



LYC HEALTHCARE BERHAD

Registration No: 200401009170 (647673-A)

Incorporated in Malaysia

**QUARTERLY REPORT FOR FIRST QUARTER ENDED
30 JUNE 2024**

LYC HEALTHCARE BERHAD
Registration No: 200401009170 (647673-A)
Incorporated in Malaysia

The Board of Directors of LYC Healthcare Berhad (“LYC” or “Group”) hereby announce the following unaudited results which should be read in conjunction with the Audited Financial Statements of LYC for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2024**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year to Date	Preceding Year Corresponding Period
		30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	39,378	26,630	39,378	26,630
Cost of sales		(18,099)	(12,827)	(18,099)	(12,827)
Gross profit		21,279	13,803	21,279	13,803
Other operating income		512	2,370	512	2,370
Operating expenses		(20,105)	(13,087)	(20,105)	(13,087)
(Loss)/Profit from operations	B5	1,686	3,086	1,686	3,086
Interest income		74	115	74	115
Interest expense		(2,463)	(2,388)	(2,463)	(2,388)
Share of result of associate and joint venture, net of tax		(25)	(404)	(25)	(404)
Loss before tax		(728)	409	(728)	409
Taxation	B6	(1,223)	(1,027)	(1,223)	(1,027)
Loss for the financial period		(1,951)	(618)	(1,951)	(618)
Other comprehensive income					
Foreign currency translation		2,844	(185)	2,844	(185)
Total comprehensive loss for the financial period		893	(803)	893	(803)
Loss attributable to:					
Owners of the Company		(3,422)	(2,196)	(3,422)	(2,196)
Non-controlling interest		1,471	1,578	1,471	1,578
		(1,951)	(618)	(1,951)	(618)
Total Comprehensive loss attributable to:					
Owners of the Company		(2,983)	(2,191)	(2,983)	(2,191)
Non-controlling interest		3,876	1,388	3,876	1,388
		893	(803)	893	(803)
Loss per share attributable to Owners of the Company:					
Basic loss per share (sen)	B12(a)	(0.52)	(0.34)	(0.52)	(0.34)
Diluted loss per share (sen)	B12(b)	N/A	N/A	N/A	N/A

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	AS AT 30-Jun-24 (UNAUDITED) RM'000	AS AT 31-Mar-24 (AUDITED) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	46,640	48,405
Investment properties	4,187	3,251
Intangible assets	85,034	85,153
Right-of-use assets	72,349	42,801
Investment in an associate	787	812
Deferred tax assets	37	41
	<u>209,034</u>	<u>180,463</u>
Current assets		
Inventories	11,195	10,140
Trade and other receivables	26,913	26,562
Current tax assets	239	857
Amount due from joint venture & associate	6	-
Contract assets	-	122
Cash and bank balances	20,655	24,705
	<u>59,008</u>	<u>62,386</u>
TOTAL ASSETS	<u>268,042</u>	<u>242,849</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	101,443	101,443
Other reserves	5,212	4,773
Accumulated losses	(71,916)	(67,241)
	<u>34,739</u>	<u>38,975</u>
Non-controlling interest	40,488	38,557
TOTAL EQUITY	<u>75,227</u>	<u>77,532</u>
Non-current liabilities		
Loan and borrowings	B8 62,384	21,638
Lease liabilities	65,375	36,903
Provision for restoration cost	2,002	2,011
Deferred tax liabilities	1,235	1,369
	<u>130,996</u>	<u>61,921</u>
Current liabilities		
Trade and other payables	27,141	26,907
Contract liabilities	6,332	6,874
Loan and borrowings	B8 14,521	54,197
Lease liabilities	9,450	8,893
Provision for annual wage supplement	187	345
Non controlling shareholder/director of a subsidiary	2,946	4,983
Current tax liabilities	1,241	1,197
TOTAL LIABILITIES	<u>192,814</u>	<u>165,317</u>
TOTAL EQUITY AND LIABILITIES	<u>268,042</u>	<u>242,849</u>
Net assets per share attributable to owners of the Company (RM)	<u>0.05</u>	<u>0.05</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

