



## Financial Results

Form Version 8 (Enhanced)

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Submitted

## Company Information

Main Market Company

New Announcement

Submitting Investment Bank/Advisor (if applicable)

Submitting Secretarial Firm (if applicable)

EPSILON ADVISORY SERVICES SDN. BHD.

\* Company name

TMC LIFE SCIENCES BERHAD

\* Stock name

TMCLIFE

\* Stock code

0101

\* Contact person

Seow Fei San

\* Designation

Company Secretary

\* Contact number

03-78031126

E-mail address

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## Part A : To be filled by Public Listed Company

\* Financial Year End

31/12/2010

\* Quarter

1 Qtr

\* Quarterly report for the financial period ended

31/03/2010

\* The figures

have not been audited

Please attach the full Quarterly Report here

[TMC Life Sciences Bhd Q12010.pdf](#)
[TMC LS note to the accounts Q12010.pdf](#)

## Remarks

- DEFAULT CURRENCY
- OTHER CURRENCY

Currency

Malaysian Ringgit (MYR)

## Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

Summary of Key Financial Information for the financial period ended  
\* 31/03/2010

|                                 | INDIVIDUAL QUARTER     |                                      | CUMULATIVE QUARTER     |                                     |
|---------------------------------|------------------------|--------------------------------------|------------------------|-------------------------------------|
|                                 | CURRENT YEAR QUARTER * | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE * | PRECEDING YEAR CORRESPONDING PERIOD |
|                                 | 31/03/2010             | 31/03/2009                           | 31/03/2010             | 31/03/2009                          |
|                                 | [dd/mm/yyyy]           | [dd/mm/yyyy]                         | [dd/mm/yyyy]           | [dd/mm/yyyy]                        |
|                                 | \$\$'000               | \$\$'000                             | \$\$'000               | \$\$'000                            |
| 1. Revenue                      | 12,368                 | 10,178                               | 12,368                 | 10,178                              |
| 2. Profit/(loss) before tax     | -2,595                 | -2,845                               | -2,595                 | -2,845                              |
| 3. Profit/(loss) for the period | -2,656                 | -2,829                               | -2,656                 | -2,829                              |

|  |                               |        |                                    |        |
|--|-------------------------------|--------|------------------------------------|--------|
| 4. Profit/(loss) attributable to ordinary equity holders of the parent               | -2,656                        | -2,829 | -2,656                             | -2,829 |
| 5. Basic earnings/(loss) per share (Subunit)   | -0.43                         | -0.46  | -0.43                              | -0.46  |
| 6. Proposed/Declared dividend per share (Subunit)                                    | 0.00                          | 0.00   | 0.00                               | 0.00   |
|  | AS AT END OF CURRENT QUARTER* |        | AS AT PRECEDING FINANCIAL YEAR END |        |
| 7. Net assets per share attributable to ordinary equity holders of the parent (\$\$) |                               | 0.1667 |                                    | 0.1720 |

Remarks :

**Definition of Subunit:**

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

| Country        | Base Unit | Subunit |
|----------------|-----------|---------|
| Malaysia       | Ringgit   | Sen     |
| United States  | Dollar    | Cent    |
| United Kingdom | Pound     | Pence   |

**Part A3 : ADDITIONAL INFORMATION**

|                           | INDIVIDUAL QUARTER    |                                      | CUMULATIVE QUARTER    |                                     |
|---------------------------|-----------------------|--------------------------------------|-----------------------|-------------------------------------|
|                           | CURRENT YEAR QUARTER* | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE* | PRECEDING YEAR CORRESPONDING PERIOD |
|                           | 31/03/2010            | 31/03/2009                           | 31/03/2010            | 31/03/2009                          |
|                           | [dd/mm/yyyy]          | [dd/mm/yyyy]                         | [dd/mm/yyyy]          | [dd/mm/yyyy]                        |
|                           | \$\$'000              | \$\$'000                             | \$\$'000              | \$\$'000                            |
| 1. Gross interest income  | 19                    | 19                                   | 19                    | 19                                  |
| 2. Gross interest expense | 636                   | 431                                  | 636                   | 431                                 |

Remarks :

Note: The above information is for the Exchange internal use only.



