

ISEC HEALTHCARE LTD.

(Company Registration No.201400185H)

Unaudited Financial Statement for the Third Quarter Ended 30 September 2024

1(a)(i) A consolidated Statement of Profit or Loss and Other Comprehensive Income, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group 3 Months Ended			Group 9 Months Ended		
	30 September 2024 (Unaudited) \$'000	30 September 2023 (Unaudited) \$'000	Change %	30 September 2024 (Unaudited) \$'000	30 September 2023 (Unaudited) \$'000	Changes %
Revenue	19,024	18,114	5%	54,389	52,496	4%
Cost of sales	(10,883)	(10,012)	9%	(30,565)	(29,105)	5%
Gross profit	8,141	8,102	0%	23,824	23,391	2%
Other item of income						
Other income	1,006	93	>100%	1,228	337	>100%
Other items of expense						
Selling and distribution expenses	(77)	(31)	>100%	(188)	(82)	>100%
Administrative expenses	(3,483)	(2,900)	20%	(9,971)	(8,961)	11%
Other expenses	(101)	(178)	-43%	(404)	(1,053)	-62%
Finance costs	(142)	(141)	1%	(425)	(495)	-14%
Profit before income tax	5,344	4,945	8%	14,064	13,137	7%
Income tax expense	(1,061)	(1,096)	-3%	(3,131)	(3,068)	2%
Profit for the financial period	4,283	3,849	11%	10,933	10,069	9%
Other comprehensive income						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Foreign currency translation of subsidiaries	4,208	185	>100%	4,117	(1,927)	NM
Other comprehensive income for the financial period, net of tax	4,208	185	>100%	4,117	(1,927)	NM
Total comprehensive income for the financial period	8,491	4,034	>100%	15,050	8,142	85%

ISEC HEALTHCARE LTD.

(Company Registration No.201400185H)

	Group			Group		
	3 Months Ended			9 Months Ended		
	30	30	Change	30	30	Changes
	September	September		September	September	
2024	2023		2024	2023		
(Unaudited)	(Unaudited)	%	(Unaudited)	(Unaudited)	%	
	\$'000	\$'000		\$'000	\$'000	
Profit attributable to:						
Owners of the parent	4,271	3,793	13%	10,834	9,924	9%
Non-controlling interests	12	56	-79%	99	145	-32%
Profit for the financial period	4,283	3,849	11%	10,933	10,069	9%
Total comprehensive income attributable to:						
Owners of the parent	8,328	4,014	>100%	14,910	8,144	83%
Non-controlling interests	163	20	>100%	140	(2)	NM
Total comprehensive income for the financial period	8,491	4,034	>100%	15,050	8,142	85%

NM – Not meaningful

1(a)(ii) Notes to Consolidated Statement of Profit or Loss and Other Comprehensive Income

Profit before income tax is arrived after charging/(crediting) the following:

	Group			Group		
	30 September 2024 (Unaudited) \$'000	30 September 2023 (Unaudited) \$'000	Change %	30 September 2024 (Unaudited) \$'000	30 September 2023 (Unaudited) \$'000	Change %
Depreciation of property, plant and equipment – cost of sales	214	176	22%	597	539	11%
Depreciation of right-of-use assets – cost of sales	216	151	43%	542	452	20%
Depreciation of property, plant and equipment – administrative expenses	235	186	26%	597	557	7%
Depreciation of right-of-use assets – administrative expenses	333	326	2%	980	944	4%
Amortisation of intangible assets – other expenses	132	133	-1%	397	398	0%
Amortisation of intangible assets – administrative expenses	2	1	100%	5	3	67%
Interest income	(88)	(67)	31%	(234)	(223)	5%
Interest income – net investment in sublease	(1)	*	>100%	(5)	(1)	>100%
Other income – government grants	(61)	(9)	>100%	(100)	(53)	89%
Interest expense – lease liabilities	122	109	12%	345	335	3%
Interest expense – loans	18	20	-10%	58	74	-22%
(Gain)/loss on exchange differences, net	(823)	33	NM	(791)	641	NM
Property, plant and equipment written-off	6	7	-14%	7	7	0%
Allowance for/(write-back of) expected credit losses, net	-	3	-100%	(3)	(15)	-80%
Share-based compensation expense	6	25	-76%	51	78	-35%
Reversal of share options	-	-	NM	(5)	-	NM

NM – Not meaningful
* Less than \$1,000

1(b)(i) A statement of financial position for the group, together with a comparative statement as at the end of the immediately preceding financial year