Group	← Attributable to owners of the Company →				Equity attributable to owners of the Company	Non- controlling interests	Total equity
	Share capital RM'000	Translation reserve RM'000	Revaluation reserve RM'000	Accumulated losses RM'000	RM'000	RM'000	RM'000
At 1 April 2024	101,443	4,345	428	(67,241)	38,975	38,557	77,532
Other comprehensive income, net of tax							
Foreign currency translation differences for foreign operations	-	438	1	-	439	460	899
Other comprehensive income	-	438	1	-	439	460	899
Net loss for the financial period	-	-	-	(4,675)	(4,675)	1,471	(3,204)
Total comprehensive loss for the financial period	-	438	1	(4,675)	(4,236)	1,931	(2,305)
At 30 June 2024	101,443	4,783	429	(71,916)	34,739	40,488	75,227

LYC HEALTHCARE BERHAD

Registration No: 200401009170 (647673-A)

Incorporated in Malaysia

Group	← Attributable to owners of the Company →				Equity attributable to owners of the Company	Non- controlling interests	Total equity
	Share capital RM'000	Translation reserve RM'000	Revaluation reserve RM'000	Accumulated losses RM'000	RM'000	RM'000	RM'000
At 1 April 2023	90,558	3,940	428	(48,016)	46,910	33,693	80,603
Other comprehensive income, net of tax							
Foreign currency translation differences for foreign operations	-	405	-	-	405	1,479	1,884
Other comprehensive income	-	405	-	-	405	1,479	1,884
Net loss for the financial year	-	-	-	(19,160)	(19,160)	4,256	(14,904)
Total comprehensive loss for the financial year	-	405	-	(19,160)	(18,755)	5,735	(13,020)
Transaction with owners:							
Issue of ordinary share pursuant to : - private placement	10,885	-	-	-	10,885	-	10,885
Acquisition of shares from non-controlling interests	-	-	-	(97)	(97)	(23)	(120)
Change in ownership interests in subsidiaries	-	-	-	32	32	368	400
Divestment	-	-	-	-	-	7	7
Dividend paid to non-controlling interest	-	-	-	-	-	617	617
Transaction costs of share issue	-	-	-	-	-	(1,840)	(1,840)
Total transactions with owners	10,885	-	-	(65)	10,820	(871)	9,949
At 31 March 2023	101,443	4,345	428	(67,241)	38,975	38,557	77,532

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

	30-Jun-24 (UNAUDITED) RM'000	31-Mar-24 (AUDITED) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(728)	(10,827)
Adjustments for:		
Non-cash items	(8,010)	12,958
Interest income	(74)	(393)
Interest expense	8,787	11,222
Operating profit before Working Capital Changes	(25)	12,960
Changes In Working Capital:		
Net change in current assets	(1,132)	(8,118)
Net change in current liabilities	(1,598)	18,938
Net Cash Outflow from Operations	(2,755)	23,780
Income tax refund	-	100
Income tax paid	(604)	(4,156)
Net Operating Cash Flows	(3,359)	19,724
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	74	393
Advances to joint venture and associate	(6)	91
Repayment from a non-controlling shareholder/director of subsidiary	-	-
Acquisition of subsidiaries, net of cash acquired	(4,517)	(6,739)
Acquisition of equity interest from non-controlling interest	-	(120)
Subscription of shares in joint venture and associate	-	(4,117)
Placement of deposits with a licensed bank	-	(68)
Proceeds from disposal of property and equipment	136	465
Proceeds from divestment	-	-
Purchase of property, plant and equipment	(3,603)	(5,702)
Purchase of Investment Properties	(948)	-
Purchase of Intangible Assets	912	-
Net Investing Cash Flows	(7,952)	(15,797)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of private placement shares	-	10,885
Interest paid	(5,924)	(8,419)
Repayment of term loans & hire purchase	(2,458)	(2,228)
Transaction costs of share issue	-	-
Payment on lease liabilities	7,023	(8,074)
Advances from non-controlling shareholder/directors of subsidiaries	(2,037)	(8,511)
Dividend paid to non-controlling interest	-	(1,840)
Proceeds from lease liability	3,001	-
Proceeds from borrowings	6,714	-
Net Financing Cash Flows	6,319	(17,625)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(4,993)	(13,698)
Effects of foreign exchange rate changes	943	(1,250)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL PERIOD/YEAR	24,705	39,653
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD/YEAR	20,655	24,705

