



**TMC LIFE SCIENCES BERHAD**  
**Company no. 200301021989 (624409-A)**  
**(Incorporated in Malaysia)**

**AUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL YEAR ENDED  
30 JUNE 2021**

**Contact**

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**TMC LIFE SCIENCES BERHAD**  
**Company no. 200301021989 (624409-A)**  
(Incorporated in Malaysia)

**AUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	Individual Quarter		12 months ended	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year Corresponding Period
	30/06/2021 RM'000	30/06/2020 RM'000	30/06/2021 RM'000	30/06/2020 RM'000
Revenue	53,371	-	201,024	-
Other operating income	350	-	1,063	-
Inventories and consumables	(20,112)	-	(66,762)	-
Staff costs	(17,723)	-	(64,759)	-
Other operating expenses	(7,282)	-	(31,620)	-
Depreciation and amortisation	(3,296)	-	(13,020)	-
Interest income	502	-	2,187	-
Finance costs	(106)	-	(441)	-
<b>Profit before taxation</b>	<b>5,704</b>	<b>-</b>	<b>27,672</b>	<b>-</b>
Taxation	(1,951)	-	(7,418)	-
<b>Profit for the financial year</b>	<b>3,753</b>	<b>-</b>	<b>20,254</b>	<b>-</b>
<b>Other comprehensive income, net of tax :-</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translations	-	-	2	-
<b>Total comprehensive income for the financial year</b>	<b>3,753</b>	<b>-</b>	<b>20,256</b>	<b>-</b>
<b>Profit attributable to owners of the parent</b>	<b>3,753</b>	<b>-</b>	<b>20,254</b>	<b>-</b>
<b>Total comprehensive income attributable to owners of the parent</b>	<b>3,753</b>	<b>-</b>	<b>20,256</b>	<b>-</b>
<b>Profit per ordinary share attributable to the owners of the parent (sen)</b>				
Basic	0.22	-	1.16	-
Diluted	0.22	-	1.16	-

The audited condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

No comparative financial information available for the financial year ended 30 June 2021 as there was change in financial year end from 31st August to 30th June in previous financial period.

**TMC LIFE SCIENCES BERHAD**  
**Company no. 200301021989 (624409-A)**  
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**AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	Attributable to owners of the parent			Total attributable to owners of the parent RM'000	Total equity RM'000	
	Non-distributable		Distributable			
	Share capital RM'000	Foreign exchange translation RM'000	Share options reserve RM'000			Retained profits RM'000
<b>Balance at 1 July 2020</b>	625,986	30	3,466	142,636	772,118	772,118
<b>Total comprehensive income</b>	-	2	-	20,254	20,256	20,256
<b>Transactions with owners</b>						
Share options granted under ESOS	-	-	202	-	202	202
Liquidation of a subsidiary	-	(32)	-	-	(32)	(32)
Dividend paid	-	-	-	(2,923)	(2,923)	(2,923)
<b>Total transactions with owners</b>	-	(32)	202	(2,923)	(2,753)	(2,753)
<b>Balance at 30 June 2021</b>	625,986	-	3,668	159,967	789,621	789,621
<b>Balance at 1 September 2019</b>	625,986	31	3,352	132,867	762,236	762,236
<b>Total comprehensive income</b>	-	(1)	-	13,275	13,274	13,274
<b>Transactions with owners</b>						
Share options granted under ESOS	-	-	114	-	114	114
Dividend paid	-	-	-	(3,506)	(3,506)	(3,506)
<b>Total transactions with owners</b>	-	-	114	(3,506)	(3,392)	(3,392)
<b>Balance at 30 June 2020</b>	625,986	30	3,466	142,636	772,118	772,118

The audited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

**TMC LIFE SCIENCES BERHAD**  
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**AUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

