



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

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL QUARTER ENDED  
31 MARCH 2021**

**Contact**

C-13-09 Sunway Nexis

No.1, Jalan PJU 5/1

Dataran Sunway, 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 31 MARCH 2021**

	Individual Quarter		9 months ended	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year Corresponding Period
	31/03/2021 RM'000	31/03/2020 RM'000	31/03/2021 RM'000	31/03/2020 RM'000
Revenue	48,032	-	147,653	-
Other operating income	268	-	713	-
Inventories and consumables	(14,299)	-	(46,650)	-
Staff costs	(17,016)	-	(47,036)	-
Other operating expenses	(9,600)	-	(24,338)	-
Depreciation and amortisation	(3,369)	-	(9,724)	-
Interest income	502	-	1,685	-
Finance costs	(150)	-	(335)	-
<b>Profit before taxation</b>	<b>4,368</b>	<b>-</b>	<b>21,968</b>	<b>-</b>
Taxation	(1,052)	-	(5,467)	-
<b>Profit for the financial period</b>	<b>3,316</b>	<b>-</b>	<b>16,501</b>	<b>-</b>
<b>Other comprehensive income, net of tax :-</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translations	(1)	-	2	-
<b>Total comprehensive income for the financial period</b>	<b>3,315</b>	<b>-</b>	<b>16,503</b>	<b>-</b>
<b>Profit attributable to owners of the parent</b>	<b>3,316</b>	<b>-</b>	<b>16,501</b>	<b>-</b>
<b>Total comprehensive income attributable to owners of the parent</b>	<b>3,315</b>	<b>-</b>	<b>16,503</b>	<b>-</b>
<b>Profit per ordinary share attributable to the owners of the parent (sen)</b>				
Basic	0.19	-	0.95	-
Diluted	0.19	-	0.95	-

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

No comparative financial information available for the financial period ended 31 March 2021 as there was change in financial year end from 31st August to 30th June in previous financial period.

**TMC LIFE SCIENCES BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	Attributable to owners of the parent			Total attributable to owners of the parent RM'000	Total equity RM'000	
	Non-distributable		Distributable			
	Share capital RM'000	Foreign exchange translation RM'000	Share options reserve RM'000			Retained profits RM'000
<b>Balance at 1 July 2020</b>	625,986	30	3,466	142,636	772,118	772,118
<b>Total comprehensive income</b>	-	2	-	16,501	16,503	16,503
<b>Transactions with owners</b>						
Share options granted under ESOS	-	-	120	-	120	120
Liquidation of a subsidiary	-	(32)	-	-	(32)	(32)
Dividend paid	-	-	-	(2,923)	(2,923)	(2,923)
<b>Total transactions with owners</b>	-	(32)	120	(2,923)	(2,835)	(2,835)
<b>Balance at 31 March 2021</b>	625,986	-	3,586	156,214	785,786	785,786
<b>Balance at 1 September 2019</b>	625,986	31	3,352	132,867	762,236	762,236
<b>Total comprehensive income</b>	-	(1)	-	13,275	13,274	13,274
<b>Transactions with owners</b>						
Share options granted under ESOS	-	-	114	-	114	114
Dividend paid	-	-	-	(3,506)	(3,506)	(3,506)
<b>Total transactions with owners</b>	-	-	114	(3,506)	(3,392)	(3,392)
<b>Balance at 30 June 2020</b>	625,986	30	3,466	142,636	772,118	772,118

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

**TMC LIFE SCIENCES BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

	As At 31/03/2021 Unaudited RM'000	As At 30/06/2020 Audited RM'000
<b>Non-current assets</b>		
Property, plant and equipment	657,813	569,606
Intangible assets	195,055	194,949
<b>Total non-current assets</b>	<b>852,868</b>	<b>764,555</b>
<b>Current assets</b>		
Inventories	9,759	11,465
Trade and other receivables	25,250	25,906
Tax recoverable	8,253	12,058
Cash and bank balances	133,974	136,456
<b>Total current assets</b>	<b>177,236</b>	<b>185,885</b>
<b>TOTAL ASSETS</b>	<b>1,030,104</b>	<b>950,440</b>
<b>Current liabilities</b>		
Trade and other payables	65,001	68,002
Borrowings	771	62
Lease liabilities	1,516	1,544
Provision	342	278
Income tax payable	-	1
<b>Total current liabilities</b>	<b>67,630</b>	<b>69,887</b>
<b>NET CURRENT ASSETS</b>	<b>109,606</b>	<b>115,998</b>
<b>Non-current liabilities</b>		
Borrowings	149,020	81,584
Lease liabilities	4,642	5,210
Provision	210	42
Deferred tax liabilities	22,816	21,599
<b>Total non-current liabilities</b>	<b>176,688</b>	<b>108,435</b>
<b>TOTAL LIABILITIES</b>	<b>244,318</b>	<b>178,322</b>
<b>NET ASSETS</b>	<b>785,786</b>	<b>772,118</b>
<b>Represented by:</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	625,986	625,986
Retained profits	156,214	142,636
Reserves	3,586	3,496
<b>TOTAL EQUITY</b>	<b>785,786</b>	<b>772,118</b>
Net assets per share (RM)	0.45	0.44

