



ALPHA IVF GROUP BERHAD

Registration No. 202101005100 (1405399-X)

**ALPHA IVF GROUP BERHAD
AND ITS SUBSIDIARIES**

**CONDENSED CONSOLIDATED
INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED
31 AUGUST 2024**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 AUGUST 2024⁽¹⁾

	Note	CURRENT QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		31.8.2024 RM'000	31.8.2023 ⁽²⁾ RM'000	31.8.2024 RM'000	31.8.2023 ⁽²⁾ RM'000
Revenue	A9	42,995	N/A	42,995	N/A
Cost of sales		(17,317)	N/A	(17,317)	N/A
Gross profit		25,678	N/A	25,678	N/A
Other income		1,596	N/A	1,596	N/A
Administrative expenses		(7,507)	N/A	(7,507)	N/A
Other expenses		(511)	N/A	(511)	N/A
Finance costs		(256)	N/A	(256)	N/A
Profit before taxation ("PBT")	B12	19,000	N/A	19,000	N/A
Income tax expense	B6	(4,057)	N/A	(4,057)	N/A
Profit after taxation ("PAT")		14,943	N/A	14,943	N/A
Other comprehensive income					
<u>Item that will be reclassified subsequently to profit or loss</u>					
Foreign currency translation differences		(423)	N/A	(423)	N/A
Total comprehensive income		14,520	N/A	14,520	N/A
Profit after taxation attributable to:					
Owners of the Company		14,381	N/A	14,381	N/A
Non-controlling interests		562	N/A	562	N/A
		14,943	N/A	14,943	N/A
Total comprehensive income attributable to:					
Owners of the Company		14,057	N/A	14,057	N/A
Non-controlling interests		463	N/A	463	N/A
		14,520	N/A	14,520	N/A
Earnings per share attributable to Owners of the Company					
Basic/Diluted (sen) ⁽³⁾	B11	0.30	N/A	0.30	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income as disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the prospectus of Alpha IVF Group Berhad dated 1 March 2024 ("Prospectus") and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the fourth 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 corresponding quarter and period-to-date available as there was no interim financial report prepared for the comparative financial period concerned.
- (3) The basic and diluted earnings per share of the Company are computed based on Profit After Taxation attributable to the owners of the Company divided by the number of ordinary shares of the Company after the completion of the initial public offering ("IPO") of the Company on 22 March 2024. The Group has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

N/A - Not applicable

ALPHA IVF GROUP BERHAD

Registration No.: 202101005100 (1405399-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2024⁽¹⁾**

	Unaudited	Audited
	As at	As at
	31.8.2024	31.5.2024
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Equipment	9,332	9,121
Right-of-use assets	14,164	14,944
Other investments	30,688	30,758
Goodwill	8,931	8,931
Deferred tax assets	1,977	1,977
	65,092	65,731
Current Assets		
Inventories	3,244	2,935
Trade receivables	1,358	966
Other receivables, deposits and prepayments	6,925	7,312
Short-term investments	133,394	128,416
Cash and bank balances	12,807	22,906
	157,728	162,535
TOTAL ASSETS	222,820	228,266
EQUITY AND LIABILITIES		
Share capital	119,753	119,753
Retained profits	37,129	44,618
Reorganisation reserve	22,499	22,499
Foreign exchange translation reserve	240	564
Equity attributable to owners of the Company	179,621	187,434
Non-controlling interests	2,809	2,346
Total Equity	182,430	189,780
Non-Current Liabilities		
Lease liabilities	12,868	13,394
Provision for restoration costs	1,082	1,091
	13,950	14,485
Current Liabilities		
Trade payables	2,616	2,518
Other payables and accruals	7,473	6,595
Contract liabilities	7,126	6,777
Lease liabilities	2,468	2,686
Current tax liabilities	6,757	5,425
	26,440	24,001
Total Liabilities	40,390	38,486
TOTAL EQUITY AND LIABILITIES	222,820	228,266
Net assets per ordinary share attributable to Owners of the Company (RM)⁽²⁾	0.04	0.04

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 1 March 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) The net assets per ordinary share attributable to owners of the Company is computed based on the net assets attributable to owners of the Company divided by the number of ordinary shares of 4,860,000,000 ordinary shares after the completion of the IPO of the Company.