	As At 30/06/2021 Audited RM'000	As At 30/06/2020 Audited RM'000
<b>Non-current assets</b>		
Property, plant and equipment	677,334	569,606
Investment property	2,278	-
Intangible assets	194,943	194,949
<b>Total non-current assets</b>	<b>874,555</b>	<b>764,555</b>
<b>Current assets</b>		
Inventories	10,296	11,465
Trade and other receivables	26,519	25,906
Tax recoverable	8,957	12,058
Cash and bank balances	139,906	136,456
<b>Total current assets</b>	<b>185,678</b>	<b>185,885</b>
<b>TOTAL ASSETS</b>	<b>1,060,233</b>	<b>950,440</b>
<b>Current liabilities</b>		
Trade and other payables	72,828	68,002
Borrowings	993	62
Lease liabilities	1,447	1,544
Provision	181	278
Income tax payable	-	1
<b>Total current liabilities</b>	<b>75,449</b>	<b>69,887</b>
<b>NET CURRENT ASSETS</b>	<b>110,229</b>	<b>115,998</b>
<b>Non-current liabilities</b>		
Borrowings	167,858	81,584
Lease liabilities	4,305	5,210
Provision	363	42
Deferred tax liabilities	22,637	21,599
<b>Total non-current liabilities</b>	<b>195,163</b>	<b>108,435</b>
<b>TOTAL LIABILITIES</b>	<b>270,612</b>	<b>178,322</b>
<b>NET ASSETS</b>	<b>789,621</b>	<b>772,118</b>
<b>Represented by:</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	625,986	625,986
Retained profits	159,967	142,636
Reserves	3,668	3,496
<b>TOTAL EQUITY</b>	<b>789,621</b>	<b>772,118</b>
Net assets per share (RM)	0.45	0.44

The audited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

**AUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	Current Year To Date 30/06/2021 RM'000	Preceding Year Corresponding Period 30/06/2020 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	27,672	-
Adjustments for :-		
Non-cash items	14,170	-
Interest paid	441	-
Interest income	(2,187)	-
Operating profit before changes in working capital	40,096	-
Changes in working capital		
Net change in current assets	(413)	-
Net change in current liabilities	(10,174)	-
Cash generated from operations	29,509	-
Interest paid	(3,780)	-
Net income tax paid	(3,280)	-
<b>Net cash flows from operating activities</b>	22,449	-
<b>Cash flows used in investing activities</b>		
Acquisition of property, plant and equipment	(102,632)	-
Acquisition of intangible assets	(890)	-
Proceeds from disposal of property, plant and equipment	23	-
(Placement)/uplift of deposits placed with:-		
- financial institutions with original maturity of more than three (3) months	6,571	-
- deposits pledged	(48)	-
- cash restricted in use	(1,343)	-
Interest received	2,187	-
<b>Net cash flows used in investing activities</b>	(96,132)	-
<b>Cash flows from financing activities</b>		
Dividend paid	(2,923)	-
Payment of lease liabilities	(1,911)	-
Drawdown of term loans	83,241	-
Repayment of term loans	(65)	-
Drawdown of hire purchase	4,410	-
Repayment of hire purchase	(441)	-
<b>Net cash flows from financing activities</b>	82,311	-
<b>Net increase in cash &amp; cash equivalents</b>	8,628	-
<b>Cash &amp; cash equivalents at beginning of the financial period</b>	96,697	-
<b>Exchange rate effects</b>	2	-
<b>Cash &amp; cash equivalents at end of the financial year</b>	105,327	-
<b>Cash &amp; cash equivalents at end of the financial year</b>		
Cash at banks and on hand	81,521	-
Deposits with licenced banks	58,385	-
	139,906	-
Less: Deposits with licenced banks (for more than 3 months)	(32,688)	-
Deposit pledged to a licenced bank	(548)	-
Cash restricted in use	(1,343)	-
	105,327	-

The audited condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

No comparative financial information available for the financial year ended 30 June 2021 as there was change in financial year end from 31st August to 30th June in previous financial period.

**TMC LIFE SCIENCES BERHAD**  
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**NOTES TO THE AUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING  
STANDARDS (“MFRS”)**

**A1 BASIS OF PREPARATION**

The interim financial report is audited and has been prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of TMC Life Sciences Berhad and its subsidiaries (“the Group”) for the financial period ended 30 June 2020. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for understanding the changes in the financial position of the Group since the financial period ended 30 June 2020, and changes in financial performance since the preceeding year corresponding period.

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the financial period ended 30 June 2020, except for the adoption of the new, revised and amendments to MFRS and IC Interpretations effective as of 1 January 2020 as issued by the Malaysian Accounting Standards Board, which does not have any significant impact on the financial statements of the Group.

**A2 SEASONALITY OR CYCLICALITY OF OPERATIONS**

The Group business is generally affected by development of Covid-19 pandemic trend. The Group has seen an increase in number of admission as result of outbreak of Covid-19 as private hospitals have supported government in the treatment to Covid-19 patients.

**A3 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no material 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.

**A4 CHANGE IN ACCOUNTING ESTIMATES**

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

**A5 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 financial quarter under review.

**A6 DIVIDEND PAID**

During the financial year ended 30 June 2021, the Company paid the final single tier dividend of 0.1678 sen per ordinary share on 1,741,882,393 ordinary shares, amounting RM2,922,868 in respect of the financial period ended 30 June 2020.