	Group	
	30 September 2024 (Unaudited) \$'000	31 December 2023 (Audited) \$'000
ASSETS		
Non-current assets		
Property, plant and equipment	26,279	16,998
Right-of-use assets	11,243	9,843
Intangible assets – goodwill	55,015	52,242
Intangible assets – others	463	628
Net investment in sublease	64	107
Deferred tax assets	303	268
	93,367	80,086
Current assets		
Inventories	2,652	2,235
Trade receivables, net ⁽¹⁾	5,133	4,302
Other receivables and deposits	712	689
Prepayments	480	334
Net investment in sublease	56	54
Current income tax asset	4	3
Cash and cash equivalents ⁽¹⁾	17,056	19,404
	26,093	27,021
TOTAL ASSETS	119,460	107,107
EQUITY AND LIABILITIES		
Equity		
Share capital	76,381	76,138
Other reserves	(8,817)	(12,905)
Retained earnings	21,695	17,476
Equity attributable to owners of the Company	89,259	80,709
Non-controlling interests	1,671	1,441
TOTAL EQUITY	90,930	82,150
LIABILITIES		
Non-current liabilities		
Borrowings	816	1,327
Lease liabilities	9,911	8,776
Deferred tax liabilities	101	150
Provisions	262	235
	11,090	10,488

ISEC HEALTHCARE LTD.

(Company Registration No.201400185H)

	Group	
	30 September 2024 (Unaudited) \$'000	31 December 2023 (Audited) \$'000
Current liabilities		
Trade payables	1,979	1,825
Other payables	3,661	1,855
Advances and contract liabilities	418	412
Advances from non-controlling interests	2,193	1,557
Accrued expenses	1,111	1,105
Payroll payable	4,140	3,838
Borrowings	896	843
Lease liabilities	2,054	1,614
Current income tax payable	988	1,420
	17,440	14,469
TOTAL LIABILITIES	28,530	24,957
TOTAL EQUITY AND LIABILITIES	119,460	107,107

(1) Breakdown of the following in the respective currencies:

	Group	
	30 September 2024 \$'000	31 December 2023 \$'000
Trade receivables, net denominated in the following currencies:		
Singapore Dollar	2,004	1,683
Ringgit Malaysia	3,110	2,598
Myanmar Kyat	19	21
	5,133	4,302
Cash and cash equivalents denominated in the following currencies:		
Singapore Dollar	2,479	4,958
Ringgit Malaysia	13,428	13,466
Myanmar Kyat	1,034	862
United States Dollar	115	118
	17,056	19,404

1(b)(ii) Aggregate amount of group’s borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30 September 2024		As at 31 December 2023	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
896	2,054 ⁽¹⁾	843	1,614 ⁽¹⁾

Amount repayable after one year

As at 30 September 2024		As at 31 December 2023	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
816	9,911 ⁽¹⁾	1,327	8,776 ⁽¹⁾

(1) Unsecured borrowings relate to leases recognised under SFRS(I) 16 *Leases*.

Details of any collaterals

On 6 August 2020, ISEC (Penang) Sdn. Bhd., a wholly owned indirect subsidiary of ISEC Healthcare Ltd. (the “Company” and together with its subsidiaries, the “Group”), entered into a 5-year term bank loan of RM13,000,000 (equivalent to \$4,254,000) to partially finance the acquisition of freehold land and building. The loan is repayable monthly over the 5-year term. The loan bears a floating interest rate of the bank’s cost of funds + 0.5% margin per annum. The interest rate for the current financial period ended 30 September 2024 was 4.05% (FY2023: 4.05%). The borrowing balance as at 30 September 2024 was \$745,000 (31 December 2023: \$1,249,000). The loan is secured by the freehold land and building for which the loan was entered into, and the subsidiary is required to maintain certain deposits balance with the bank.

In June 2024, ME Centre entered into a 7-year bank loan of RM1,646,000 (equivalent to \$472,000) to refinance the acquisition of the building. The loan has been partially drawn down on 28 June 2024 to fully settle an existing bank loan with another bank (“Previous Bank Loan”). The loan bears a floating interest rate of the bank’s base financing rate -2.5% margin per annum. The interest rate for the current financial period ended 30 September 2024 was 4.15% (FY2023: 4.42% under Previous Bank Loan). The borrowing balance as at 30 September 2024 was \$473,000 (31 December 2023: \$424,000 under Previous Bank Loan). The loan is secured by the building for which the loan was entered into.

