



TMC LIFE SCIENCES BERHAD

Incorporated in Malaysia [Registration No.: 200301021989 (624409-A)]



Sustainable Growth Healthier Tomorrow

ANNUAL REPORT
2025



VISION

To help people lead healthier lives by making healthcare accessible, accountable and sustainable.



MISSION

To provide holistic value driven healthcare excellence through sustainable growth and strengthened network for all stakeholders.

AT A GLANCE



GROUP REVENUE

RM345.5
MILLION



NET PROFIT

RM3.6
MILLION



PROFIT BEFORE TAX

RM7.1
MILLION



SHARE PRICE

RM0.43
PRICE AS AT 30 JUNE 2025

23rd

Annual General Meeting of TMC Life Sciences Berhad

VENUE



Jasper Junior Ballroom
Level G, M World Hotel,
No.1, Persiaran Bandar Utama,
Bandar Utama,
47800 Petaling Jaya, Selangor.

DATE



27 October 2025, Monday

TIME



10.00 a.m.



<https://www.tmclife.com/>

FEATURE IN THIS ANNUAL REPORT

1



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2



Run the QR Code Reader app and point your camera to the QR Code

3



Get access to the soft copy of our reports and contact information



The digital version of TMC Life Sciences Berhad Annual Report 2025 is available on our website.

Go to

<https://www.tmclife.com/annual-report/> or scan the QR code with your smartphone.



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Corporate Information

BOARD OF DIRECTORS

Dato' Sri Mohd Mokhtar Bin Mohd Shariff
Independent Non-Executive Chairman

June Leong Lai Ling
Independent Non-Executive Director

Kan Kheong Ng
Executive Vice Chairman

Mazrina Binti Arifin
Independent Non-Executive Director

Dr. Heng Jun Li Melvin
Non-Independent Non-Executive Director

Dato' Mohd Sheridan Bin Ramli
Independent Non-Executive Director

Audit and Risk Management Committee

Chairman : June Leong Lai Ling
Members : Dato' Mohd Sheridan Bin Ramli
Mazrina Binti Arifin

Nominating Committee

Chairman : Dato' Mohd Sheridan Bin Ramli
Members : June Leong Lai Ling
Mazrina Binti Arifin

Remuneration Committee

Chairman : Mazrina Binti Arifin
Members : June Leong Lai Ling
Dato' Mohd Sheridan Bin Ramli

Company Secretaries

Chua Siew Chuan
(SSM PC No. 201908002648)
(MAICSA 077689)

Chin Mun Yee
(SSM PC No. 201908002785)
(MAICSA 7019243)

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(LLP0022760-LCA) & AF0039
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603-2095 0292

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47810 Petaling Jaya
Selangor Darul Ehsan
Tel : 603-6287 1111
Fax : 603-6287 1212

Stock Exchange Listing

Main Market of Bursa Malaysia
Securities Berhad
Stock code : 101
Sector : Health Care
Sub-sector : Health Care Providers

Website

www.tmcclife.com

Corporate Structure

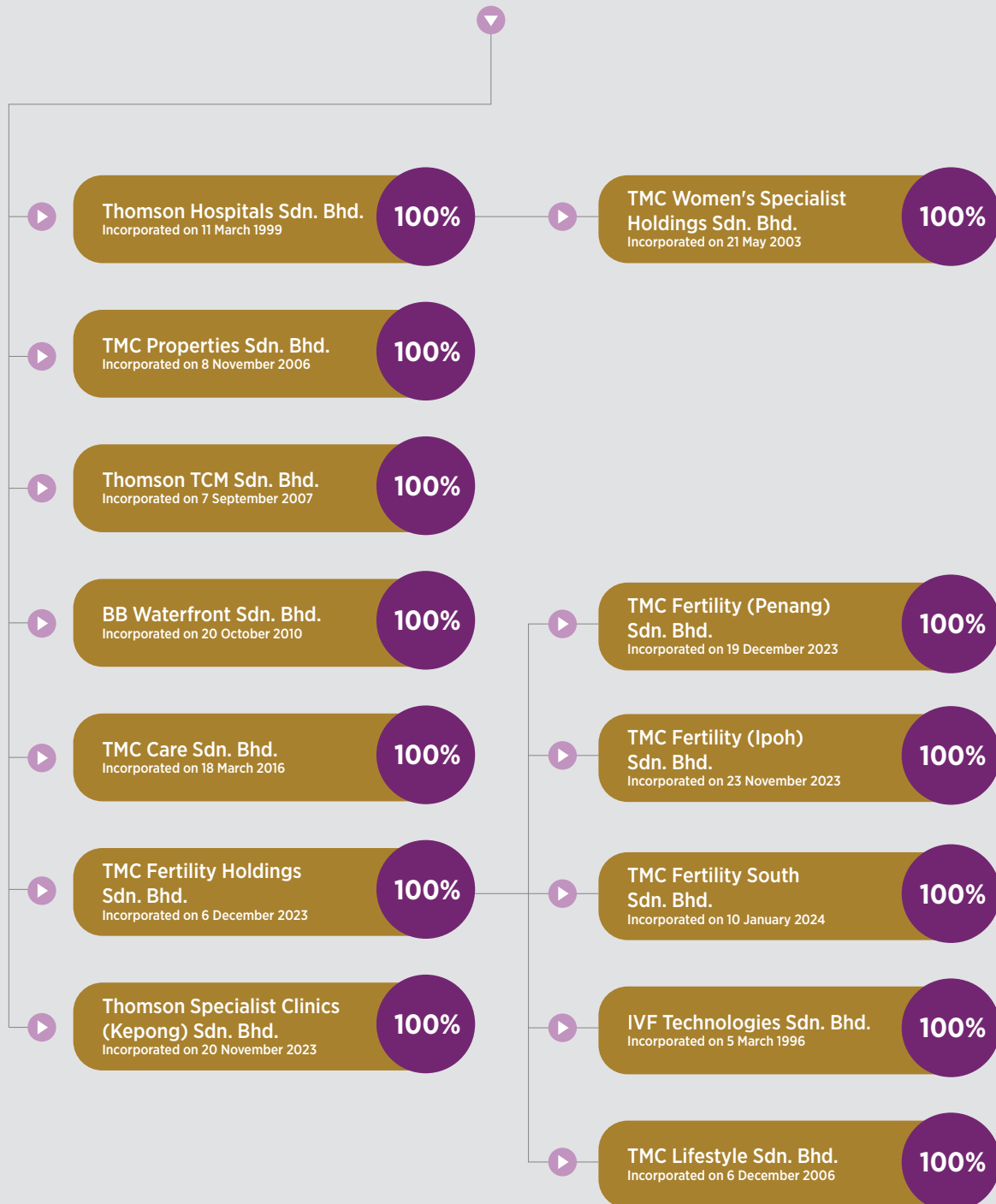
As at 30 June 2025



TMC LIFE SCIENCES BERHAD

Incorporated in Malaysia [Registration No.: 200301021989 (624409-A)]

Incorporated on 8 August 2003



Corporate Profile



Celebrating Life

TMC LIFE SCIENCES BERHAD

Listed on the Main Market of Bursa Malaysia Securities Berhad since 2005, TMC Life Sciences Berhad ("TMCLS") is among Malaysia's rapidly expanding healthcare groups that strives to be the premier "Integrated Healthcare System of Choice in Southeast Asia" in providing quality value-based care to its patients and customers.

The Group's business includes:

- Thomson Hospital Kota Damansara
- Thomson Fertility
- Thomson TCM
- TMC Care Pharmacy
- Thomson Specialist Clinic (Kepong)

TMCLS continues to expand in capacity and capabilities, with a key development being the ongoing establishment of a new integrated medical hub, Hospital Iskandariah, Johor Bahru, in the pipeline.

Corporate Profile

(Cont'd)

THOMSON HOSPITAL KOTA DAMANSARA

Thomson Hospital Kota Damansara (“THKD”), the flagship hospital of TMC Life Sciences Berhad, is a premier multi-disciplinary tertiary care facility strategically located in the heart of Kota Damansara, Selangor. Since its establishment in 2008, THKD has grown into a trusted centre of excellence in healthcare, offering advanced medical services supported by cutting-edge technology and patient-centric care. Conveniently located next to the Kota Damansara MRT Station and well-connected by major highways and public transport routes, THKD offers easy access for both local and international patients. With a capacity of 554 beds including 25 critical care beds, THKD is designed to meet growing healthcare demands while maintaining the highest standards of quality and safety. The hospital houses more than 160 consultant specialists across more than 60 specialties and sub-specialties, each committed to providing expert diagnosis, treatment and management of a wide spectrum of medical conditions from routine to highly complex cases.

THKD is a multidisciplinary tertiary hospital with established centres of excellence across a wide range of specialties. These include strong capabilities in gastroenterology and hepatology, cardiology, ENT, orthopaedics, minimally invasive surgery, and women and children’s health. In 2024, THKD expanded its clinical expertise through a strategic partnership

with OncoCare Medical Malaysia, bringing together leading oncologists to offer a comprehensive and personalised approach to cancer care—from diagnosis and treatment to post-treatment support.

Accredited by the Australian Council on Healthcare Standards (“ACHS”) International, THKD upholds the highest standards in quality and safety across its organisation. In a milestone achievement, THKD became the first hospital in Malaysia to be accredited under ACHS International Accreditation for Evaluation & Quality Improvement Programme (“EQulP”)7 for Core and Ambulatory – Cancer Services.

A leader in healthcare technology, THKD was also the first private hospital in Malaysia to implement Abbott’s AlinIQ lab automation system, enhancing the efficiency, accuracy and credibility of its laboratory services.

The hospital’s commitment to excellence is further reinforced by its hospital-wide EQulP accreditation. THKD offers a full spectrum of services, including a 24-hour Emergency Department, Oncology and Nuclear Medicine, supported by advanced medical technology and modern infrastructure to deliver value-based care for both local and international patients.



Corporate Profile

(Cont'd)

THKD has firmly established itself as a forerunner in Malaysia's healthcare landscape by achieving several notable firsts:

- First in Malaysia to introduce ENT, Head and Neck CO₂ laser treatment
- First private hospital in Malaysia to implement total laboratory automation
- First hospital in Asia Pacific to offer tri-modal nuclear medicine imaging technology
- First hospital recognised by the Malaysia Book of Records for a Hospital Alliance with Tertiary Educational Institutions
- First hospital in Malaysia to receive Silver Green Building Rating from GreenRE

THKD continues to gain recognition for its excellence in healthcare delivery. Recent accolades include Specialty Hospital of the Year (Pulmonology) – Malaysia at the Healthcare Asia Awards 2025 and Specialist Hospital of the Year - Asia Pacific at the Global Health Asia-Pacific Awards in 2024. The Hospital also received the Specialty Hospital of the Year – Malaysia at the Healthcare Asia Awards 2024. THKD ranked 5th in Malaysia's Healthcare Category at the Graduate Choice Awards 2025 and received double wins at the Rising to the Top: Your HR Excellence Awards 2024: Gold in *Excellence in Work-Life Harmony* and Silver for *Best HR Team (MNC)*.

Guided by its vision to be the “Premier Provider of Outstanding Value-Based Medical Services in Southeast Asia”, THKD remains committed to clinical excellence and is poised for continued growth to meet evolving healthcare needs.

554

Beds



10

Operating Theatres



60

Specialities & Sub-specialities



THOMSON FERTILITY

Established in January 1994 in Damansara Utama, Selangor, Thomson Fertility (“TF”), formerly known as TMC Fertility (“TMCF”), has grown from a single clinic into one of Malaysia's most advanced and trusted fertility centres. With over 30 years of clinical and scientific excellence, TF now operates a nationwide network of five fertility centres, staffed by a dedicated team of 11 resident fertility specialists, 17 highly qualified scientists, and a compassionate team of nurses and support professionals. At the heart of our work is a simple yet powerful mission: to bring every patient from “Hope to Joy.”

TF is widely recognised as a leader in fertility treatments ranging from In-Vitro Fertilisation (“IVF”) to advanced Assisted Reproductive Technologies (“ART”). It offers a full spectrum of reproductive treatments, including standard and advanced IVF protocols, Intracytoplasmic Sperm Injection (“ICSI”), Frozen Embryo Transfer (“FET”), and fertility preservation through egg, sperm, and embryo freezing. The organisation's surgical capabilities span advanced laparoscopic procedures and various sperm retrieval techniques, including Testicular Sperm Aspiration (“TESA”), Percutaneous Epididymal Sperm Aspiration (“PESA”), and

Microsurgical Epididymal Sperm Aspiration (“MESA”). Significantly, TF became the first private fertility centre in Malaysia to offer Microsurgical Testicular Sperm Extraction (“Micro-TESE”), a highly specialised microsurgical technique used to extract sperm in men diagnosed with non-obstructive azoospermia. This pioneering service provides a new avenue of hope for couples facing some of the most complex forms of male infertility.