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd)

	30-Jun-24 (UNAUDITED) RM'000	31-Mar-24 (AUDITED) RM'000
CASH AND BANK BALANCES		
Cash on hand and at banks	10,332	12,985
Deposits placed with licensed banks	10,323	11,720
	20,655	24,705
Bank Overdraft	(9,950)	(9,956)
Less: Non-short term deposits	(10,000)	(10,575)
Cash and bank balances	705	4,174

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING AND IAS 34 : INTERIM FINANCIAL REPORTING

A1 – Accounting Policies and Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting.

This report should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 March 2024.

Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Group with effect from 1 January 2024 or later are provided in the notes to the audited financial statements of the Group for the financial year ended 31 March 2024. The adoption of these MFRSs does not have any material impact on the Group’s results and financial position.

A2 – Declaration on Audit Qualification

The latest audited financial statements for the financial year ended 31 March 2024 was not subject to any qualification.

A3 – Seasonal or Cyclicity of Operations

In general, apart from the Group’s business in Healthcare services, the Group’s other businesses are primarily exposed to business cycles of the Electronic Manufacturing, Semiconductor and Automotive industries.

A4 – Items of Unusual Nature, Size or Incidence

There were no other items of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows in the current financial year under review.

A5 – Changes in Estimates

There were no material changes in estimates of amounts reported in the prior financial year which may have had a material effect on the current financial year under review.

A6 – Debt and Equity Securities

There were no other issuances, cancellation, repurchases, resales and repayment of debts and equity securities during the current financial year under review other than as disclosed in note B7.

Pursuant to Rule 6.44(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the effective date for the Share Grant Plan has been fixed on 19 September 2022.

There were no shares issued under the Company's share grant plan of up to 5% of the total number of issued shares of the Company (excluding treasury shares, if any).

A7 – Dividends

No dividends have been declared or paid during the current financial year under review.

A8 – Segmental Information

Segmental information in respect of the Group's business segments are as follows: -

- | | |
|---------------------------------------|---|
| i) Healthcare Services | Provision of mother and child care related services such as postnatal and postpartum care, post-delivery confinement care, and aesthetics, provision of healthcare related services, provision of cosmetics related services and medical aesthetic treatment, provision of child day care services, provision of medical and surgical advisory services, provision of dental treatment and consultancy services, provision of prostate cancer treatment, dealing in raw and finished, consumable and non-consumable food ingredients. |
| ii) Computing and Electronic Services | Performing research and development, and the provision of e-manufacturing solutions and IT outsourcing service, dealers of computers and other related products. |
| iii) Others | Investment holding and provision of management services. |

LYC HEALTHCARE BERHAD
Registration No: 200401009170 (647673-A)
Incorporated in Malaysia

