



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 26 JULY 2022**

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 2022 (the “**2022 Annual Report**”);
- II. the notice of annual general meeting (“**AGM**”) issued by the Company on 6 July 2022 informing shareholders that the Company’s AGM will be convened and held by way of electronic means on Tuesday, 26 July 2022 at 10.00 a.m.; 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
20 July 2022

This announcement has been prepared by the Company and its contents have been reviewed by the 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:

How has the share trading losses affected the overall result for the financial year? What measures had been taken to prevent such trading mistakes from recurring?

Company's Response:

Loss on investment in quoted securities amounted to S\$3.4 million as shown on the consolidated income statement which can be found on page 53 of the FY2022 annual report.

In relation to this loss on investment in quoted securities, the Company had appointed RSM Risk Advisory Pte Ltd ("RSM") to perform a comprehensive review of our investment policy and related controls and safeguards, including to strengthen the due diligence to be undertaken prior to an investment in listed equity securities and to impose requirements regarding asset mix and portfolio diversification. The Directors and management have reviewed the report issued by RSM and will incorporate the recommendations in its new investment policy

Question 2:

How are the overseas operations performing? How much does the overseas operations contribute to group revenue?

Company's Response:

The Group has overseas operations in Malaysia and China. Revenue contribution from Malaysia had decrease by S\$0.4 million from S\$5.1 million in FY2021 to S\$4.7 million in FY2022, which was due to the closure of Econ Medicare Centre and Nursing Home – Pudu contributed to decreased revenue of S\$1.4 million. The decrease was partially offset by the opening of Econ Medicare Centre and Nursing Home – Puchong in December 2020, which contributed to increased revenue of S\$1.0 million. The Group's nursing home in China – the Chongqing Nursing Home, which commenced operations in May 2021 contributed S\$0.3 million in revenue.

Malaysia and China contributed to 12.3% and 0.9% to FY2022 revenue respectively, with the total overseas operations therefore contributing 13.2% of FY2022 revenue. Please refer to page 120 of the annual report for the breakdown.