TF has continued to pioneer advancements in reproductive genetics, becoming the first centre in Malaysia to introduce Pre-Implantation Genetic Testing (“PGT”) for both monogenic disorders (“PGT-M”) and aneuploidy screening (“PGT-A”). These technologies significantly enhance the likelihood of a healthy pregnancy by enabling the identification of viable embryos while helping to prevent the transmission of serious inherited conditions. In June 2023, TF achieved a regional milestone with the birth of Southeast Asia's first baby screened for Non-Ketotic Hyperglycinaemia, a rare genetic disorder, through the application of PGT-M, demonstrating the transformative potential of precision medicine in fertility care.

Corporate Profile

(Cont'd)



Driven by a strong culture of innovation, TF continues to integrate emerging technologies to optimise IVF success. This includes AI-powered embryo selection to enhance grading accuracy, microfluidic sperm selection that mimics body's natural filtration process, and time-lapse embryo monitoring for non-invasive, continuous observation of embryo development. TF was also the first in Malaysia to achieve a successful live birth using the Optimal Receptivity Assay ("ORA"), a molecular test that identifies the ideal time for embryo implantation, offering renewed hope to women with repeated implantation failures.

TF also pioneered Malaysia's first live birth resulting from ovarian rejuvenation using Platelet-Rich Plasma ("PRP"), a novel approach that helps restore ovarian function, providing new possibilities for women with diminished ovarian reserve or age-related infertility. These milestones demonstrate TF's unwavering commitment to innovation, quality, and patient-centred care.

As part of its commitment to advancing women's reproductive health, TF launched EndoCare@Thomson in February 2025, in collaboration with Endometriosis Association of Malaysia. This initiative establishes TF as a leading and comprehensive referral centre for endometriosis, a condition affecting one in ten women globally and a major cause of infertility. Through this integrated care model, TF delivers holistic, and multidisciplinary treatment tailored to the unique needs of each patient.

Beyond the clinic, TF has transformed patient engagement through a bold digital strategy. In the past year, it expanded digital marketing with highly targeted social media campaigns, virtual education sessions, and broader online outreach. Enhanced patient follow-up protocols were also implemented to ensure continuity of care, delivering a seamless and personalised experience throughout the fertility journey.

Reflecting its growth and strategic vision, TMCF has embarked on a rebranding initiative to Thomson Fertility, aligning with the globally recognised Thomson Medical Group. This significant milestone reinforces its position as a world-class fertility provider while maintaining the trusted personalised care that defines its identity.

TF's international presence continues to expand, with increased outreach across Indonesia, China, and Singapore. The centre actively participates in healthcare expos, conducts fertility awareness campaigns, and collaborates closely with the Malaysia Healthcare Travel Council to position Malaysia as a preferred destination for fertility care.

Its commitment to excellence has garnered widespread recognition. TF holds records in the Malaysian Book of Records for the highest number of IVF babies by a single practice; 3,210 in 2013 and 5,388 in 2018. The centre's accolades include "Fertility Service Provider of the Year" by Global Health & Travel (2016–2019, 2023, 2024), "Malaysia Fertility Centre of the Year" by Frost & Sullivan (2016, 2017, 2019, 2021), and the ASEAN Innovative Technology Award by International Business Review ASEAN Awards in 2021. TF was also named "Best Fertility Centre" by the Parenthood – Parents' Choice Awards in both 2023 and 2024.

As it enters a new era under the Thomson Fertility brand, the centre's vision remains firmly anchored in its founding values, delivering exceptional fertility care and empowering every patient journey from hope to joy. Through ongoing innovation, global collaboration, and steadfast patient dedication, it continues to shape the future of reproductive medicine in Malaysia and beyond.

Corporate Profile

(Cont'd)



THOMSON TRADITIONAL CHINESE MEDICINE

On-site

Chinese Herbal Dispensary



TTCM blends the wisdom of traditional Chinese philosophies with modern technology to offer comprehensive, evidence-based care. Led by a team of certified and experienced physicians, TTCM provides a wide range of treatments including Chinese herbal medicine, dietary therapy, acupuncture, cupping, moxibustion, Tui-Na (Chinese therapeutic massage), Gua-Sha and more.

The centre works closely with consultants from TF and THKD to deliver integrated care for conditions such as hormone imbalance, infertility, pain management and general health and wellness.

5

Certified TTCM practitioners who work collaboratively with western medicine specialists



In 2022, TTCM expanded its product portfolio with the launch of a curated range of home care solutions, including Herbal Heat Pillows (General and Eye), the Harmony Herbal Tea series, Qi Tea Cubes, Herbal Soups, Raw Herbs and Home Moxibustion Kits. The launch of the TTCM Shopee Store in the same year enhanced accessibility to these wellness products for online consumers.

To meet growing demand and reach more communities, TTCM opened a satellite clinic in October 2023 at ReU Living, an aged care and rehabilitation centre, offering on-demand services.

Recognised for its clinical excellence and innovation, TTCM was named TCM Centre of the Year by the Global Health Asia-Pacific Healthcare & Hospitals Awards for two consecutive years, in 2022 and 2023.

Thomson TCM ("TTCM") was established on 1 November 2018 with the vision of becoming one of Malaysia's most trusted integrative health and wellness centres. Designed to support a holistic healing journey, TTCM offers patients a complementary approach to conventional medicine through Traditional Chinese Medicine ("TCM"), delivered in a modern, calming and patient-friendly environment.

Corporate Profile

(Cont'd)

TMC CARE PHARMACY

TMC Care Pharmacy (“TMC Care”) commenced operations in July 2016 and was officially launched on 10 December of the same year. Located within THKD, it is the first retail pharmacy under TMCLS, established to enhance value and accessibility for patients and customers seeking quality medications, supplements and healthcare products.

TMC Care has enhanced its on-site presence, reinforcing its ability to deliver personalised and efficient services in alignment with THKD’s integrated care model and its commitment to a seamless patient experience.



THOMSON SPECIALIST CLINIC (KEPONG)

Established in 2004, Thomson Specialist Clinic (Kepong) (“TSCK”), formerly known as TMC Fertility & Women’s Specialist Centre, is a trusted provider of fertility and obstetrics & gynaecology consultation and referral services. Strategically located just 10 km from the Kuala Lumpur city centre, TSCK offers convenient access for patients within Klang Valley. Situated near major shopping malls, retail outlets, and lifestyle amenities, the specialist clinic is a preferred choice for urban women seeking high-quality care in a convenient and accessible setting.



Chairman's Statement



**Dear Shareholders,
It gives me great pleasure,
on behalf of the Board of
Directors of TMC Life
Sciences Berhad ("TMCLS"),
to present our Annual
Report for the financial year
ended 30 June 2025
("FY2025").**

FY2025 unfolded against a backdrop of heightened macroeconomic uncertainty. Globally, economic growth remained subdued amid persistent inflationary pressure, geopolitical tensions, rising interest rates, and continued disruptions to global supply chain. While a global recession was ultimately averted, overall momentum fall short of historical averages.

Domestically, Malaysia's economy displayed commendable resilience, supported by strong domestic demand and a rebound in exports. Nonetheless, structural challenges such as tariff tensions, currency volatility, high public debt, and labour shortages continued to weigh on several key sectors, including healthcare. For instance, the depreciation of the ringgit exerted cost pressures on industries reliant on imported inputs, such as medical supplies, equipment, and pharmaceuticals, which may, in turn, impact the affordability and accessibility of care over time. In response, the Malaysian government has reaffirmed its commitment to healthcare reform, with a focus on improving accessibility and elevating the quality of care for all segments of the population. While these policy efforts are a step in the right direction, the healthcare industry continues to grapple with persistent operational challenges, most notably structural workforce shortages, particularly in nursing, and sustained margin pressures arising from higher-than-anticipated insurance discounts.

DATO' SRI MOHD MOKHTAR BIN MOHD SHARIFF
Chairman

Chairman's Statement (Cont'd)

FY2025 HIGHLIGHTS

 TMCLS, as one of the nation's leading healthcare providers, has remained unwavering in its commitment to delivering high-quality medical services in alignment with Malaysia's national healthcare aspirations.

 Strategic collaborations with OncoCare Medical Malaysia enabled the hospital to deliver multidisciplinary, and outcome-driven oncology care.

 BY
2050

Embed ESG principles and aim for Net Zero

 THKD introduced new sub-specialty services including Maternal Foetal Medicine, Rheumatology, and Oral and Maxillofacial Surgery, strengthening its ability to treat complex conditions.

 TF achieved Malaysia's first live births using Optimal Receptivity Assay and Platelet-Rich Plasma therapy, improving outcomes for patients with recurrent implantation failure or age-related infertility.

 The Board has recommended a final single-tier dividend of 0.1863 sen per ordinary share for FY2025.



Chairman's Statement

(Cont'd)



SUSTAINED COMMITMENT AMIDST HEADWINDS

TMCLS, as one of the nation's leading healthcare providers, has remained unwavering in its commitment to delivering high-quality medical services in alignment with Malaysia's national healthcare aspirations.

Amid ongoing macroeconomic challenges, TMCLS remained steadfast in advancing our strategic priorities. These include the pursuit of medical excellence, continuous improvement in service quality and patient experience, deepening strategic collaborations, talent development, and expanding our market presence. Notably, we intensified our focus on medical tourism and international patient services, aligning with national initiatives to position Malaysia as a leading regional healthcare hub. Our flagship facility, Thomson Hospital Kota Damansara ("THKD"), continued to scale its operations to meet rising demand, reinforcing our ability to serve the growing healthcare needs of the community and solidifying THKD's position to provide premium private healthcare.

In terms of financial performance, the Group recorded revenue of RM345.5 million for FY2025, representing a marginal year-on-year ("y-o-y") decline of 0.3%. Profit before tax stood at RM7.1 million, a decrease of 87% y-o-y, while profit after tax declined by 91% to RM3.6 million. The contraction in profitability was due to discontinuation of contracts, and higher-than-expected discounts, increased operating expenses, and depreciation charges. These results mirror the broader challenges faced by the healthcare industry, including sustained economic pressures, workforce shortages, and intensifying competition, while also highlighting the importance of strategic resilience and operational optimisation moving forward.

Chairman's Statement

(Cont'd)

Despite these challenges, the Group remains steadfast in its commitment to long-term value creation. The experience of FY2025 has strengthened our resolve to enhance operational efficiency, practise prudent cost management, and sharpen our strategic focus. We are actively refining our business model to remain agile, resilient, and well-positioned to capture future growth opportunities in a dynamic healthcare landscape.

STAYING THE COURSE WITH DISCIPLINED FOCUS

Despite a more tempered performance in FY2025, our Group maintained stable operations, with the Hospital and Fertility segments continuing to deliver steady contributions amidst an increasingly competitive and cost-sensitive environment. The Board has proposed a dividend for FY2025. Subject to approval at the upcoming Annual General Meeting, we are recommending a single-tier final dividend of 0.1863 sen per ordinary share. This reflects our continued commitment to delivering shareholder value, while prudently managing cash reserves in preparation for upcoming financial obligations, including the repayment of THKD's term loan and our strategic expansion in Johor Bahru.

HIGHLIGHTS AND ACHIEVEMENTS

FY2025 marked a year of positive transformation for TMCLS, characterised by clinical excellence, medical innovation, strategic partnerships, talent development, and community-centred initiatives across its key entities: THKD and Thomson Fertility ("TF").

Clinical Excellence

In FY2025, TMCLS demonstrated steadfast commitment to clinical excellence through the continued expansion and enhancement of its core services. THKD strengthened its reputation as a centre of advanced care by introducing new sub-specialty services, including Maternal Foetal Medicine, Rheumatology and Oral and Maxillofacial Surgery. These additions enabled THKD to manage a broader range of complex conditions with greater precision and expertise. The hospital also advanced respiratory care through interventional pulmonology workshops and live surgical training in rhinoplasty, reinforcing its regional leadership in clinical education and practice. Meanwhile, TF sustained its leadership in reproductive healthcare, achieving Malaysia's first live births using the Optimal Receptivity Assay ("ORA") and Platelet-Rich Plasma ("PRP") therapy. These breakthroughs significantly improved patient outcomes, particularly for individuals facing recurrent implantation failure or age-related infertility. TF's active participation in global conferences and submission of original research to peer-reviewed journals further exemplified its clinical credibility and thought leadership in fertility care.

Medical Innovation

Innovation remained a cornerstone of TMCLS's growth in FY2025, driven by strategic investments in technology and scientific advancement. THKD significantly enhanced its diagnostic capabilities with the installation of a state-of-the-art 3 Tesla ("3T") MRI machine, offering faster scan times and sharper imaging resolution to improve diagnostic accuracy and clinical decision-making. TF also pushed the boundaries of fertility science by integrating artificial intelligence into embryo grading, allowing for more accurate assessments and improved IVF success rates. The centre continued to explore cutting-edge treatments such as PRP therapy for ovarian rejuvenation and pioneered the use of ORA technology to optimise embryo implantation timing. Through these innovations, both THKD and TF strengthened their positions as leaders in medical technology, enhancing patient outcomes and elevating Malaysia's profile in the global healthcare landscape.

