



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

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL QUARTER ENDED  
30 SEPTEMBER 2023**

**Contact**

Level 11, No.11, Jalan Teknologi,  
Taman Sains Selangor 1, PJU 5,  
Kota Damansara  
47810 Petaling Jaya, Selangor D.E.

Tel: +603 6287 1111  
Fax: +603 6287 1212

[www.tmclife.com](http://www.tmclife.com)

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

|  | 3 months ended                                  |   |
|--|---|---|
|  | Current Year<br>To Date<br>30/09/2023<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30/09/2022<br>RM'000 |
| Revenue  | 92,438  | 71,871  |
| Other operating income   | 1,500   | 721   |
| Inventories and consumables  | (26,451)  | (18,900)  |
| Staff costs  | (25,439)  | (22,472)  |
| Other operating expenses   | (13,810)  | (14,790)  |
| Depreciation and amortisation  | (6,790)   | (6,240)   |
| Interest income  | 1,276   | 597   |
| Finance costs  | (2,581)   | (2,059)   |
| <b>Profit before taxation</b>  | <b>20,143</b>                                   | <b>8,728</b>  |
| Taxation   | (5,003)   | (2,500)   |
| <b>Profit for the financial period, representing total comprehensive income (net of tax) for the financial period</b>  | <b>15,140</b>                                   | <b>6,228</b>  |
| <b>Profit for the financial period, representing total comprehensive income (net of tax) for the financial period attributable to:- Owners of the parent</b> | <b>15,140</b>                                   | <b>6,228</b>  |
| <b>Profit per ordinary share attributable to the owners of the parent (sen)</b>  |   |   |
| Basic  | 0.87  | 0.36  |
| Diluted  | 0.87  | 0.36  |

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**  
**Company no. 200301021989 (624409-A)**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

|  | Attributable to owners of the parent |                            |         | Total equity<br>RM'000 |
|--|--------------------------------------|----------------------------|---------|------------------------|
|  | Non-distributable                    | Distributable              |         |                        |
|  | Share options reserve<br>RM'000      | Retained profits<br>RM'000 |         |                        |
| Share capital<br>RM'000  |                                      |                            |         |                        |
| <b>Balance at 1 July 2023</b>  | 625,986                              | 1,415                      | 234,558 | 861,959                |
| Profit for the financial period, representing total comprehensive income (net of tax) for the financial period | -                                    | -                          | 15,140  | 15,140                 |
| <b>Transactions with owners</b>  |                                      |                            |         |                        |
| Share options granted under ESOS   | -                                    | 14                         | -       | 14                     |
| <b>Total transactions with owners</b>  | -                                    | 14                         | -       | 14                     |
| <b>Balance at 30 September 2023</b>  | 625,986                              | 1,429                      | 249,698 | 877,113                |
| <b>Balance at 1 July 2022</b>  | 625,986                              | 1,710                      | 199,692 | 827,388                |
| Profit for the financial year, representing total comprehensive income (net of tax) for the financial year     | -                                    | -                          | 39,257  | 39,257                 |
| <b>Transactions with owners</b>  |                                      |                            |         |                        |
| Share options granted under ESOS   | -                                    | 127                        | -       | 127                    |
| Transfer within reserve for ESOS forfeited   | -                                    | (422)                      | 422     | -                      |
| Dividend paid  | -                                    | -                          | (4,813) | (4,813)                |
| <b>Total transactions with owners</b>  | -                                    | (295)                      | (4,391) | (4,686)                |
| <b>Balance at 30 June 2023</b>   | 625,986                              | 1,415                      | 234,558 | 861,959                |