**TMC LIFE SCIENCES BHD**  
**Company no. 624409-A**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2010**

**Contact**

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**TMC LIFE SCIENCES BHD**  
**Company no. 624409-A**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT FOR THE**  
**FIRST QUARTER ENDED 31 MARCH 2010**

**CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)**

|                                      | Note | <u>INDIVIDUAL QUARTER</u>                       |   | <u>CUMULATIVE QUARTER</u>                       |   |
|--------------------------------------|------|---|---|---|---|
|                                      |      | CURRENT<br>YEAR<br>QUARTER<br>31 Mar 2010<br>RM | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER<br>31 Mar 2009<br>RM | CURRENT<br>YEAR<br>TO-DATE<br>31 Mar 2010<br>RM | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER<br>31 Mar 2009<br>RM |
| Revenue                              |      | 12,367,544                                      | 10,178,186  | 12,367,544                                      | 10,178,186  |
| Operating expenses                   |      | (12,309,802)                                    | (10,903,187)  | (12,309,802)                                    | (10,903,187)  |
| <b>Profit/(Loss) from operations</b> |      | <b>57,742</b>                                   | <b>(725,001)</b>  | <b>57,742</b>                                   | <b>(725,001)</b>  |
| Amortisation & depreciation          |      | (2,034,616)                                     | (1,708,443)   | (2,034,616)                                     | (1,708,443)   |
| Finance costs                        |      | (636,439)                                       | (430,810)   | (636,439)                                       | (430,810)   |
| Interest income                      |      | 18,570  | 19,438  | 18,570  | 19,438  |
| Share of loss of associate           |      | (493)   | -   | (493)   | -   |
| <b>Loss before taxation</b>          |      | <b>(2,595,236)</b>                              | <b>(2,844,816)</b>  | <b>(2,595,236)</b>                              | <b>(2,844,816)</b>  |
| Taxation                             | B5   | (60,562)  | 15,345  | (60,562)  | 15,345  |
| <b>Loss after taxation</b>           |      | <b>(2,655,798)</b>                              | <b>(2,829,471)</b>  | <b>(2,655,798)</b>                              | <b>(2,829,471)</b>  |
| <b>ATTRIBUTABLE TO:</b>              |      |   |   |   |   |
| Equity holders of the Company        |      | (2,615,968)                                     | (2,752,619)   | (2,615,968)                                     | (2,752,619)   |
| Minority interests                   |      | (39,830)  | (76,852)  | (39,830)  | (76,852)  |
|                                      |      | <b>(2,655,798)</b>                              | <b>(2,829,471)</b>  | <b>(2,655,798)</b>                              | <b>(2,829,471)</b>  |
| (Loss) / Earnings per share (sen)    |      |   |   |   |   |
| - Basic                              | B14  | (0.43)  | (0.46)  | (0.43)  | (0.46)  |
| - Diluted                            |      | N/A   | N/A   | N/A   | N/A   |

Note : N/A denotes Not Applicable

(The unaudited condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying notes attached to the interim financial report)

**TMC LIFE SCIENCES BHD**  
**Company no. 624409-A**  
**(Incorporated in Malaysia)**

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**INTERIM FINANCIAL REPORT FOR THE**  
**FIRST QUARTER ENDED 31 MARCH 2010**

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

|  | Note | <u>INDIVIDUAL QUARTER</u>                       |   | <u>CUMULATIVE QUARTER</u>                       |   |
|--|------|---|---|---|---|
|  |      | CURRENT<br>YEAR<br>QUARTER<br>31 Mar 2010<br>RM | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER<br>31 Mar 2009<br>RM | CURRENT<br>YEAR<br>TO-DATE<br>31 Mar 2010<br>RM | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER<br>31 Mar 2009<br>RM |
| Loss after taxation                                  |      | (2,655,798)                                     | (2,829,471)   | (2,655,798)                                     | (2,829,471)   |
| Other comprehensive<br>income/(loss)                 |      | -   | -   | -   | -   |
| <b>Total comprehensive loss for<br/>the period</b>   |      | <u>(2,655,798)</u>                              | <u>(2,829,471)</u>  | <u>(2,655,798)</u>                              | <u>(2,829,471)</u>  |
| <b>Total comprehensive loss<br/>attributable to:</b> |      |   |   |   |   |
| Equity holders of the Company                        |      | (2,615,968)                                     | (2,752,619)   | (2,615,968)                                     | (2,752,619)   |
| Minority interests                                   |      | <u>(39,830)</u>                                 | <u>(76,852)</u>   | <u>(39,830)</u>                                 | <u>(76,852)</u>   |
|  |      | <u><u>(2,655,798)</u></u>                       | <u><u>(2,829,471)</u></u>                                       | <u><u>(2,655,798)</u></u>                       | <u><u>(2,829,471)</u></u>                                       |