## A7 SEGMENTAL INFORMATION

The Group operates mainly in Malaysia and is involved in the healthcare sector which includes providing specialist healthcare services in its multi disciplinary tertiary hospital and fertility centres.

## A8 MATERIAL EVENT SUBSEQUENT TO THE END OF THE INTERIM REPORTING PERIOD

There was no material event subsequent to 30 June 2021 and up to the date of this report that would likely affect substantially the results of the operations of the Group.

## A9 CHANGES IN THE COMPOSITION OF THE GROUP

PT Tropicana Healthcare Indonesia ("PTTHI"), a 95.57% owned indirect subsidiary of the Company, on 15 January 2019, had been liquidated with effect from 26 January 2021 following the notification of deregistration dated 26 January 2021 issued by Republic of Indonesia Ministry of Law and Human Right Indonesia. The liquidation of PTTHI did not give rise to any material effect on the earnings or net assets of the Group for the financial year ended 30 June 2021.

## A10 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

Financial guarantees	30/06/2021
	RM'000
<u>Unsecured</u>	
Corporate guarantees given to licensed bank for banking facility granted to wholly-owned subsidiaries	168,851
Letter of guarantee given to suppliers	3,535
	<u>172,386</u>

## A11 CAPITAL COMMITMENTS

The amount of commitments for capital expenditure as at 30 June 2021 is as follows:

	30/06/2021
	RM'000
Approved and contracted for	106,356
Approved but not contracted for	136
	<u>106,492</u>

## A12 SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant transactions between the Group and related party are as follows:

	12 months ended
	30/06/2021
	RM'000
(a) Rental and utility expenses incurred to Skies VB Sdn Bhd, a subsidiary of the ultimate holding company, Thomson Medical Group Limited	92

**NOTES TO THE AUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

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

**B1 REVIEW OF THE PERFORMANCE OF THE GROUP**

**Analysis of performance**

**Review of results for the financial quarter (3 months ended 30 June 2021 versus 3 months ended 30 June 2020)**

	3 months ended	
	30/06/2021 RM'000	30/06/2020 RM'000
Revenue	53,371	35,212
Profit before taxation	5,704	(1,633)

Due to the change in financial year in prior period, the Group has provided the analysis on performance for this 12-month period for reference.

The Group recorded revenue of RM53 million and profit before taxation of RM5.7 million for the quarter ended 30 June 2021, increased by 52% and 449%, respectively compared to the corresponding period in previous year. Revenue and patient load has recovered to pre-pandemic levels in current quarter. In the corresponding period in previous year, the Government of Malaysia imposed the first national-wide lockdown. Profit before taxation increased in line with the increase in revenue in current quarter.

**Review of results for the financial period (12 months ended 30 June 2021 versus 12 months ended 30 June 2020)**

	12 months ended	
	30/06/2021 RM'000	30/06/2020 RM'000
Revenue	201,024	190,198
Profit before taxation	27,672	25,978

Due to the change in financial year in prior period, the Group has provided the analysis on performance for this 12-month period for reference.

For the financial year ended 30 June 2021, the Group recorded revenue of RM201.0 million and profit before taxation of RM27.7 million, an increase of 6% and 7% respectively compared to the 12-month year ended 30 June 2020. Increase in revenue and profit before taxation mainly attributable to higher outpatient attendance and higher case intensity handled.

However, profit after taxation for the 12-month financial year ended 30 June 2021 was RM20.3 million, higher than 12-month year ended 30 June 2020 by 86%, mainly due to the deferred tax liability recorded in August 2019.

**Material factors affecting the earnings and / or revenue of the Group**

The material factors that affect the earnings and / or revenue of the Group are the successful recruitment of healthcare professionals in our facilities, additional services offered by the Group, higher case intensity handled, continuous marketing effort to boost local and international branding and the prevailing Covid-19 pandemic situation in the country and the region.

**B2 MATERIAL CHANGE IN PROFIT BEFORE TAX AS COMPARED WITH IMMEDIATE PRECEDING QUARTER**

**(3 months ended 30 June 2021 versus 3 months ended 31 March 2021)**

	3 months ended	
	30/06/2021 RM'000	31/03/2021 RM'000
Revenue	53,371	48,032
Profit before taxation	5,704	4,368

Compared with the immediate preceding 3 months ended 31 March 2021, revenue and profit before tax for the 3 months ended 30 June 2021 increased by 11% and 31%, respectively. The higher revenue for the 3 months ended 30 June 2021 was mainly due to higher case intensity handled. Higher profit before taxation was mainly attributable by higher revenue coupled with lower depreciation and lower interest expense during the current quarter.