Strategic Partnerships

TMCLS strengthened its institutional resilience and growth trajectory through strategic collaborations that extended its reach across borders and sectors. THKD's partnership with OncoCare Medical Malaysia enabled the hospital to deliver multidisciplinary, and outcome-driven oncology care, supported by an international tumour board and aligned with global best practices. The hospital also enhanced continuity of care through a Declaration of Understanding with Careclinics, integrating over 100 primary care providers into its referral ecosystem. Its cross-border outreach expanded through the establishment of a Representative Office in Jakarta and active participation in healthcare missions led by the Malaysia Healthcare Travel Council ("MHTC"), including MHX Jakarta and the MY-Oman Symposium. Concurrently, TF worked closely with MHTC to grow its international footprint, particularly in Indonesia, China, and Singapore. The centre also deepened its regional referral network by partnering with Medical Referral Agents and forming a landmark collaboration with the Endometriosis Association of Malaysia to launch EndoCare@Thomson, a national centre of excellence for integrated endometriosis care.

Talent Development

Recognising that quality healthcare is built on people, TMCLS invested heavily in nurturing talent and promoting professional growth across the organisation. THKD reinforced its position as a hub for clinical training by hosting high-impact workshops and live surgical demonstrations, contributing to regional knowledge transfer and skill development. These efforts were complemented by accolades at the HR Excellence Awards 2024, where THKD secured the Gold Award for Excellence in Work-Life Harmony and the Silver Award for Best HR Team (MNC), reflecting its commitment to staff wellbeing and performance.

Chairman's Statement

(Cont'd)

TF further strengthened its clinical capabilities through the recruitment of experienced fertility consultants, enhancing its ability to offer specialised, patient-centric care. The centre also advanced its patient relationship management by adopting structured follow-up protocols, digital communication tools, and virtual engagement strategies to support long-term clinical outcomes. Through these initiatives, TMCLS continued to build a workforce that is both highly skilled and deeply committed to delivering exceptional patient experiences.

Community Outreach and Engagement

Both THKD and TF remained deeply engaged with the community:

- Showcasing of artwork by autistic artists through partnering with The Spectrum by E.S.A.
- Distribution of *bubur lambuk* during Ramadhan to strengthen community bonds.
- Wheelchairs, health screening vouchers and hospital beds were donated to underprivileged individuals and homes, improving mobility and care access.
- Blood donation drive with the National Blood Bank to aid shortage of blood supply.
- Supporting the Heart Heroes Charity Run organised by the National Heart Congenital Association.
- Basic Life Support training and career talks were conducted at four public schools, promoting health literacy and inspiring future healthcare professionals.
- Food Charity Drive organised by the Nursing Department of THKD.

ROBUST CORPORATE GOVERNANCE AND RISK MANAGEMENT

TMCLS is firmly committed to the highest standards of corporate governance and risk management which underpin our operations across the Group. This dedication is essential to our responsibility of protecting shareholders' investments, enhancing shareholder value, and improving overall financial performance.

In FY2025, TMCLS strengthened its compliance with the Personal Data Protection Act 2010 (PDPA Act 709), and also formally pledged its commitment to combating corruption through an Anti-Corruption initiative in collaboration with the Malaysian Anti-Corruption Commission ("MACC"). This initiative involved participation from all personnel and leadership across the Group, reinforcing our dedication to the good-governance TRUST framework - comprising commitment, risk assessment, control measures, review, and training.

To improve corporate governance standards, we are reviewing our whistleblowing policy and procedures to ensure cases are effectively tracked and handled, maintaining the highest standards. We also continue to strictly comply with the Malaysian Code on Corporate Governance 2021, as thoroughly detailed in the Corporate Governance Overview Statement of this Annual Report.

OVERSEEING STRONG SUSTAINABILITY

Throughout FY2025, TMCLS reinforced its commitment to sustainability by embedding Environmental, Social, and Governance ("ESG") principles into every level of operations. We took deliberate steps to strengthen internal processes, improve disclosure quality, and align with evolving national reporting standards. These enhancements serve to deepen stakeholder understanding of our ESG strategy, progress, and future roadmap.

Environmental stewardship remains a key pillar of our sustainability agenda. TMCLS laid a stronger foundation for Net Zero by 2050, focusing on measurable outcomes and responsible resource usage. Key highlights from this period include:

- Enhanced waste management strategies for both clinical and non-clinical settings.
- Solar energy optimisation and rainwater harvesting to conserve natural resources.

The Group has expanded recycling initiatives and systematic tracking of Scope 1, 2, and 3 carbon emissions this reporting period, with limited assurance obtained to ensure data accuracy and transparency.

On the social front, we advanced diversity and inclusion by:

- Increasing the recruitment of male registered nurses and nursing professionals from East Malaysia.
- Providing employment pathways for persons with disabilities.
- Expanding post-basic nursing and internal talent development programmes, including bonding schemes for long-term capability building.

To cultivate a positive workplace culture, we introduced an employee satisfaction index target of 65%, using it as a benchmark to guide engagement and well-being strategies.

Beyond our internal efforts, we continued to serve our broader communities through accessible, high-quality medical care and targeted outreach. TMCLS remains steadfast in using research, education, innovation, and strategic expansion to elevate value-based care driving better health outcomes while advancing long-term sustainability.

Chairman's Statement

(Cont'd)

CHARTING THE FUTURE

The Group is closely monitoring the evolving global economic landscape as well as the risks and uncertainties affecting domestic recovery and various sectors such as the country's healthcare sector.

Malaysia's healthcare sector outlook remains positive, driven by several factors such as the growing demand for healthcare due to an aging population and rising affluence, increasing government investment in public health services, as well as the expansion of the private healthcare sector. The healthcare sector is expected to reach RM127 billion (US\$30 billion) by 2027¹, with opportunities also sprouting in areas like medical devices, digital health, and elderly care, amidst certain ongoing challenges such as labour shortages and rising costs. Overall, the healthcare sector is expected to see steady growth in the coming years.

To remain resilient and ahead of the curve, the Group will continue to evolve its business strategy to mitigate any potential adverse impacts in the future. This includes diversifying its revenue mix with more cash-paying patients, strengthening corporate customer base, and expanding reach to international patients. With enhanced capacity at THKD, the Group anticipates a solid growth trajectory for FY2026.

We are currently strengthening our service lines through horizontal expansion of sub-specialties and vertical integration of clinical services. These improvements enable better outcomes through stronger continuity of care, improved referral pathways, and shared diagnostic services across specialties. Across all entities, we are building a tightly coordinated care ecosystem aligned with our promise of seamless, value-based healthcare.

We continue to push forward our strategic digital initiatives, including the deployment of a Group-wide clinical information system, integrated digital front-desk registration, and digital patient education and communication platforms. These technology enhancements will help improve clinical governance, patient experience, and operational efficiency.

The development of Hospital Iskandariah in Johor Bahru, located in one of the flagship zones designated under the Johor-Singapore Special Economic Zone ("JS-SEZ"), is planned for phased completion. We remain actively engaged with government agencies, authorities, and international partners to explore opportunities for expanding operations in Johor Bahru.

We are also actively exploring expansion into other parts of Malaysia to address the unmet healthcare needs of local communities. Our goal is to provide accessible, high-quality medical services while enhancing the health and wellbeing of residents nationwide.

EXPRESSIONS OF GRATITUDE

On behalf of the Board, I would like to extend a warm welcome to Dato' Dr. Ahmad Adzuan bin Abdul Rahman, who joined us in FY2025 as the Group Chief Executive Officer of TMC Life Sciences Berhad. His extensive experience in both public and private healthcare leadership, coupled with his patient-centric vision, brings renewed momentum as we navigate a dynamic healthcare landscape and pursue our next chapter of growth.

To our patients and their families, your trust in Thomson Hospital Kota Damansara, Thomson Fertility, TMC Care Pharmacy, Thomson Specialist Clinic (Kepong) and Thomson Traditional Chinese Medicine continues to inspire our unwavering commitment to quality, compassion, and care. You are at the heart of everything we do.

To our exceptional management team, consultants, nurses, and employees across all our entities, your dedication and resilience remain the cornerstone of our success and growth. Your everyday efforts power our promise of delivering trusted healthcare, one patient at a time.

To our suppliers, strategic partners, and business collaborators, thank you for your consistent support, innovation, and shared belief in our long-term mission. Your contributions have been instrumental in enabling us to expand capabilities and maintain operational excellence.

To my fellow members of the Board of Directors, I extend my deepest appreciation for your wise counsel, oversight, and steadfast commitment to strong governance, which continues to guide us through both opportunities and challenges. I extend a special thanks to Mr. Cheah Ho Chee for his exemplary leadership and invaluable contributions to TMCLS and its entities throughout his tenure which ended on 6 November 2024.

Finally, to our valued shareholders: your continued trust and investment give us the platform to grow boldly. As we embark on the development of Hospital Iskandariah in Johor Bahru and expand our presence in the region, we remain committed to building sustainable, stakeholder-led value and delivering best-in-class healthcare services that matter.

Together, we will continue to pursue excellence, innovation, and inclusivity in Malaysian healthcare and beyond.

**DATO' SRI MOHD MOKHTAR
BIN MOHD SHARIFF**
CHAIRMAN

Reference:

¹ The Edge. (2021, Nov 18). My Say: Medtech: Engineering our future wellbeing. <https://theedgemaalaysia.com/article/my-say-medtech-engineering-our-future-wellbeing>

Management Discussion and Analysis

OVERVIEW

Regulatory agencies have intensified efforts to promote transparency within the sector. Notably, Bank Negara Malaysia now mandates insurers to publish procedure charges across private hospitals, fostering greater pricing clarity. Additionally, the Ministry of Health (“MOH”) has introduced measures such as the mandatory display of medicine prices, supporting informed decision-making by consumers.

The MOH is also considering the implementation of a Diagnosis-Related Groups (“DRG”) payment system, aimed at cost containment through standardised treatment pricing. While this initiative is promising, its success hinges upon the availability of accurate clinical data and the development of a comprehensive national health records system.

Furthermore, the sector faces persistent workforce challenges, exemplified by ongoing competition among private hospitals for experienced nursing professionals. This underscores the importance of strategic talent retention to ensure the delivery of high-quality patient care amidst a competitive environment.

In navigating these dynamic circumstances, TMC Life Sciences Berhad (“TMCLS”) remains committed to delivering high-quality, patient-centred healthcare. We are strategically positioned to adapt to evolving regulatory requirements, manage economic pressures, and address workforce challenges through operational resilience, proactive and future-ready solutions.



Management Discussion and Analysis

(Cont'd)

TMCLS operates an integrated healthcare platform comprising the Hospital Division, Thomson Fertility (formerly known as TMC Fertility Centres), TMC Care Pharmacy, Thomson TCM and Thomson Specialist Clinic (Kepong), as described in the Corporate Profile of this Annual Report.

TMCLS remains committed to the development of Hospital Iskandariah, a flagship project that represents a significant step forward expanding its regional footprint and strengthening its Malaysia's position in the global healthcare landscape.

Located on approximately 1.5 hectares of freehold waterfront land in the heart of Johor Bahru—and part of a larger 9.23-hectare site secured for future medical development—the hospital is envisioned to be a state-of-the-art multi-specialty healthcare facility.

The project remains on track to be fully operational by 2030, in parallel with the completion of the Johor-Singapore Rapid

Transit System (“RTS”) Link. The RTS is anticipated to significantly reduce travel time between Singapore and Johor Bahru, making the hospital more accessible to international patients from Singapore and the broader Southeast Asian region.

As part of the Johor-Singapore Special Economic Zone (“JS-SEZ”), Hospital Iskandariah is strategically positioned to benefit from increased cross-border investment and patient flows. The JS-SEZ initiative is projected to attract 50 new projects and generate 20,000 skilled jobs over the next five years¹, solidifying its role as a catalyst for regional growth in healthcare and medical tourism.

TMCLS is committed to realising the full potential of Hospital Iskandariah by ensuring strong on-the-ground execution and sustained investment in talent, infrastructure, and services. The hospital is poised to become a beacon of innovation and medical excellence, fully aligned with the Group's strategic vision to deliver accessible, high-quality healthcare across the region.



FINANCIAL PERFORMANCE

In FY2025, our Group recorded revenue of RM345.5 million, a marginal decrease of 0.3% compared to the previous financial year, reflecting a resilient topline despite the discontinuation of certain customer contracts. This was supported by contributions from our Oncology Centre, which helped sustain revenue levels.