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2023**

|  | As At<br>30/09/2023<br>Unaudited<br>RM'000 | As At<br>30/06/2023<br>Audited<br>RM'000 |
|--|--|--|
| <b>Non-current assets</b>                          |  |  |
| Property, plant and equipment                      | 713,201                                    | 715,150                                  |
| Intangible assets                                  | 205,167                                    | 205,598                                  |
| Investment property                                | 2,144                                      | 2,159                                    |
| Deferred tax assets                                | -  | 2,088                                    |
| Total non-current assets                           | 920,512                                    | 924,995                                  |
| <b>Current assets</b>                              |  |  |
| Inventories  | 13,462                                     | 13,372                                   |
| Trade and other receivables                        | 61,492                                     | 60,485                                   |
| Tax recoverable                                    | 10,881                                     | 11,399                                   |
| Cash and bank balances                             | 181,212                                    | 166,544                                  |
| Total current assets                               | 267,047                                    | 251,800                                  |
| <b>TOTAL ASSETS</b>                                | <b>1,187,559</b>                           | <b>1,176,795</b>                         |
| <b>Current liabilities</b>                         |  |  |
| Trade and other payables                           | 78,273                                     | 80,767                                   |
| Borrowings   | 15,982                                     | 15,980                                   |
| Lease liabilities                                  | 1,614                                      | 1,711                                    |
| Provision  | 86   | 63                                       |
| Income tax payable                                 | 178  | 49                                       |
| Total current liabilities                          | 96,133                                     | 98,570                                   |
| <b>NET CURRENT ASSETS</b>                          | <b>170,914</b>                             | <b>153,230</b>                           |
| <b>Non-current liabilities</b>                     |  |  |
| Borrowings   | 195,731                                    | 199,712                                  |
| Lease liabilities                                  | 1,338                                      | 1,656                                    |
| Provision  | 470  | 493                                      |
| Deferred tax liabilities                           | 16,774                                     | 14,405                                   |
| Total non-current liabilities                      | 214,313                                    | 216,266                                  |
| <b>TOTAL LIABILITIES</b>                           | <b>310,446</b>                             | <b>314,836</b>                           |
| <b>NET ASSETS</b>                                  | <b>877,113</b>                             | <b>861,959</b>                           |
| <b>Represented by:</b>                             |  |  |
| <b>Equity attributable to owners of the parent</b> |  |  |
| Share capital                                      | 625,986                                    | 625,986                                  |
| Reserves   | 1,429                                      | 1,415                                    |
| Retained profits                                   | 249,698                                    | 234,558                                  |
| <b>TOTAL EQUITY</b>                                | <b>877,113</b>                             | <b>861,959</b>                           |
| Net assets per share (RM)                          | 0.50                                       | 0.49                                     |

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

|   | Current Year<br>To Date<br><br>30/09/2023<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30/09/2022<br>RM'000 |
|---|---|---|
| <b>Cash flows from operating activities</b>                             |   |   |
| Profit before tax   | 20,143  | 8,728   |
| Adjustments for :-  |   |   |
| Non-cash items  | 7,101   | 6,960   |
| Interest expense  | 2,581   | 2,059   |
| Interest income   | (1,276)   | (597)   |
| Operating profit before changes in working capital                      | 28,549  | 17,150  |
| Changes in working capital  |   |   |
| Net change in current assets  | (1,359)   | (11,770)  |
| Net change in current liabilities                                       | (2,495)   | 904   |
| Cash generated from operations  | 24,695  | 6,284   |
| Interest paid   | (2,563)   | (1,997)   |
| Net tax refund/(Net income tax paid)                                    | 101   | (418)   |
| <b>Net cash flows generated from operating activities</b>               | 22,233  | 3,869   |
| <b>Cash flows used in investing activities</b>                          |   |   |
| Acquisition of property, plant and equipment                            | (4,196)   | (6,293)   |
| Acquisition of intangible assets  | (153)   | (144)   |
| Proceeds from disposal of property, plant and equipment                 | -   | 2   |
| Placement of deposits placed with:-                                     |   |   |
| - deposits pledged  | -   | (100)   |
| - cash restricted in use  | -   | (540)   |
| Interest received   | 1,276   | 597   |
| <b>Net cash flows used in investing activities</b>                      | (3,073)   | (6,478)   |
| <b>Cash flows (used in) / generated from financing activities</b>       |   |   |
| Payment of lease liabilities  | (497)   | (512)   |
| Drawdown of term loans  | -   | 10,448  |
| Repayment of term loans   | (3,774)   | (24)  |
| Repayment of hire purchase  | (221)   | (221)   |
| <b>Net cash flows (used in) / generated from financing activities</b>   | (4,492)   | 9,691   |
| <b>Net increase in cash &amp; cash equivalents</b>                      | 14,668  | 7,082   |
| <b>Cash &amp; cash equivalents at beginning of the financial period</b> | 116,577   | 98,886  |
| <b>Cash &amp; cash equivalents at end of the financial period</b>       | 131,245   | 105,968   |
| <b>Cash &amp; cash equivalents at end of the financial period</b>       |   |   |
| Cash at banks and on hand   | 88,973  | 74,012  |
| Deposits with licenced banks  | 92,239  | 74,845  |
|   | 181,212   | 148,857   |
| Less: Deposits with licensed banks (for more than 3 months)             | (45,803)  | (39,978)  |
| Deposit pledged to a licenced bank                                      | (1,704)   | (700)   |
| Cash restricted in use  | (2,460)   | (2,211)   |
|   | 131,245   | 105,968   |

