plant and equipment	22	20
Depreciation for right-of-use assets	304	289
Inventory written off	1	-
Interest expense	139	73
Operating Cash Flows before Changes in Working Capital	<u>37</u>	<u>(17)</u>
Trade and other receivables	52	(596)
Inventories	(14)	(22)
Trade and other payables	29	(464)
Contract liabilities	(107)	161
Provisions	10	15
Cash (Used in)/Generated from Operations	<u>(13)</u>	<u>(923)</u>
Net Cash Flows (Used in)/ from Operating Activities	<u>(13)</u>	<u>(923)</u>
Investing Activities:		
Purchase of property, plant and equipment	(2)	(16)
Net Cash Flows Used in Investing Activities	<u>(2)</u>	<u>(16)</u>
Financing Activities:		
Interest paid	(28)	(28)
Repayment of bank loan	(80)	(120)
Repayment of lease liabilities	(331)	(362)
Loan from the ultimate holding company	220	-
Loans from QRH	-	1,532
Loans from third-party lenders	200	-
Net Cash Flows from / (Used in) Financing Activities	<u>(19)</u>	<u>1,022</u>
Net increase/(decrease) in cash and bank balances	(34)	83
Cash and bank balances at beginning of financial period	437	474
Cash and Bank Balances at End of Financial Period	<u>403</u>	<u>557</u>

CAMSING HEALTHCARE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Camsing Healthcare Limited (the “Company” and together with its subsidiaries, the “Group”) is a limited liability company domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The address of the Company's registered office is at 16 Raffles Quay #17-03 Hong Leong Building, Singapore 048581. The address of its principal place of business is 10 Kaki Bukit Ave 1 #04-05 Kaki Bukit Industrial Park Singapore 417942. The principal activity of the Company is that of investment holding. The principal activity of its principal subsidiary, Nature’s Farm Pte Ltd (“NF”), is trading in health foods and supplements.

2 BASIS OF PREPARATION

The condensed interim financial statements for the three months ended 30 April 2023 are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below and are drawn up in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) – 34 *Interim Financial Reporting*. 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 change in the Group’s financial position and performance of the Group since the last annual financial statements for the financial year ended 31 January 2023. The financial statements are presented in Singapore dollars (“S\$”) and all values are rounded to the nearest thousand (S\$’000) as indicated.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I), except for the adoption of new and revised standards as set out below.

2.1 Adoption of New and Revised Standards

In the current financial period, the Group has adopted the new and revised SFRS(I) and Interpretations of SFRS(I) (“SFRS(I) INT”) that are relevant to its operations and effective for the current financial period. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not result in substantial changes to the Group’s and Company’s accounting policies and had no material effect on the financial results or position.

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

2 BASIS OF PREPARATION (cont'd)

2.2 Fundamental Accounting Concept

The Group incurred a net loss of \$429,000 (30 April 2022: \$399,000) for the financial period ended 30 April 2023 and was in net deficit position of \$6,165,000 (31 Jan 2023: \$5,736,000) as at 30 April 2023. In addition, the Group had cash and bank balances of \$403,000 (31 Jan 2023: \$437,000) and borrowings of \$5,148,000 (31 Jan 2023: \$4,697,000) as at 30 April 2023.

The facts and circumstances above indicate the existence of material uncertainties that may cast significant doubts over the abilities of the Group and the Company to continue as going concerns. Notwithstanding this, the accompanying financial statements have been prepared on a going concern basis on the following grounds:

- (i) An amount of \$5,100,000 is, as of the date of the financial statements, held in escrow as a proof of funds for the purpose of investment into the Company by investors (“Potential Investor(s)”) to be released to the Company, subject to the satisfaction of certain conditions, including the completion of discussions and the resumption of trading of the Company’s shares on SGX-ST (the “**New Investment**”). Shortly after the release of the amount of \$5,100,000 to the Company, the Company plans to utilise approximately \$3,230,000 to discharge the outstanding principal amount owing to Qiren Holdings Pte. Ltd. (“**QRH**”) under the loan agreements as set out in Note 15. Shareholders may refer to the Company’s announcement regarding the entry into the New Investment released via SGXNet on 14 June 2023 (as well as any other subsequent update announcements) for more information.
- (ii) The major shareholder (ultimate holding company) has undertaken to provide financial support at the request of management.
- (iii) As disclosed in Note 10 to the financial statements, a subsidiary of the Group has outstanding bank loan of \$384,000 and has breached certain bank covenants and defaulted on the repayment of the bank loan since 2019. The Group has been making monthly repayments of to the bank. As at 30 April 2023, the Group still owes the bank a remaining loan balance of \$304,000 and has not received any notice from the bank for immediate repayment and shall continue with the monthly repayments until January 2024.
- (iv) The principal subsidiary, Nature’s Farm Pte Ltd, would generate sufficient cash flows in the next 12 months from its operations to enable it to continue as a going concern.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 January 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