(The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying notes attached to the interim financial report)

**TMC LIFE SCIENCES BHD**  
**Company no. 624409-A**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT FOR THE**  
**FIRST QUARTER ENDED 31 MARCH 2010**

**CONDENSED CONSOLIDATED BALANCE SHEET**

|   | Note | AS AT<br>31 March 2010<br>(UNAUDITED)<br>RM | AS AT<br>31 December 2009<br>(RESTATED)<br>RM |
|---|------|---|---|
| <b>ASSETS</b>   |      |   |   |
| <b>Non-Current Assets</b>   |      |   |   |
| Property, plant and equipment                                     |      | 134,260,605                                 | 135,213,059                                   |
| Long term trade receivables                                       |      | 1,472,251                                   | -   |
| Goodwill  |      | 3,331,190                                   | 3,331,190                                     |
| Intangible assets   |      | 12,197,109                                  | 12,528,472                                    |
| Investment in associate   |      | 215,628                                     | 216,121                                       |
|   |      | <u>151,476,783</u>                          | <u>151,288,842</u>                            |
| <b>Current Assets</b>   |      |   |   |
| Inventories   |      | 4,053,684                                   | 3,627,209                                     |
| Trade receivables   |      | 4,722,030                                   | 6,358,070                                     |
| Other receivables, deposits and prepayments                       |      | 1,764,598                                   | 2,186,283                                     |
| Other investment  |      | 2,126,799                                   | 2,510,682                                     |
| Tax refundable  |      | 2,661,414                                   | 2,517,119                                     |
| Cash and cash equivalents   |      | 3,426,264                                   | 5,263,851                                     |
|   |      | <u>18,754,789</u>                           | <u>22,463,214</u>                             |
| <b>TOTAL ASSETS</b>   |      | <u><b>170,231,572</b></u>                   | <u><b>173,752,056</b></u>                     |
| <b>EQUITY AND LIABILITIES</b>                                     |      |   |   |
| <b>Equity Attributable To Equity Holders Of The Company</b>       |      |   |   |
| Share capital   |      | 60,177,975                                  | 60,177,975                                    |
| Share premium   |      | 21,751,724                                  | 21,751,724                                    |
| Exchange rate reserve   |      | (1,469)                                     | (3,217)                                       |
| Retained profits  |      | 18,308,525                                  | 21,496,335                                    |
| <b>Total Equity</b>   |      | <u><b>100,236,755</b></u>                   | <u><b>103,421,817</b></u>                     |
| Minority interests  |      | 74,198                                      | 114,028                                       |
| <b>Total Equity Attributable To Equity Holders Of The Company</b> |      | <u><b>100,310,953</b></u>                   | <u><b>103,535,845</b></u>                     |
| <b>Non-Current Liabilities</b>                                    |      |   |   |
| Term loan   |      | 38,656,478                                  | 40,318,838                                    |
| Hire purchase   |      | 383,753                                     | 413,109                                       |
| Deferred taxation   |      | 3,229,167                                   | 3,229,167                                     |
|   |      | <u><b>42,269,398</b></u>                    | <u><b>43,961,114</b></u>                      |
| <b>Current Liabilities</b>  |      |   |   |
| Trade payables  |      | 3,923,814                                   | 5,412,385                                     |
| Other payables  |      | 11,348,180                                  | 10,380,197                                    |
| Term loan   |      | 7,486,455                                   | 7,678,563                                     |
| Hire purchase   |      | 112,604                                     | 112,604                                       |
| Bank overdraft  |      | 4,780,168                                   | 2,671,290                                     |
| Tax payable   |      | -   | 58  |
|   |      | <u><b>27,651,221</b></u>                    | <u><b>26,255,097</b></u>                      |
| <b>TOTAL LIABILITIES</b>  |      | <u><b>69,920,619</b></u>                    | <u><b>70,216,211</b></u>                      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                               |      | <u><b>170,231,572</b></u>                   | <u><b>173,752,056</b></u>                     |
| <b>NET ASSETS PER TEN SEN ORDINARY SHARE (RM)</b>                 |      | <u><b>0.1667</b></u>                        | <u><b>0.1720</b></u>                          |