ALPHA IVF GROUP BERHAD
Registration No.: 202101005100 (1405399-X)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 AUGUST 2024⁽¹⁾⁽²⁾

	Share Capital	Reorganisation Reserve	Foreign Exchange Translation Reserve	Retained Profits	Attributable to Owners of the Company	Non- Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 June 2024	119,753	22,499	564	44,618	187,434	2,346	189,780
Profit after taxation for the financial period	-	-	-	14,381	14,381	562	14,943
Other comprehensive income for the financial period:							
- Foreign currency translation differences	-	-	(324)	-	(324)	(99)	(423)
Total comprehensive income for the financial period	-	-	(324)	14,381	14,057	463	14,520
Dividends:							
- by the Company	-	-	-	(21,870)	(21,870)	-	(21,870)
As at 31 August 2024	119,753	22,499	240	37,129	179,621	2,809	182,430

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 1 March 2024 and the accompanying explanatory notes attached to this interim financial report.

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

ALPHA IVF GROUP BERHAD

Registration No.: 202101005100 (1405399-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 AUGUST 2024⁽¹⁾**

	<u>Period Ended</u> 31.8.2024 RM'000	<u>Period Ended</u> 31.8.2023⁽²⁾ RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	19,000	N/A
Adjustments for:		
Depreciation of equipment	600	N/A
Depreciation of right-of-use assets	692	N/A
Interest expense	256	N/A
Loss on disposal of equipment	#	N/A
Interest income	(1,524)	N/A
Operating profit before working capital changes	<u>19,024</u>	<u>N/A</u>
Changes in working capital:		
Inventories	(326)	N/A
Trade and other receivables	(80)	N/A
Trade and other payables	1,102	N/A
Contract Liabilities	375	N/A
CASH FROM OPERATIONS	<u>20,095</u>	<u>N/A</u>
Income tax paid	(2,646)	N/A
NET CASH FROM OPERATING ACTIVITIES	<u>17,449</u>	<u>N/A</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	1,524	N/A
Purchase of equipment	(822)	N/A
NET CASH FROM INVESTING ACTIVITIES	<u>702</u>	<u>N/A</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid by the Company	(21,870)	N/A
Interest paid	(179)	N/A
Repayment of lease liabilities	(653)	N/A
NET CASH FOR FINANCING ACTIVITIES	<u>(22,702)</u>	<u>N/A</u>
Net decrease in cash and cash equivalents	(4,551)	N/A
Effect of foreign exchange translation	(570)	N/A
Cash and cash equivalents at beginning of the financial period	<u>151,322</u>	<u>N/A</u>
Cash and cash equivalents at end of the financial period	<u>146,201</u>	<u>N/A</u>

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 1 March 2024 and the accompanying explanatory notes attached to this interim financial report.

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

– Less than RM1,000.

N/A – Not applicable

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 AUGUST 2024

A1. Basis of Preparation

The interim financial report of Alpha IVF Group Berhad (“Company”) and its subsidiaries (“Group”) are unaudited and have been prepared in accordance with 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.

In compliance with the Listing Requirements of Bursa Securities, this is the Company's unaudited consolidated financial results for the first (1st) quarter ended 31 August 2024, being the fourth (4th) interim financial statements announced by the Company since its listing on 22 March 2024, and as such, there are no comparative figures for the preceding year’s corresponding period.

The 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 in the Accountants’ Report as disclosed in the Prospectus dated 1 March 2024. During the current financial period, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	Effective Date
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 101: Non-Current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Agreements	1 January 2024

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standard Board (“MASB”) but are not yet effective for the financial period ended 31 August 2024:

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	Effective Date
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 AUGUST 2024 (CONT'D)

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

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon its initial application.

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 May 2024.