5 SEASONAL OPERATIONS

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

5 REVENUE

(i) Disaggregation of revenue from contracts with customers

The Company derives revenue from contracts with customers through the transfer of goods at a point in time and these pertain to retail revenue derived in Singapore.

	3 Months Ended 30 Apr 2023 S\$'000	3 Months Ended 30 Apr 2022 S\$'000
<u>Sales of health foods and supplements</u>		
Retail and online	1,201	1,294
Corporate sales	235	-
Consignment income	7	33
	<u>1,443</u>	<u>1,327</u>

(ii) Contract liabilities

Information about contract liabilities from contracts with customers disclosed as below:

	30 Apr 2023 S\$'000	31 Jan 2023 S\$'000
Group		
Customer loyalty programme – unredeemed loyalty points	110	110
Corporate sales – undelivered redemption codes	-	107
	<u>110</u>	<u>217</u>

Contract liabilities pertain to redeemable points accorded to customers from their purchases with the Group under the Group's customer loyalty programme and undelivered redemption code.

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

6 SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:

- 1) The Health Food Trade segment provides distributions and trading in health foods and supplements.
- 2) The Corporate and others segment includes general corporate income and expense items.

Business Segments	Retail and Online Sales		Corporate Sales		Head Office		Consolidated	
	3 Months Ended 30 Apr 2023 S\$'000	3 Months Ended 30 Apr 2022 S\$'000	3 Months Ended 30 Apr 2023 S\$'000	3 Months Ended 30 Apr 2022 S\$'000	3 Months Ended 30 Apr 2023 S\$'000	3 Months Ended 30 Apr 2022 S\$'000	3 Months Ended 30 Apr 2023 S\$'000	3 Months Ended 30 Apr 2022 S\$'000
Revenue:								
External customers	1,208	1,327	235	-	-	-	1,443	1,327
Results:								
Depreciation of plant and equipment	22	20	-	-	-	-	22	20
Depreciation for right-of-use assets	304	289	-	-	-	-	304	289
Property, plant and equipment written off	-	-	-	-	-	-	-	-
Interest expenses	36	32	-	-	103	41	139	73
Loss before tax	65)	271	85	-	279	128	429	399
	30 Apr 2023 S\$'000	31 Jan 2023 S\$'000	30 Apr 2023 S\$'000	31 Jan 2023 S\$'000	30 Apr 2023 S\$'000	31 Jan 2023 S\$'000	30 Apr 2023 S\$'000	31 Jan 2023 S\$'000
Assets:								
Segment assets	4,108	3,926	-	-	124	280	4,232	4,206
Segment liabilities	(5,372)	(4,793)	(53)	(107)	(4,996)	(5,042)	(10,421)	(9,942)

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

6 SEGMENT INFORMATION (Cont'd)

Geographical information

The Group's revenue and non-current assets are entirely based in Singapore.

7 LOSS BEFORE TAX

The following items have been included in arriving at the loss for the period:

	3 Months Ended 30 Apr 2023 S\$'000	3 Months Ended 30 Apr 2022 S\$'000
Employee benefits expense	429	458
Depreciation for property, plant and equipment	22	20
Depreciation for right-of-use assets	304	289
Lease expenses not included in lease liabilities:		
- Variable lease expenses	4	14
- Operating lease expenses	23	9
Interest expenses	110	73
Government grants	(28)	(12)

8 RELATED PARTY TRANSACTIONS

Some of the Company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements.

	3 Months Ended 30 Apr 2023 S\$'000	3 Months Ended 30 Apr 2022 S\$'000
Compensation of key management personnel		
- Director of the Company	38	38
- Director of a subsidiary	-	38
- Other key management personnel	33	32
	<hr/>	<hr/>
Interest on loan from controlling shareholder	15	4
	<hr/>	<hr/>

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

9 LOSS PER SHARE

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

	3 Months Ended 30 Apr 2023	3 Months Ended 30 Apr 2022
Loss per share (in SGD cents)		
- Basic ⁽¹⁾	(1.43)	(1.33)
- Fully diluted ⁽²⁾	<u>(1.43)</u>	<u>(1.33)</u>

⁽¹⁾ Basic loss/ earnings per share (“EPS”) is calculated on the Group’s loss for the period divided by the weighted average number of ordinary shares in issue during the reporting period of 29,999,993 shares (30 Apr 2022: 29,999,993 shares).