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

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING  
STANDARDS ("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 TMC Life Sciences Berhad and its subsidiaries ("the Group") for the financial year ended 30 June 2023. 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 30 June 2023, and changes in financial performance since the preceeding year corresponding period.

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2023, except for the adoption of the new, revised and amendments to MFRS and IC Interpretations effective as of 1 January 2023 as issued by the Malaysian Accounting Standards Board, which does not have any significant impact on the financial statements of the Group.

**A2 SEASONALITY OR CYCLICALITY OF OPERATIONS**

The Group's business is typically impacted during festive and holiday periods when a decrease in patient load is anticipated.

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

There were no material items or events that arose, which affected assets, liabilities, equity, net income or cash flows that are unusual by reasons of their nature, size or incidence.

**A4 CHANGE IN ACCOUNTING ESTIMATES**

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

**A5 ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES**

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

**A6 DIVIDEND PAID**

No dividend was paid during the financial period ended 30 September 2023.

**A7 SEGMENTAL INFORMATION**

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

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

There was no material event subsequent to 30 September 2023 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**

| Financial guarantees  | 30/09/2023     | 30/06/2023     |
|---|----------------|----------------|
|   | RM'000         | RM'000         |
| <u>Unsecured</u>  |                |                |
| Corporate guarantees given to licensed bank for banking facility granted to wholly-owned subsidiaries | 211,714        | 215,692        |
| Letter of guarantee given to suppliers  | 4,904          | 4,216          |
|   | <u>216,618</u> | <u>219,908</u> |

**A11 CAPITAL COMMITMENTS**

The amount of commitments for capital expenditure as at 30 September 2023 is as follows:

|                             | 30/09/2023    | 30/06/2023    |
|-----------------------------|---------------|---------------|
|                             | RM'000        | RM'000        |
| Approved and contracted for | <u>26,030</u> | <u>25,846</u> |

**A12 SIGNIFICANT RELATED PARTY TRANSACTIONS**

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

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

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

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

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

**Analysis of performance**

**Review of results for the financial quarter (3 months ended 30 September 2023 versus 3 months ended 30 September 2022)**

|                        | 3 months ended |            |
|------------------------|----------------|------------|
|                        | 30/09/2023     | 30/09/2022 |
|                        | RM'000         | RM'000     |
| Revenue                | 92,438         | 71,871     |
| Profit before taxation | 20,143         | 8,728      |

For the quarter ended 30 September 2023, the Group recorded revenue of RM92.4 million and profit before taxation of RM20.1 million. Compared to the previous corresponding quarter, both revenue and profit before taxation increased by 29% and 131%, respectively. The increase in profit before taxation was in line with increase in revenue attributed to the increase in capacity of Thomson Hospital Kota Damansara (“THKD”) and recovery of fertility business.

Hospital and fertility recorded revenue of RM81.8 million (2022: RM62.4 million) and RM10.1 million (2022: RM9.2 million), respectively for the quarter ended 30 September 2023.

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

The material factors that affect the earnings and / or revenue of the Group are the successful recruitment of healthcare professionals in our facilities, additional bed capacity and additional services offered by the Group, higher case intensity handled, and continuous marketing effort to boost local and international branding.

**B2 MATERIAL CHANGE IN PROFIT BEFORE TAX AS COMPARED WITH IMMEDIATE PRECEDING QUARTER  
(3 months ended 30 September 2023 versus 3 months ended 30 June 2023)**

|                        | 3 months ended |            |
|------------------------|----------------|------------|
|                        | 30/09/2023     | 30/06/2023 |
|                        | RM'000         | RM'000     |
| Revenue                | 92,438         | 84,652     |
| Profit before taxation | 20,143         | 12,585     |

Compared with the immediate preceding quarter ended 30 June 2023, both revenue and profit before taxation increased by 9% and 60%, respectively. Higher revenue was contributed by the increase in hospital and fertility revenue.

