



ALPHA IVF GROUP BERHAD

Registration No. 202101005100 (1405399-X)

**ALPHA IVF GROUP BERHAD
AND ITS SUBSIDIARIES**

**CONDENSED CONSOLIDATED
INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED
28 FEBRUARY 2025**

AmlInvestment Bank Berhad ("**AmlInvestment Bank**"), being the Sponsor, was responsible for the admission of Alpha IVF Group Berhad to the ACE Market of Bursa Malaysia Securities Berhad on 22 March 2024. AmlInvestment Bank assumes no responsibility for the contents of the unaudited interim financial report for the third quarter ended 28 February 2025.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2025**

	Note	CURRENT QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		28.2.2025 RM'000	29.2.2024 RM'000	28.2.2025 RM'000	29.2.2024 RM'000
Revenue	A9	40,596	40,703	126,835	120,841
Cost of sales		(16,062)	(17,072)	(50,315)	(51,435)
Gross profit		24,534	23,631	76,520	69,406
Other income		1,561	647	4,820	1,672
Administrative expenses		(9,558)	(5,419)	(24,121)	(15,149)
Other expenses		(733)	(657)	(1,755)	(2,720)
Finance costs		(223)	(190)	(697)	(613)
Profit before taxation ("PBT")	B12	15,581	18,012	54,767	52,596
Income tax expense	B6	(3,491)	(4,240)	(12,455)	(12,843)
Profit after taxation ("PAT")		12,090	13,772	42,312	39,753
Other comprehensive income					
<u>Item that will be reclassified subsequently to profit or loss</u>					
Foreign currency translation differences		(80)	60	(514)	157
Total comprehensive income		12,010	13,832	41,798	39,910
Profit after taxation attributable to:					
Owners of the Company		11,905	13,588	41,386	38,924
Non-controlling interests		185	184	926	829
		12,090	13,772	42,312	39,753
Total comprehensive income attributable to:					
Owners of the Company		11,827	13,634	40,965	39,044
Non-controlling interests		183	198	833	866
		12,010	13,832	41,798	39,910
Earnings per share attributable to Owners of the Company					
Basic/Diluted (sen) ⁽¹⁾	B11	0.24	0.30	0.85	0.87

Note:

(1) The basic and diluted earnings per share of the Company are computed based on PAT attributable to the Owners of the Company divided by the number of ordinary shares of the Company referred to in Note B11. 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.

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 May 2024 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2025

	Unaudited	Audited
	As at	As at
	28.2.2025	31.5.2024
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Equipment	10,696	9,121
Right-of-use assets	13,976	14,944
Other investments	30,605	30,758
Goodwill	8,931	8,931
Deferred tax assets	1,978	1,977
	66,186	65,731
Current Assets		
Inventories	3,291	2,935
Trade receivables	1,342	966
Other receivables, deposits and prepayments	9,391	7,312
Short-term investments	105,069	128,416
Cash and bank balances	36,587	22,906
	155,680	162,535
TOTAL ASSETS	221,866	228,266
EQUITY AND LIABILITIES		
Share capital	119,753	119,753
Retained profits	39,906	44,618
Reorganisation reserve	22,499	22,499
Foreign exchange translation reserve	143	564
Equity attributable to Owners of the Company	182,301	187,434
Non-controlling interests	5,074	2,346
Total Equity	187,375	189,780
Non-Current Liabilities		
Lease liabilities	12,971	13,394
Provision for restoration costs	1,095	1,091
	14,066	14,485
Current Liabilities		
Trade payables	1,923	2,518
Other payables and accruals	4,135	6,595
Contract liabilities	7,393	6,777
Lease liabilities	2,215	2,686
Current tax liabilities	4,759	5,425
	20,425	24,001
Total Liabilities	34,491	38,486
TOTAL EQUITY AND LIABILITIES	221,866	228,266
Net assets per ordinary share attributable to Owners of the Company (RM)	0.04	0.04

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 May 2024 and the accompanying explanatory notes attached to this interim financial report.