A4. Seasonal or cyclical factors

The business operation of the Group has not been materially affected by any unusual seasonal or cyclical factors.

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 estimates that have a material effect to the Group in the current financial quarter and financial period to-date.

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter under review.

A8. Dividends Paid

The Company declared a third single-tier interim dividend of 0.45 sen per ordinary share amounting to RM21,870,000 on 17 July 2024 in respect of the financial year ended 31 May 2024, which was paid on 15 August 2024, to shareholders whose names appeared in the Company's Register of Members and/or record of depositors on 30 July 2024.

The total dividend of RM21,870,000 declared and paid is accounted for in equity as an appropriation of retained profits for the financial year ending 31 May 2025.

A9. Segmental Reporting

The Group operates predominantly in one business segment i.e. focused only in the business of operating women's specialists centres and provision of medical consultants and specialised medical services. Accordingly, the information by business segments is not presented.

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 AUGUST 2024 (CONT'D)

A9. Segmental Reporting (Cont'd)

Geographical Market

The following table provides an analysis of the Group's revenue by geographical segment:

	<u>CURRENT QUARTER ENDED</u>		<u>CUMULATIVE PERIOD ENDED</u>	
	31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000	31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000
Revenue				
- Malaysia	35,403	N/A	35,403	N/A
- Singapore	<u>7,592</u>	<u>N/A</u>	<u>7,592</u>	<u>N/A</u>
	<u>42,995</u>	<u>N/A</u>	<u>42,995</u>	<u>N/A</u>

Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and period-to-date as this is the fourth interim financial report of the Company for the first quarter ended 31 August 2024 announced in compliance with the Listing Requirements of Bursa Securities.

N/A - Not applicable

A10. Valuation of Equipment

There was no valuation of equipment in the current financial quarter under review.

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

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

(a) Shareholders' Agreement to form Alpha IVF (Manila) Incorporated ("AIMI")

On 3 September 2024, AIS, a wholly-owned subsidiary of the Company, has entered into a Shareholders' Agreement with Dato' Dr. Lee Soon Soo, Dr. Ng Peng Wah, Dr. Romerico F. Torres and Dr. Maria Victoria Tan to regulate the relationship as the initial incorporators/shareholders to form AIMI, a corporation to be registered under the Philippines laws. The principal business of AIMI will be to provide services in Obstetrics & Gynaecology and in Fertility including male infertility in the Philippines, and the principal business of AIMI shall be under the trade name and style of "Alpha IVF & Women's Specialists (Manila)". The authorised capital of AIMI shall be PHP 125,000,000 (equivalent to RM9,608,250), consisting of 125,000,000 shares with a par value of PHP 1.00 each (equivalent to Bank Negara Malaysia rate @ RM0.076866 each).

A12. Changes in the composition of the Group

Save as disclose below, there were no changes in the composition of the Group during the current financial quarter under review.

**A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 AUGUST 2024
(CONT'D)**

A12. Changes in the composition of the Group (Cont'd)

(a) Incorporation of PT Alpha SPOG Indonesia (“PT SPOG”)

On 21 August 2024, Alpha IVF Systems Sdn Bhd (“AIS”) and Alpha International Women’s Specialists Sdn Bhd (“AIWS”), wholly-owned subsidiaries of the Company, have incorporated a subsidiary, PT SPOG with an issued and paid-up capital of Indonesian Rupiah 10,000,000,000 (approximately RM2,820,000 @ Bank Negara Malaysia rate 0.000282) comprising of 1,000,000 shares. The principal activity of the subsidiary is to manage and operate business in the field of Private Clinic Activities, which include healthcare and physical treatment services managed by private entities, covering both outpatients and inpatient care. AIS and AIWS will subscribe 990,000 and 10,000 new ordinary shares at Indonesian Rupiah 10,000 (approximately RM2.82) each respectively.

(b) Increase of Issued and Paid-Up Capital of Alpha IVF International (China) Sdn Bhd (“AIIC”)

On 30 August 2024, AIIC, a wholly-owned subsidiary of the Company, increased its issued and paid-up capital from RM100 to RM600,000 by way of issuance of 599,900 new ordinary shares. The Company subscribed for the additional 599,900 new ordinary shares at RM1 each.