The restatement of the 2009 Statement of Financial Position reflects the change in the Group's accounting policy for classification of prepaid lease payments for land required by FRS 117: Leases, as explained in Note A2 (ii).

(The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying notes attached to the interim financial report)

**TMC LIFE SCIENCES BHD**  
**Company no. 624409-A**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT FOR THE  
FIRST QUARTER ENDED 31 MARCH 2010**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)**

|  | <b>PERIOD<br/>ENDED<br/>31 March 2010<br/>RM<br/>(UNAUDITED)</b> | <b>PRECEDING YEAR<br/>ENDED<br/>31 December 2009<br/>RM<br/>(AUDITED)</b> |
|--|--|---|
| <b>Cash flows from operating activities</b>                      |  |   |
| Loss before taxation   | (2,595,236)  | (8,797,995)   |
| Adjustments for  |  |   |
| Non-cash items   | 1,283,373  | 8,808,790   |
| Gain on disposal of property, plant and equipment                | -  | (172,968)   |
| Share of (loss)/profit in associate company                      | 493  | (736)   |
| Interest paid  | 636,439  | 1,744,741   |
| Interest income  | (18,570)   | (151,638)   |
| Operating (loss) / profit before changes in working capital      | <u>(693,501)</u>   | <u>1,430,194</u>  |
| Changes in working capital:                                      |  |   |
| Net change in current assets                                     | 490,362  | 16,872,273  |
| Net change in current liabilities                                | (520,588)  | (3,193,516)   |
| Cash (used in) / generated from operations                       | <u>(723,727)</u>   | <u>15,108,951</u>   |
| Interest paid  | (636,439)  | (1,744,741)   |
| Interest received  | 18,570   | 151,638   |
| Income tax paid  | (204,915)  | (653,743)   |
| <b>Net cash (used in)/generated from operating activities</b>    | <u>(1,546,511)</u>   | <u>12,862,105</u>   |
| <b>Cash flows from investing activities</b>                      |  |   |
| Acquisition of property, plant and equipment                     | (901,761)  | (44,344,123)  |
| Nurse sponsorship Incurred, net of receipts                      | -  | (1,033,877)   |
| Proceeds from disposal of property, plant and equipment          | -  | 335,300   |
| Investment in associate company                                  | -  | (215,385)   |
| Issuance of subsidiary's ordinary shares                         | -  | 48,880  |
| Other investment redeemed/(purchased)                            | 383,883  | (2,498,713)   |
| <b>Net cash used in investing activities</b>                     | <u>(517,878)</u>   | <u>(47,707,918)</u>   |
| <b>Cash flows from financing activities</b>                      |  |   |
| Dividends paid   | -  | (1,805,339)   |
| (Repayment) / drawdown of term loan                              | (1,854,468)  | 17,997,401  |
| Repayment of hire purchase                                       | (29,356)   | (74,287)  |
| <b>Net cash (used in)/ generated from financing activities</b>   | <u>(1,883,824)</u>   | <u>16,117,775</u>   |
| <b>Net decrease in cash and cash equivalents</b>                 | <b>(3,948,213)</b>   | <b>(18,728,038)</b>   |
| Cash and cash equivalents at beginning of financial period/year  | 2,592,561  | 21,302,176  |
| Effects of exchange rate changes on cash and bank balances       | 1,748  | 18,423  |
| <b>Cash and cash equivalents at end of financial period/year</b> | <u>(1,353,904)</u>   | <u>2,592,561</u>  |
| <b>NOTES TO CASH FLOW STATEMENT</b>                              |  |   |
| <b>Cash and cash equivalents comprise:</b>                       |  |   |
| Cash and bank balances   | 3,426,264  | 5,263,851   |
| Bank overdraft   | 4,780,168  | 2,671,290   |
| <b>Total cash and cash equivalents</b>                           | <u>(1,353,904)</u>   | <u>2,592,561</u>  |