A8 – Segmental Information (Cont'd)

a) Period ended 30 June 2024

	Healthcare Services RM'000	Computer Electronic Services RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue	39,052	585	2,346	-	41,983
Inter-segment revenue	(379)	-	(2,226)	-	(2,605)
	<u>38,673</u>	<u>585</u>	<u>120</u>	<u>-</u>	<u>39,378</u>
Revenue					
Malaysia	23,054	585	119	-	23,758
Singapore	15,620	-	-	-	15,620
	<u>38,674</u>	<u>585</u>	<u>119</u>	<u>-</u>	<u>39,378</u>
Results	8,478	315	(2,286)	-	6,507
Interest income	-	74	0	-	74
Interest expense	(2,319)	(115)	(29)	-	(2,463)
Share of result of associate and joint venture	(25)	-	-	-	(25)
Depreciation & amortisation	(4,623)	(7)	(191)	-	(4,821)
Profit/(Loss) before tax	1,511	267	(2,505)	-	(728)
Taxation	(1,223)	-	-	-	(1,223)
Segment results after tax	<u>288</u>	<u>267</u>	<u>(2,505)</u>	<u>-</u>	<u>(1,951)</u>
Segment results before tax					
Malaysia	(2,444)	282	(1,371)	-	(3,534)
Singapore	3,955	(15)	(1,134)	-	2,806
	<u>1,511</u>	<u>267</u>	<u>(2,505)</u>	<u>-</u>	<u>(728)</u>

b) Period ended 30 June 2023

	Healthcare Services RM'000	Computer Electronic Services RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue	26,158	863	-	-	27,021
Inter-segment revenue	(360)	(31)	-	-	(391)
	<u>25,798</u>	<u>832</u>	<u>-</u>	<u>-</u>	<u>26,630</u>
Revenue					
Malaysia	13,175	832	-	-	14,007
Singapore	12,623	-	-	-	12,623
	<u>25,798</u>	<u>832</u>	<u>-</u>	<u>-</u>	<u>26,630</u>
Results	7,118	(62)	(1,248)	-	5,809
Interest income	101	14	-	-	115
Interest expense	(2,368)	(8)	(12)	-	(2,388)
Share of result of associate and joint venture	(404)	-	-	-	(404)
Depreciation & amortisation	(2,610)	(7)	(106)	-	(2,723)
Profit/(Loss) before tax	1,838	(63)	(1,366)	-	409
Taxation	(1,027)	-	-	-	(1,027)
Segment results after tax	<u>811</u>	<u>(63)</u>	<u>(1,366)</u>	<u>-</u>	<u>(618)</u>
Segment results before tax					
Malaysia	(1,867)	(56)	(1,398)	-	(3,321)
Singapore	3,705	(7)	32	-	3,730
	<u>1,838</u>	<u>(63)</u>	<u>(1,366)</u>	<u>-</u>	<u>409</u>

A9 – Valuation of Property, Plant and Equipment

There was no valuation on any property, plant and equipment of the Group during current financial year under review.

A10 – Changes in Composition of the Group

There were no other changes to the composition of the Group during the current year under review save for the following:-

I. LYC Medical Center Sdn Bhd (“LYCMC”) and LYC Prostate Centre Sdn Bhd (“LYCPC”)

On 16 May 2024, LYC Dental & Aesthetic Holdings Sdn Bhd (“LYC D&A”), holding company of LYCMC and LYCPC, transfer 100% shareholding of LYCMC to HTAR Sdn Bhd (“HTAR”) and 100% shareholding of LYCPC to LYCMC. No change in intended principal activities of the companies.

A11 – Material Subsequent Events

Except as stated in note B7, there were no material event subsequent to the end of the current financial year under review.

A12 –Contingent Liabilities or Contingent Assets

The Group is not aware of any contingent liabilities incurred or known to be incurred which, upon becoming enforceable, may have a material impact on the financial results and financial position of the Group of companies, except for as follows:-

Specific indemnity pursuant to the share purchase agreement dated 1 March 2022 entered into between LYCM and KIB in respect of the divestment by LYCM of 6,532,500 LYCMS Shares (representing 25% equity interest in LYCMS) for a disposal consideration of SGD12,918,466 ("Disposal Consideration") ("SPA KIB").

