



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

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED  
31 MAY 2018**

**Contact**

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**TMC LIFE SCIENCES BERHAD (624409-A)**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2018**

|   | Individual Quarter      |                           | 9 months ended          |   |
|---|-------------------------|---------------------------|-------------------------|---|
|   | Current Year<br>Quarter | Preceding Year<br>Quarter | Current Year<br>To Date | Preceding Year<br>Corresponding<br>Period |
|   | 31/05/2018<br>RM'000    | 31/05/2017<br>RM'000      | 31/05/2018<br>RM'000    | 31/05/2017<br>RM'000                      |
| Revenue   | 44,406                  | 40,694                    | 125,845                 | 112,405                                   |
| Cost of sales   | (14,995)                | (13,795)                  | (41,752)                | (38,479)                                  |
| Gross profit  | 29,411                  | 26,899                    | 84,093                  | 73,926                                    |
| Other operating income  | 163                     | 193                       | 807                     | 704                                       |
| Operating expenses  | (20,378)                | (17,782)                  | (58,672)                | (51,514)                                  |
| Profit from operations  | 9,196                   | 9,310                     | 26,228                  | 23,116                                    |
| Depreciation and amortisation   | (3,231)                 | (3,095)                   | (9,444)                 | (8,324)                                   |
| Interest income   | 2,054                   | 1,822                     | 6,006                   | 5,663                                     |
| Finance costs   | (22)                    | (22)                      | (66)                    | (63)                                      |
| <b>Profit before taxation</b>   | 7,997                   | 8,015                     | 22,724                  | 20,392                                    |
| Taxation  | (2,370)                 | (2,060)                   | (6,008)                 | (5,454)                                   |
| <b>Profit after taxation</b>  | 5,627                   | 5,955                     | 16,716                  | 14,938                                    |
| <b>Other comprehensive income, net of tax :-</b>                                    |                         |                           |                         |   |
| Foreign currency translations   | (1)                     | 2                         | 14                      | (40)                                      |
| <b>Total comprehensive income for the period</b>                                    | 5,626                   | 5,957                     | 16,730                  | 14,898                                    |
| <b>Profit attributable to :-</b>  |                         |                           |                         |   |
| Owners of the parent  | 5,627                   | 5,955                     | 16,716                  | 14,938                                    |
| Non-controlling interest  | -                       | -                         | -                       | -   |
|   | 5,627                   | 5,955                     | 16,716                  | 14,938                                    |
| <b>Total comprehensive income attributable to :-</b>                                |                         |                           |                         |   |
| Owners of the parent  | 5,626                   | 5,957                     | 16,730                  | 14,898                                    |
| Non-controlling interest  | -                       | -                         | -                       | -   |
|   | 5,626                   | 5,957                     | 16,730                  | 14,898                                    |
| <b>Profit per ordinary share attributable<br/>to the owners of the parent (sen)</b> |                         |                           |                         |   |
| Basic   | 0.32                    | 0.34                      | 0.96                    | 0.86                                      |
| Diluted   | 0.31                    | 0.31                      | 0.93                    | 0.78                                      |