(The unaudited condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying notes attached to the Interim financial report)

**TMC LIFE SCIENCES BHD**  
**Company no. 624409-A**  
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**INTERIM FINANCIAL REPORT FOR THE**  
**FIRST QUARTER ENDED 31 MARCH 2010**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

|  | Share<br>Capital<br>RM | Share<br>Premium<br>RM | Foreign<br>Exchange<br>Translation<br>Reserve<br>RM | Distributable<br>Retained<br>Profits<br>RM | Total<br>RM        | Minority<br>Interests<br>RM | Total<br>Equity<br>RM |
|--|------------------------|------------------------|---|--|--------------------|-----------------------------|-----------------------|
| At 1 January 2010                          | 60,177,975             | 21,751,724             | (3,217)   | 21,495,335                                 | 103,421,817        | 114,028                     | 103,535,845           |
| Effect of adopting FRS 139                 | -                      | -                      | -   | (570,842)                                  | (570,842)          | -                           | (570,842)             |
| As at 1 January 2010, restated             | 60,177,975             | 21,751,724             | (3,217)   | 20,924,493                                 | 102,850,975        | 114,028                     | 102,965,003           |
| Net loss for the period                    | -                      | -                      | -   | (2,615,968)                                | (2,615,968)        | (39,830)                    | (2,655,798)           |
| Foreign exchange reserve                   | -                      | -                      | 1,748   | -  | 1,748              | -                           | 1,748                 |
| <b>At 31 March 2010</b>                    | <b>60,177,975</b>      | <b>21,751,724</b>      | <b>(1,469)</b>                                      | <b>18,308,525</b>                          | <b>100,236,755</b> | <b>74,198</b>               | <b>100,310,953</b>    |
| <br>                                       |                        |                        |   |  |                    |                             |                       |
| At 1 January 2009                          | 60,177,975             | 21,751,724             | (23,462)  | 32,103,833                                 | 114,010,070        | 7,656                       | 114,017,726           |
| Net loss for the year                      | -                      | -                      | -   | (8,803,159)                                | (8,803,159)        | 57,492                      | (8,745,667)           |
| Shares subscribed by minority shareholders | -                      | -                      | -   | -  | -                  | 48,880                      | 48,880                |
| Foreign exchange reserve                   | -                      | -                      | 20,245  | -  | 20,245             | -                           | 20,245                |
| Dividends paid                             | -                      | -                      | -   | (1,805,339)                                | (1,805,339)        | -                           | (1,805,339)           |
| <b>At 31 December 2009</b>                 | <b>60,177,975</b>      | <b>21,751,724</b>      | <b>(3,217)</b>                                      | <b>21,495,335</b>                          | <b>103,421,817</b> | <b>114,028</b>              | <b>103,535,845</b>    |

(The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying notes attached to the interim financial report)



NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE FOURTH QUARTER ENDED 31 MARCH 2010

A EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD ("FRS") 134  
INTERIM FINANCIAL REPORTING

A1 BASIS OF PREPARATION

The interim report have been prepared in accordance with the requirements of Financial Reporting Standards (FRS) 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the Main Board.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2009.