Profit before taxation stood at RM7.1 million, representing a year-on-year decline of 87%. This was primarily attributed to higher direct costs, increased customer discounts aimed at supporting volume growth and competitiveness, as well as increase operating costs. In addition, the Group recognised a one-off accelerated depreciation charge of RM3.0 million related to the Hospital Information System as part of a planned system upgrade and digital transformation initiative.

Statement of Financial Position

The Group incurred total capital expenditure of RM32.7 million during the financial year, reflecting ongoing investment in infrastructure and operational capabilities. Of this, RM0.6 million was allocated to expansion projects in support of our long-term growth strategy.

Trade receivables increased by 37% year-on-year, mainly due to stronger revenue recognition towards the end of final quarter of FY2025. As at 30 June 2025, the Group maintained a healthy cash and bank balance of RM109.6 million, even after dividend payments and higher repayments of term loans, underscoring our prudent capital management approach.

Reference:

¹ *Business Times*. (2025, May 19). Supercharging social economic zone.

<https://www.nst.com.my/business/economy/2025/05/1218571/supercharging-special-economic-zone>

Management Discussion and Analysis

(Cont'd)

Statement of Cash Flows

Operating Activities

Net cash generated from operating activities amounted to RM22.5 million for the financial year ended 30 June 2025, representing a 70% decline compared to the prior financial year. The reduction was primarily due to higher operating costs, increased customer support through discounts, and elevated staff costs - reflecting short-term cost increases as the Group manages operational demands and market conditions. Despite these pressures, the Group remained cash-generative at the operating level, reflecting continued underlying business resilience.

Investing Activities

The Group recorded net cash outflows of RM4.6 million from investing activities in FY2025, a significant reduction compared to RM54.2 million in the previous financial year. This reflects a more measured capital deployment strategy, as the Group withdrew deposit placements with financial institutions to support operational and strategic priorities, in financing the increase in capital expenditure during the year. The decline in interest income was a result of the lower level of funds placed with financial institutions, consistent with the Group's proactive approach to optimising liquidity and reinvesting in core assets.

Financial Activities

Net cash used in financing activities amounted to RM64.6 million in FY2025, up from RM29.7 million in the previous financial year. The increase was primarily due to higher scheduled term loan repayments by RM7.5 million and dividend payments by RM24.0 million. These reflect the Group's disciplined approach to fulfilling its long-term financial commitments while continuing to return value to shareholders.

Consequently, the Group recorded a net decrease in cash and cash equivalents of RM46.7 million, resulting to a closing balance to RM60.8 million as at 30 June 2025. This decline was primarily due to lower cash generated from operations, increased capital expenditure, enhanced dividend distribution, and higher debt repayments - reflecting disciplined financial management and reinvestment in long-term growth.



Management Discussion and Analysis (Cont'd)



THOMSON HOSPITAL KOTA DAMANSARA (“THKD”)

2024 – 2025 KEY MILESTONES

In FY2025, Thomson Hospital Kota Damansara (“THKD”) marked several key milestones that advanced its strategic priorities across clinical excellence, operational performance, and international outreach. With a continued focus on elevating patient care, THKD strengthened its position through cross-border collaborations, technological enhancements, talent development initiatives, and proactive brand positioning.

Elevating Standards of Care Through Strategic Partnerships

In FY2025, one of THKD’s landmark achievements was the establishment of a strategic partnership with OncoCare Medical Malaysia (“OCMM”). This collaboration enhances patient access to expert oncologists with niche sub-specialisations, and complements THKD’s advanced capabilities in surgery, radiosurgery, radiotherapy, nuclear medicine diagnostics, and theranostics. With OCMM’s expertise in chemotherapy and oncology-driven research, including access to clinical trials, this partnership positions THKD to deliver comprehensive, outcome-driven cancer care focused on improving survival and quality of life.

THKD also reinforced its commitment to expanding access to healthcare through a public-private partnership under the ProtectHealth programme, aimed at reducing pressure on the public health system and improving healthcare accessibility for underserved populations.

To further enhance patient access and streamline referrals, THKD signed a Declaration of Understanding (“DoU”) with Careclinics, a national network of over 100 primary care providers. This partnership supports the development of a robust referral ecosystem, ensuring seamless continuity of care from primary to tertiary levels while driving patient growth and clinical integration.



THKD seals a strategic partnership with OncoCare Medical Malaysia (“OCMM”)

Elevating Patient Care Quality through Talent and Technology

In FY2025, THKD reaffirmed its commitment to clinical excellence by expanding its portfolio of sub-specialty services. New introduced disciplines include Maternal Foetal Medicine, Oral and Maxillofacial Surgery, Rheumatology and Upper Gastrointestinal Surgery. These additions further solidify THKD’s position as a comprehensive, one-stop tertiary care equipped to manage a wide range of complex conditions with precision and expertise.

A key highlight of the year was THKD’s continued investment in next generation medical technology. The installation of a state-of-the-art 3 Tesla (3T) MRI machine has significantly advanced our diagnostic imaging capabilities, delivering higher-resolution images, faster scan times, and enhanced patient comfort. In our effort to continual enhance our diagnostic services, we acquired the CT Canon Aquilion One Prism, equipping the centre with 640 slice count, advanced imaging capabilities, and AI-powered features, in addition to our existing CT Canon Aquilion One 640 slice count machine. These milestones reflect our pursuit of innovation in diagnostic excellence, empowering clinicians with accurate, timely insights to deliver world-class care.



The installation of a state-of-the-art 3 Tesla (3T) MRI machine has significantly advanced our diagnostic imaging capabilities

Management Discussion and Analysis

(Cont'd)

Building and Cementing Inroads into International Pipelines

THKD advanced its position in medical tourism and cross-border healthcare in FY2025 through strategic regional outreach and global engagement. A key milestone was the establishment of a Representative Office in Jakarta, aimed at facilitating B2B patient referrals and strengthening our presence in the Indonesia market. Collaborative efforts with key partners, including Persatuan Malindo and Citra Husada Hospital Jember in Indonesia further deepened our regional network and broadened referral pipelines.

Its international presence was further elevated through participation in high-profile healthcare marketing missions, including MH Bangladesh and MHX Jakarta, facilitated by the Malaysia Healthcare Travel Council (“MHTC”), an agency established under the purview of the Ministry of Health Malaysia with the mandate to position Malaysia as the healthcare travel destination in the world. Notably, THKD also took the global stage at the MY-Oman Symposium and Oman Healthcare Conference, proudly supported by the Malaysian Embassy and MHTC, promoting Malaysia’s healthcare capabilities to international audiences and stakeholders.

Pursuit of Excellence through Treatment and Education

THKD remained steadfast in its commitment to clinical excellence and knowledge sharing through advanced medical education and surgical training programmes. A hands-on workshop under the Patient Specific Respiratory Unit (“PARU”) – Malaysian Association for Bronchology and Interventional Pulmonology (“MABIP”) Interventional Pulmonology Fellowship featured live procedural demonstrations on the use of Endobronchial Valves for emphysema management, setting new benchmarks in interventional respiratory care.

In addition, a live Rhinoplasty surgery workshop provided real-time surgical education to local and regional practitioners, underscoring THKD’s leadership in advancing surgical techniques and fostering clinical excellence in the region.



Demonstration on the use of Endobronchial Valves for emphysema management

Increasing Brand Visibility

In its commitment to enhancing brand presence and improving accessibility, THKD strategically rebranded the MRT Kota Damansara station to MRT Kota Damansara Thomson Hospital. This initiative underscores the ease and sustainability of commuting to its facility.

THKD’s reputation for excellence was further solidified through a series of prestigious recognitions in 2024 and 2025:

- Ranked 5th in Malaysia’s Healthcare Category at the Graduate Choice Awards 2025, a testament to our strong brand appeal and growing influence among the next generation of healthcare professionals.
- Double accolades at the Rising to the Top: Your HR Excellence Awards 2024:
 - Gold Award in *Excellence in Work-Life Harmony*
 - Silver Award for *Best HR Team (MNC)*
- Named Specialty Hospital of the Year (Pulmonary) – Malaysia at the Healthcare Asia Awards 2025, affirming our leadership in respiratory care.
- Recognised as a Committed Private Hospital Towards Baby-Friendly Hospital Initiative 2024 by the National Lactation Centre, reflecting our enduring dedication to maternal and child health through the Baby-Friendly Hospital initiative.

These achievements not only elevate THKD’s profile within the healthcare industry but also reflect our ongoing pursuit of excellence across patient care, employee engagement, and community wellbeing.



Ranked 5th in Malaysia’s Healthcare Category at the Graduate Choice Awards 2025



Strategic rebranding of the MRT Kota Damansara station to MRT Kota Damansara Thomson Hospital

Management Discussion and Analysis

(Cont'd)

Challenges, Strategies and Solutions

1 Challenge 1: Nursing Talent Shortage

The nationwide shortage of nursing professionals remained a critical challenge in FY2025, impacting healthcare service delivery and operational efficiency. This issue was compounded by declining enrolment in nursing programmes, intensified competition from emerging healthcare entrants, and the ongoing migration of Malaysian nurses, partly driven by the depreciation of the Ringgit.

Strategy and Solution:

THKD adopted a proactive and future focused talent management strategy. Recruitment efforts were intensified through platforms such as the Thomson Alliance Group ("TAG") and other targeted initiatives. Retention was prioritised through structured upskilling programmes, continuous professional development, and the cultivation of a supportive and engaging workplace culture. Training efforts were localised to optimise the development of domestic healthcare talent.

2 Challenge 2: Pharmaceutical Supply Constraints

THKD experienced intermittent disruptions, in line with broader sector-wide challenges affecting healthcare logistics and inventory.

Strategy and Solution:

To mitigate supply risks and ensure continuity of care, THKD implemented a proactive procurement strategy, diversifying its pharmaceutical sourcing channels. This approach has enhanced supply chain resilience and reduced dependence on single-source suppliers.

3 Challenge 3: Rising Operating Costs Amid Currency Depreciation

The weakening Ringgit exerted upward pressure on operating costs, particularly in the procurement of medical supplies and equipment priced in foreign currencies.

Strategy and Solution:

During the reporting period, THKD has undertaken various cost optimization initiatives to strengthen its long-term financial sustainability. Central to these efforts were strategic job restructuring and job redesign aimed at enhancing workforce productivity and operational efficiency. In parallel, key procurement initiatives were implemented to better manage supply costs and improve purchasing efficiency. These were supported by energy-saving measures to reduce utility and overhead expenses, as well as targeted IT cost-saving strategies. Collectively, these initiatives are expected to improve cost control, enhance operational agility, and support sustainable value creation for the Company.

Prospects

As global healthcare demands continue to evolve driven by demographic shifts such as ageing populations and increasing prevalence of chronic diseases, THKD is strategically positioning itself for sustained growth and long-term relevance.

To meet the expanding and increasingly complex medical needs of both local and international patients, THKD is broadening its suite of sub-specialty services. This strategic enhancement aligns with our ambition to deliver high-quality, patient-centred care across a wider clinical spectrum.

The hospital is actively exploring both organic and inorganic growth opportunities to enhance its market footprint. THKD is on track with its comprehensive gap analysis to guide the optimal development of the remaining 1.2 acres of on-site land, earmarked for future expansion. This initiative will support the hospital's infrastructure readiness to accommodate emerging healthcare demands.

With a growing population of heightened healthcare expectations, THKD is well-positioned to solidify its leadership as a premier centre for comprehensive multidisciplinary tertiary patient care, while expanding its capabilities in specialised services.

Management Discussion and Analysis

(Cont'd)



THOMSON FERTILITY (FORMERLY KNOWN AS TMC FERTILITY)

2024 - 2025 Key Milestones

In FY2025, Thomson Fertility (“TF”) maintained strong momentum in reproductive healthcare, achieving notable progress in clinical outcomes, patient engagement, scientific advancement, and regional outreach expansion. These milestones underscore TF’s sustained commitment to advancing fertility care in Malaysia and Southeast Asia, anchored by its mission of Celebrating Life with patients as they take their steps towards parenthood.

TF’s achievements in FY2025 were underpinned by strategic investments in talent, infrastructure, technology, and partnerships.

Leveraging Key Partners for Wider Customer Pipelines

Collaboration with the MHTC played a key role in aligning TF’s initiatives with the national agenda of positioning Malaysia as a leading medical tourism hub. Participating in regional exhibitions, health forums, and fertility awareness campaigns, strengthen TF’s international footprint particularly in Indonesia, China, and Singapore. These efforts were bolstered by a growing network of Medical Referral Agents and the recruitment of seasoned fertility consultants, enhancing TF’s capacity to deliver specialised, high-quality care to a broader patient base.



Promoting services at Jakarta Menuju Dua Garis event

Pioneering in Technological & Medical Excellence

TF sustained its leadership in reproductive medicine with the successful use of the Optimal Receptivity Assay (“ORA”), becoming the first centre in Malaysia to deliver a baby conceived through this technique. ORA pinpoints the optimal “window of implantation”, significantly improving pregnancy outcomes for women with recurrent implantation failure.

