



ECON HEALTHCARE (ASIA) LIMITED
(Company Registration Number: 200400965N)
(Incorporated in Singapore on 28 January 2004)

**RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED FOR
THE ANNUAL GENERAL MEETING TO BE HELD ON 30 JULY 2021**

The Board of Directors of Econ Healthcare (Asia) Limited (the “**Company**”) together with its subsidiaries (the “**Group**”) refers to:

- I. the annual report of the Company for the financial year ended 31 March 2021 (the “**2021 Annual Report**”);
- II. the notice of annual general meeting (“**AGM**”) issued by the Company on 14 July 2021 informing shareholders that the Company’s AGM will be convened and held by way of electronic means on Friday, 30 July 2021 at 10am; and
- III. the notes to the notice of AGM setting out, inter alia, the alternative arrangements for shareholders’ participation at the AGM, in particular, the invitation for shareholders to submit questions in advance of the AGM.

The Company wishes to thank shareholders for submitting their questions in advance of the AGM. Please refer to the annex of this announcement on the substantial and relevant questions received from shareholders relating to the resolutions to be tabled at the AGM, and Company’s responses to these substantial and relevant questions.

BY ORDER OF THE BOARD

Ong Chu Poh
Executive Chairman and Chief Executive Officer

29 July 2021

This announcement has been prepared by the Company and its contents have been reviewed by the, DBS Bank Ltd (“Sponsor”) for compliance with the Catalist Rules. The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact persons of the Sponsor are Mr Goh Chyan Pit, Managing Director and Mr Kelvin Wong, Senior Vice President, who can be contacted at 12 Marina Boulevard, Level 46, Marina Bay Financial Centre Tower 3, Singapore 018982, Telephone +65 6878 8888.

ANNEX: Company's Responses to Substantial and Relevant Questions Received from Shareholders Relating to the Resolutions to be Tabled at the AGM

Question 1:

For Singapore operations, how much of the revenue is attributed to Singapore government grant?

Company's Response:

Singapore government grant is granted to all Singapore registered companies as well as companies and organizations in the same industry. In FY2021 the Group received special grants from the Singapore and Malaysia Government to meet the COVID-19 challenges all companies are facing. Please refer to pages 98, 99 and 100 of the annual report for the breakdown.

Question 2:

For overseas operations - Malaysia & China, there will not be any government grant. Will that impact the capacity utilisation of the homes there? as can be seen, Malaysian homes is around 60% capacity.

Company's Response:

With Singapore still contributing to more than 86% of total Group revenue for FY2021, the capacity utilization of our overseas business will not materially impact our overall Group performance. Malaysia overall occupancy rate stood at around 60% due mainly to the ramping up process of our new Econ Medicare Centre & Nursing Home – Puchong, which commenced business in December 2020. Puchong has a capacity of 138 beds.

Question 3:

What is our current operations mix - Singapore vs Overseas

Company's Response:

Singapore 86% and Malaysia 14% of total Group revenue as at FY2021. On 17 May 2021, we announced our first nursing home in China, ECON Medical Centre and Nursing Home – Chongqing has commenced its operations.

Question 4:

What other oversea market is the Board targeting?

Company's Response:

The Board will be concentrating on development of the China and Malaysia market.

Question 5:**Do the company have what it takes to navigate the overseas markets?**Company's Response:

The Board and the management of the Company are familiar with the environment and local regulatory requirement both in China and Malaysia.

The Group has been operating in Malaysia since 2004 and has also commenced operations in Chongqing, China in May 2021 (please refer to announcement of 17 May 2021).

Question 6:**Locally, what is our expansion plan other than the Henderson home?**Company's Response:

As mentioned in our Chairman's message, we have two upcoming BOL nursing home, ECON Medicare Centre and Nursing Home – Henderson, as well as ECON Medicare Centre and Nursing Home – Jurong East which will commence operations with up to 236 beds and 732 beds in 2022 and 2025 respectively. We will continue to look for opportunities when it comes by.