A2 CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2009, except for the adoption of the following new FRSs and IC Interpretations with effect from 1 January 2010:

|                     |   |
|---------------------|---|
| FRS 4               | Insurance Contracts   |
| FRS 7               | Financial Instruments: Disclosures                              |
| FRS 8               | Operating Segments  |
| FRS 101             | Presentation of Financial Statements (Revised)                  |
| FRS 123             | Borrowing Costs (Revised)                                       |
| FRS 132             | Financial Instruments: Presentation (Revised)                   |
| FRS 139             | Financial Instruments: Recognition and Measurement              |
| Amendment to FRS1   | First-time Adoption of Financial Reporting Standard             |
| Amendment to FRS2   | Share-based Payment –Vesting conditions and Cancellations       |
| Amendment to FRS7   | Financial Instruments: Disclosures                              |
| Amendment to FRS8   | Operating Segments  |
| Amendment to FRS107 | Statement of Cash Flows   |
| Amendment to FRS108 | Accounting Policies, Changes in Accounting Estimates and Errors |
| Amendment to FRS110 | Events after the Reporting Period                               |
| Amendment to FRS116 | Property, Plant & Equipment                                     |
| Amendment to FRS117 | Leases  |
| Amendment to FRS118 | Revenue   |
| Amendment to FRS119 | Employee Benefits   |
| Amendment to FRS127 | Consolidated and Separate Financial Statements                  |
| Amendment to FRS132 | Financial Instruments: Presentation                             |
| Amendment to FRS134 | Interim Financial Reporting                                     |
| Amendment to FRS136 | Impairment of Assets  |
| Amendment to FRS138 | Intangible Assets   |
| IC Int.9            | Reassessment of Embedded Derivatives                            |
| IC Int.10           | Interim Financial Reporting and Impairment                      |

A2 CHANGES IN ACCOUNTING POLICIES (CONT'D)

The principal effects of the changes in presentation, changes in methods of computation and in accounting policies resulting from the adoption of the new and revised FRSs, IC Interpretations and Amendments are set out below:

i) FRS 101 : Presentation of Financial Statements

The FRS 101 introduces the statement of comprehensive income: presenting all items of income and expense recognized in the income statement, together with all the other items of recognized income and expense, either in one single statement, or in two linked statement. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statement. The FRS did not have any impact on the financial position and result of the Group.

ii) FRS 117 : Leases

The amendments requires entity with existing leases of land and building to reassess the classification of land as finance or operating lease. Following the amendments, the Group has reclassified the existing leasehold land to property, plant and equipment, with no effect on reported profit or equity. However, as a result of the adoption of the amendments, comparative balances as at 31 December 2009 has been restated as follows:

|                               | As previously<br>reported | Effect of<br>adopting<br>amendments to<br>FRS117 | As restated |
|-------------------------------|---------------------------|--|-------------|
|                               | RM                        | RM   | RM          |
| Property, plant and equipment | 116,429,729               | 18,783,330                                       | 135,213,059 |
| Prepaid land lease payments   | 18,783,330                | (18,783,330)                                     | -           |

iii) FRS 139 : Financial Instruments : Recognition and Measurement

The FRS 139 establishes principles for recognizing and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. This FRS did not have any significant impact on the financial position and results of the Group

**Impact on opening balance**

In accordance with the transitional provisions of FRS139, the changes are applied prospectively and the comparative as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the Statement of Financial Position as at 1 January 2010.

iii) FRS 139 : Financial Instruments : Recognition and Measurement (cont'd)

|                       | Previously<br>stated<br>RM | Effect of<br>FRS139<br>RM | As<br>restated<br>RM |
|-----------------------|----------------------------|---------------------------|----------------------|
| <b><u>Assets</u></b>  |                            |                           |                      |
| Long term receivables | -                          | 1,472,251                 | 1,472,251            |
| Trade receivable      | 6,358,070                  | (2,043,092)               | 4,314,978            |
| <b><u>Equity</u></b>  |                            |                           |                      |
| Retained earnings     | 21,495,335                 | (570,842)                 | 20,924,493           |

A3 AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

There were no audit qualifications in the annual financial statements of the Company and its subsidiaries for the financial year ended 31 December 2009.

A4 SEASONALITY OR CYCLICALITY OF OPERATIONS

The business of the Group is not significantly affected by any seasonal or cyclical factors.

A5 UNUSUAL ITEMS

During the current quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows that are unusual by reasons of their nature, size or incidence.

A6 CHANGE IN ESTIMATES

There was no material changes in the nature and amount of estimates reported that have a material effect in the current quarter under review.

A7 ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities in the current quarter under review.

A8 PROPERTY, PLANT AND EQUIPMENT

There was no revaluation on any of the Group's property, plant and equipment during the current quarter under review.