On 21 May 2023, TE Centre Sdn. Bhd., an indirect subsidiary of the Company, entered into a 7-year term bank loan of RM1,774,483 (equivalent to \$507,000) to finance partially the construction cost of a building. The loan bears a floating interest rate of the bank’s base financing rate -2.50% margin per annum. The interest rate for the current financial period ended 30 September 2024 was 4.15% (FY2023: 4.15%). The borrowing balance as at 30 September 2024 was \$494,000 (31 December 2023: \$497,000). The loan is secured by the land and building for which the loan was entered into.

1(c) Statement of cash flows for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	Group		Group	
	3 Months Ended 30 September 2024 (Unaudited) \$'000	30 September 2023 (Unaudited) \$'000	9 Months Ended 30 September 2024 (Unaudited) \$'000	30 September 2023 (Unaudited) \$'000
Cash flows from operating activities				
Profit before income tax	5,344	4,945	14,064	13,137
Adjustments for:				
Allowance for/(write-back of) expected credit losses, net	-	3	(3)	(15)
Amortisation of intangible assets	134	134	402	401
Depreciation of property, plant and equipment	449	362	1,194	1,096
Depreciation of right-of-use assets	549	477	1,522	1,396
Interest income	(89)	(67)	(239)	(224)
Interest expense	142	141	425	495
Property, plant and equipment written-off	6	7	7	7
Share-based compensation expense	6	25	51	78
Reversal of share options	-	-	(5)	-
Operating cash flows before working capital changes	6,541	6,027	17,418	16,371
Working capital changes:				
- Inventories	(422)	(37)	(564)	(387)
- Trade and other receivables	(423)	353	(1,296)	(458)
- Prepayments	(212)	(46)	(178)	(95)
- Trade and other payables	186	(913)	(238)	(303)
Cash generated from operations	5,670	5,384	15,142	15,128
Income tax paid, net	(1,537)	(1,379)	(3,612)	(3,296)
Net cash generated from operating activities	4,133	4,005	11,530	11,832
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,633)	(736)	(5,720)	(2,303)
Purchase of intangible assets	(15)	-	(183)	(19)
Interest received	88	66	234	222
Payment to vendors ⁽¹⁾	-	-	(1,033)	(3,208)
Net cash used in investing activities	(1,560)	(670)	(6,702)	(5,308)

	Group		Group	
	3 Months Ended		9 Months Ended	
	30 September	30 September	30 September	30 September
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	\$'000	\$'000	\$'000	\$'000
Cash flows from financing activities				
Advances from non-controlling interests	-	-	474	156
Dividends paid	(1,726)	(4,361)	(6,615)	(10,541)
Subscription of shares in a subsidiary by non-controlling interests	-	-	90	-
Proceeds from exercise of share options	-	135	209	605
Principal elements of lease payments, net	(497)	(390)	(1,352)	(1,319)
Interest paid – lease liabilities	(122)	(109)	(345)	(334)
Proceed from bank loan	28	-	28	-
Repayment of loan	(214)	(197)	(623)	(591)
Interest paid – loan	(18)	(20)	(58)	(74)
Net cash used in financing activities	(2,549)	(4,942)	(8,192)	(12,098)
Net increase/(decrease) in cash and cash equivalents	24	(1,607)	(3,364)	(5,574)
Cash and cash equivalents at beginning of financial period	15,872	16,100	19,404	20,633
Effect of exchange rate changes on cash and cash equivalents	1,160	70	1,016	(496)
Cash and cash equivalents at end of financial period	17,056	14,563	17,056	14,563

- (1) The Group acquired IE Centre Sdn. Bhd. (“IE Centre”) and Kampar Eye Sdn. Bhd. (“Kampar Eye”) on 26 May 2022. In the second quarter of the financial period ended 30 June 2023 (“2Q2023”), 30% of the total cash consideration, amounting to RM10,824,225 (equivalent to S\$3,208,000), was paid to the vendors as partial settlement of the total cash consideration. The remaining balance of the total cash consideration of RM3,608,000 (equivalent to S\$1,033,000) was paid to the vendors in the second quarter of the financial period ended 30 June 2024 (“2Q2024”). As at the date of this announcement, the consideration has been fully settled.

ISEC HEALTHCARE LTD.