Pursuant to the SPA KIB, LYCM unconditionally and irrevocably undertakes to KIB that in the event of an Qualifying IPO (i.e. listing of LYCMS Shares on the Catalist Board), if KIB elects (at its sole and absolute discretion) to sell or otherwise dispose, whether in the open market or through a private placement sale, in a single tranche or a series of tranches of sales or otherwise, all of the LYCMS Shares held by KIB as at the date of the put notice or in the event of an Qualifying IPO ("Option Shares") at any time within 24 calendar months from the Qualifying IPO approval date, LYCM shall, on demand, indemnify and reimburse KIB fully for any shortfall, i.e. Agreed Return less each and every sale price of the options shares received by LYCM. "Agreed Return" means the aggregate of (a) the Disposal Consideration, (b) 6% of the Disposal Consideration, and (c) in the event that the Option Shares are sold to LYCM, any and all brokerage fees and charges.

A13 – Capital Commitment

There is no capital commitment to the end of the current financial year under review, except for as follows:-
RM'000

Contracted but not provided for 11,034

A14 –Related Party Transaction

There were no related party transactions to the end of the current financial year under review, except for the following:

	Quarter ended 30-Jun-24 RM'000	Quarter ended 30-Jun-23 RM'000
Transactions with a Company which a director of a subsidiary has substantial financial interest		
Sales	-	1
Transaction with a firm which a director is a sole proprietor		
Professional Fees	-	3

B1 – Financial Review of Performance

	Individual Period				Cumulative period			
	Current Quarter Ended 30-Jun-24	Preceding Year Corresponding Quarter Ended 30-Jun-23	Changes		Current Quarter Ended 30-Jun-24	Preceding Year Corresponding Quarter Ended 30-Jun-23	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	39,378	26,630	12,748	48%	39,378	26,630	12,748	48%
Loss before tax (LBT)	(728)	409	(1,137)	-278%	(728)	409	(1,137)	-278%
Loss after tax (LAT)	(1,951)	(618)	(1,333)	216%	(1,951)	(618)	(1,333)	216%

Individual Period

The Group recorded a revenue of RM39.38 million for the first quarter ended 30 June 2024, compared to RM26.63 million recorded in the preceding year's corresponding quarter. The Group recorded loss before tax of RM0.73 million in the current quarter compared to a profit before tax of RM0.41 million in preceding year corresponding quarter. The reason was due to one-off income recognized in the preceding year's corresponding quarter in relation to profit guarantee.

B1 – Financial Review of Performance (cont'd)

Malaysia

The Malaysia segment generated a revenue of RM23.76 million in the current quarter ended 30 June 2024 compared to RM14.01 million in the quarter ended 30 June 2023.

The loss before tax for the current quarter ended 30 June 2024 was RM3.53 million compared to the loss before tax of RM3.32 million reported in preceding year's corresponding quarter ended 30 June 2023. This reason were due to lower performance in confinement business offset with better performance in nutraceutical business as well as new subsidiaries acquired subsequent to Q1 FY2024.

Singapore

Singapore's business generated a revenue of RM15.62 million and a profit before tax of RM2.81 million in the current quarter ended 30 June 2024 as compared to RM12.62 million and a profit before tax of RM3.73 million respectively in preceding year's corresponding quarter ended 30 June 2023. The reason was due to one-off income recognized in the preceding year's corresponding quarter in relation to profit guarantee.

B2 – Comparison with Preceding Quarter's Results

	Current Quarter Ended 30-Jun-24	Preceding Quarter Ended 31-Mar-24	Changes	
	RM'000	RM'000	RM'000	%
Continuing operations				
Revenue	39,378	35,219	4,159	12%
Loss before tax (LBT)	(728)	(7,953)	7,225	-91%
Loss after tax (LAT)	(1,951)	(9,010)	7,059	-78%

On a quarter-on-quarter basis, the Group's revenue stood at RM39.38 million compared to its immediate preceding quarter of RM35.22 million. The overall increase in revenue was mainly due to higher revenue from clinical business.

In the current quarter ended 30 June 2024, the loss before tax was RM0.73 million compared to loss before tax of RM7.95 million recorded in the preceding quarter. The loss before tax were lower mainly due to the cost incurred in delayed for SGX listing, accruals and provision of impairment for right-of-use (ROU) and property, plant and equipment (PPE) for the confinement business.