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

**TMC LIFE SCIENCES BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	Current Year To Date 31/03/2021 RM'000	Preceding Year Corresponding Period 31/03/2020 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	21,968	-
Adjustments for :-		
Non-cash items	10,360	-
Interest paid	335	-
Interest income	(1,685)	-
Operating profit before changes in working capital	<u>30,978</u>	<u>-</u>
Changes in working capital		
Net change in current assets	1,820	-
Net change in current liabilities	(3,014)	-
Cash generated from operations	<u>29,784</u>	<u>-</u>
Interest paid	(2,546)	-
Net income tax paid	(446)	-
<b>Net cash flows from operating activities</b>	<u>26,792</u>	<u>-</u>
<b>Cash flows used in investing activities</b>		
Acquisition of property, plant and equipment	(94,765)	-
Proceeds from disposal of property, plant and equipment	23	-
Uplift of deposits placed with financial institutions with original maturity of more than three (3) months	11,071	-
Interest received	1,685	-
<b>Net cash flows used in investing activities</b>	<u>(81,986)</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Dividend paid	(2,923)	-
Payment of lease liabilities	(1,442)	-
Drawdown of term loans	63,985	-
Repayment of term loans	(40)	-
Drawdown of hire purchase	4,410	-
Repayment of hire purchase	(209)	-
<b>Net cash flows from financing activities</b>	<u>63,781</u>	<u>-</u>
<b>Net increase in cash &amp; cash equivalents</b>	<u>8,587</u>	<u>-</u>
<b>Cash &amp; cash equivalents at beginning of the financial period</b>	<u>96,697</u>	<u>-</u>
<b>Exchange rate effects</b>	<u>2</u>	<u>-</u>
<b>Cash &amp; cash equivalents at end of the financial period</b>	<u>105,286</u>	<u>-</u>
<b>Cash &amp; cash equivalents at end of the financial period</b>		
Short term deposits (not more than 3 months)	30,369	-
Cash and bank balances	75,417	-
	<u>105,786</u>	<u>-</u>
Less: Deposits pledged to a licensed bank	(500)	-
	<u>105,286</u>	<u>-</u>

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

No comparative financial information available for the financial period ended 31 March 2021 as there was change in financial year end from 31st August to 30th June in previous financial period.

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**NOTES TO THE AUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

**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 and its subsidiaries (“the Group”) for the financial period ended 30 June 2020. 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 period ended 30 June 2020, 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 period ended 30 June 2020, except for the adoption of the new, revised and amendments to MFRS and IC Interpretations effective as of 1 January 2020 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 business during the financial period was affected by the on-going implementation of the Conditional Movement Control Order (“CMCO”) and Movement Control Order (“MCO”) where the Group has seen a drop in patient load in our hospital and fertility centres.

**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**

During the financial period ended 31 March 2021, the Company paid the final single tier dividend of 0.1678 sen per ordinary share on 1,741,882,393 ordinary shares, amounting RM2,922,868 in respect of the financial period ended 30 June 2020.

## 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 31 March 2021 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

PT Tropicana Healthcare Indonesia ("PTTHI"), a 95.57% owned indirect subsidiary of the Company, on 15 January 2019, had been liquidated with effect from 26 January 2021 following the notification of deregistration dated 26 January 2021 issued by Republic of Indonesia Ministry of Law and Human Right Indonesia. The liquidation of PTTHI did not give rise to any material effect on the earnings or net assets of the Group for the financial year ending 30 June 2021.

## A10 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

Financial guarantees	31/03/2021
	RM'000
<u>Unsecured</u>	
Corporate guarantees given to licensed bank for banking facility granted to wholly-owned subsidiaries	149,792
Letter of guarantee given to suppliers	3,210
	<u>153,002</u>

## A11 CAPITAL COMMITMENTS

The amount of commitments for capital expenditure as at 31 March 2021 is as follows:

	31/03/2021
	RM'000
Approved and contracted for	98,354
Approved but not contracted for	136
	<u>98,490</u>

## A12 SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant transactions between the Group and related party are as follows:

	9 months ended
	31/03/2021
	RM'000
(a) Rental and utility expenses incurred to Skies VB Sdn Bhd, a subsidiary of the ultimate holding company, Thomson Medical Group Limited	<u>78</u>

**NOTES TO THE AUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

**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 March 2021 versus the same period in 2020)**

	3 months ended	
	31/03/2021 RM'000	31/03/2020 RM'000
Revenue	48,032	48,402
Profit before taxation	4,368	5,396

Due to the change in financial year, the Group has provided the analysis on performance for this quarter for reference.