(Company Registration No.201400185H)

1(d) A statement for the group showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year
Statements of Changes in Equity

Group (Unaudited)	Attributable to owners of the Company									Total equity \$'000
	Share capital	Treasury share reserve	Foreign currency translation reserve	Merger reserve	Capital reserve	Share compensation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2024	76,138	-	(4,998)	(3,572)	(4,463)	128	17,476	80,709	1,441	82,150
Profit for the financial period	-	-	-	-	-	-	6,563	6,563	87	6,650
Other comprehensive income										
Foreign currency translation	-	-	19	-	-	-	-	19	(110)	(91)
Total comprehensive income for the financial period	-	-	19	-	-	-	6,563	6,582	(23)	6,559
Transactions with owners of the Company										
Issuance of ordinary shares ⁽¹⁾	209	-	-	-	-	-	-	209	-	209
Reclassification of fair value	34	-	-	-	-	(34)	-	-	-	-
Dividends	-	-	-	-	-	-	(4,889)	(4,889)	-	(4,889)
Share-based compensation expense ⁽²⁾	-	-	-	-	-	45	-	45	-	45
Reversal of share options ⁽³⁾	-	-	-	-	-	(5)	-	(5)	-	(5)
Total transactions with owners of the Company	243	-	-	-	-	6	(4,889)	(4,640)	-	(4,640)
Transaction with non-controlling interest										
Subscription of share in a subsidiary by non-controlling interest ⁽⁴⁾	-	-	-	-	-	-	-	-	90	90
Total transaction with non-controlling interest	-	-	-	-	-	-	-	-	90	90
At 30 June 2024	76,381	-	(4,979)	(3,572)	(4,463)	134	19,150	82,651	1,508	84,159

ISEC HEALTHCARE LTD.

(Company Registration No.201400185H)

- (1) On 2 April 2024, the Company issued and allotted 719,140 ordinary shares in the share capital of the Company (the "2Q2024 New Shares"), at an issue price of S\$0.29 per 2Q2024 New Share, pursuant to the exercise of options granted under the ISEC Healthcare Share Option Scheme. Following the issuance and allotment of the 2Q2024 New Shares, the number of issued and paid-up shares in the share capital of the Company has increased from 574,473,912 ordinary shares to 575,193,052 ordinary shares.
- (2) The Company has granted 3,809,150 options under the ISEC Healthcare Share Option Scheme on 22 April 2020 and 680,000 share awards under the ISEC Healthcare Performance Share Plan on 23 September 2022.
- (3) The reversal of share options refers to the expired share options granted under the ISEC Healthcare Share Option Scheme on 22 April 2020.
- (4) During the 3 months' financial period ended 31 March 2024, ISEC (Klang) Sdn. Bhd. ("ISEC Klang"), a 65%-owned indirect subsidiary of the Company through its wholly-owned subsidiary, ISEC Sdn. Bhd. ("ISEC KL"), increased its share capital from \$29,000 (equivalent to RM100,000) to \$285,000 (equivalent to RM1,000,000), through issuance of shares allotted to the existing shareholders of ISEC Klang in equal proportion to their existing shareholdings.

ISEC HEALTHCARE LTD.

(Company Registration No.201400185H)

Statements of Changes in Equity

Group (Unaudited)	Attributable to owners of the Company									Non- controlling interests	Total equity
	Share capital	Treasury share reserve	Foreign currency translation reserve	Merger reserve	Capital reserve	Share compensation reserve	Retained earnings	Equity attributable to owners of the Company			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
At 1 July 2024	76,381	-	(4,979)	(3,572)	(4,463)	134	19,150	82,651	1,508	84,159	
Profit for the financial period	-	-	-	-	-	-	4,271	4,271	12	4,283	
Other comprehensive income											
Foreign currency translation	-	-	4,057	-	-	-	-	4,057	151	4,208	
Total comprehensive income for the financial period	-	-	4,057	-	-	-	4,271	8,328	163	8,491	
Transactions with owners of the Company											
Dividends	-	-	-	-	-	-	(1,726)	(1,726)	-	(1,726)	
Share-based compensation expense ⁽¹⁾	-	-	-	-	-	6	-	6	-	6	
Total transactions with owners of the Company	-	-	-	-	-	6	(1,726)	(1,720)	-	(1,720)	
At 30 September 2024	76,381	-	(922)	(3,572)	(4,463)	140	21,695	89,259	1,671	90,930	

(1) The Company has granted 680,000 share awards under the ISEC Healthcare Performance Share Plan on 23 September 2022.

