



**DC HEALTHCARE HOLDINGS BERHAD**

*Registration No. 202201014036 (1459733-P)*

*(Incorporated in Malaysia)*

**INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED  
30 JUNE 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND (2<sup>nd</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)</sup>**

	Note	3-MONTH ENDED		PERIOD TO DATE	
		30.06.2023 RM'000	30.06.2022 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
Revenue	A9	17,892	N/A	34,703	N/A
Cost of sales		(7,294)	N/A	(14,336)	N/A
<b>Gross profit ("GP")</b>		10,598	N/A	20,367	N/A
Other income		9	N/A	69	N/A
Staff costs		(1,986)	N/A	(4,556)	N/A
Administrative expenses		(3,055)	N/A	(6,754)	N/A
<b>Profit from Operations</b>		5,566	N/A	9,126	N/A
Interest expense		(295)	N/A	(670)	N/A
<b>Profit before tax ("PBT")</b>	<b>B12</b>	5,271	N/A	8,456	N/A
Taxation	B6	(1,254)	N/A	(2,082)	N/A
<b>Profit after tax ("PAT")</b>		4,017	N/A	6,374	N/A
<b>Other comprehensive income, net of tax</b>					
Foreign currency translation differences for foreign operations		-	N/A	-	N/A
<b>Total comprehensive income for the financial period</b>		4,017	N/A	6,374	N/A
<b>Profit for the financial period attributable to:</b>					
Owners of the Company		4,017	N/A	6,374	N/A
		4,017	N/A	6,374	N/A
<b>Total comprehensive income for the financial period attributable to:</b>					
Owners of the Company		4,017	N/A	6,374	N/A
		4,017	N/A	6,374	N/A
<b>Earnings per share attributable to Owners of the Company:</b>					
Basic/Diluted (sen)	B11	0.50	-	0.80	-

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND (2<sup>nd</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)</sup> (CONT'D)**

**Notes:**

- (1) The basis of preparation of the Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the prospectus of DC Healthcare Holdings Berhad ("**DC Healthcare**" or "**Company**") dated 27 June 2023 ("**Prospectus**") and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the second interim financial report announced in compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.
- (3) Basic/Diluted earnings per share ("**EPS**") is calculated based on the pro forma enlarged share capital of 797,040,000 shares after the Pre-IPO restructuring exercise but before the initial public offering ("**IPO**") of the Company. The diluted EPS is equivalent to the basic EPS as the Company does not have any convertible options as at the end of the current quarter and financial period under review.

*N/A – Not applicable*

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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023<sup>(1)</sup>

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>30.06.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	11,452	11,041
Right-of-use assets	25,125	21,920
Deferred tax assets	439	278
<b>Total non-current assets</b>	<b>37,016</b>	<b>33,239</b>
<b>Current assets</b>		
Inventories	1,914	1,852
Trade receivables	196	410
Other receivables	9,435	5,022
Tax recoverable	-	120
Cash and cash equivalents	7,518	7,674
<b>Total current assets</b>	<b>19,063</b>	<b>15,078</b>
<b>TOTAL ASSETS</b>	<b>56,079</b>	<b>48,317</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	9,565	801
Capital contribution from holding company of the combining entities	-	1,030
Retained earnings	19,590	13,216
Merger reserves	(8,764)	-
<b>TOTAL EQUITY</b>	<b>20,391</b>	<b>15,047</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Lease liabilities	18,647	16,247
Borrowings	1,762	2,082
Deferred tax liabilities	64	64
<b>Total non-current liabilities</b>	<b>20,473</b>	<b>18,393</b>
<b>Current liabilities</b>		
Trade payables	1,245	1,951
Other payables	2,708	2,250
Contract liabilities	2,923	2,948
Amount due to holding company of the combining entities	-	160
Lease liabilities	5,701	5,050
Borrowings	641	626
Tax Payable	1,997	1,892
<b>Total current liabilities</b>	<b>15,215</b>	<b>14,877</b>
<b>TOTAL LIABILITIES</b>	<b>35,688</b>	<b>33,270</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>56,079</b>	<b>48,317</b>

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023<sup>(1)</sup> (CONT'D)**

<b>Weighted Average number of ordinary shares ('000)</b>	797,040	797,040
<b>NET ASSETS PER SHARE (RM)<sup>(2)</sup></b>	<u>0.03</u>	<u>0.02</u>

**Notes:**

- (1) The basis of preparation of the Unaudited Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 27 June 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) Based on the pro forma enlarged share capital of 797,040,000 shares after the Pre-IPO restructuring exercise but before the IPO of the Company.