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

**TMC LIFE SCIENCES BERHAD (624409-A)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2018**

|   | Attributable to owners of the parent |                            |                               |  |                                       |                                | Total<br>attributable<br>to owners<br>of the<br>parent<br>RM'000 | Non-<br>controlling<br>interest<br>RM'000 | Total<br>equity<br>RM'000 |
|---|--------------------------------------|----------------------------|-------------------------------|--|---------------------------------------|--------------------------------|--|---|---------------------------|
|   | Non-distributable                    |                            |                               |  |                                       | Distributable                  |  |   |                           |
|   | Share<br>capital<br>RM'000           | Share<br>premium<br>RM'000 | Warrants<br>reserve<br>RM'000 | Foreign<br>exchange<br>translation<br>RM'000 | Share<br>options<br>reserve<br>RM'000 | Retained<br>earnings<br>RM'000 |  |   |                           |
| <b>Balance at 1 September 2017</b>                    | 621,699                              | -                          | 46,960                        | 5  | 2,491                                 | 43,269                         | 714,424  | -   | 714,424                   |
| <b>Total comprehensive income</b>                     | -                                    | -                          | -                             | 14   | -                                     | 16,716                         | 16,730   | -   | 16,730                    |
| <b>Transactions with owners</b>                       |                                      |                            |                               |  |                                       |                                |  |   |                           |
| Ordinary shares issued                                |                                      |                            |                               |  |                                       |                                |  |   |                           |
| - ESOS  | 213                                  | -                          | -                             | -  | (30)                                  | -                              | 183  | -   | 183                       |
| Share options granted under ESOS                      | -                                    | -                          | -                             | -  | 535                                   | -                              | 535  | -   | 535                       |
| Dividend paid   | -                                    | -                          | -                             | -  | -                                     | (2,900)                        | (2,900)  | -   | (2,900)                   |
| <b>Total transactions with owners</b>                 | 213                                  | -                          | -                             | -  | 505                                   | (2,900)                        | (2,182)  | -   | (2,182)                   |
| <b>Balance at 31 May 2018</b>                         | 621,912                              | -                          | 46,960                        | 19   | 2,996                                 | 57,085                         | 728,972  | -   | 728,972                   |
| <b>Balance at 1 September 2016</b>                    | 173,290                              | 445,441                    | 46,960                        | 39   | 1,689                                 | 19,908                         | 687,327  | -   | 687,327                   |
| <b>Total comprehensive income</b>                     | -                                    | -                          | -                             | (34)   | -                                     | 26,034                         | 26,000   | -   | 26,000                    |
| <b>Transactions with owners</b>                       |                                      |                            |                               |  |                                       |                                |  |   |                           |
| Ordinary shares issued                                |                                      |                            |                               |  |                                       |                                |  |   |                           |
| - ESOS  | 821                                  | 2,085                      | -                             | -  | (488)                                 | -                              | 2,418  | -   | 2,418                     |
| - Warrant   | 15                                   | 47                         | -                             | -  | -                                     | -                              | 62   | -   | 62                        |
| Share options granted under ESOS                      | -                                    | -                          | -                             | -  | 1,290                                 | -                              | 1,290  | -   | 1,290                     |
| Dividend paid   | -                                    | -                          | -                             | -  | -                                     | (2,673)                        | (2,673)  | -   | (2,673)                   |
| <b>Total transactions with owners</b>                 | 836                                  | 2,132                      | -                             | -  | 802                                   | (2,673)                        | 1,097  | -   | 1,097                     |
| Effect of implementation of the<br>Companies Act 2016 | 447,573                              | (447,573)                  | -                             | -  | -                                     | -                              | -  | -   | -                         |
| <b>Balance at 31 August 2017</b>                      | 621,699                              | -                          | 46,960                        | 5  | 2,491                                 | 43,269                         | 714,424  | -   | 714,424                   |

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 August 2017 and the accompanying explanatory notes attached to the interim financial statements.

**TMC LIFE SCIENCES BERHAD (624409-A)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MAY 2018**

|  | As At<br>31/05/2018<br>Unaudited<br>RM'000 | As At<br>31/08/2017<br>Audited<br>RM'000 |
|--|--|--|
| <b>Non-current assets</b>                          |  |  |
| Property, plant and equipment                      | 337,576                                    | 326,361                                  |
| Intangible assets                                  | 195,260                                    | 194,410                                  |
| Total non-current assets                           | 532,836                                    | 520,771                                  |
| <b>Current assets</b>                              |  |  |
| Inventories  | 9,983                                      | 8,247                                    |
| Trade and other receivables                        | 32,403                                     | 33,463                                   |
| Tax recoverable                                    | 3,756                                      | 52                                       |
| Cash and bank balances                             | 208,083                                    | 206,989                                  |
| Total current assets                               | 254,225                                    | 248,751                                  |
| <b>TOTAL ASSETS</b>                                | <b>787,061</b>                             | <b>769,522</b>                           |
| <b>Equity attributable to owners of the parent</b> |  |  |
| Share capital                                      | 621,912                                    | 621,699                                  |
| Retained earnings                                  | 57,085                                     | 43,269                                   |
| Reserves   | 49,975                                     | 49,456                                   |
|  | 728,972                                    | 714,424                                  |
| <b>Non-controlling interest</b>                    | -  | -  |
| <b>TOTAL EQUITY</b>                                | <b>728,972</b>                             | <b>714,424</b>                           |
| <b>Non-current liabilities</b>                     |  |  |
| Borrowings   | 1,649                                      | 1,709                                    |
| Deferred tax liabilities                           | 12,613                                     | 10,636                                   |
| Total non-current liabilities                      | 14,262                                     | 12,345                                   |
| <b>Current liabilities</b>                         |  |  |
| Trade and other payables                           | 40,790                                     | 42,603                                   |
| Borrowings   | 91   | 93                                       |
| Income tax payable                                 | 2,946                                      | 57                                       |
| Total current liabilities                          | 43,827                                     | 42,753                                   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                | <b>787,061</b>                             | <b>769,522</b>                           |
| Net assets per share (RM)                          | 0.42                                       | 0.41                                     |

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 August 2017 and the accompanying explanatory notes attached to the interim financial statements.