ALPHA IVF GROUP BERHAD

Registration No.: 202101005100 (1405399-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2025**

	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	-	-	-	41,386	41,386	926	42,312
Other comprehensive income for the financial period:							
- Foreign currency translation differences	-	-	(421)	-	(421)	(93)	(514)
Total comprehensive income for the financial period	-	-	(421)	41,386	40,965	833	41,798
Ordinary share capital contributed by non-controlling interests	-	-	-	-	-	1,967	1,967
Effect from increase in equity interest in a subsidiary	-	-	-	72	72	(72)	-
Dividends:							
- by the Company	-	-	-	(46,170)	(46,170)	-	(46,170)
As at 28 February 2025	119,753	22,499	143	39,906	182,301	5,074	187,375

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 May 2024 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2025**

	<u>Period Ended</u> 28.2.2025 RM'000	<u>Period Ended</u> 29.2.2024 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	54,767	52,596
Adjustments for:		
Depreciation of equipment	1,838	2,974
Depreciation of right-of-use assets	2,252	2,129
Interest expense	697	613
Equipment written off	-	4
(Gain)/Loss on disposal of equipment	(60)	#
Interest income	(4,302)	(1,413)
Operating profit before working capital changes	<u>55,192</u>	<u>56,903</u>
Changes in working capital:		
Inventories	(374)	87
Trade and other receivables	(2,556)	(4,810)
Trade and other payables	(2,981)	640
Contract liabilities	645	482
CASH FROM OPERATIONS	<u>49,926</u>	<u>53,302</u>
Income tax paid	(13,058)	(12,087)
NET CASH FROM OPERATING ACTIVITIES	<u>36,868</u>	<u>41,215</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of equipment	70	#
Interest income	4,302	1,413
Purchase of equipment	(3,548)	(7,358)
NET CASH FROM/(FOR) INVESTING ACTIVITIES	<u>824</u>	<u>(5,945)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid by the Company	(46,170)	(31,379)
Dividend paid by a subsidiary to non-controlling interests	-	(1,762)
Proceeds from issuance of share capital to non-controlling interests of a subsidiary	1,967	-
Interest paid	(523)	(580)
Repayment of term loans	-	(4,349)
Repayment of lease liabilities	(2,354)	(1,674)
Repayment to director	-	(49)
NET CASH FOR FINANCING ACTIVITIES	<u>(47,080)</u>	<u>(39,793)</u>
Net decrease in cash and cash equivalents	(9,388)	(4,523)
Effect of foreign exchange translation	(278)	141
Cash and cash equivalents at beginning of the financial period	<u>151,322</u>	<u>55,582</u>
Cash and cash equivalents at end of the financial period	<u>141,656</u>	<u>51,200</u>
Note:		
<u>Cash and cash equivalents comprise of the following:</u>		
Short-term investments	105,069	32,105
Cash and bank balances	36,587	19,095
	<u>141,656</u>	<u>51,200</u>

– Less than RM1,000.

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 May 2024 and the accompanying explanatory notes attached to this interim financial report.

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2025

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 Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 May 2024 as disclosed in the Annual Report 2024 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 most recent audited annual financial statements for the year ended 31 May 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 28 February 2025:

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

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2025 (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 31 July 2024.

The Company declared and paid a first single-tier interim dividend of 0.50 sen per ordinary share on 4,860,000,000 shares in respect of the financial year ending 31 May 2025 amounting to RM24,300,000 on 31 December 2024, to shareholders whose names appeared in the Company's Register of Members and/or record of depositors on 18 December 2024.

The total dividends of RM46,170,000 declared and paid is accounted for in equity as an appropriation of retained profits for the financial year ending 31 May 2025.

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2025 (CONT'D)

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.