B3 – Current Year Prospects

Throughout this financial year, the Group will continue to grow clinical and nutraceutical business as well as optimising performance for other subsidiaries.

For long term growth, the Group will continue to actively pursue its development and expansion plans both domestically and abroad. The Group remains confident in its longer-term growth by improving our positioning in the growing healthcare markets and we will continue delivering encouraging performance in coming years through consolidation and execution of our committed business plans.

B4 – Profit Forecast

The Group did not publish any profit forecast in its Prospectus or in any public documents.

B5 – Profit from operations

Profit from operations after crediting/(charging):-

	Current Quarter		Cumulative Quarters	
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortisation	(4,821)	(2,723)	(4,821)	(2,723)
Reversal on loss on disposal plant and equipment	-	-	-	-
Net (provision) / reversal for slow moving inventories	(86)	(3)	(86)	(3)
Net unrealized foreign exchange (loss) / gain	(293)	(201)	(293)	(201)
Unwinding up discount on provision for restoration cost	(43)	(12)	(43)	(12)

There were no gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives and exception items.

B6 – Taxation

	Current Quarter	Cumulative Quarters
	30-Jun-24	30-Jun-24
	RM'000	RM'000
Income tax:-		
- Current year	1,223	1,223

The above tax has arisen in absence of group tax relief.

B7 – Corporate Proposals

Save as disclosed below, there were no other corporate proposals announced or outstanding as at the date of this report.

I. Proposed Listing of LYC Healthcare Berhad on Catalist Board of Singapore Exchange Securities Trading Limited (“SGX-ST”)

On 26 August 2021, the Company announced that it is considering listing its healthcare business on the Catalist board of the SGX-ST.

On 17 March 2023, ZICO Capital, the Sponsor and Issue Manager appointed by LYCMS for the Proposed Listing had, submitted the pre-admission notification in respect of the Proposed Listing to the SGX-ST.

LYCMS, has lodged its preliminary offer document with SGX-ST on 30 June 2023, acting as agent on behalf of the Monetary Authority of Singapore (“MAS”), in connection with the proposed initial public offering (the “IPO”) and listing of the ordinary shares (the “Shares”) in the capital of the Company on Catalist of the SGX-ST.

On 30th October 2023, LYCMS and ZICO Capital, the Sponsor and Issue Manager for the Proposed Listing have agreed to discontinue ZICO Capital's services as the Sponsor and Issue Manager for the Proposed Listing. LYCMS has appointed Evolve Capital Advisory Private Limited as the new Sponsor for the Proposed Listing.

On 29th March 2024, Evolve Capital Advisory Private Limited (being the Sponsor, Issue Manager and Placement Agent for the Proposed Listing) has on 28 March 2024 lodged the preliminary Offer Document of LYCMS with the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore.

On 12 June 2024, the Company announced that in view of the prevailing market conditions in the Singapore equity market, the Board and the directors of LYCSG have resolved to withdraw the Proposed Listing from the Catalist board of the SGX-ST (“Withdrawal”).

The Withdrawal is not expected to have any material impact on the consolidated earnings per share and net asset per share of the Company for the FYE 31 March 2025.

Notwithstanding the Withdrawal, the Board is considering on the possibility of listing LYCMS in other exchanges, subject to evaluation on the listing suitability and structure by advisers to be appointed. Having considered all aspects, the Board is of the opinion that the Withdrawal is in the best interest of the Company.

B7 – Corporate Proposals (Cont’d)

II. Private Placements

A. 30% of the Total Number of Issued Shares

On 8 June 2022, the Company had proposed to undertake a private placement of up to 30% of the total number of issued shares of LYC (“LYC Share(s)” or “Share(s)”).

On 19 September 2022, 80,000,000 Placement Shares issued pursuant to the Private Placement at price of RM0.1390 per unit.