The Group recorded revenue of RM48 million and profit before taxation of RM4.4 million for the quarter ended 31 March 2021, decreased by 1% and 19%, respectively compared to the corresponding period in previous year. While the local business has recovered to pre-pandemic levels, the Group continue to see some adverse impact from ongoing border controls and travel restrictions. Profit before taxation was lower mainly due to lower revenue and interest income despite lower operating expenditures during the current quarter.

**Review of results for the financial period (9 months ended 31 March 2021 versus the same period in 2020)**

	9 months ended	
	31/03/2021 RM'000	31/03/2020 RM'000
Revenue	147,653	154,986
Profit before taxation	21,968	27,611

Due to the change in financial year, the Group has provided the analysis on performance for this 9-month period for reference.

For the financial period ended 31 March 2021, the Group recorded revenue of RM147.7 million and profit before taxation of RM22.0 million, a decrease of 5% and 20% respectively compared to the 9-month financial period ended 31 March 2020. However, profit after taxation for the 9-month financial period ended 31 March 2021 was RM16.5 million, higher than 9-month financial period ended 31 March 2020 by 29% due to the deferred tax liability recorded in 2019.

**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 services offered by the Group, higher case intensity handled, continuous marketing effort to boost local and international branding and the prevailing Covid-19 pandemic situation in the country and the region.

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

**(Quarter ended 31 March 2021 versus 31 December 2020)**

	3 months ended	
	31/03/2021 RM'000	31/12/2020 RM'000
Revenue	48,032	48,794
Profit before taxation	4,368	6,979

Compared with the immediate preceding quarter ended 31 December 2020, revenue and profit before tax for the quarter ended 31 March 2021 decreased by 2% and 37%, respectively. The lower revenue for the quarter ended 31 March 2021 was mainly due to lower patient volumes during the Chinese New Year festive season. Lower profit before taxation was mainly due to lower revenue coupled with higher total operating expenditure resulted a lower EBITA margin of 15% in current quarter compared to EBITA margin of 20% in the immediate preceding quarter.



**B3 PROSPECTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021**

The re-introduction of MCO in Selangor and Kuala Lumpur since 6 May 2021 and 7 May 2021, respectively may affect the Group's business operations. The Group will continue monitor and tighten cost control and cash conservation measures. Meanwhile, the Group's expansion project at Thomson Hospital Kota Damansara is on track. Despite the Covid-19 pandemic challenges in the country, the Group is cautiously optimistic of its mid-and long-term growth when the vaccination program is being rolled out progressively nationwide.

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

There is no profit forecast or profit guarantee for the financial period ended 31 March 2021.

**B5 TAXATION**

	Individual quarter 31/03/2021 RM'000	9 months ended 31/03/2021 RM'000
In respect of current quarter/ financial period		
- income tax	945	4,437
- deferred tax	294	1,217
	<u>1,239</u>	<u>5,654</u>
Under provision in respect of prior year		
- income tax	(187)	(187)
	<u>1,052</u>	<u>5,467</u>

The effective tax rate of the Group's current tax charge for the current financial period under review was slightly higher than the statutory tax rate mainly due to certain expenses not deductible for tax purposes.

**B6 STATUS OF CORPORATE PROPOSAL**

There are no corporate proposals announced but not completed as at 18 May 2021, 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 March 2021 are as follows:-

	Long Term RM'000	Short Term RM'000	Total RM'000
Secured - Denominated in Ringgit Malaysia	149,020	771	149,791
	<u>149,020</u>	<u>771</u>	<u>149,791</u>

Included in borrowings of the Group is an amount of Industrial Hire Purchase of RM4,201,100 (30 June 2020: NIL).

**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 March 2020: NIL).

**B10 EARNINGS PER SHARE (EPS)**

	Individual quarter 31/03/2021	9 months ended 31/03/2021
(a) Basic EPS		
Net profit attributable to owners of the parent (RM'000)	3,316	16,501
Weighted average number of ordinary shares outstanding ('000)	1,741,882	1,741,882
EPS (sen)		
- Basic	0.19	0.95
(b) Diluted EPS		
Net profit attributable to owners of the parent (RM'000)	3,316	16,501
Weighted average number of ordinary shares outstanding ('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	0.19	0.95

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

For the current quarter and period ended 31 March 2021, 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 31/03/2021 RM'000	9 months ended 31/03/2021 RM'000
Interest income	502	1,685
Other operating income excluding interest income	229	674
Interest expense	(150)	(335)
Depreciation of property, plant and equipment and right-of-use assets	(3,137)	(9,077)
Amortisation of intangible assets	(232)	(647)
Impairment loss on receivables	(169)	(525)
Fair value charges on share options granted under ESOS	(120)	(120)
Property, plant and equipment written off	(18)	(52)
(Loss)/Gain on disposal of property, plant and equipment	(12)	8
Inventories written off	(5)	(16)
Gain on liquidation of a subsidiary	39	39
Rental concessions	-	1
Realised loss on foreign exchange	(2)	(3)

**B13 DERIVATIVE FINANCIAL INSTRUMENTS**

The Group did not enter into any derivative financial instruments which were outstanding as at 31 March 2021 and 30 June 2020.

**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 25 May 2021.