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

10 FINANCIAL INSTRUMENTS

	Group		Company	
	30 Apr 2023	31 Jan 2023	30 Apr 2023	31 Jan 2022
	S\$’000	S\$’000	S\$’000	S\$’000
Financial assets at amortised cost	<u>962</u>	<u>1,043</u>	<u>77</u>	<u>206</u>
Financial liabilities at amortised cost	<u>10,082</u>	<u>9,510</u>	<u>4,586</u>	<u>4,456</u>

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

11 PROPERTY, PLANT AND EQUIPMENT

Group	Plant and Machinery, Furniture and Vehicles S\$'000
Cost	
As at 1 Feb 2022	1,988
Additions	153
Disposal/written off	(109)
As at 31 Jan 2023	<u>2,032</u>
As at 1 Feb 2023	2,032
Additions	2
As at 30 Apr 2023	<u>2,034</u>
Accumulated depreciation	
As at 1 Feb 2022	1,749
Depreciation charge for the year	93
Disposal/written off	(109)
As at 31 Jan 2023	<u>1,733</u>
As at 1 Feb 2023	1,733
Depreciation charge for the year	22
As at 30 Apr 2023	<u>1,755</u>
Accumulated impairment loss	
As at 1 Feb 2022	133
Impairment loss	25
As at 31 Jan 2023	<u>158</u>
As at 1 Feb 2023	158
Impairment loss	-
As at 30 Apr 2023	<u>158</u>
Net carrying amount	
As at 31 Jan 2023	<u>141</u>
As at 30 Apr 2023	<u>121</u>

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

12 RIGHT-OF-USE ASSETS

Group	Office Premise and Retail Outlets S\$'000
Cost	
As at 1 Feb 2022	6,785
Additions	1,074
Lease modification	388
Early termination	(208)
Expiry	(629)
As at 31 Jan 2023	<u>7,410</u>
As at 1 Feb 2023	7,410
Additions	423
As at 30 Apr 2023	<u>7,833</u>
Accumulated depreciation and impairment loss	
As at 1 Feb 2022	5,169
Charge	1,295
Reversal of impairment loss	(63)
Early termination	(199)
Expiry	(629)
As at 31 Jan 2023	<u>5,573</u>
As at 1 Feb 2023	5,573
Charge	304
As at 30 Apr 2023	<u>5,877</u>
Net carrying amount	
As at 31 Jan 2023	<u>1,837</u>
As at 30 Apr 2023	<u>1,956</u>

13 INVENTORIES

	Group	
	30 Apr 2023	31 Jan 2023
	S\$'000	S\$'000
Health foods and supplements:		
Raw materials	363	379
Finished goods	569	535
Goods in transit	-	5
	<u>932</u>	<u>919</u>

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

14 TRADE AND OTHER RECEIVABLES

	Group		Company	
	30 Apr 2023	31 Jan 2023	30 Apr 2023	31 Jan 2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Non-current</u>				
- Rental deposits	352	301	-	-
- Deferred lease payments	13	14	-	-
	<u>365</u>	<u>315</u>	<u>-</u>	<u>-</u>
<u>Current</u>				
Trade receivables	417	134	-	-
Other receivables, deposits and prepayments:				
- Advance payment to suppliers	193	203	-	-
- Rental deposits	114	128	-	-
- Deferred lease payments	19	17	-	-
- Prepayments	36	32	27	25
- Amount due from subsidiaries	-	-	31	2
- Sundry receivables	399	825	59	59
	<u>761</u>	<u>1,205</u>	<u>117</u>	<u>86</u>
Impairment loss allowance on sundry receivables	(723)	(782)	(59)	(59)
	<u>38</u>	<u>423</u>	<u>58</u>	<u>27</u>

15 BORROWINGS

	Group		Company	
	30 Apr 2023	31 Jan 2023	30 Apr 2023	31 Jan 2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current</u>				
Bank loan ⁽¹⁾	304	384	-	-
Loan from the ultimate holding company ⁽²⁾	550	326	-	-
Loans from QRH ⁽³⁾	3,675	3,579	3,675	3,579
Loans from third-party lenders ⁽⁴⁾	619	408	416	408
	<u>5,148</u>	<u>4,697</u>	<u>4,091</u>	<u>3,987</u>

⁽¹⁾ As at 30 April 2023, the Group has an outstanding bank loan of \$304,000 (31 Jan 2023: \$384,000) bearing interest rates between 1.56% and 2.71% per annum.