**TMC LIFE SCIENCES BERHAD (624409-A)**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2018**

|  | Current Year<br>To Date<br>31/05/2018<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>31/05/2017<br>RM'000 |
|--|---|---|
| <b>Cash flows from operating activities</b>  |   |   |
| Profit before tax  | 22,724  | 20,392  |
| Adjustments for :-   |   |   |
| Non-cash items   | 10,322  | 9,908   |
| Interest paid  | 66  | 63  |
| Interest income  | (6,006)   | (5,663)   |
| Operating profit before changes in working capital   | 27,106  | 24,700  |
| Changes in working capital   |   |   |
| Net change in current assets   | (1,165)   | (1,459)   |
| Net change in current liabilities  | (1,644)   | (8,122)   |
| Cash generated from operations   | 24,297  | 15,119  |
| Interest paid  | (66)  | (63)  |
| Net income tax paid  | (4,847)   | (1,757)   |
| <b>Net cash flows from operating activities</b>  | 19,384  | 13,299  |
| <b>Cash flows from investing activities</b>  |   |   |
| Acquisition of property, plant and equipment   | (21,564)  | (21,783)  |
| Proceeds from disposal of property, plant and equipment  | 5   | -   |
| Deposits (placed with)/withdrawn from financial institutions<br>with original maturity of more than three (3) months | (14,176)  | 43,137  |
| Placement of deposits pledged with a licensed bank   | 4   | 5   |
| Interest received  | 6,006   | 5,663   |
| <b>Net cash flows (used in)/from investing activities</b>  | (29,725)  | 27,022  |
| <b>Cash flows from financing activities</b>  |   |   |
| Proceeds from issuance of ordinary shares pursuant to:   |   |   |
| - Warrants exercised   | -   | 62  |
| - ESOS   | 183   | 2,093   |
| Dividend paid  | (2,900)   | (2,673)   |
| Repayment of term loans  | (45)  | (49)  |
| Repayment of hire purchase   | (16)  | (16)  |
| <b>Net cash flows used in financing activities</b>   | (2,778)   | (583)   |
| <b>Net (decrease)/increase in cash &amp; cash equivalents</b>  | (13,119)  | 39,738  |
| <b>Cash &amp; cash equivalents at beginning of the financial year</b>  | 58,828  | 49,871  |
| <b>Exchange rate effects</b>   | 41  | (62)  |
| <b>Cash &amp; cash equivalents at end of the financial year</b>  | 45,750  | 89,547  |
| <b>Cash &amp; cash equivalents at end of the financial year</b>  |   |   |
| Short term deposits (not more than 3 months)   | 30,693  | 70,098  |
| Cash and bank balances   | 15,563  | 19,955  |
|  | 46,256  | 90,053  |
| Less: Deposits pledged to a licensed bank  | (506)   | (506)   |
|  | 45,750  | 89,547  |

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

**TMC LIFE SCIENCES BERHAD (624409-A)**

(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2018**

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

**A1 BASIS OF PREPARATION**

The interim financial report is not 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 the Group for the financial year ended 31 August 2017. 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 year ended 31 August 2017, and changes in financial performance since the preceeding year corresponding period, following the change of financial year end.

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 year ended 31 August 2017.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the Group's accounting period beginning 1 September 2017.

The adoption and application of the amendments to MFRSs and IC Interpretations are not expected to have any significant financial impact to the financial statements of the Group.

**A2 SEASONALITY OR CYCLICALITY OF OPERATIONS**

The Group business is generally affected by festive and holiday periods where lower patient load is expected.

**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 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 DIVIDENDS PAID**

During the financial period ended 31 May 2018, the Company paid the final single tier dividend of 0.167 sen per ordinary share on 1,736,450,269 ordinary shares, amounting RM2,899,868 in respect of the financial year ended 31 August 2017.