Concurrently, TF advanced its integration of artificial intelligence (“AI”) into embryo grading, enhancing clinical decision-making and contributing to improved success rates across IVF treatment cycles.

The scientific team from TF presented five scientific papers at prestigious international conferences, showcasing our ongoing commitment to improving treatment outcomes for fertility patients. Our research highlighted key innovations, including personalized embryo transfer techniques and the optimisation of ovarian stimulation protocols efforts aimed at delivering more effective and individualised care. Additionally, TF submitted a full-length research article to the Medical Journal of Malaysia, reflecting our steadfast commitment to advancing fertility science and contributing to high-impact publications that reinforce our standing within the global fertility research community.

TF further advanced its innovation agenda with the expanded use of Platelet-Rich Plasma (“PRP”) therapy for ovarian rejuvenation. As the first centre in Malaysia to achieve a successful live birth through PRP, TF opened new possibilities for women facing age-related infertility or diminished ovarian reserve. By restoring endometrial and ovarian function, PRP has become a key component within TF’s advanced fertility treatment protocols.



Presented five scientific papers at prestigious international conferences

Management Discussion and Analysis

(Cont'd)

Diversifying Services through Skilled Talent

In February 2025, TF launched *EndoCare@Thomson*, a landmark collaboration with the Endometriosis Association of Malaysia. This initiative positions Thomson Fertility @Thomson as a one-stop national referral centre for endometriosis, an often-overlooked condition affecting one in ten women globally and a leading cause of infertility. The integrated care model unites fertility specialists, gynaecologists, and support services to deliver comprehensive, multidisciplinary care for women navigating the complex reproductive challenges associated with endometriosis.



Launched EndoCare@Thomson, a landmark collaboration with the Endometriosis Association of Malaysia

Embracing Digital Efforts for Greater Impact

In FY2025, TF accelerated its digital transformation agenda, adopting more dynamic approaches in marketing and outreach. Strategic use of social media campaigns, live webinars, and virtual consultations significantly broadened public engagement and awareness on infertility, while improving accessibility to care. Clinically, TF enhanced patient follow-up and engagement protocols, ensuring continuity of care through structured communication, comprehensive post-treatment support, and relationship management initiatives, strengthening patient trust, satisfaction, and long-term outcomes across their fertility journey.



Challenges, Strategies and Solutions

While FY2025 was marked by significant achievements, TF also faced a challenging external environment.

1

Challenge 1: Increased Competition

The Malaysian fertility services sector grew increasingly competitive, with providers entering the market and patient expectations continuing to rise.

Strategy and Solution:

To effectively navigate the increasingly competitive landscape in the fertility and reproductive healthcare sector, TF has strategically distinguished itself through the adoption and integration of cutting-edge reproductive technologies. Our focus on state-of-the-art innovations enables us to enhance clinical outcomes and provide our patients with the highest standards of care.

In addition, TF has implemented innovative treatment models that not only improve success rates but also ensure a more personalized experience for each patient. Our unique approach emphasises holistic patient care, which incorporates tailored treatment plans, including personalised embryo transfer

techniques. These strategies aim to optimize individual patient outcomes and enhance overall satisfaction.

Furthermore, TF has launched initiatives such as the *EndoCare@Thomson* programme, which specifically addresses complex reproductive health issues like endometriosis, offering specialized and comprehensive management options. These initiatives reinforce our commitment to delivering specialised services that set us apart from competitors and foster long-term patient loyalty.

Through these differentiated offerings, TF aims to solidify its position as a leading provider of reproductive healthcare in Malaysia, continually enhancing our capabilities to meet the evolving needs of our patients while maintaining a competitive edge in the industry.

Management Discussion and Analysis

(Cont'd)

2 Challenge 2: Increased Cost for Services

Affordability remains a key concern in IVF treatment, with high cost posing a significant barrier for many prospective patients despite growing demand amid Malaysia's record-low fertility rate of 1.6 children per woman in 2022².

Strategy & Solution

TF recognises the challenge and continues to collaborate with financial institutions and medical financing partners to offer flexible, zero-interest payment plans. These efforts are aimed at ensuring that financial constraints do not become a hindrance to couples from accessing fertility care and realising their hopes of parenthood.

3 Challenge 3: Talent Retention

Talent retention and development remain critical in an increasingly competitive healthcare landscape.

Strategy & Solution

TF continues to foster an inclusive and high-performance culture that prioritises continuous learning and professional growth. The organisation

has expanded development opportunities for its team, including participation in leading global reproductive health conferences such as Asia Pacific Initiative on Reproduction, Malaysia Society of Assisted Reproductive Technology, and European Society of Human Reproduction & Embryology, ensuring that its clinicians and scientists stay at the forefront of international best practices.

4 Challenge 4: Stricter Regulation

Stricter regulations, compliance and reporting requirements will demand more resources and time to ensure adherence. Malaysia is considering the enforcement of Assisted Reproductive Technology regulations ("ART").

Strategies and Solutions

While regulatory hurdles present significant challenges, they also drive industry standards higher, ensuring the safety and well-being of patients. Compliance with these regulations will bolster the trust and credibility of TF.

Prospects

In line with its growth trajectory, TF initiated a strategic rebranding from TMC Fertility to Thomson Fertility, reinforcing its alignment with the Thomson Medical Group, a globally renowned healthcare brand. This rebranding signifies more than a change in name; it is the organisation's commitment to delivering world-class fertility care to both local and international patients, while upholding the compassionate, patient-centric values that remain at its core.

Looking ahead, TF sees significant opportunities for strategic growth both within Malaysia and across the region. With the country's declining total fertility rate and government-backed incentives such as the RM10,000 tax exemption for individual tax payer and the EPF withdrawal scheme for fertility treatment, demand for assisted reproductive services is expected to rise steadily. In response, TF is actively exploring the establishment of additional fertility centres, particularly in the Klang Valley and other underserved areas, to expand access to care.

As birth rates continue to decline across Southeast Asia including in key markets such as Singapore, Indonesia, and Thailand, TF is well positioned to lead the region's response to evolving fertility challenges. Backed by advanced scientific capabilities, a growing international footprint, and an unwavering commitment to patient-centric care, TF stands uniquely to meet the needs of both local and international communities seeking high-quality, innovative reproductive solutions.

Entering the next phase of its journey, TF remains firmly anchored in medical excellence, driven by innovation, and deeply dedicated to Celebrating Life with its patients into parenthood.

Reference:

² Malay Mail. (2023, Oct 17). DOSM: Malaysia's total fertility rate for 2022 reaches lowest in 50 years.

<https://www.malaymail.com/news/malaysia/2023/10/17/dosm-malysias-total-fertility-rate-for-2022-reaches-lowest-in-50-years/96810>

Management Discussion and Analysis (Cont'd)



THOMSON TRADITIONAL CHINESE MEDICINE (“TTCM”)

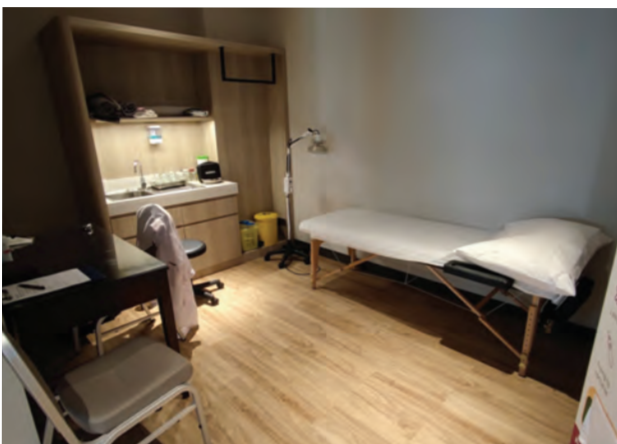
2024 - 2025 Key Milestones

In FY2025, Thomson Traditional Chinese Medicine (“TTCM”) achieved significant milestones that reinforced its position as a trusted provider of integrative healthcare solutions, combining the strengths of Traditional Chinese Medicine (“TCM”) with modern medical practices.

Expanding Access to Holistic Care

TTCM remains committed to delivering holistic, patient-centred and ensuring greater accessibility to TCM services for both new and existing patients. A major advancement in this effort was the introduction of a satellite clinic at ReU Living, an aged care and rehabilitation facility. Operating three days a week, the satellite clinic extends TCM to a broader demographic particularly the elderly marking a significant step towards making integrative care more accessible and community focused.

This initiative aligns with TTCM’s strategic vision to broaden its outreach, enhance convenience for patients, and promote the long-term benefits of TCM as a complementary solution within mainstream healthcare.



Satellite clinic at ReU Living, Kuala Lumpur

Increasing Brand Awareness and Visibility

In FY2025, TTCM continued to elevate its brand presence through strategic engagement, educational outreach, and community-based initiatives. TTCM welcomed pharmacy students from Shanghai Jiao Tong University (China) and SEGi University (Malaysia), offering educational visits designed to explore the synergies and distinctions between Eastern and Western medical approaches. These visits reinforced TTCM’s role as a bridge between traditional and modern healthcare philosophies, while enhancing academic collaboration and international visibility.

In parallel, TTCM expanded its community engagement through active participation in a variety of public health and wellness events, including:

- The Star’s Staff SEED Wellness Event
- Healthcare Carnival by Ben Physio
- Postnatal & Antenatal Talks with Motherhood
- Traditional Chinese Medicine Workshop with Monash University Pharmacy Society.

These initiatives not only broadened TTCM’s outreach and brand recognition but also strengthened its reputation as an integrative healthcare partner committed to education, prevention, and community wellness.

Engaging The Right Partners

In January 2024, TTCM established partnerships with physiotherapy service providers to strengthen integration within the broader healthcare ecosystem. These collaborations aim to enhance patient care, improve service delivery, and reinforce TTCM’s position as a trusted provider of holistic healthcare solutions



Knowledge sharing with Shanghai Jiao Tong University (China) and SEGi University (Malaysia) students

Management Discussion and Analysis

(Cont'd)

Challenges, Strategies and Solutions

1

Challenge 1: Talent Acquisition and Retention

TTCM encountered challenges in hiring and retaining qualified practitioners, which impeded plans to scale operations through the establishment of satellite clinics.

Strategy and Solution

TTCM is enhancing its training programmes for clinic assistants to better support daily operations. Additionally, improved incentive structures and profit-sharing schemes are being developed to attract and retain qualified TCM practitioners.

2

Challenge 2: Increased Market Competition

With TTCM's entry into the market, a wider range of competitors emerged, including direct competitors such as other TCM clinics, and indirect competitors like Chinese medicine halls, physiotherapy centres, and wellness facilities offering similar services.

Strategy and Solution

TTCM is expanding its service offerings to target niche segments, including post-heart attack and post-stroke recovery, as well as fertility enhancement. To strengthen customer acquisition, TTCM is leveraging word-of-mouth marketing and customers referrals, while enhancing customer loyalty and lifetime value through bundled family wellness services.

Prospects

Current trends in Malaysia indicate a growing awareness and acceptance of TCM as a complementary approach to conventional healthcare. Increasingly, individuals are exploring alternative treatments alongside Western medicine, presenting an opportunity for TTCM to expand its patient base and introduce more people to the benefits of holistic healthcare.

The heightened health consciousness following the COVID-19 pandemic has further accelerated interest in preventive and integrative care. As Malaysians place greater emphasis on wellness and long-term health management, demand for TCM services is expected to grow. TTCM is well positioned to cater to this evolving market, offering personalised, holistic solutions that align with public's shift towards proactive health management. In line with these trends, TTCM plans to expand its service offerings into the Obstetrics & Gynaecology ("O&G"), Oncology, Neurology, and Orthopaedics fields. By promoting the role of TCM as a complementary therapy in these medical areas, TTCM aims to raise awareness and broaden its reach among patients seeking integrated treatment options. Additionally, TTCM will intensify engagement with corporate clients located near these clinics. Through targeted outreach and wellness initiatives, we aim to increase footfall and raise awareness of TCM's benefits among working adults, thereby boosting weekday clinic traffic and diversifying customer demographics.

However, potential regulatory changes such as the reintroduction of the Sales and Services Tax ("SST") may lead to increased operational costs. This could, in turn, impact the affordability and accessibility of TCM treatments. TTCM is committed to mitigating these risks by optimising cost structures and offering value-based packages to maintain affordability. Nonetheless, uncertainty surrounding future tax policies remains a financial consideration that could affect consumer demand. Overall, TTCM remains optimistic about its growth trajectory, underpinned by increasing health awareness, service expansion, and strategic corporate partnerships.