Hospital and fertility recorded revenue of RM81.8 million and RM10.1 million for quarter ended 30 September 2023 compared to RM74.4 million and RM9.7 million recorded in the immediate preceding quarter, respectively.



**B3 PROSPECTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2024**

The Group is closely monitoring the evolving global economic landscape, foreign exchange and interest rate risk, and is committed to adapt its business strategy to mitigate any adverse impact to the Group's performance. The increased capacity in THKD, recovery of fertility business and rise in medical tourism are expected to contribute to the growth of the Group.

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

There is no profit forecast or profit guarantee for the financial period ended 30 September 2023.

**B5 TAXATION**

|  | Individual quarter |              |
|--|--------------------|--------------|
|  | 30/09/2023         | 30/09/2022   |
|  | RM'000             | RM'000       |
| In respect of current quarter / financial period |                    |              |
| Current tax expense                              | 546                | 75           |
| Deferred tax expense                             | 4,457              | 2,425        |
|  | <u>5,003</u>       | <u>2,500</u> |

The effective tax rate of the Group is at the statutory rate of 24%.

**B6 STATUS OF CORPORATE PROPOSAL**

There are no corporate proposals announced but not completed as at 7 November 2023, 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 are as follows:-

|   | Long Term      | Short Term    | Total          |
|---|----------------|---------------|----------------|
|   | RM'000         | RM'000        | RM'000         |
| As at 30 September 2023                   |                |               |                |
| Secured - Denominated in Ringgit Malaysia | 195,731        | 15,982        | 211,713        |
|   | <u>195,731</u> | <u>15,982</u> | <u>211,713</u> |
| As at 30 June 2023                        |                |               |                |
| Secured - Denominated in Ringgit Malaysia | 199,712        | 15,980        | 215,692        |
|   | <u>199,712</u> | <u>15,980</u> | <u>215,692</u> |

Included in borrowings of the Group is an amount of Industrial Hire Purchase of RM1,992,000 (30 June 2023: RM2,214,000).

**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 30 September 2022:NIL).

**B10 EARNINGS PER SHARE (EPS)**

|  | Individual quarter |            |
|--|--------------------|------------|
|  | 30/09/2023         | 30/09/2022 |
| (a) Basic EPS  |                    |            |
| Net profit attributable to owners of the parent (RM'000)   | 15,140             | 6,228      |
| Weighted average number of ordinary shares in issue ('000) | 1,741,882          | 1,741,882  |
| EPS (sen)  |                    |            |
| - Basic  | 0.87               | 0.36       |
| (b) Diluted EPS  |                    |            |
| Net profit attributable to owners of the parent (RM'000)   | 15,140             | 6,228      |
| Weighted average number of ordinary shares in issue ('000) | 1,741,882          | 1,741,882  |
| Effect of dilution ('000)                                  | -                  | -          |
| Adjusted weighted average number of shares ('000)          | 1,741,882          | 1,741,882  |
| Diluted EPS (sen)  |                    |            |
| - Diluted  | 0.87               | 0.36       |

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

For the current quarter ended 30 September 2023, share options granted under ESOS have not been included in the calculation of diluted earnings per share because they were anti-dilutive.

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

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

**B12 NOTE TO STATEMENT OF COMPREHENSIVE INCOME**

|  | Individual quarter | Individual quarter |
|--|--------------------|--------------------|
|  | 30/09/2023         | 30/09/2022         |
|  | RM'000             | RM'000             |
| Interest income  | 1,276              | 597                |
| Interest expense   | (2,581)            | (2,059)            |
| Depreciation of property, plant and equipment, investment property and right-of-use assets | (6,205)            | (5,697)            |
| Amortisation of intangible assets  | (585)              | (543)              |
| Impairment loss on receivables   | (210)              | (210)              |
| Fair value charges on share options granted under ESOS                                     | (14)               | (32)               |
| Property, plant and equipment written off  | (37)               | (12)               |
| Inventories written off  | (50)               | (489)              |

**B13 DERIVATIVE FINANCIAL INSTRUMENTS**

The Group did not enter into any derivative financial instruments which were outstanding as at 30 September 2023 and 30 June 2023.

**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 14 November 2023.