**TMC LIFE SCIENCES BERHAD (624409-A)**

(Incorporated in Malaysia)

**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 were no material event subsequent to 31 May 2018 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**

There were no changes in the composition of the Group during the current quarter under review.

**A10 CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

## (a) Financial guarantees

|  | 31/05/2018          | 31/08/2017          |
|--|---------------------|---------------------|
|  | RM'000              | RM'000              |
| Unsecured  |                     |                     |
| Corporate guarantee given to licensed bank for banking facility granted to a subsidiary of the Company | 1,699               | 1,744               |
| Letter of guarantee given to suppliers   | <u>2,993</u>        | <u>2,638</u>        |
|  | <u><u>4,692</u></u> | <u><u>4,382</u></u> |

**A11 CAPITAL COMMITMENTS**

The amount of commitments for capital expenditure as at 31 May 2018 is as follows:

|                                 | 31/05/2018            | 31/08/2017           |
|---------------------------------|-----------------------|----------------------|
|                                 | RM'000                | RM'000               |
| Approved and contracted for     | 271,729               | 37,078               |
| Approved but not contracted for | <u>217</u>            | <u>1,370</u>         |
|                                 | <u><u>271,946</u></u> | <u><u>38,448</u></u> |

**A12 SIGNIFICANT RELATED PARTY TRANSACTIONS**

Significant transactions between the Group and the companies ultimately controlled by a substantial shareholder are as follows:

|  | 9 months ended<br>31/05/2018<br>RM'000 |
|--|--|
| (a) Professional fees paid to Thomson International Health Services Pte Ltd (TIHSPL) | <u>570</u>                             |

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2018**

**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 |            |
|------------------------|----------------|------------|
|                        | 31/05/2018     | 31/05/2017 |
|                        | RM'000         | RM'000     |
| Revenue                | 44,406         | 40,694     |
| Profit before taxation | 7,997          | 8,015      |

The Group recorded revenue of RM44.4 million and profit before taxation of RM8.0 million for the quarter ended 31 May 2018, an increase of 9% compared to quarter ended 31 May 2017. Higher revenue was contributed by higher patient load and higher intensity cases handled. Lower profit before tax margin of 18% compared to quarter ended 31 May 2017 of 20% was mainly due to higher operating expenditure incurred to strengthen our human capital during the quarter.

**Review of results for the financial period**

|                        | 9 months ended |            |
|------------------------|----------------|------------|
|                        | 31/05/2018     | 31/05/2017 |
|                        | RM'000         | RM'000     |
| Revenue                | 125,845        | 112,405    |
| Profit before taxation | 22,724         | 20,392     |

For the financial period 31 May 2018, the Group recorded revenue of RM125.8 million and profit before taxation of RM22.7 million, a growth of 12% and 11% respectively compared to the 9 months financial period ended 31 May 2017. Lower growth rate in profit before taxation compared to revenue is mainly due to higher operating expenditure incurred to strengthen our human capital in the current financial period while maintaining our EBITDA margin at 21%.

**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 doctors practicing in our facilities, additional services offered by the Group and higher intensity cases handled.

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

|                        | 3 months ended |            |
|------------------------|----------------|------------|
|                        | 31/05/2018     | 28/02/2018 |
|                        | RM'000         | RM'000     |
| Revenue                | 44,406         | 39,711     |
| Profit before taxation | 7,997          | 6,403      |

Compared with the immediate preceding quarter ended 28 February 2018, revenue and profit before taxation for the quarter ended 31 May 2018 was higher by 12% and 25% to RM44.4 million and RM8.0 million, respectively. The lower revenue for the preceding quarter ended 28 February 2018 was mainly affected by extended holiday season brought about by the proximity of the start of the new calendar year and the Chinese New Year festivities which directly affected patient volumes. Higher profit before taxation is mainly due to higher revenue achieved and higher EBITDA margin 21% in the current quarter compared to 19% in the preceding quarter.



**TMC LIFE SCIENCES BERHAD (624409-A)**  
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**B3 PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 AUGUST 2018**

The Group will continue to adopt measures to maintain growth by introducing more services while ramping up outreach and marketing efforts to ensure that it is the healthcare service provider of choice for private patients. Construction work on the Group's expansion project at Kota Damansara has begun with the piling work completed in July 2018; the Thomson Hospital Medical Hub in Johor Bahru is in the midst of obtaining the relevant regulatory approvals.