Management Discussion and Analysis (Cont'd)



TMC CARE PHARMACY (“TMCC”)

2024 - 2025 Key Milestones

TMC Care Pharmacy (“TMCC”) is poised to reinforce its position as a trusted healthcare partner within Thomson Hospital Kota Damansara and the surrounding community. Amidst rising healthcare costs and evolving consumer expectations, its strategic priorities for 2024-2025 are anchored sustainable growth, operational excellence, and enhanced service delivery. In the year ahead, the focus will be on:

- **Strengthening core operations:** It is enhancing its in-store experience to improve service quality, streamline workflows, and ensure greater operational efficiency.
- **Broadening value-driven offerings:** By forging strategic partnerships with vendors, it aims to diversify its product range, deliver greater value to customers, and stay responsive to shifting patient needs.
- **Supporting hospital-wide initiatives:** TMCC remains committed to playing an active role in hospital events and campaigns, contributing to multidisciplinary care, and reinforcing its integrated presence within the hospital ecosystem.
- **Deepening stakeholder collaboration:** It will continue to foster strong relationships with internal stakeholders, including clinical teams and support services as well as external partners, to ensure alignment in delivering high-quality pharmaceutical care.

TMCC continue to strengthen its physical retail presence which allows the optimisation of resource allocation and better responds to the personalised, in-person care expectations of the community.

TMCC remains committed to its mission of providing accessible, affordable, and high-quality pharmaceutical services, supporting both the health of our patients and the long-term sustainability of its business.



TMCC reinforces its position as a trusted healthcare partner for the Kota Damansara community

Management Discussion and Analysis

(Cont'd)

Challenges, Strategies and Solutions

1

Challenge 1: Rising Cost of Goods and Operational Inputs

Inflationary pressures have significantly increased the cost of pharmaceuticals, logistics, and operational overheads. This has placed a strain on both profitability and pricing strategies, making it increasingly challenging to maintain sustainable margins while ensuring affordability for patients.

Strategy and Solution:

TMCC has proactively enhanced its collaboration with pharmaceutical vendors to secure more competitive pricing and introduce value-added promotions. These strategic partnerships have enabled it to continue offering essential medications at accessible price points while enhancing stock variety and availability. In parallel, it is driving operational efficiency through improved inventory management systems and tighter cost control measures, helping to cushion the impact of rising input costs.

2

Challenge 2: Reduced Consumer Spending Power

Amid a tightening economic environment, consumers have become more price-conscious, particularly when purchasing non-essential healthcare items or premium medications. This shift in spending behaviour has impacted overall sales and customer retention.

Strategy and Solution:

To address this, TMCC is amplifying its brand visibility within the hospital premises through strategic placement of high-impact signage, banners, and

promotional materials designed to capture the attention of patients and visitors and convert traffic into sales. It is also exploring bundled promotion offerings and loyalty-driven campaigns to deliver better value to customers and foster repeat engagement.

3

Challenge 3: Intensifying Competition from External Pharmacies

The growing presence of online pharmacies and aggressive pricing strategies nearby retail chains have increased competitive pressures, posing a challenge to customer retention and market share growth within the hospital's service catchment area.

Strategy and Solution:

TMCC is leveraging its strategic location within THKD and deepening its engagement with the surrounding community to create a clear point of differentiation. By actively participating in hospital wellness programmes, public health campaigns, and patient education initiatives, the pharmacy is positioning and solidifying its role as a trusted, value-based partner in healthcare. These community-centric efforts enhance patient relationships, foster brand loyalty and elevate the pharmacy's role in delivering care that is more personalised, impactful, and holistic.

Prospects

Looking ahead, TMCC remains steadfast in its commitment to providing accessible, affordable, and high-quality pharmaceutical services. In an environment of rising healthcare costs, its role in supporting patient affordability and ensuring access to essential medications is more important than ever. To drive growth, it aims to increase prescription volume by strengthening partnerships with healthcare consultants and expanding engagement with self-paying and walk-in patients. Its strategic location within THKD offers a unique advantage, allowing them to engage directly with a captive patient base and provide seamless pharmaceutical support within the hospital ecosystem.

As part of its brand-building and visibility efforts, it's implementing strategically placed signage within the hospital and collaborate more with pharmaceutical partners to deliver promotional campaigns and pricing that are both attractive and competitive. These initiatives are designed to increase foot traffic, strengthen customer loyalty, and boost revenue performance. With a continued focus on patient-centric care, operational excellence, and sustainable growth, TMCC is well-positioned to deliver improved business outcomes in the future. It remains optimistic about leveraging strengths and partnerships to meet evolving healthcare needs and support the broader goals of the hospital and community it serves.

Management Discussion and Analysis

(Cont'd)



THOMSON SPECIALIST CLINIC (KEPONG) ("TSCK")

2024 - 2025 Key Milestones

Demonstrating its continuous commitment to supporting women throughout their reproductive journey, Thomson Specialist Clinic (Kepong) ("TSCK") launched Antenatal Classes for its customers. This initiative broadens its scope of services and reinforces its positioning as a trusted, comprehensive care provider for expectant mothers. Led by experienced nurses, the classes offer essential knowledge and emotional support to new parents and strengthening community engagement.



TSCK commits to supporting women throughout their reproductive journey

Challenges, Strategies and Solutions

1 Challenge 1: Saturated Market Environment

TSCK operates within a densely competitive landscape, with over eight women's health clinics in the immediate vicinity.

Strategy and Solution:

To differentiate its offerings and attract new patients, TSCK launched the antenatal programme to create a unique value proposition. Looking ahead, TSCK is developing bundled maternity packages that integrate antenatal classes with delivery services at THKD, thereby strengthening referral pathways and enhancing patient retention.

2 Challenge 2: Shrinking Market Size

Only an estimated 22% of the population currently falls within the reproductive age range, resulting in a reduced addressable market for fertility, obstetrics and gynaecology services. The limited demographic is further fragmented by the presence of multiple competitors.

Strategy and Solution:

In response, TSCK intensified its targeted marketing initiatives, focusing on deeper engagement with key demographics while also promoting early health-seeking behaviours among young cohorts to gradually expand the potential patient base.

Prospects

TSCK is approaching full utilisation of its current operational capacity, reflecting strong and sustained patient demand. This positive trajectory presents opportunities for strategic service expansion. The clinic is currently assessing the feasibility of:

- Extending clinic hours
- Increasing consultancy availability
- Introducing new service offerings, such as women's wellness screenings and preconception counselling. These planned enhancements aim to broaden its reach across women's healthcare needs and support TSCK's continued integration into the Kepong community. Through these efforts, TSCK is well-positioned to maintain momentum, drive sustainable growth, and reinforce its reputation as a key provider of women-centric healthcare services.

Sustainability Statement



ABOUT THIS STATEMENT

This statement represents TMC Life Sciences Berhad (“TMCLS”, or “the Company”) and our group of companies (“TMCLS Group” or “Our Group” or “the Group”) annual Sustainability Statement, highlighting our efforts and performances in managing material sustainability matters.

Guidelines and Frameworks

This Sustainability Statement has been prepared in accordance with the key principles of Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements, with reference to the latest edition of the issued Sustainability Reporting Guide 3rd Edition. This is also guided by the following international standards, frameworks and guidelines, which are as follows:

- Malaysian Code on Corporate Governance (“MCCG”) 2021
- Global Reporting Initiative (“GRI”) Standards 2021
- Sustainability Accounting Standards Board (“SASB”) Sector Specific Disclosures
- FTSE4Good Bursa Malaysia Sustainability Index (“F4GBM”)
- National Sustainability Reporting Framework (“NSRF”), which incorporates elements of IFRS S1 and S2
- United Nations Sustainable Development Goals (“UNSDGs”)

Our approach to our disclosures is guided by these requirements and reflect our commitment to transparency and accountability. While sustainability reporting practices continue to evolve, we adopt a best effort basis when reporting our progress.

Sustainability Statement (Cont'd)

Reporting Scope And Boundary

This statement covers TMC Life Sciences Berhad's sustainability activities for the financial period of 1 July 2024 to 30 June 2025 ("FY2025"). Unless stated otherwise, the report excludes associates, joint ventures, as well as operational data from tenants, vendors, and contractors, as TMCLS does not have direct operational control or comprehensive access to their internal processes. The disclosures in this report follow the operational control approach.

This statement addresses our response to material matters which impact our business and our ability in delivering value to our stakeholders. Where relevant and available, we will also include data from previous years to track year-on-year progress and to provide additional context.

Data Limitations and Future Enhancements

This statement may contain forward-looking statements or statements alluding to future performance, including prospects, plans, targets and more. Forward-looking statements within this report, regarding future plans, goals, and expectations, are made with reasonable assumptions based on current business trajectories and on a best-effort approach.

Future oriented information is not to be assumed as guarantees of future performance. External developments within the operational environment beyond the control of the Group can render such data, statements, forecasts, expectations and equivalents inaccurate.

Data Quality and Assurance

In strengthening the credibility of this statement, data for selected material topic has undergone review by our internal auditors. Selected indicators have been subjected to limited assurance by Ernst & Young Consulting Sdn. Bhd. The Limited Assurance Statement is provided on pages 96 to 99 of this statement.

Report Availability and Feedback

This statement can be accessed and downloaded through TMCLS's Annual Report in the corporate website at <https://www.tmclife.com/>.

TMCLS values stakeholders' feedback on this statement and its contents to continuously improve the Group's sustainability reporting and Environmental, Social, and Governance ("ESG") practices. Comments or queries can be directed to:

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 Taman Sains Selangor 1,
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 Selangor Darul Ehsan, Malaysia



Sustainability Statement

(Cont'd)

OUR SUSTAINABILITY JOURNEY

Since FY2018, TMCLS has embarked on its sustainability journey, steadily aligning corporate objectives with environmental and social responsibility. The Group remains committed to promoting the long-term well-being of the environment, our communities, and future generations.

FY2018-2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Inaugural Sustainability Report in FY2018	Declared commitment to UNSDGs	- Established Sustainability Management Committee - Established Materiality Matrix	- Conducted Gap Analysis to improve reporting - Awarded GreenRE Certification - Solar Panels and Water Harvesting	- Committed to Net Zero 2050 - Initiated Greenhouse Gas ("GHG") Scope 1 & 2 accounting - Aligning Organisation Vision & Mission	- Enhanced Scope 1, 2 & 3 accounting - Energy Efficiency Audit - Sustainability & Climate Change policy - Materiality Assessment Survey and established new Materiality Matrix - Adopted Limited Assurance confirming integrity of sustainability practices	- Established baseline year and target for Scope 1 and Scope 2 GHG reduction - Enhanced sustainability data collection with standardised data templates and reviewed data collection methodology for each data point - Expand Limited Assurance with additional two business unit: Thomson Fertility Puchong & Thomson Specialist Clinic (Kepong) - Increase our recycling activities, achieving 43.81 tonnes of recycled waste in FY2025 compared to 28.44 tonnes in FY2024

FY2025 SUSTAINABILITY AT A GLANCE

Patient Care & Community Outreach



- Conducted 30 CSR programmes for 4,232 beneficiaries with an expenditure of RM66,920
- Maintained Reproductive Technology Accreditation Committee ("RTAC") and The Australian Council on Healthcare Standards ("ACHS") for Oncology
- Zero complaints received for data breaches

Organization Management



- Organised Vendors & Doctors Integrity Day – Malaysian Anti-Corruption Commission ("MACC") Section 17A Briefing and Pledge Ceremony on 25 June 2025

Environmental Management



- Established baseline year and target for Scope 1 and Scope 2 GHG reduction
- Enhanced sustainability data collection with standardised data templates and reviewed data collection methodology for each data point
- Expanded our Limited Assurance with two additional business units: Thomson Fertility Puchong & Thomson Specialist Clinic (Kepong)
- Increase our recycling activities, achieving 43.81 tonnes of recycled waste in FY2025 compared to 28.44 tonnes in FY2024

Talent Excellence



- 42 average training hours per employee
- RM1 million invested in human capital development

Sustainability Statement

(Cont'd)

SUSTAINABILITY AT TMCLS

Sustainability Framework

In FY2025, TMCLS continued to adopt its established corporate strategy framework. This framework is reviewed annually by the Sustainability Management Committee (“SMC”) and approved by our Board of Directors. Aligned with sustainability development principles and the UNSDGs, the strategic objectives aim to enhance healthcare accessibility, accountability, and corporate sustainability. This framework is guided by our governance structure, which supports the Group in tracking progress and reinforcing its long-term sustainability commitments.



Sustainability Statement

(Cont'd)

Sustainability Governance Structure

TMCLS has a three-tiered governance framework in place to ensure effective oversight and implementation of sustainability initiatives. This top-down approach structure enables the integration of ESG considerations into our business strategy, risk management, and decision-making processes, whilst addressing economic, environmental, and social risks and opportunities.

The following diagram outlines TMCLS's sustainability governance structure, clearly defining roles and responsibilities at every level for effective decision-making and implementation.