⁽²⁾ Loan from the ultimate holding company is unsecured, bears interest at 5% per annum and is repayable in August 2023.

⁽³⁾ Loans from QRH is for the Group's working capital, bears interest of 12% per annum. On 3 March 2022, the Company and QRH entered into an investment agreement in connection with the redemption of the outstanding loans to subscribe for 102,166,007 shares of the Company, at an issue price of \$0.042 each, and 167,834,000 share options at an aggregate price of \$1, which shall be set-off against the outstanding loans owing to QRH and any remaining consideration shall be paid in cash to the Company, subject to certain conditions being fulfilled by the Company, which includes

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

the resumption of trading of the Company's shares on SGX-ST by the long-stop date, 23 December 2023.

- (4) In September 2022, the Company entered into 2 loan agreements with third-party lenders to obtain working capital loans of \$200,000 each at an interest of 8% per annum, with corporate guarantees granted by the Company's principal subsidiary, Nature's Farm Pte Ltd ("NF"). The loans are repayable, in a single repayment, 12 months from the drawdown date in October and November 2023, failing which, a default interest of 12% per annum shall be charged on unpaid amounts from the date of default until the date of full settlement.

In February 2023, NF, entered into a facility agreement with a third party lender (the "Lender") to obtain a facility of up to \$200,000 (the "Facility Agreement") for the purpose of purchasing certain products to be sold by NF, which was specified and designated as "Specified Products" in the Facility Agreement. The facility may be drawn down as advances (each, an "Advance") as long as the aggregate of such Advances do not exceed \$200,000 at any point in time, and each Advance will bear interest of 8% per annum, and a default interest of 12% per annum from the date of default until the date of full settlement of the unpaid sum. Pursuant to the Facility Agreement, NF assigns 15% of the receivables arising from or in connection with the sale of Specified Products purchased utilising an Advance. All outstanding amounts are to be paid as a single repayment on the Final Repayment Date (as defined in the Facility Agreement), prior to the termination date of 6 months from the date of the Facility Agreement. As of 30 April 2023, the facility has been fully drawn down.

16 TRADE AND OTHER PAYABLES

	Group		Company	
	30 Apr 2023	31 Jan 2023	30 Apr 2023	31 Jan 2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current</u>				
Trade payables	783	813	-	-
Other payables and accruals				
- Third parties	823	723	423	347
- Accrued operating expenses	1,191	908	72	122
- Accrued marketing expenses	-	323	-	-
	<u>2,014</u>	<u>1,954</u>	<u>495</u>	<u>469</u>

Included in trade payables and accrued expenses are balances owing to I-Nitra Consulting Limited ("I-Nitra") of S\$420,000 (31 Jan 2023: \$413,000) and S\$149,000 (31 Jan 2023: S\$149,000) respectively. The outstanding balance is attributable to the purchase of some honey products from I-Nitra that were previously sold by NF to another party as well as amounts due to I-Nitra pursuant to consignment arrangements between I-Nitra (as consignor) and NF (as consignee) upon the sale of the consigned goods by the latter. The purchase transactions and consignment arrangements ostensibly took place during 2019 on the previous management's watch and were subject matter of investigation by the special auditors pursuant to a notice of compliance issued by the Singapore Exchange Regulation in March 2019. While these transactions involving I-Nitra were at first blush redolent of round-tripping, the special auditors had emphatically concluded that they "did not find any conclusive evidence of round-tripping". Accordingly, and out of accounting prudence, the incumbent management has not derecognised the liability as at reporting date.

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

17 LEASE LIABILITIES

	Group		Company	
	30 Apr 2023	31 Jan 2023	30 Apr 2023	31 Jan 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current</u>				
Lease liabilities	1,260	1,142	-	-
<u>Non-current</u>				
Lease liabilities	877	904	-	-
Total lease liabilities	<u>2,137</u>	<u>2,046</u>	<u>-</u>	<u>-</u>

18 SHARE CAPITAL

	Group and Company			
	30 Apr 2023		31 Jan 2023	
	Number of		Number of	
	ordinary	S\$'000	ordinary	S\$'000
	shares		shares	
<u>Issued and fully paid:</u>				
At beginning and end of year	<u>29,999,993</u>	<u>14,250</u>	<u>29,999,993</u>	<u>14,250</u>

The Company has one class of ordinary shares which carry one vote per share. The ordinary shares have no par value and carry a right to dividends as and when declared by the Company.