ISEC HEALTHCARE LTD.

(Company Registration No.201400185H)

Statements of Changes in Equity

Group (Unaudited)	Attributable to owners of the Company									Total equity
	Share capital	Treasury share reserve	Foreign currency translation reserve	Merger reserve	Capital reserve	Share compensation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
At 1 January 2023	75,484	(105)	(2,668)	(3,572)	(4,463)	142	15,054	79,872	1,470	81,342
Profit for the financial period	-	-	-	-	-	-	6,131	6,131	89	6,220
Other comprehensive income										
Foreign currency translation	-	-	(2,001)	-	-	-	-	(2,001)	(111)	(2,112)
Total comprehensive income for the financial period	-	-	(2,001)	-	-	-	6,131	4,130	(22)	4,108
Transactions with owners of the Company										
Issuance of ordinary shares ⁽¹⁾	358	-	-	-	-	-	-	358	-	358
Transfer and use of treasury shares ⁽²⁾	7	105	-	-	-	-	-	112	-	112
Reclassification of fair value	79	-	-	-	-	(79)	-	-	-	-
Dividends	-	-	-	-	-	-	(6,180)	(6,180)	-	(6,180)
Share-based compensation expense ⁽³⁾	-	-	-	-	-	53	-	53	-	53
Total transactions with owners of the Company	444	105	-	-	-	(26)	(6,180)	(5,657)	-	(5,657)
At 30 June 2023	75,928	-	(4,669)	(3,572)	(4,463)	116	15,005	78,345	1,448	79,793

(1) On 22 June 2023, the Company issued and allotted 1,235,072 ordinary shares in the share capital of the Company (the "2Q2023 New Shares"), at an issue price of S\$0.29 per 2Q2023 New Share, pursuant to the exercise of options granted under the ISEC Healthcare Share Option Scheme. Following the issuance and allotment of the 2Q2023 New Shares and the transfer and use of 386,400 treasury shares, the number of issued and paid-up shares in the share capital of the Company has increased from 572,230,206 ordinary shares (excluding 386,400 treasury shares) to 573,851,678 ordinary shares.

(2) On 22 June 2023, the Company transferred and used 386,400 treasury shares for the allotment of shares pursuant to exercise of share options under the ISEC Healthcare Share Option Scheme.

(3) The Company has granted 3,809,150 options under the ISEC Healthcare Share Option Scheme on 22 April 2020 and 680,000 share awards under the ISEC Healthcare Performance Share Plan on 23 September 2022.

ISEC HEALTHCARE LTD.

(Company Registration No.201400185H)

Statements of Changes in Equity

Group (Unaudited)	Attributable to owners of the Company									Total equity
	Share capital	Treasury share reserve	Foreign currency translation reserve	Merger reserve	Capital reserve	Share compensation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
At 1 July 2023	75,928	-	(4,669)	(3,572)	(4,463)	116	15,005	78,345	1,448	79,793
Profit for the financial period	-	-	-	-	-	-	3,793	3,793	56	3,849
Other comprehensive income										
Foreign currency translation	-	-	221	-	-	-	-	221	(36)	185
Total comprehensive income for the financial period	-	-	221	-	-	-	3,793	4,014	20	4,034
Transactions with owners of the Company										
Issuance of ordinary shares ⁽¹⁾	135	-	-	-	-	-	-	135	-	135
Reclassification of fair value	22	-	-	-	-	(22)	-	-	-	-
Dividends	-	-	-	-	-	-	(4,361)	(4,361)	-	(4,361)
Share-based compensation expense ⁽²⁾	-	-	-	-	-	25	-	25	-	25
Total transactions with owners of the Company	157	-	-	-	-	3	(4,361)	(4,201)	-	(4,201)
At 30 September 2023	76,085	-	(4,448)	(3,572)	(4,463)	119	14,437	78,158	1,468	79,626

(1) On 4 September 2023, the Company issued and allotted 465,250 ordinary shares in the share capital of the Company (the "3Q2023 New Shares"), at an issue price of S\$0.29 per 3Q2023 New Share, pursuant to the exercise of options granted under the ISEC Healthcare Share Option Scheme. Following the issuance and allotment of the 3Q2023 New Shares, the number of issued and paid-up shares in the share capital of the Company has increased from 573,851,678 ordinary shares to 574,316,928 ordinary shares.