A9 DIVIDENDS PAID

No dividend was paid in the current financial period ended 31 March 2010.

A10 SEGMENTAL INFORMATION

The Group operates mainly in Malaysia and currently is involved in the healthcare sector which includes providing specialist healthcare services in its multi disciplinary tertiary hospital. The Group also provides fertility and gynecological services, stem cell banking and therapy, and research and development in life sciences.

A11 MATERIAL EVENT SUBSEQUENT TO THE END OF THE INTERIM REPORTING PERIOD

There were no material events subsequent to 31 December 2009 and up to the date of this report.

A12 CHANGES IN THE COMPOSITION OF THE GROUP

Not applicable.

A13 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

The Company has provided corporate guarantees to a licensed financial institution for banking facilities and suppliers amounting to RM58.0 million and RM3.0 million respectively. The guarantees were granted for the benefit of a wholly owned subsidiary company. The banking facilities are primarily for financing the construction and equipping of the Group's flagship hospital. Arising from this, the Company is contingently liable for the amount utilized by its subsidiary company of approximately RM53.93 million as at 31 March 2010.

A14 CAPITAL COMMITMENTS

Capital expenditures not provided for in the interim financial report as at 31 March 2010 are as follows:

|                             | <b>RM '000</b>  |
|-----------------------------|-----------------|
| Approved and contracted for | 75,944          |
| Paid up to 31 March 2010    | <u>(67,462)</u> |
|                             | <u>8,482</u>    |

**A15 SIGNIFICANT RELATED PARTY TRANSACTIONS**

The directors are of the opinion that the transactions below have been entered into in the normal course of business and have been established on the terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

| The Company and/or its subsidiaries     | Transacting Parties   | Relationship  | Nature of Transactions  | Current Quarter Ended 31 Mar 10 RM | Cumulative Quarter Ended 31 Mar 10 RM |
|---|-----------------------|---|-------------------------|------------------------------------|---------------------------------------|
| TMC Women's Specialist Holdings Sdn Bhd | Dato' Dr Lee Soon Soo | Director and substantial shareholder of the Company | Rental of premise       | 3,600                              | 3,600                                 |
| IVF Technologies sdn bhd                | Dato' Dr Lee Soon Soo | Director and substantial shareholder of the Company | Rental of signage space | 1,200                              | 1,200                                 |

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")**

**B1 REVIEW OF PERFORMANCE**

For the 3 months ended 31 March 2010 ("1Q10"), group revenue grew 21.51% to RM12.37 million compared to RM10.18 million achieved in the corresponding period in the previous year. The improvement was mainly due to the increased revenues from the Group's flagship multi disciplinary tertiary hospital, as a result of the hospital now operating with more comprehensive services during the quarter under review than were offered in 1Q09. In addition, promotional activities of the hospital during the financial year ended 31 December 2009 helped in the market awareness of the hospital.

However the quarter under review saw the Group registering a loss after taxation and minority interests of RM2.62 million as compared to a loss after tax and minority interests of RM2.75 million recorded in the corresponding period in the previous year. The loss was due largely to the increased operating expenses, in tandem with expanded facilities and services offered at the hospital, as well as the higher depreciation and finance costs during the quarter.

| Review of performance                              | Current quarter (RM'mil) | Preceding year corresponding quarter (RM'mil) | Changes % | Current period (RM'mil) | Preceding year corresponding period (RM'mil) | Changes % |
|--|--------------------------|---|-----------|-------------------------|--|-----------|
| Revenue  | 12.37                    | 10.18   | 21.51%    | 12.37                   | 10.18  | 21.51%    |
| (Loss)/Profit after taxation and minority interest | (2.62)                   | (2.75)  | 4.73%     | (2.62)                  | (2.75)                                       | 4.73%     |

**B2 COMPARISON WITH PRECEDING QUARTER'S RESULTS**

The Group recorded a revenue and loss before taxation of RM12.37 million and RM2.62 million respectively for 1Q10 as compared to a revenue of RM14.29 million and loss before taxation of RM1.74 million in the preceding quarter ("4Q09"). The decreased financial performance was mainly due to a quieter quarter which coincided with the festive season.