**B3 PROSPECTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2022**

The spread of new Delta variant has resulted in uncertainties over the recovery of the global and local economies, and the opening of borders, casting a shadow on the growth prospects of the country in 2021/2022. The Group will continue to manage spending prudently and seek to grow the range of services while maintaining the highest level of medical care and patient safety.

On 5th May 2021, Thomson Hospital Kota Damansara received the newly completed building Certificate of Completion and Compliance (CCC), and is scheduled to open around the second or third quarter of financial year 2022.

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

There is no profit forecast or profit guarantee for the financial year ended 30 June 2021.

**B5 TAXATION**

	Individual quarter 30/06/2021 RM'000	12 months ended 30/06/2021 RM'000
In respect of current quarter/ financial year		
- income tax	1,289	5,727
- deferred tax	(385)	832
	<u>904</u>	<u>6,559</u>
Under provision in respect of prior year		
- income tax	841	653
- deferred tax	206	206
	<u>1,047</u>	<u>859</u>
	<u>1,951</u>	<u>7,418</u>

The annual effective tax rate of the Group is higher than the statutory rate of 24% mainly due to the non-recognition of deferred tax assets relating to certain subsidiaries.

**B6 STATUS OF CORPORATE PROPOSAL**

There are no corporate proposals announced but not completed as at 17 August 2021, being the latest practicable date which shall not be earlier than 7 days from the date of this quarterly report.

**B7 BORROWINGS**

The Group's borrowings as at 30 June 2021 are as follows:-

	Long Term RM'000	Short Term RM'000	Total RM'000
Secured - Denominated in Ringgit Malaysia	<u>167,858</u>	<u>993</u>	<u>168,851</u>

Included in borrowings of the Group is an amount of Industrial Hire Purchase of RM3,979,634 (30 June 2020: NIL).

**B8 MATERIAL LITIGATION**

There was no material litigation as at the date of this report.

**B9 DIVIDENDS**

Subject to the approval of the shareholders at the forthcoming Annual General Meeting, the Board recommends a single tier final dividend of 0.2215 sen per ordinary share for the financial year ended 30 June 2021 (30 June 2020 - 0.1678 sen). The net amount payable is RM3.9 million (30 June 2020: RM2.9 million).

**B10 EARNINGS PER SHARE (EPS)**

	Individual quarter 30/06/2021	12 months ended 30/06/2021
(a) Basic EPS		
Net profit attributable to owners of the parent (RM'000)	3,753	20,254
Weighted average number of ordinary shares outstanding ('000)	1,741,882	1,741,882
EPS (sen)		
- Basic	0.22	1.16
(b) Diluted EPS		
Net profit attributable to owners of the parent (RM'000)	3,753	20,254
Weighted average number of ordinary shares outstanding ('000)	1,741,882	1,741,882
Effect of dilution ('000)	-	-
Adjusted weighted average number of shares ('000)	1,741,882	1,741,882
Diluted EPS (sen)		
- Diluted	0.22	1.16

Diluted EPS is calculated by dividing the profit attributable to owners of the parent by the weighted average of ordinary shares outstanding during the financial year, adjusted to assume the conversion of dilutive potential ordinary shares.

For the current quarter and year ended 30 June 2021, share options granted under ESOS have not been included in the calculation of diluted earnings per share because they were anti-dilutive.

**B11 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report of the preceding annual financial statements was unqualified.

**B12 NOTE TO STATEMENT OF COMPREHENSIVE INCOME**

	Individual quarter 30/06/2021 RM'000	12 months ended 30/06/2021 RM'000
Interest income	502	2,187
Interest expense	(106)	(441)
Depreciation of property, plant and equipment, investment property and right-of-use assets	(3,047)	(12,124)
Amortisation of intangible assets	(249)	(896)
Gain or loss on disposal of quoted or unquoted investments or properties		
Impairment loss on receivables	(210)	(840)
Fair value charges on share options granted under ESOS	(82)	(202)
Property, plant and equipment written off	2	(50)
(Loss)/Gain on disposal of property, plant and equipment	(4)	4
Gain on derecognition of lease liability	-	27
Inventories written off	(37)	(129)
Gain on liquidation of a subsidiary	-	39
Rental concessions	-	1
Realised loss on foreign exchange	(2)	(5)

**B13 DERIVATIVE FINANCIAL INSTRUMENTS**

The Group did not enter into any derivative financial instruments which were outstanding as at 30 June 2021 and 30 June 2020.

**B14 AUTHORISED FOR ISSUE**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 August 2021.