*N/A – Not applicable*

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UNAUDITED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE SECOND (2<sup>nd</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)(2)</sup>

Note	Share Capital RM'000	Capital Contribution from Holding Company of the Combining Entities RM'000	Merger Reserves RM'000	Retained Earnings RM'000	Total Equity RM'000
<b>As at 1 January 2023</b>	801	1,030	-	13,216	15,047
Net profit for the financial period	-		-	6,374	6,374
<b>Total comprehensive income for the financial period</b>	-		-	6,374	6,374
<b>Transaction with owners:</b>					
Acquisition of subsidiaries	8,764	(1,030)	(8,764)	-	(1,030)
<b>Total transactions with owners</b>	8,764	(1,030)	(8,764)	-	(1,030)
<b>As at 30 June 2023</b>	9,565	-	(8,764)	19,590	20,391

**Notes:**

- (1) The basis of preparation of the Unaudited Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND (2<sup>nd</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)</sup>**

	Note	PERIOD TO DATE	
		30.06.2023 RM'000	30.06.2022 RM'000
<b>Cash Flows From Operating Activities</b>			
Profit before tax		8,456	N/A
Adjustments for:			
Depreciation of property, plant and equipment		927	N/A
Depreciation of right-of-use assets		2,676	N/A
Gain on disposal of property, plant and equipment		(9)	N/A
Property, plant and equipment write-off		13	N/A
Waiver of lease payments		(31)	N/A
Interest expense		670	N/A
Interest income		(19)	N/A
Operating Profit before Working Capital Changes		12,683	N/A
<b>Changes In Working Capital:</b>			
Inventories		(62)	N/A
Contract liabilities		(25)	N/A
Receivables, deposits and prepayment		(4,199)	N/A
Payables and accruals		(247)	N/A
Cash generated from operations		8,150	N/A
Interest paid		(670)	N/A
Interest received		19	N/A
Tax paid		(2,018)	N/A
Net cash from operating activities		5,481	N/A
<b>Cash Flows From Investing Activities</b>			
Purchase of property, plant and equipment		(1,353)	N/A
Net cash used in investing activities		(1,353)	N/A
<b>Cash Flows From Financing Activities</b>			
Repayment to related company		(1,190)	N/A
Repayment of lease liabilities		(2,789)	N/A
Repayment of term loans		(305)	N/A
Net cash used in financing activities		(4,284)	N/A
<b>Net decrease in cash and cash equivalents</b>		(156)	N/A
<b>Cash and cash equivalents at the beginning of the financial period</b>		7,674	N/A
<b>Cash and cash equivalents at the end of the financial period</b>		7,518	N/A

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND (2<sup>nd</sup>)  
QUARTER ENDED 30 JUNE 2023<sup>(1)</sup> (CONT'D)**

**Notes:**

- (1) The basis of preparation of the Unaudited Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding period-to-date available as no interim financial report was prepared for the comparative financial period concerned.

*N/A – Not applicable*

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## A. NOTES TO THE INTERIM FINANCIAL REPORT

### A1. Basis of preparation

The interim financial report of DC Healthcare and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRS**”) No. 134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities.

This is the second interim financial statements on the Company’s unaudited consolidated financial results for the second (2<sup>nd</sup>) quarter ended 30 June 2023 announced by the Company in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding year’s corresponding period.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus and the accompanying notes attached to this interim financial report.

### A2. Summary of Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the Accountants’ Report in the Prospectus, except for the adoption of the following MFRSs, Amendments to MFRSs and new Interpretations effective for the financial periods beginning on or after 1 January 2023.