Role	Responsibilities
Board of Directors ("BOD") Holds ultimate oversight and responsibility of all climate-related risks and opportunities, primarily through the Group's established Sustainability Governance Structure and Board-level Sustainability Committee Composition: Executive & Non-executive Directors	- Oversees the Group's sustainability agenda and its integration into the business strategy, risk-management and major decision-making processes - Provides direction to management on addressing identified climate and sustainability risks, in line with the operational and growth objectives - Reviews and approves Group-wide sustainability, strategies, key initiatives and targets, including TMCLS's net-zero 2050 target - Monitors the progress and performance of climate-related targets, ensuring alignment with long-term business objectives - Stays informed on sustainability and risks matters, including climate risks and opportunities on an annual basis, or more frequently if needed
Audit & Risk Management Committee ("ARMC") Advises the Board on climate-related and broader sustainability matters Composition: Independent Non-Executive Directors	- Ensures the accuracy and reliability of sustainability statement and disclosures - Oversees the identification, monitoring and mitigation of sustainability-related risks - Supervises internal and external audits of sustainability practices, reviewing and addressing any findings or compliance issues - Supports the Board by providing input on ESG initiatives, with a focus on risk and regulatory compliance
Sustainability Management Committee ("SMC") Oversees and coordinates sustainability efforts and reporting across the Group Composition: Group Chief Financial Officer ("GCFO") as Chairman, Senior Management & Head of Departments	- Coordinates and manages sustainability efforts and reporting across business units - Develops and implements policies, aligned with international sustainability standards - Addresses sustainability-related risks and opportunities systematically and strategically through specialised task forces and approved recommendations and action plans, continuously enhancing oversight and ensuring effective implementation across the Group - Coordinates climate risk management and integrates it with enterprise risk management and operational controls - Reports climate and sustainability matters to the Board through the ARMC annually, or more frequently if material changes occur
Working Groups Implements and monitors sustainability initiatives at the operational level Composition: Key department representatives	- Supports the SMC in implementing the Group's sustainable strategies, policies, and initiatives across all business units - Assists the SMC in collecting data and preparing disclosures, including preparation of the Group's Sustainability Statement

Recognising the growing importance of sustainability risks, TMCLS has, since FY2024, begun integrating sustainability considerations into its executive remuneration framework at senior management level. To support the management of our sustainability risks and opportunities, specific Key Performance Indicators ("KPIs") help to align leadership accountability with the Group's long-term sustainability goals.

Sustainability Statement

(Cont'd)

Risk Management Framework

Guided by ISO-31000, the Groups has a 3 tier risk management framework in place, enabling comprehensive oversight, from risk identification and assessment to the development of mitigation plans and internal controls.

The framework is structured to assess and forecast the severity and likelihood of risk events, including ESG risks, across short, medium and long-term horizons. These risk ratings, covering both short and long-term risks, are integrated into our Risk Register and is regularly reviewed and updated by both Management and the BOD to ensure alignment with the evolving risk landscape. This is also embedded in our Enterprise Risk Management (“ERM”) Framework, which is captured in our Statement on Risk Management and Internal Control (“SORMIC”).

For more information on the Risk Management Framework, please refer to the SORMIC section of this Annual Report.

ESG KPI & Targets

In response to the global call for action under the 2030 Agenda for Sustainable Development, TMCLS has also aligned the Group's ESG practices with twelve UNSDGs where the Group can create the most meaningful impact.

Continuing from FY2024, TMCLS monitors and tracks the Group's sustainability strategies through our established ESG KPIs and targets. This initiative embeds sustainability practices throughout every business operation, ensuring that all efforts are measurable and impactful.

Patient Care and Community Outreach

Cultivate clinical excellence through evidence-based outcomes, measured against international benchmarks and accreditation.

UNSDGs Contributions



Materials Topics	KPIs	Targets	FY2025 Progress	FY2024 Progress
Quality Healthcare	Safe Surgery	Zero cases of wrong surgery	Achieved	Achieved
	Healthcare Associated Infection	<5% annually	Achieved	Achieved
	Transfusion safety	Zero incident annually	Achieved	Achieved
	Fall prevention	<5 per 1,000 patient days	Achieved	Achieved
Patient Satisfaction	NPS	At least 60% annually	72%	72%
	CSAT	At least 4.4 annually	4.6	4.4
Community Health and Wellbeing	Number of community events / programmes per annum by Public Relation (“PR”) department	At least 6 annually	7	Not available
	Number of beneficiaries of CSR by PR department	At least 1,800 annually	1,845	Not available
	Community Initiatives by PR department	At least 4 annually	4	Not available

Sustainability Statement

(Cont'd)

Organisational Management

- Productivity; outcome-driven workforce
- Grow the Group's service ecosystem & promote loyalty
- Ethical and transparent reporting of disclosures to all stakeholders

UNSDGs Contributions

Materials Topics	KPIs	Targets	FY2025 Progress	FY2024 Progress
Ethics and Integrity	Confirmed incidents in which employees were dismissed or disciplined	Zero incident annually	0	0
	Confirmed incidents of corruption	Zero incident annually	0	0
	Confirmed incidents when contracts with business partners were terminated or not renewed due to violations	Zero incident annually	0	0
Emergency Preparedness for Disasters	Number of staff trained in emergency response	80% annually	92%	86%
Cybersecurity and Data Protection	Number of data breaches	Zero incident annually	0	0
	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero incident annually	0	0
Supply Chain Management	Percentage of new suppliers declare on Code of Conduct ("COC") and Conflict of Interest ("COI")	100% annually	100%	100%

Environmental Management

Minimise environmental footprint and maximise societal impact

UNSDGs Contributions**Targets**

Achieve Net-Zero by 2050.

Materials Topics	KPIs	Targets	FY2025 Progress	FY2024 Progress
Climate Change	Reduction of Scope 1 and 2 emissions	Establish baseline by FY2025	41 MtCO ₂ e/RM' million in revenue as baseline	38 MTCO ₂ e/RM' million in revenue

Sustainability Statement

(Cont'd)

Talent Excellence

Embrace diversity, nurture talent, sustain excellence

UNSDGs Contributions



Materials Topics	KPIs	Targets	FY2025 Progress	FY2024 Progress
Human Capital Development	Gender equality	10% male Registered Nurses ("RNs")	13.1%	9.8%
	Percentage of directors by gender and age group	30% of female as Board member	33%	38%
	Percentage of employees with disabilities	0.5%	0.3%	0.3%
	Culture and ethics*	15% registered nurses from East Malaysia	12.2%	10.6%
	Reskilling/upskilling the workforce	Increase bonded RNs with Post Basic / Nursing Internal Training Programme 23%	32.8%	19.7%
Safety at the Workplace	Fatalities as a result of work-related ill health	Zero fatalities annually	0	0
	Fatalities as a result of work-related injury	Zero fatalities annually	0	0
	Loss day rates	A reduction from previous year	12.9	29.2
	Recordable work-related injuries	A reduction from previous year	6 cases	6 cases
	Cases of recordable work-related ill health	A reduction from previous year	0 case	0 case
	Percentage of employees trained on health and safety standards	80% annually	92%	86%
Talent Retention	Employee engagement score	>70% annually	72%	63%
Labour Practices	Number of substantiated complaints concerning human rights violations	Zero annually	0	0

* For further information on this matter, please refer to the "Diversity, Equity and Inclusion ("DEI")" section of this sustainability statement.

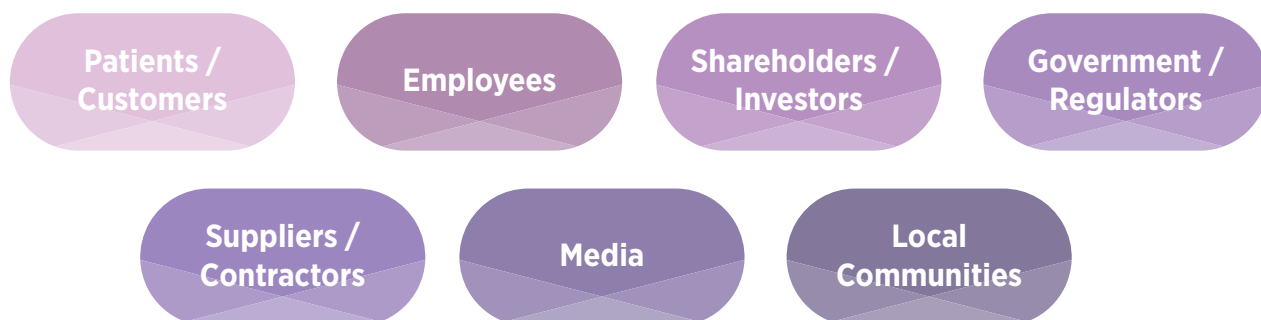
Sustainability Statement

(Cont'd)

Stakeholder Engagement

Acknowledging the significant role of stakeholders in our business, we engage through various channels to understand and address the specific interests, needs, and concerns of each group. This approach helps foster long-term value for all parties involved.

Our stakeholders are individuals, groups, or organisations that either influence or are affected by the Group's business activities. In 2023, we have identified our key stakeholders as the following:



The table below outlines the topics of dialogue, frequency of engagement and channels used for each of our key stakeholder groups.

STAKEHOLDER GROUPS	PRIORITIES ISSUES	OUR RESPONSE
Patients / Customers 	- Healthcare service delivery - Customer privacy - Customer health and safety	- Distribution of customer surveys and feedback forms - Social media and digital platforms are used to communicate essential product and service information to patients/customers
Employees 	- Employee welfare - Occupational health and safety - Economic performance - Talent development and retention - Employee benefits	- Annual face-to-face meetings with management are held to address major employee concerns - Employee town halls are held quarterly to encourage employee and management engagement - BLOOM, the Group Human Resources e-Newsletter, ensures employees are updated every 2 months with happenings in the hospital and the Group. In strengthening the employer-employee relationship, we have begun recording employee interviews to highlight and share their stories - A Training Directory is developed every year, covering mandatory trainings; leadership improvement; service and behavioural improvement; quality, legal, risk and compliance; information technology and clinical nursing
Shareholders / Investors 	- Economic performance - Corporate governance - Expansion projects	- Annual General Meetings ("AGM") are organised to discuss the Group's performance, and future strategies - Extraordinary General Meetings ("EGM") are held as and when needed to deliberate on urgent matters pertaining to the Group's performance, management or corporate compliance matters - Analyst meetings are conducted upon request to review the Group's financial performance and updates on its future outlook

Sustainability Statement

(Cont'd)

STAKEHOLDER GROUPS	PRIORITIES ISSUES	OUR RESPONSE
Government / Regulators 	• Customer health and safety • Regulatory compliance • Clinical governance • Corporate social responsibility	• Meetings are organised with regulators as and when needed to discuss regulations and compliance matters • Inspections are carried out as and when needed to ensure compliance to relevant laws and regulations • Electronic communications are used to communicate latest developments and updates on relevant laws and regulations
Suppliers / Contractors 	• Business integrity • Ethical procurement • Regulatory compliance • Customer health and safety	• Site meetings are held monthly to communicate and address matters pertaining to the Group's projects • Monthly inspection on outsources provider operation and monthly meetings with outsource providers are held to evaluate performance and discuss operational issues • Annual vendor performance evaluations are performed to evaluate top vendors based on the quality of goods, pricing, and condition of goods received
Media 	• Economic performance • Corporate governance • Customer health and safety • Corporate social responsibility	• Quarterly result announcements are made to disseminate quarterly financial performance data, management's assessment on future outlooks, and the impact on Group performance for the remainder of the fiscal year • Annual post AGM press conferences/releases are held to disseminate information and official decisions made during board meetings • Press interviews/events are arranged to officially distribute information and address questions from the media
Local Communities 	• Health awareness • Community-based healthcare services and awareness • Safety and risk awareness	• Throughout the fiscal year, Corporate Social Responsibility ("CSR") programmes are organised to give back to the communities in which we operate • Board of Visitors meetings are scheduled bi-annually to discuss matters that affect the local community. The Board of Visitors comprise of representatives from local communities around the hospital that serve as a liaison between the hospital and the community • Annual drills with local authorities are organised to ensure organisational preparedness for emergencies • Medical education ("CME") programmes are organised to educate the public and raise awareness on health management • Public forums are arranged as and when needed to engage local communities and disseminate key medical information • Regular engagement with our local representative office (ADUN) is conducted to remain abreast of any potential concerns

Sustainability Statement

(Cont'd)

Membership of Associations

TMCLS holds memberships in various reputable professional bodies and industry associations within the healthcare sector, demonstrating the Group's commitment to staying informed and connected within the healthcare industry. The Group actively engages in and supports the advancement of local and regional healthcare sectors by advocating for policies that foster growth, innovation, and improved patient outcomes. These efforts not only contribute to economic development but also enhance healthcare delivery and accessibility within the Group's communities.