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>	
	28.2.2025	29.2.2024	28.2.2025	29.2.2024
	RM'000	RM'000	RM'000	RM'000
Revenue				
- Malaysia	37,330	33,401	110,710	97,503
- Singapore	3,266	7,302	16,125	23,338
	<u>40,596</u>	<u>40,703</u>	<u>126,835</u>	<u>120,841</u>

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

There are no material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

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) Increase of Issued and Paid-Up Capital of Alpha International Women's Specialists (Sabah) Sdn Bhd ("AIWSB")

On 22 January 2025, 28 February 2025 and 4 April 2025, AIWSB, a wholly-owned subsidiary of the Company, increased its issued and paid-up capital from RM100 to RM200 by way of issuance of 100 new ordinary shares, from RM200 to RM1,000,000 by way of issuance of 999,800 new ordinary shares and from RM1,000,000 to RM2,100,000 by way of issuance of 1,100,000 new ordinary shares each respectively. The Company subscribed for the additional 2,099,900 new ordinary shares at RM1 each.

(b) Increase of Issued and Paid-Up Capital of Alpha IVF Systems Sdn Bhd ("AIS")

On 23 January 2025 and 7 February 2025, AIS, a wholly-owned subsidiary of the Company, increased its issued and paid-up capital from RM13,700,000 to RM17,700,000 by way of issuance of 4,000,000 new ordinary shares and from RM17,700,000 to RM22,700,000 by way of issuance of

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2025 (CONT'D)

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

(b) Increase of Issued and Paid-Up Capital of Alpha IVF Systems Sdn Bhd ("AIS") (Cont'd)

5,000,000 new ordinary shares each respectively. The Company subscribed for the additional 9,000,000 new ordinary shares at RM1 each.

(c) Subscription of Shares in Alpha International (Guangzhou) Medical Consulting Limited ("AIGMC")

On 12 February 2025, Alpha IVF International (China) Sdn Bhd ("AIIC") have subscribed 566,039 new ordinary shares at Chinese Yuan ("CNY") 1 (approximately RM348,777 @ Bank Negara Malaysia rate 0.6162). An issued and paid-up capital of CNY566,039 (approximately RM348,777) comprising of 566,039 shares have been injected in AIGMC.

(d) Increase of Issued and Paid-Up Capital of Alhaya International Women's Specialists Sdn Bhd ("Alhaya")

On 17 February 2025, Alhaya, an indirect subsidiary of the Company, increased its issued and paid-up capital from RM2,501,383 to RM6,801,383 by way of rights issue. Alpha International Women's Specialists Sdn Bhd ("AIWS"), a wholly-owned subsidiary of the Company, have subscribed 233,297,837 new ordinary shares at RM0.01 per ordinary share in Alhaya for a total consideration of RM2,332,978, pursuant to the rights issue of 430,000,000 equity shares at an issue price of RM0.01 per share. Consequently, AIWS's equity interest in Alhaya increased from 51.00% to 54.13%.

(e) Increase of Issued and Paid-Up Capital of Alpha International Women's Specialists (Johor) Sdn Bhd ("AIWS Johor")

On 26 February 2025, AIWS Johor, a wholly-owned subsidiary of the Company, increased its issued and paid-up capital from RM100 to RM201,000 by way of issuance of 200,900 new ordinary shares. The Company subscribed for the additional 200,900 new ordinary shares at RM1 each.

(f) Incorporation of PT Alpha IVF Dan SPOG Jakarta ("ASPOJA")

On 27 March 2025, AIS and AIWS have incorporated a subsidiary, ASPOJA with an issued and paid-up capital of Indonesian Rupiah ("Rp") 20,000,000,000 (approximately RM5,360,000 @ Bank Negara Malaysia rate 0.000268) comprising of 2,000,000 shares. AIS and AIWS will subscribe 1,980,000 and 20,000 new ordinary shares at par value of Rp10,000 (approximately RM2.68) each respectively. The principal activity of ASPOJA 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 THIRD QUARTER ENDED 28 FEBRUARY 2025 (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.