	<b>Effective dates for financial periods beginning on or after</b>
● MFRS 17 <i>Insurance Contracts</i>	1 January 2023
● Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
● Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
● Amendments to MFRS 101 and MFRS Practice Statement 2 <i>Disclosure of Accounting Policies</i>	1 January 2023
● Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
● Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
● Amendments to MFRS 112 International Tax Reform – Pillar Two Model Rules	1 January 2023
● Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
● Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-Current</i>	1 January 2024
● Amendments to MFRS 101 <i>Non-Current Liabilities with Covenants</i>	1 January 2024
● Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A2. Summary of Significant Accounting Policies (Cont'd)**

**Standards issued but not yet effective**

**Effective dates for  
financial periods  
beginning on or after**

Amendments to References to the Conceptual Framework in MFRS Standards

- Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

To be announced

The Group will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group upon their initial applications.

**A3. Auditors' report on preceding annual financial statements**

There was no qualification on the audited consolidated financial statements of the Group for the financial year ended 31 December 2022.

**A4. Seasonal or cyclical factors**

The business operations of the Group were not materially affected by any seasonal and cyclical effects during the current financial quarter and financial period-to-date.

**A5. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period-to-date.

**A6. Material changes in estimates**

There were no material changes in the estimates that have a material effect to the Group in the current financial quarter and financial period-to-date.

**A7. Debt and equity securities**

Save as disclosed in Note A11 below, there were no issuances, cancellations, repurchases, resale and repayment of debts and equity during the current financial quarter under review.

**A8. Dividends paid**

There was no dividend paid during the current financial quarter under review.

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A9. Segmental information**

The Group's segmental information for the current financial period ended 30 June 2023 is as follows:

	<b>3-MONTH ENDED</b>		<b>PERIOD TO DATE</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Aesthetic services	15,923	N/A	30,853	N/A
General medical services	1,432	N/A	2,811	N/A
Sale of skincare products	537	N/A	1,039	N/A
<b>Total</b>	<b>17,892</b>	<b>N/A</b>	<b>34,703</b>	<b>N/A</b>
<b>Segment profit</b>	<b>10,598</b>	<b>N/A</b>	<b>20,367</b>	<b>N/A</b>
Other income	9	N/A	69	N/A
Unallocated expenses	(5,041)	N/A	(11,310)	N/A
Finance costs	(295)	N/A	(670)	N/A
Income tax expenses	(1,254)	N/A	(2,082)	N/A
<b>Profit for the financial period</b>	<b>4,017</b>	<b>N/A</b>	<b>6,374</b>	<b>N/A</b>

**Notes:**

- (1) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.

*N/A – Not applicable*

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A10. Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment in the current financial quarter under review.

**A11. Material events subsequent to the end of the current financial quarter**

Save as disclosed below, there were no other material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

(a) Acquisition of companies

The Company had entered into the following conditional share sale agreements on 11 November 2022:

- (i) To acquire the entire equity interest in Klinik Dr Chong Sdn Bhd (“Klinik Dr Chong”) from the vendors for a purchase consideration of RM7,737,000 which was wholly satisfied via the issuance of 644,750,000 new shares of the Company at an issue price of RM0.012 each. The acquisition was completed on 29 May 2023.
- (ii) To acquire the entire equity interest in Ten Drs Sdn Bhd from the vendors for a purchase consideration of RM572,568 which was satisfied via the issuance of 47,714,000 new shares of the Company at an issue price of RM0.012 each. The acquisition was completed on 29 May 2023.
- (iii) To acquire the entire equity interest in DC Lasers Sdn Bhd from the vendor for a purchase consideration of RM1,254,900 which was satisfied via the issuance of 104,575,000 new shares of the Company at an issue price of RM0.012 each. The acquisition was completed on 29 May 2023.

On 31 May 2023, Klinik Dr Chong has completed the transfer of 100.00% equity interest in DCL Mid Valley Sdn Bhd and DCL Puchong Sdn Bhd to the Company.

b) Initial Public Offering (IPO)

In conjunction with the Company’s listing on the ACE Market of Bursa Securities, the company had on 27 June 2023 issued its Prospectus for IPO entailing the following:

- (i) Public issue of 199,260,000 new ordinary shares in the Company comprising: -
  - 49,815,000 new shares available for application by the Malaysian Public;
  - 29,889,000 new shares available for application by the eligible directors and employees;
  - 119,556,000 new shares by way of private placement to selected investors; and

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A11. Material events subsequent to the end of the current financial quarter (cont'd)**

b) Initial Public Offering (IPO) (cont'd)

In conjunction with the Company's listing on the ACE Market of Bursa Securities, the company had on 27 June 2023 issued its Prospectus for IPO entailing the following: (cont'd)

- (ii) Offer for sale of 99,630,000 existing shares by way of private placement to selected investors at the IPO Price,

at an issue/offer price of RM0.25 per share ("IPO Price")

The Company was admitted to the Official List of Bursa Securities and the entire enlarged issued and paid-up capital of 996,300,000 shares was listed and quoted on the ACE Market of Bursa Securities on 17 July 2023.