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

There is no profit forecast or profit guarantee for the financial period ended 31 May 2018.

**B5 TAXATION**

|  | Current<br>quarter<br>RM'000 | 9 months ended<br>5/31/2018<br>RM'000 |
|--|------------------------------|---------------------------------------|
| In respect of current financial period   |                              |                                       |
| - income taxation                        | 2,842                        | 4,030                                 |
| - deferred taxation                      | (472)                        | 1,978                                 |
|  | <u>2,370</u>                 | <u>6,008</u>                          |
| Under provision in respect of prior year |                              |                                       |
| - income taxation                        | -                            | -                                     |
| - deferred taxation                      | -                            | -                                     |
|  | <u>-</u>                     | <u>-</u>                              |
|  | <u>2,370</u>                 | <u>6,008</u>                          |

The effective tax rate of the Group's current tax charge for the current financial period under review was lower than the statutory tax rate mainly due to the utilisation of previous years' unutilised tax losses and unrecognised investment tax allowances of certain subsidiary companies.

**B6 STATUS OF CORPORATE PROPOSAL**

There are no corporate proposals announced but not completed as at 19 July 2018, 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 31 May 2018 are as follows:-

|   | Long Term<br>RM'000 | Short Term<br>RM'000 | Total<br>RM'000 |
|---|---------------------|----------------------|-----------------|
| Secured - Denominated in Ringgit Malaysia | <u>1,649</u>        | <u>91</u>            | <u>1,740</u>    |

**B8 MATERIAL LITIGATION**

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

**B9 DIVIDENDS**

The Board does not recommend any dividend for the current quarter under review (previous year corresponding period ended 31 May 2017: NIL).

**TMC LIFE SCIENCES BERHAD (624409-A)**  
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**B10 EARNINGS PER SHARE (EPS)**

|  | Individual Quarter |           | 9 months ended |            |
|--|--------------------|-----------|----------------|------------|
|  | 5/31/2018          | 5/31/2017 | 31/05/2018     | 31/05/2017 |
| (a) Basic EPS  |                    |           |                |            |
| Net profit attributable to owners of the parent (RM'000)     | 5,627              | 5,955     | 16,716         | 14,938     |
| Weighted average number of ordinary shares outstanding (000) | 1,736,281          | 1,734,050 | 1,736,281      | 1,734,050  |
| EPS (sen)  |                    |           |                |            |
| - Basic  | 0.32               | 0.34      | 0.96           | 0.86       |
| (b) Diluted EPS  |                    |           |                |            |
| Net profit attributable to owners of the parent (RM'000)     | 5,627              | 5,955     | 16,716         | 14,938     |
| Weighted average number of ordinary shares outstanding (000) | 1,736,281          | 1,734,050 | 1,736,281      | 1,734,050  |
| Effect of dilution ('000)                                    | 70,239             | 180,787   | 70,239         | 180,787    |
| Adjusted weighted average number of shares ('000)            | 1,806,520          | 1,914,837 | 1,806,520      | 1,914,837  |
| Diluted EPS (sen)  |                    |           |                |            |
| - Diluted  | 0.31               | 0.31      | 0.93           | 0.78       |

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 period, adjusted to assume the conversion of dilutive potential ordinary shares.

**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**

|  | Current Quarter<br>RM'000 | 9 months ended<br>5/31/2018<br>RM'000 |
|--|---------------------------|---------------------------------------|
| Interest income  | 2,054                     | 6,006                                 |
| Other operating income excluding interest income       | 163                       | 807                                   |
| Interest expense                                       | (22)                      | (66)                                  |
| Depreciation   | (3,106)                   | (9,204)                               |
| Amortisation of intangible assets                      | (125)                     | (240)                                 |
| Impairment losses on receivables                       | (140)                     | (490)                                 |
| Fair value charges on share options granted under ESOS | (165)                     | (535)                                 |
| Foreign exchange (loss)/gain                           | (1)                       | 134                                   |

**TMC LIFE SCIENCES BERHAD (624409-A)**  
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**B13 DERIVATIVE FINANCIAL INSTRUMENTS**

The Group did not enter into any derivative financial instruments which were outstanding at 31 May 2018 and 31 August 2017.

**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 26 July 2018.