	28.2.2025	31.5.2024
	RM'000	RM'000
Purchase of equipment	<u>6,788</u>	<u>271</u>

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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	
		28.2.2025 RM'000	29.2.2024 RM'000	28.2.2025 RM'000	29.2.2024 RM'000
<u>Significant transactions with Directors of the Company</u>					
(i) Alpha KL and Dato' Dr. Lee Soon Soo ("DDLSS")	Consultancy services provided by DDLSS	(279)	(389)	(926)	(1,424)
(ii) Genesis and Dr. Ng Peng Wah ("DNPW")	Consultancy services provided by DNPW	(637)	(694)	(2,061)	(2,145)
<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	(66)	(85)	(157)	(277)
(iv) Alhaya and Dr. Haris	Consultancy services provided by Dr. Haris	(61)	-	(185)	-
<u>Significant transactions with Related Parties</u>					
(v) Alpha Singapore and Dr. Tan Heng Hao ("Dr. Tan")	Consultancy services provided by Dr. Tan	(35)	(1,736)	(3,054)	(5,621)
(vi) Alpha Singapore and Dr. Tan	Administrative fee income charged to Dr. Tan	-	16	43	52
(vii) Alpha KL and Baby Xort Sdn Bhd ("Baby Xort")	Sperm sorting services provided by Baby Xort	(150)	(173)	(452)	(457)
(viii) Alhaya and Baby Xort Sdn Bhd ("Baby Xort")	Sperm sorting services provided by Baby Xort	(7)	-	(7)	-

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

**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

The Group recorded a revenue of RM40.60 million for the current financial quarter ended 28 February 2025 which represented a decrease of RM0.10 million or 0.25% as compared to the recorded revenue of RM40.70 million for the preceding year corresponding quarter ended 29 February 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 PBT of RM15.58 million and PAT of RM12.09 million respectively for the current financial quarter compared to PBT of RM18.01 million and PAT of RM13.77 million respectively for the preceding year corresponding quarter ended 29 February 2024. The decrease in PBT and PAT were primarily due to lower contributions from Singapore operations and initial costs related to ongoing expansion initiatives in current financial quarter ended 28 February 2025.

(b) Results for financial period-to-date

The Group recorded a revenue of RM126.84 million for the current financial period-to-date ended 28 February 2025 which represented an increase of RM6.0 million or 4.97% from RM120.84 million as compared to the preceding corresponding period-to-date ended 29 February 2024 mainly due to higher sales revenue from foreign patients. The Group's revenue was principally derived from the provision of assisted reproductive services focusing on IVF treatments.

The Group recognised a PBT of RM54.77 million and PAT of RM42.31 million respectively for the current financial period-to-date, representing an increase of RM2.17 million in PBT and RM2.56 million in PAT respectively as compared to the preceding corresponding period-to-date ended 29 February 2024.

B2. Comparison with immediate preceding quarter's results

On a quarter-on-quarter basis, the Group recorded a revenue of RM40.60 million, which is 6.11% lower when compared to its immediate preceding quarter of RM43.24 million. The lower revenue was attributed to the lower sales from the provision of assisted reproductive services focusing on IVF treatments.

The Group recorded a lower PBT of RM15.58 million in the current financial quarter ended 28 February 2025, representing a decrease of RM4.61 million or 22.83% as compared to RM20.19 million in the immediate preceding quarter ended 30 November 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 MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Prospects (Cont'd)

As at the current quarter, our business growth and expansion plans are on track.

To-date, the Group has 4 full-fledged IVF centres in Malaysia and Singapore, and two (2) sales and representative offices in China. For the next twelve (12) months, we expect two (2) additional IVF centres in Malaysia, two (2) IVF centres in South East Asia and four (4) satellite clinics in Indonesia will be operational.