**A12. Changes in the composition of the Group**

Save as disclosed in Note A11, there were no material changes in the composition of the Group for the current financial quarter under review.

**A13. Contingent assets and contingent liabilities**

There were no contingent assets and contingent liabilities as at the date of this interim report.

**A14. Material capital commitments**

There is no material commitment for capital expenditure, which upon becoming enforceable, may have a material effect on the Group's financial position as at the date of this interim financial report.

**A15. Significant related party transactions**

There were no significant related party transactions during the current financial quarter under review.

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## B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B1. Review of Performance

#### (a) Results for current quarter

	3-MONTH ENDED		Changes	
	30.06.2023 RM'000	30.06.2022 RM'000	N/A	%
Revenue	17,892	N/A	N/A	N/A
Profit before tax	5,271	N/A	N/A	N/A

The Group recorded revenue of RM17.89 million for the current financial quarter ended 30 June 2023. The Group's revenue was principally derived from aesthetic services, accounting for approximately 89.00% of the total revenue for the current financial quarter ended 30 June 2023.

The Group recorded a profit before tax of RM5.27 million in the current financial quarter under review after deducting the expenses which are mainly attributed to administrative expenses of approximately RM3.06 million, mainly comprise of depreciation of right of use assets and marketing cost for current financial quarter under review.

#### (b) Results for financial period-to-date

	PERIOD TO DATE		Changes	
	30.06.2023 RM'000	30.06.2022 RM'000	N/A	%
Revenue	34,703	N/A	N/A	N/A
Profit before tax	8,456	N/A	N/A	N/A

The Group recorded revenue of RM34.70 million for financial period to-date ended 30 June 2023. The Group's revenue was principally derived from aesthetic services, accounting for approximately 88.91% of the total revenue for the financial period to-date ended 30 June 2023.

The Group recorded a profit before tax of RM8.46 million in the financial period-to-date under review after deducting the expenses which are mainly attributed to administrative expenses of approximately RM6.75 million, mainly comprise of depreciation of right of use assets and marketing cost for financial period-to-date ended 30 June 2023.

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**

**B2. Comparison with immediate preceding quarter's results**

	3-MONTH ENDED			
	Current Quarter 30.06.2023 RM'000	Preceding Quarter 31.03.2023 RM'000	Changes	
			RM'000	%
Revenue	17,892	16,811	1,081	6%
Profit before tax	5,271	3,185	2,086	65%

On a quarter-on-quarter basis, the Group recorded revenue of RM17.89 million, which is 6.43% higher when compared to its immediate preceding quarter of RM16.81 million. The overall increase in revenue was mainly derived from aesthetic services, which recorded an increase by RM0.99 million mainly contributed by the opening of new outlets at Melawati and IOI City.

In line with the above, the Group recorded a higher profit before tax of RM5.27 million in the current financial quarter ended 30 June 2023, representing an increase of RM2.09 million or 65% as compared to RM3.19 million in the immediate preceding financial quarter ended 31 March 2023.

**B3. Prospects**

As disclosed in Section 6.7 of the Prospectus dated 27 June 2023, the Group's strategies are to continue to focus on its core business in light of the growth in the aesthetic medicine market by implementing the following business strategies: -

- (i) To continue expanding our existing clinics by establishing new aesthetic medical clinics in the Southern & Northern regions
- (ii) In order to support the expansion, we intend to strengthen our medical doctors, clinic consultants and other support staff by attracting and recruiting highly skilled and experienced personnel.
- (iii) Our group is to continuously upgrading the technology of our medical equipment to the latest in order to enhance our services offering and also in support of our expansion plans

The Group believes that its prospects in the aesthetic medical service industry are favourable in view of our competitive strengths as set out in Section 6.5.7 of the Prospectus, the Group's business strategies as set out above as well as the industry outlook as set out in the IMR Report in Section 8 of the Prospectus.