(c) Incorporation of Alpha International (Shanghai) Medical Consulting Limited (“AISMC”)

On 4 September 2024, AIIC, a wholly-owned subsidiary of the Company, has incorporated a wholly-owned subsidiary, AISMC, will register share capital of Chinese Yuan 2,240,000 (approximately RM1,370,880 @ Bank Negara Malaysia rate 0.6120). The principal activity of the subsidiary is to operate as sales representative offices in Shanghai.

(d) Increase of Issued and Paid-Up Capital of Alpha IVF Systems Sdn Bhd (“AIS”)

On 10 October 2024, AIS, a wholly-owned subsidiary of the Company, increased its issued and paid-up capital from RM100 to RM2,000,100 by way of issuance of 2,000,000 new ordinary shares. The Company subscribed for the additional 2,000,000 new ordinary shares at RM1 each.

(e) Incorporation of Alpha International Women’s Specialists (Sabah) Sdn Bhd (“AIWSB”)

On 14 October 2024, the Company incorporated a wholly-owned subsidiary, AIWSB, with issued capital of RM100 comprising 100 ordinary shares. The principal activity of AIWSB is to run a women’s specialists centre and as medical consultants.

A13. Contingent Assets and Contingent Liabilities

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

**A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 AUGUST 2024
(CONT'D)**

A14. Material capital commitments

Save as disclosed below, 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.

	31.8.2024 RM'000	31.5.2024 RM'000
Purchase of equipment	<u>687</u>	<u>271</u>

A15. Significant related party transactions

The Group carried out the following significant transactions with related parties during the financial period:

Transacting Parties	Nature of transactions	CURRENT QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000	31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000
<u>Significant transactions with Directors of the Company</u>					
(i) Alpha KL and Dato' Dr. Lee Soon Soo	Consultancy services provided by DDLSS	(299)	N/A	(299)	N/A
(ii) Genesis and Dr. Ng Peng Wah ("DNPW")	Consultancy services provided by DNPW	(747)	N/A	(747)	N/A
<u>Significant transactions with Directors of the Subsidiaries</u>					
(iii) Alpha KL and Dr. Haris Bin Hamzah ("Dr. Haris")	Consultancy services provided by Dr. Haris	(36)	N/A	(36)	N/A
(iv) Alhaya and Dr. Haris	Consultancy services provided by Dr. Haris	(63)	N/A	(63)	N/A
<u>Significant transactions with Related Parties</u>					
(v) Alpha Singapore and Dr. Tan Heng Hao ("Dr. Tan")	Consultancy services provided by Dr. Tan	(1,600)	N/A	(1,600)	N/A
(vi) Alpha KL and Baby Xort Sdn Bhd ("Baby Xort")	Sperm sorting services provided by Baby Xort	<u>(116)</u>	<u>N/A</u>	<u>(116)</u>	<u>N/A</u>

**A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 AUGUST 2024
(CONT'D)**

A15. Significant related party transactions (Cont'd)

Alpha KL – Alpha International Women's Specialists Sdn Bhd
Alpha Singapore – Alpha International Women's Specialists (Singapore) Pte Ltd
Genesis – Genesis Specialists Sdn Bhd
Alhaya – Alhaya International Women's Specialists Sdn Bhd

Notes:

(1) There are no comparative figures for the preceding quarter and period-to-date as this is the fourth interim financial report of the Company for the first quarter ended 31 August 2024 announced in compliance with the Listing Requirements of Bursa Securities.

N/A - Not applicable

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA SECURITIES**

B1. Review of Performance

(a) Results for current quarter

The Group recorded a revenue of RM43.00 million for the current financial quarter ended 31 August 2024. The Group's revenue was principally derived from the provision of assisted reproductive services focusing on in-vitro fertilisation ("IVF") treatments.

The Group recognised a profit before taxation of RM19.00 million and profit after taxation of RM14.94 million respectively for the current financial quarter, after accounting for listing expenses of approximately RM0.05 million.