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

There were no corporate proposals announced but not completed as at the date of this interim financial report.

B6. Income tax expense

	CURRENT QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	28.2.2025	29.2.2024	28.2.2025	29.2.2024
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
- Current year	3,874	4,532	12,840	13,111
- Prior year	(383)	(276)	(383)	(262)
Deferred tax expense				
- Current year	#	(16)	(2)	(99)
- Prior year	-	-	-	93
	<u>3,491</u>	<u>4,240</u>	<u>12,455</u>	<u>12,843</u>
Effective tax rate (%)	22%	24%	23%	24%

Note:

– Less than RM1,000.

The Group's effective tax rate for the current quarter and period-to-date ended 28 February 2025 is lower than the statutory tax rate of 24% mainly due to overprovision of tax expenses in prior year and utilisation of unabsorbed tax losses of a subsidiary.

**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 raised from the Public Issue is RM116.64 million and the status of the utilisation of proceeds as at 28 February 2025 is as follows:

Details of utilisation ⁽¹⁾	Initial	After variations ⁽²⁾	Utilised as at 28 February 2025	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	(136)	21,264	
(b) Two (2) specialist centres in Indonesia	17,100	17,100	-	17,100	
(c) Four (4) satellite clinics in Indonesia	7,000	6,200	(1,725)	4,475	
(d) One (1) specialist centre in Laos / Cambodia	13,900	-	-	-	
(e) Two (2) sales representative offices in China	2,800	2,400	(905)	1,495	Within 36 months from the listing date
Expansion and upgrade of existing medical centres, facilities and corporate office	15,700	13,670	(1,983)	11,687	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	(900)	26,600	Within 36 months from 21 August 2024
Research and development	2,200	2,200	(296)	1,904	Within 36 months from the listing date
General working capital	17,140	17,370	(7,127)	10,243	Within 36 months from the listing date
General corporate purposes	2,600	2,600	(620)	1,980	Within 36 months from the listing date
Defraying the listing expenses	6,200	6,200	(6,200) ⁽³⁾	-	Within 1 month from the listing date
Total	116,640	116,640	(19,892)	96,748	

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 (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 RM0.31 million will be used as working capital of the Group. The Company has since fully utilised the RM0.31 million for working capital purpose.

B8. Group Borrowings and Debt Securities

There were no group borrowings and debt securities as at 28 February 2025 and 31 May 2024.

B9. Material Litigation

There was no material litigation involving the Group as at 28 February 2025.

B10. Dividend Proposed or Declared

Save as disclosed in item A8, there were no other dividend has been proposed, declared as at the date of this report.

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>	
	28.2.2025	29.2.2024	28.2.2025	29.2.2024
Profit attributable to Owners of the Company (RM'000)	<u>11,905</u>	<u>13,588</u>	<u>41,386</u>	<u>38,924</u>
Weighted average number of ordinary shares ('000)	<u>4,860,000</u>	<u>4,495,500</u>	<u>4,860,000</u>	<u>4,495,500</u>
Basic/Diluted EPS (sen)	<u>0.24</u>	<u>0.30</u>	<u>0.85</u>	<u>0.87</u>

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

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

	CURRENT QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	28.2.2025 RM'000	29.2.2024 RM'000	28.2.2025 RM'000	29.2.2024 RM'000
Profit before taxation is arrived at after charging/(crediting):				
Depreciation of equipment	622	657	1,838	2,974
Depreciation of right-of-use assets	884	729	2,252	2,129
Finance income	(1,353)	(487)	(4,302)	(1,413)
Finance costs	223	190	697	613
Equipment written off	-	3	-	4
(Gain)/Loss on disposal of equipment	(61)	#	(60)	#
Realised (gain)/loss in foreign exchange	(39)	10	(37)	32

Note:

– Less than RM1,000.

B13. Approval of Interim Financial Report

The interim financial report as set out above was authorised for issuance by the Board of Directors on 22 April 2025.