**B4. Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**

**B5. Status of corporate proposals**

Save as disclosed in A11 and below, there were no corporate proposals announced but not completed as at the date of this interim report.

On 16 August 2023, the Company had incorporated a 100% owned subsidiary company in Malaysia, namely DC Wellness Sdn. Bhd. ("DCW") with an issued share capital of RM1,000.00 comprising of 1,000 ordinary shares.

DCW is principally engaged in the business of providing slimming treatment services, sales of slimming product, and provision of slimming treatment related services and products.

**B6. Income tax expenses**

	<b>3-MONTH ENDED</b>		<b>PERIOD TO DATE</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax expense	1,254	N/A	2,082	N/A
<b>Total tax expense</b>	<b>1,254</b>	<b>N/A</b>	<b>2,082</b>	<b>N/A</b>
Effective tax rate (%)	24.00	N/A	25.00	N/A

**Note:**

- (1) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.

**Note:**

*N/A – Not applicable*

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B7. Utilisation of Proceeds from the IPO**

The gross proceeds arising from the public issue amounting to RM49.82 million is intended to be utilised in the following manner: -

Description of utilisation	Proposed Utilisation	Actual Utilisation	Balance Utilisation	Estimated timeframe for Utilisation upon Listing
	RM'000	RM'000	RM'000	
Establishing new aesthetic medical clinics	9,440	16	9,424	Within 18 months
Purchase of new medical machines and equipment	13,124	-	13,124	Within 18 months
Repayment of borrowings	6,238	-	6,238	Within 6 months
Working capital	17,013	160	16,853	Within 36 months
Listing expenses	4,000	4,000	-	Within 1 month
<b>Total</b>	49,815	4,176	45,639	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 27 June 2023. The Company was listed on the ACE Market of Bursa Securities on 17 July 2023.

**Note:**

*N/A – Not applicable*

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B8. Bank borrowings**

The Group's bank borrowings were as follows:

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>30.06.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Current</b>		
Hire purchase	1,487	1,500
Term loans	641	626
<b>Total</b>	<u>2,128</u>	<u>2,126</u>
<b>Non Current</b>		
Hire purchase	3,991	4,322
Term loans	1,762	2,082
<b>Total</b>	<u>5,753</u>	<u>6,404</u>
	<u>7,881</u>	<u>8,530</u>

All the Group's bank borrowings are denominated in Ringgit Malaysia.

**B9. Material litigation**

There was no material litigation involving the Group as at 30 June 2023.

**B10. Dividend**

No dividend has been declared or proposed for the current financial quarter under review.

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B11. Earnings per share**

The basic EPS are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial period as follows:

	<b>3-MONTH ENDED</b>		<b>PERIOD TO DATE</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit attributable to ordinary owners of the Company (RM'000)	4,017	N/A	6,374	N/A
Number of ordinary shares ('000)	797,040	N/A	797,040	N/A
Basic/Diluted EPS (sen) <sup>(2)</sup>	0.50	N/A	0.80	N/A

**Notes:**

- (1) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.
- (2) Basic/Diluted EPS is calculated based on the pro forma enlarged share capital of 797,040,000 shares after the Pre-IPO restructuring exercise but before the IPO. The diluted EPS is equivalent to the basic EPS as the Company does not have any convertible options as at the end of the current quarter and financial period under review.

*N/A – Not applicable*

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B12. Disclosure on selected expense/income items as required by the Listing Requirements**

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

	<b>3-MONTH ENDED</b>		<b>PERIOD TO DATE</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property, plant and equipment	655	N/A	927	N/A
Depreciation of right-of-use assets	1,323	N/A	2,676	N/A
Interest income	-	N/A	(19)	N/A
Interest expense	295	N/A	670	N/A
Gain on disposal of property, plant and equipment	-	N/A	(9)	N/A
	<u>2,273</u>	<u>N/A</u>	<u>4,245</u>	<u>N/A</u>

**Note:**

(1) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.

*N/A – Not applicable*

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements of Bursa Securities are not applicable.

**B13. Approval of Interim Financial Report**

The interim financial report as set out above was approved by the Board of Directors in accordance with a resolution dated 29 August 2023.