19 NET ASSET VALUE

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

	Group		Company	
	30 Apr 2023	31 Jan 2023	30 Apr 2023	31 Jan 2023
	Cents	Cents	Cents	Cents
Net liabilities per ordinary share based on existing issued share capital as at the end of period/year	<u>(20.55)</u>	<u>(19.12)</u>	<u>(11.94)</u>	<u>(11.08)</u>

Net (liability) / asset value per ordinary share was based on 29,999,993 (31 Jan 2022: 29,999,993) ordinary shares outstanding as at end of the reporting period.

20 SUBSEQUENT EVENTS

On 14 June 2023, the Company entered into a placement agreement with each of Ms Duanmu Xiaoyi, Ms Liu Xiaohua, Mr Chen Hao, Mr Ong Yaw Teh and Mr Steven Lim; as well as a convertible bond subscription agreement with Ms Duanmu Xiaoyi, Mr Chen Hao and Ms Liu Jing, for the purposes of the New Investment. The Company had also, on the same day, announced the deed of termination granted by QRH in respect of, amongst other things, the termination of the investment agreement and loan agreements previously entered into with QRH. For more details, including the salient terms of the respective agreements and documents referenced above, Shareholders may refer to the Company's

CAMSING HEALTHCARE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

announcement regarding the entry into the New Investment released via SGXNet on 14 June 2023 (as well as any other subsequent update announcements).

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

21A Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There have been no changes in the Company's share capital since the end of the previous period reported.

For the avoidance of doubt, the Company has no outstanding convertible securities as at: (i) the end of the current financial period reported on; and (ii) the corresponding period of the immediately preceding financial year.

21B The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	30 Apr 2023	31 Jan 2023
	Number of ordinary shares	Number of ordinary shares
Number of issued shares	<u>29,999,993</u>	<u>29,999,993</u>

21C A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company does not have any treasury shares.

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

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

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

Not applicable.

CAMSING HEALTHCARE LIMITED

24 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**

The auditors have rendered an “except for” qualified opinion on the latest audited financial statements for the financial year ended 31 January 2023 (“FY2023”) via their report dated 16 May 2023. The basis for qualified opinion is as follows:

Opening balances

The auditors’ reservations on certain opening balances for FY2021 arose from their previous audits for FY2019 and FY2020 when they were first appointed in November 2021 to undertake those audits after the release of the special audit report dated 1 September 2020 and that they were not given access to any relevant and substantive working papers relating to FY2018 by the predecessor auditors. More specifically, these opening balances for FY2021 refer to balances of inventories, investment in Nature’s Farm, amount owing to I-Nitra and accumulated losses account as at 1 February 2020. Nonetheless, as the auditors have satisfied themselves with the closing balances of these balance sheet items as at 31 January 2021, the auditors would also be satisfied with these opening balances in respect of the FY2022 audit except for the amount owing to I-Nitra as more fully described below.

Consignment arrangements with I-Nitra

The auditors have expressed reservations on the commercial substance or business rationale of the consignment arrangements given that such arrangements were initially highlighted in the special audit report as potentially round-tripping. However, the special auditors had eventually found and concluded in their report that there was no round-tripping involved. The Company has duly disclosed its position regarding the consignment arrangements (including the purported amounts owing to I-Nitra) and the pertinent findings and conclusion of the special auditors in Note 9 to the FY2023 audited financial statements and in paragraph 16 of this Announcement.

The Board confirms that the impact of all outstanding audit issues on this Announcement have been adequately disclosed herein.

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

Review of Results

The Group’s revenue of S\$1,443,000 for the three months ended 30 April 2023 (“Q1FY2024”) were generated from local sales of health foods and supplements. The increase in the revenue by S\$63,000 compared to the three months ended 30 April 2022 (“Q1FY2023”) was mainly due to increase in demand for corporate sales partly offset by reduced demand for retail and online, and consignment sales during the period under review.

The Group recorded S\$51,000 other income in Q1FY2024, compared to S\$36,000 in Q1FY2023. Other income comprises mainly government grant and product display fee in Q1FY2024.

Marketing and distribution expenses decreased by S\$21,000 or 2% from S\$919,000 in Q1FY2023 to S\$898,000 in Q1FY2024. The decrease was mainly due to lower staff and related, partly offset by higher depreciation.