**B3 PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2010**

The Board is positive that the Group's revenue base will continue to increase in FY2010, spurred by the increased number of specialist doctors and support personnel at the flagship hospital, as well as ongoing promotional activities of the hospital's advanced facilities and services. In addition, the Group's other segments of fertility treatment, wellness program, and stem cell services will continue to contribute to the group revenue.

**B4 VARIANCE ON PROFIT FORECAST/PROFIT GUARANTEE**

Not applicable.

**B5 TAXATION**

|                       | INDIVIDUAL QUARTER |                 | CUMULATIVE QUARTER |                 |
|-----------------------|--------------------|-----------------|--------------------|-----------------|
|                       | QUARTER ENDED      | QUARTER ENDED   | PERIOD ENDED       | PERIOD ENDED    |
|                       | 31 Mar 2010        | 31 Mar 2009     | 31 Mar 2010        | 31 Mar 2009     |
| Malaysian income tax: |                    |                 |                    |                 |
| - current taxation    | 60,562             | (15,345)        | -                  | (15,345)        |
| - prior year taxation | -                  | -               | -                  | -               |
| - deferred taxation   | -                  | -               | -                  | -               |
| <b>Total</b>          | <b>60,562</b>      | <b>(15,345)</b> | <b>-</b>           | <b>(15,345)</b> |

**B6 PROFIT ON SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

There were no purchases or disposals of unquoted investment and/or properties during the current financial period under review.

**B7 QUOTED SECURITIES**

There were no purchases or disposals of quoted securities during the current financial period under review.

**B8 SIGNIFICANT EVENT**

There was no significant event in the quarter under review.

**B9 STATUS OF CORPORATE PROPOSAL**

There were no corporate proposals in this quarter except the following:

On 18 September 2008, the Company entered into a Memorandum of Understanding with Berjaya Corporation Berhad and Viet Ha Corporation to establish a formal relationship in order to jointly carry out activities relating to the design, construction, furnishing, equipping and operating of a hospital in or near Hanoi, Vietnam.

Further to the announcement made on 18 September 2008, the parties to the Memorandum of Understanding (MOU) have mutually agreed to extend the duration of the MOU for a further period of twelve (12) months from 17 September 2009 until 17 September 2010.

There is no material development since the last announcement.

**B10 BORROWINGS**

The Group's borrowings as at 31 March 2010 are as follows:-

|              | Long Term<br>(RM million) | Short Term<br>(RM million) | Total<br>(RM million) |
|--------------|---------------------------|----------------------------|-----------------------|
| Secured      | 38.66                     | 12.27                      | 50.93                 |
| Unsecured    | -                         | -                          | -                     |
| <b>Total</b> | <b>38.66</b>              | <b>12.27</b>               | <b>50.93</b>          |

**B11 OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments as at the date of this report.

**B12 MATERIAL LITIGATION**

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

**B13 DIVIDENDS**

The Board had declared a first and final single tier dividend of 3% per ordinary share of RM0.10 each for the financial year ended 31 December 2009. The payment of the dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting and if approved, the dividend will be paid on 28 July 2010 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 25 June 2010.

**B14 EARNINGS PER SHARE**

|  | INDIVIDUAL QUARTER |               | CUMULATIVE QUARTER |               |
|--|--------------------|---------------|--------------------|---------------|
|  | QUARTER ENDED      | QUARTER ENDED | PERIOD ENDED       | PERIOD ENDED  |
|  | 31 Mar 2010        | 31 Mar 2009   | 31 Mar 2010        | 31 Mar 2009   |
| <b>Basic earnings per share (EPS)</b>                      |                    |               |                    |               |
| Net (loss) / profit attributable to shareholders           | (2,615,968)        | (2,752,619)   | (2,615,968)        | (2,752,619)   |
| Weighted average number of ordinary shares in issue ('000) | 601,780            | 601,780       | 601,780            | 601,780       |
| <b>(LPS)/EPS (sen) - Basic</b>                             | <b>(0.43)</b>      | <b>(0.46)</b> | <b>(0.43)</b>      | <b>(0.46)</b> |
| - Diluted  | N/A                | N/A           | N/A                | N/A           |