(2) The Company has granted 3,809,150 options under the ISEC Healthcare Share Option Scheme on 22 April 2020 and 680,000 share awards under the ISEC Healthcare Performance Share Plan on 23 September 2022.

2. Review of comparative performance of the Group for the 3 months ended 30 September 2024 (“3Q2024”) and 30 September 2023 (“3Q2023”), and 9 months ended 30 September 2024 (“9M2024”) and 30 September 2023 (“9M2023”), where applicable.

Revenue

3Q2024 vs 3Q2023

The Group’s revenue in 3Q2024 increased by 5%, or \$0.91 million, from 3Q2023, following the increase of revenue contributed by the Group’s specialised health services segment which is mainly due to increased business activities.

9M2024 vs 9M2023

The Group recorded revenue of \$54.39 million in 9M2024, an increase of \$1.89 million or 4% from 9M2023.

The Group’s specialised health services revenue increased by \$2.17 million, from \$49.51 million in 9M2023 to \$51.68 million in 9M2024. The increase in patient visits in Malaysia contributed to the Group’s increase in specialised health services revenue.

The revenue from general health services decreased by \$0.28 million as compared to that in 9M2023, mainly due to reduced COVID-19 swab tests performed and decreased business activities at the general practitioner clinics.

Cost of sales

3Q2024 vs 3Q2023

Cost of sales increased by 9%, or \$0.87 million, from \$10.01 million in 3Q2023, with increased business activities in the Group’s operations as a whole.

9M2024 vs 9M2023

Cost of sales increased by 5%, or \$1.46 million, in line with the increased revenue and business activities in the Group’s operations in 9M2024.

Gross profit and gross profit margin

3Q2024 vs 3Q2023

Gross profit increased by \$0.04 million to \$8.14 million in 3Q2024 while gross profit margin decreased by 1.9%, from 44.7% in 3Q2023 to 42.8% in 3Q2024, mainly due to increase in business operating costs.

9M2024 vs 9M2023

Gross profit increased by \$0.43 million, or 2% in 9M2024 while gross profit margin decreased by 0.8%, from 44.6% in 9M2023 to 43.8% in 9M2024, reflected by the higher increase in the cost of sales compared to the increase in revenue, mainly due to increased business operating costs.

Profit after tax

3Q2024 vs 3Q2023

The Group reported a net profit of \$4.28 million in 3Q2024 with an increase of \$0.43 million mainly due to foreign exchange gain of \$0.82 million in 3Q2024 as compared to foreign exchange loss of \$0.03 million in 3Q2023.

9M2024 vs 9M2023

Net profit of the Group was recorded at \$10.93 million in 9M2024 with an increase of \$0.86 million, mainly attributed to the increase in revenue and gross profit as explained above and the reasons explained below.

Other income increased by \$0.89 million to \$1.23 million in 9M2024, mainly due to gain on foreign exchange amounting to \$0.79 million in 9M2024. On the other hand, other expenses decreased by \$0.65 million mainly due to loss on foreign exchange of \$0.64 million recorded in 9M2023.

Administrative expenses increased by \$1.01 million to \$9.97 million in 9M2024 mainly due to the increase of business activities under the specialised health services segment together with the recent business commencement of new Perak centres and the expansion of Melaka centre in Malaysia.

3. A commentary at the date of the announcement of the significant trends and 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.

ISEC KL status of the purchase of certain strata-title units

ISEC KL had entered into a Sales and Purchase Agreement (“SPA”) to purchase certain strata-title units or parcels in a new building to be constructed by the vendor of the SPA (under the category of use of medical care) in Kuala Lumpur, Malaysia, as announced on 29 December 2023 (“Proposed Acquisition”). Subsequently, all conditions precedent of the SPA have on 20 September 2024 been fulfilled and the SPA has become unconditional on the same day. The Group will make the necessary announcements as and when there are further material developments on the Proposed Acquisition, including upon the completion of the Proposed Acquisition, and other key related matters that may be contemplated moving forward.

Political situation in Myanmar

Myanmar’s military has, on 31 July 2024, further extended the country’s state of emergency by another six months. The political situation in Myanmar remains fairly uncertain. As at the date of this announcement, ISEC Myanmar centre continues to be operational and profitable.

BY ORDER OF THE BOARD

Dr Lee Hung Ming
Executive Vice Chairman
23 October 2024

This announcement has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “Exchange”) and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

ISEC HEALTHCARE LTD.

(Company Registration No.201400185H)

The contact person for the Sponsor is Ms Ng Shi Qing, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.