On 3 October 2022, 3,000,000 Placement Shares issued pursuant to the Private Placement at price of RM0.166 per unit.

Bursa Securities had, vide its letter dated 10 January 2023, resolved to grant the Company an extension of time of 6 months from 30 November 2022 to 30 May 2023 to complete the implementation of the Private Placement.

On 28 March 2023, 56,000,000 Placement Shares issued pursuant to the Private Placement at price of RM0.21 per unit.

Purpose	Proceed Raised (RM'000)	Actual Utilisation (RM'000)	Remaining Balance (RM'000)	Intended Timeframe
Partial redemption of the outstanding redeemable non-cumulative preference shares ("RPS")	10,000	-	10,000	within 36 months
To part or fully finance business expansion/future viable investment	6,689	6,689	-	within 24 months
Working Capital	6,689	6,689	-	within 12 months
Total	23,378	13,378	10,000	

III. Memorandum of Understanding entered between Aqurate Ingredients Intl (M) Sdn Bhd, Bereum Co Ltd and Hyundai C Square Co Ltd

On 9 August 2023, Aqurate Ingredients Intl (M) Sdn Bhd ("Aqurate"), a subsidiary of the Company had entered into a Memorandum of Understanding ("MOU") with Bereum Co Ltd ("Bereum") and Hyundai C Square Co Ltd ("HCSCL") (collectively referred to as the "Parties") with the intention to confirm the mutual understandings among the Parties with regard to the postbiotics distribution and product development while expressing the Parties' common aim of reaching definitive agreements for the benefit of the Parties through mutual cooperation.

B7 – Corporate Proposals (cont’d)

IV. Memorandum of Understanding entered between LYC and LYC Wellness Sdn Bhd

On 29 September 2023, LYC had entered into a MOU with LYC Wellness Sdn Bhd with the intention to negotiate in good faith towards finalising and entering into a formal agreement with regards to the intention to lease part of the Medical and or Wellness Assets.

B8 – Borrowings

The Group’s borrowings as at the end of the current financial year were as follows: -

	Current	Non-current
	RM’000	RM’000
Overdraft	9,950	-
Term loan (Secured)	4,571	62,384
	<u>14,521</u>	<u>62,384</u>

The Group has obtained an extension of the redemption of RPS 2 from the holder of the RPS 2 via a supplemental subscription agreement which will take effect on 2 September 2024 in the month of expiry of the tenure of the original subscription agreement. The new redemption date of the RPS 2 is 23 September 2025.

B9 – Material Litigations

There are no pending material litigations as at the date of this report.

B10 – Dividends

No dividend has been declared or paid during the current financial year under review.

B11 – Trade Receivables

The ageing analysis of the Group's trade receivables is as follows: -

	30-Jun-24
	(RM'000)
Not past due	8,867
Past due	
- less than 3 months	1,006
- 3 to 6 months	281
- over 6 months	1,331
	2,618
	11,485

Receivables that are past due but not impaired

The Group believes that no further impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

B12 – Loss per Share (“LPS”)

	Current Quarter Ended		Cumulative Quarters Ended	
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
Loss for the period attributable to owners of company (RM'000)	(3,422)	(2,196)	(3,422)	(2,196)
Weighted average number of ordinary shares in issue ('000)	658,784	649,978	658,784	649,978
Basic LPS (sen)	(0.52)	(0.34)	(0.52)	(0.34)

a) Basic loss per share

Basic LPS of the Group is calculated by dividing the loss for the period attributable to ordinary equity holders of LYC by the weighted average number of ordinary shares in issue during the financial period.

The weighted average number of ordinary shares in issue is determined using the number of days that the specific shares are outstanding in proportion to the total number of days in the corresponding period.

b) Diluted LPS

The Company does not have any convertible shares or convertible financial instruments for the current financial quarter and financial year to date.

B13 – Approval for the Release of Quarterly Results

The quarterly financial results have been approved for release by the Board of Directors.