General and administrative operating expenses increased by S\$31,000 or 16% from S\$199,000 in Q1FY2023 to S\$230,000 in Q1FY2024, primarily due to higher professional fees incurred and higher travel costs as a result of employees participation in overseas trade show in Q1FY2024.

Finance costs increase from \$73,000 in Q1FY2023 to \$139,000 in Q1FY2024. The higher finance costs were due mainly to the higher interest from loans from the ultimate holding company, QRH and third-party lenders, as result of higher outstanding balance, in Q1FY2024.

The Group recorded a loss before tax of S\$429,000 in Q1FY2024 compared to a loss before tax of S\$399,000 in Q1FY2023, which was mainly attributable to higher finance costs and higher general and administrative operating expenses during the period under review.

Review of Statement of Financial Position

The Group’s non-current assets stood at S\$2,442,000 as of 30 April 2023, compared to S\$2,293,000 as of 31 January 2023, and comprised plant and equipment, right-of-use assets and other receivables. The increase of S\$149,000 was mainly attributable to an increase in right-of-use assets due to the renewal of lease agreements, offset by the depreciation of plant and equipment, and increase in other receivables during Q1FY2024.

The current assets stood at S\$1,790,000 as of 30 April 2023, compared to S\$1,913,000 as of 31 January 2023. Overall, the decrease of S\$123,000 in current assets was mainly due to the decrease in other receivables, deposits and prepayments, and cash and bank balances, partly offset by increase in trade receivables and inventories.

The net increase of S\$481,000 in current liabilities was mainly due to increase in borrowings from the ultimate holding company and third-party lenders, lease liabilities and other payables, and accruals, partly offset by decrease in contract liabilities, trade payables and provisions.

The decrease of S\$26,000 in non-current liabilities was mainly due to decrease in lease liabilities.

Overall, the Group’s net liabilities stood at S\$6,165,000 as of 30 April 2023, compared to S\$5,736,000 as of 31 January 2023.

Review of Cash Flow

The Group recorded net cash flows used in operating activities of S\$13,000 in Q1FY2024, as compared to net cash flows used in operating activities of S\$923,000 in Q1FY2023. The decrease was mainly attributable to positive operating cash flows before changes in working capital, cash generated from receivables and payables, partly offset by cash used in contract liabilities.

The net cash flows used in investing activities of S\$2,000 in Q1FY2024 was due to purchase of plant, and equipment.

The net cash flows used in financing activities of S\$19,000 in Q1FY2024 was mainly attributable to the repayment of lease liabilities and bank loan, partly offset by loan from the ultimate holding company and third-party lenders during the period under review.

On account of the above, the Group's cash and cash equivalents in the consolidated statement of cashflows comprise cash and bank balances of S\$403,000 as of 30 April 2023.

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

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

27 Commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

With global inflation rising and consumer sentiment dampened, the Group anticipates slower economic growth until early next year. Nonetheless, the Group will continue to execute its cores strategies in developing new products, expanding into new sales channels and applying prudent cost-management measures.

The Group notes that a sizable portion of NF's revenue is still generated by walk-in customers to its retail outlets. As COVID-19 has greatly increased the prevalence and acceptance of e-commerce, the Group will continue augmenting its online presence and platforms. The Group has also undertaken successful business-to-business ("B2B") collaborations, and intends to continuously seek out other reputable partners in complementary industries. Part of the proceeds from the New Investment is intended to be utilized to accelerate the implementation of these business initiatives.

The Company will soon be submitting its proposal for the resumption in the trading of its shares, which has been suspended since 1 April 2019. Shareholders may refer to the Company's announcement regarding the submission of its resumption of trading proposal to be released via SGXNet (as well as any other subsequent update announcements) for more information.

28 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date Payable

Not applicable.

(d) Books Closure Date

Not applicable.

29 If no dividend has been declared/recommended, a statement to that effect

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

30 If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“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.

During the financial period under review, the Group did not have a general mandate pursuant to Rule 920 of the SGX-ST Listing Manual. There were no Interested Person Transactions exceeding \$100,000 in aggregate value for the current financial period.¹

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

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

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

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

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

CAMSING HEALTHCARE LIMITED

33 Negative confirmation by the Board pursuant to Rule 705(5)

On behalf of the board of directors of the Company, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board which may render the unaudited financial statements and dividend announcement for the three months ended 30 April 2023 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

LIU HUI
Executive Director
15 June 2023