(b) Results for financial period-to-date

The Group recorded a revenue of RM43.00 million for the current financial period-to-date ended 31 August 2024. The Group's revenue was principally derived from the provision of assisted reproductive services focusing on IVF treatments.

The Group recognised a profit before taxation of RM19.00 million and profit after taxation of RM14.94 million respectively for the current financial period-to-date, after accounting for listing expenses of approximately RM0.05 million.

There are no comparative figures of the preceding corresponding quarter and period-to-date as this is the fourth interim financial report of the Company for the first quarter ended 31 August 2024 announced in compliance with the Listing Requirements of Bursa Securities.

B2. Comparison with immediate preceding quarter's results

On a quarter-on-quarter basis, the Group recorded a revenue of RM43.00 million, which is 8.02% lower when compared to its immediate preceding quarter of RM46.75 million. The overall reduction in revenue was mainly derived from the decrease of revenue contributed from both Malaysia and Singapore.

In line with the above, the Group recorded a lower profit before taxation of RM19.00 million in the current financial quarter ended 31 August 2024, representing a reduction of RM0.42 million or 2.16% as compared to RM19.42 million in the immediate preceding quarter ended 31 May 2024.

B3. Prospects

Our Group's strategies are to continue with our existing business and leverage on our core competency in IVF to expand our business both locally and regionally by implementing the following:

- (i) To continue expanding our specialist services in Malaysia, China and South East Asia.
- (ii) To expand and upgrade existing specialist centres and facilities.

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

B3. Prospects (Cont'd)

- (iii) To carry out marketing activities to promote our services while at the same time, increase the market awareness of our Group and generate sales leads for our business in Malaysia and foreign markets.
- (iv) To expand our research & development (“R&D”) including expansion of R&D team to keep up to date with the latest development in assisted reproductive services to support the growth of the Group’s business.

The Group believes that its prospects in the assisted reproductive service industry are favourable in view of our competitive strengths as set out in Section 7.3 of the Prospectus, the Group’s business strategies as set out above as well the industry overview as set out in Section 8 of the Prospectus.

B4. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee in any public document in respect of the interim financial reporting period under review.

B5. Status of corporate proposals

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

B6. Income tax expense

	<u>CURRENT QUARTER ENDED</u>		<u>CUMULATIVE PERIOD ENDED</u>	
	31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000	31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000
Income tax expense				
- Current year	4,059	N/A	4,059	N/A
Deferred tax expense				
- Current year	(2)	N/A	(2)	N/A
	<u>4,057</u>	<u>N/A</u>	<u>4,057</u>	<u>N/A</u>
Effective tax rate (%)	21%	N/A	21%	N/A

Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and period-to-date as this is the fourth interim financial report of the Company for the first quarter ended 31 August 2024 announced in compliance with the Listing Requirements of Bursa Securities.

N/A - Not applicable

The Group’s effective tax rate for the current quarter and period-to-date ended 31 August 2024 is lower than the statutory tax rate of 24% mainly due to differential in tax rates of a foreign subsidiary.

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

B7. Utilisation of Proceeds from the IPO

The gross proceeds raised from the Public Issue is RM116.64 million and the status of the utilisation of proceeds as at 31 August 2024 is as follows:

Details of utilisation ⁽¹⁾	Initial	After variations ⁽²⁾	Utilised as at 31 August 2024	Unutilised IPO Proceeds	Timeframe for utilisation
	RM'000	RM'000	RM'000	RM'000	
Establishing new medical centres, satellite clinics and sales representative offices as follows:-					
(a) Two (2) specialist centres in Malaysia	32,000	21,400	-	21,400	
(b) Two (2) specialist centres in Indonesia	17,100	17,100	-	17,100	
(c) Four (4) satellite clinics in Indonesia	7,000	6,200	(29)	6,171	
(d) One (1) specialist centre in Laos / Cambodia	13,900	-	-	-	
(e) Two (2) sales representative offices in China	2,800	2,400	(348)	2,052	Within 36 months from the listing date
Expansion and upgrade of existing medical centres, facilities and corporate office	15,700	13,670	(20)	13,650	Within 36 months from the listing date
Establishment / acquisition of medical centres, satellite clinics and sales representative offices in Asia including, but not limited to, Malaysia, Indonesia, Philippines and China	-	27,500	(20)	27,480	Within 36 months from 21 August 2024
Research and development	2,200	2,200	(178)	2,022	Within 36 months from the listing date
General working capital	17,140	17,370	(6,472)	10,898	Within 36 months from the listing date
General corporate purposes	2,600	2,600	(115)	2,485	Within 36 months from the listing date
Defraying the listing expenses	6,200	6,200	(6,194) ⁽³⁾	6	Within 1 month from the listing date
Total	116,640	116,640	(13,376)	103,264	

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

B7. Utilisation of Proceeds from the IPO (Cont'd)

Notes:

- (1) The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus dated 1 March 2024 in relation to its IPO and the announcement on variations of utilisation of IPO proceeds dated 21 August 2024.
- (2) The Company had varied the utilisation of IPO Proceeds to reallocate a total of RM27.73 million or approximately 23.77% for (i) establishing new medical centres, satellite clinics and sales representative offices and (ii) expansion and upgrade of existing medical centres, facilities and corporate office to (i) establishment / acquisition of medical centres, satellite clinics and sales representative offices in Asia including, but not limited to, Malaysia, Indonesia, Philippines and China as well as (ii) general working capital.
- (3) The listing expenses of RM5.89 million have been fully paid and the balance of RM308,000 will be used as working capital of the Group. As of 31 August 2024, the Company had utilised RM302,000 from the RM308,000 for working capital purpose.

B8. Group Borrowings and Debt Securities

There were no group borrowings and debt securities as at 31 August 2024 and 31 May 2024.

B9. Material Litigation

There was no material litigation involving the Group as at 31 August 2024.

B10. Dividend Proposed or Declared

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

B11. Earnings per share

The basic earnings per share ("EPS") is 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:

	<u>CURRENT QUARTER ENDED</u>		<u>CUMULATIVE PERIOD ENDED</u>	
	31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000	31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000
Profit attributable to Owners of the Company (RM'000)	14,381	N/A	14,381	N/A
Weighted average number of ordinary shares (RM'000)	4,860,000	N/A	4,860,000	N/A
Basic/ Diluted EPS (sen) ⁽²⁾	0.30	N/A	0.30	N/A

Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and period-to-date as this is the fourth interim financial report of the Company for the first quarter ended 31 August 2024 announced in compliance with the Listing Requirements of Bursa Securities.

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

B11. Earnings per share (Cont'd)

- (2) Basic/Diluted EPS is calculated based on the Company's number of 4,860,000,000 ordinary shares after the Company was listed on ACE Market of Bursa Securities on 22 March 2024. 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 financial quarter and financial period under review.

N/A – Not applicable

B12. Notes to the Condensed Statement of Profit or Loss and Other Comprehensive Income

	<u>CURRENT QUARTER ENDED</u>		<u>CUMULATIVE PERIOD ENDED</u>	
	31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000	31.8.2024 RM'000	31.8.2023 ⁽¹⁾ RM'000
Profit before taxation is arrived at after charging/(crediting):				
Depreciation of equipment	600	N/A	600	N/A
Depreciation of right-of-use assets	692	N/A	692	N/A
Finance income	(1,524)	N/A	(1,524)	N/A
Finance costs	256	N/A	256	N/A
Loss on disposal of equipment	#	N/A	#	N/A
Realised loss in foreign exchange	17	N/A	17	N/A

Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and period-to-date as this is the fourth interim financial report of the Company for the first quarter ended 31 August 2024 announced in compliance with the Listing Requirements of Bursa Securities.

– Less than RM1,000.

N/A – Not applicable

B13. Approval of Interim Financial Report

The interim financial report as set out above was authorised for issuance by the Board of Directors on 21 October 2024.