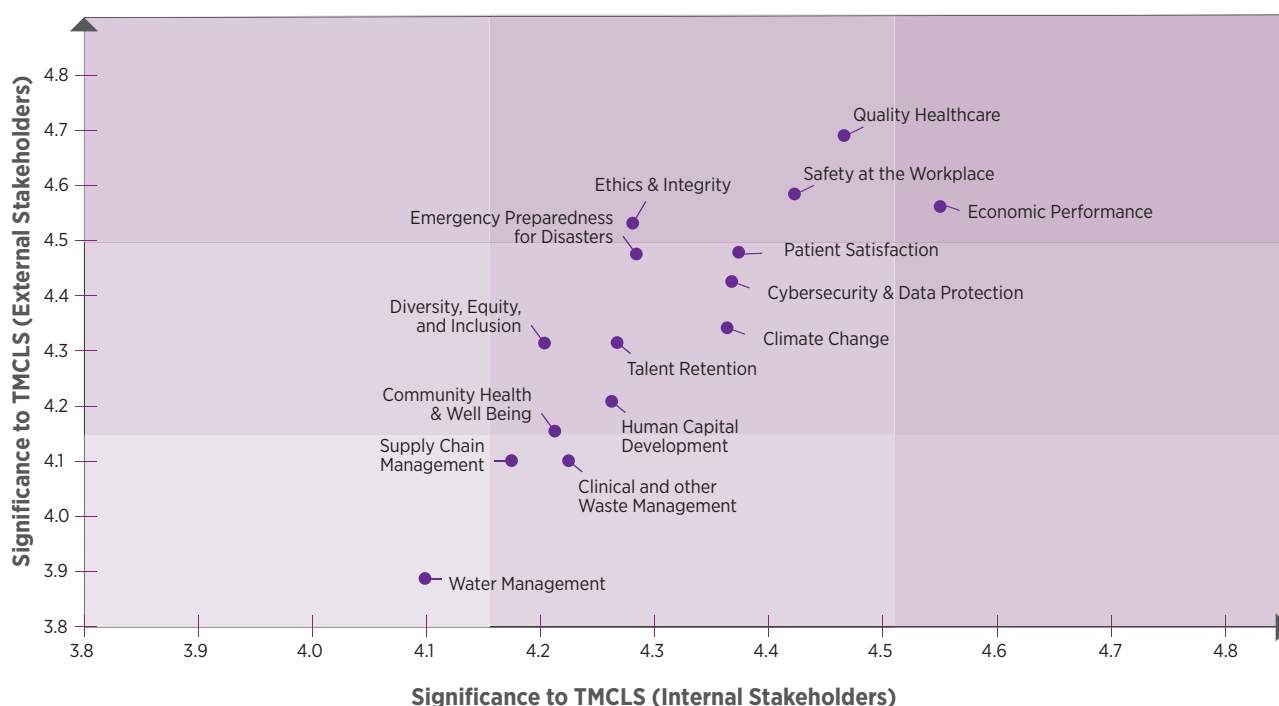
Significant memberships include the Association of Private Hospitals, Malaysia ("APHM"), Malaysia Healthcare Travel Council ("MHTC"), Malaysian Society for Quality in Health ("MSQH"), CEO Action Network and Contact Centre Association Malaysia ("CCAM"). These affiliations allow TMCLS to stay abreast with emerging trends, innovations, and best practices that are shaping the healthcare industry.

Materiality Assessment

Following the GRI Materiality Principles, the Group utilises a thorough three-step materiality assessment process to (1) identify, (2) prioritise, and (3) validate the material sustainability topics that are significant for both our business and key stakeholders. This is also in alignment with the SASB standards.

The materiality matrix below illustrates our material topics aligned along the horizontal axis to indicate their importance of the ESG impacts to the business. The topics are positioned along the vertical axis to reflect their influence on stakeholder assessments decisions regarding our business engagements.

FY2025 Materiality Matrix



Sustainability Statement (Cont'd)



PATIENT CARE AND COMMUNITY OUTREACH

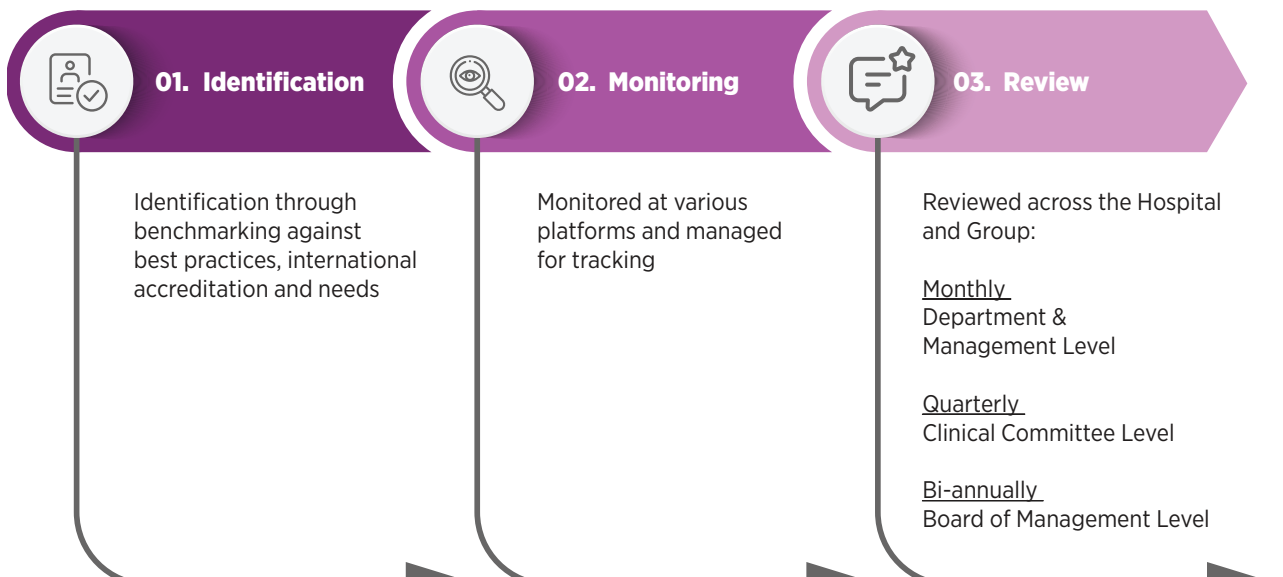
QUALITY HEALTHCARE

Why is it Important

Quality Healthcare is fundamental to patient trust, safety, and outcomes. It is directly tied to the Group's brand reputation, patient satisfaction, and long-term value creation.

Our Approach

Our quality approach is guided by our quality framework. The Group's quality improvement framework follows a structured three-step process designed to ensure effective implementation, continuous improvement, and long-term sustainability of healthcare standards.



Sustainability Statement

(Cont'd)

In upholding these standards, TMCLS continuously strengthens its quality framework under the oversight of the Board of Management Chairman and the Group Quality, Risk & Sustainability (“GQRS”) department. This includes regular internal assessments and external accreditations by recognised bodies such as the ACHS and RTAC. Since 2023, TMCLS has received ACHS accreditation for Oncology and Hospital-Wide services, and RTAC certification for its fertility centres, affirming our commitment to clinical excellence and safe, patient-centred care.

The following are TMCLS’s initiatives and activities in improving quality healthcare:

Initiatives:



Patient Safety Week (23rd Sept to 1st Oct 2024)

Description:

TMCLS hosted our “Patient Safety Week” to strengthen organisational understanding of patient safety and quality in healthcare, guided by the International & Malaysian Patient Safety Goals (“MPSG”).

Key Focus area:

1. Identify Patient Correctly
2. Improve Effective Communication
3. Improve the Safety of High-Alert Medications
4. Ensure Safe Surgery
5. Blood Transfusion Safety
6. Reduced the Risk of Healthcare Associated Infections
7. Reduced the Risk of Patient Harm Resulting from Falls

Initiatives:



Quality Procurement

Further details on this can be found in the “Supply Chain Management” section of this statement

Description:

- All suppliers must undergo due diligence, including supplier screenings, performance monitoring and evaluation processes
- For procurement of medical equipment, all local suppliers must be certified by the Medical Device Authority (“MDA”) of Malaysia

Initiatives:



Regulatory Compliance

Description:

- Adherence to high standards of quality, ethics, and environmental responsibility through compliance with key regulations, including:
 - Private Healthcare Facilities and Services Act 1988 (“PHFSA”): mandates license renewal every two years to uphold service quality and safety
 - Dangerous Drugs Act: enforces strict handling of controlled substances
 - Medicines (Advertisement and Sale) Act 1956: regulates how medicines and related products can be advertised and sold to the public
 - Medical Act 1971: governs the registration, regulation, and practice of medicine
- Maintains full compliance with national and international healthcare quality standards including:
 - ACHS
 - RTAC
 - Private Healthcare Facilities and Services Act 1998 (Act 586)
- Achievement (FY2025): Thomson Hospital Kota Damansara maintained our Organisation-Wide Accreditation by ACHS

Initiatives:



Internal Quality Audits

Description:

- Internal quality audits are performed annually in alignment with Ministry of Health guidelines and international accreditation standards

Sustainability Statement

(Cont'd)

Initiatives:



Healthcare Digitalisation and Innovation

Further details can be found in the “Healthcare Digitalisation & Innovation” section of this statement

Description:

Here at TMCLS, our healthcare digitalisation and innovation initiatives are categorised as such:

- Clinical innovations: technologies that enhance diagnostic accuracy and healthcare delivery
- Digital health solutions: tools that streamline patient engagement and operational efficiency such as mobile apps and integrated data systems

TMCLS also engages in strategic partnerships and investments to enhance patient experience and improve clinical outcomes.

Initiatives:



Responsible Medicine Management

Further details can be found in the “Management of Controlled Substances” section of this statement

Description:

Medication Management protocols:

- TMCLS enforces rigorous medication management protocols, prioritising prescription screening, patient education, and the mitigation of antimicrobial resistance (“AMR”)
- Supported by a data-driven framework and targeted initiatives such as:
 - Monitoring and usage of Carbapenem
 - Review of antibiotic usage within 72 hours
- When prescribing drugs, our staff undergo training to ensure clear communication and transparency between pharmacists and patients to promote optimal treatment outcomes

Safety Healthcare Products and Services

TMCLS embeds patient and customer safety into all aspects of healthcare delivery. We comply with standards set by accreditation bodies such as the Malaysian Society of Quality Healthcare (“MSQH”), ACHS, and RTAC, and we maintain strict adherence to established SOPs to ensure consistency, safety, and quality. Our practices are also guided by the International Patient Safety Goals (“IPSG”) framework.

To ensure patient safety, TMCLS has also established a robust incident reporting system. This system is designed to help identify root causes, mitigate risks, and prevent future occurrences.

Our Incident Reporting process:

1. Immediate Response: Prompt action is taken at the time of the incident to ensure safety and minimise harm
2. Reporting: An incident report is submitted through the cloud-based incident reporting system QUASR within 24 hours of the event
3. Investigation: A supervisor then conducts a thorough investigation with input from the relevant stakeholders, and findings are submitted for further action
4. Review: The Group Quality team reviews the findings and determines whether a Root Cause Analysis (“RCA”) is necessary

5. Closure and Communication: Once the incident is resolved and signed off, the incident report summarising the findings and any corrective actions taken is shared with the relevant managers, department heads, and staff for learning and discussion

Additionally, we conduct hand hygiene audits and food audits for our hospital operations at Kota Damansara. These audits serve as systematic evaluations on all aspects of our food service operations to ensure safety, hygiene, compliance with regulations.

Lastly, we conduct regular training programmes to equip healthcare personnel with up-to-date knowledge and skills in patient safety and care standards.

During this reporting period, there were no reported incidents or complaints regarding non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of TMCLS's products and services within the reporting period.

Number of substantiated complaints/reported incidents pertaining to the health and safety impacts of TMCLS's products and services in FY2025, FY2024 and FY2023

0

Sustainability Statement

(Cont'd)

Management of Controlled Substances

TMCLS safeguards against misuse, addiction and diversion through our policies and controls over the prescribing of controlled substances. Our Thomson Hospital Kota Damansara ("THKD") operations are guided by our Medication Management & Use Policy, employing a data-driven and multi-layered approach to manage controlled substance prescriptions. In alignment with national regulations under the Poisons Act 1952 and the Dangerous Drugs Act 1952, it ensures strict compliance for prescribing, dispensing, and record-keeping. Our approach includes:

Initiatives:



Robust prescription controls

Description:

All prescriptions for controlled substances undergo thorough review by our licensed medical practitioners and pharmacists before dispensing.

Initiatives:



Monitoring of records

Description:

Licensed pharmacists track prescription histories daily, flagging unusual patterns, such as excessive dosages or frequent refills. Our record-keeping also provides an audit trail for the supply, administration and disposal of controlled drugs.

Initiatives:



Staff training and awareness

Description:

Regular training programmes are conducted for our healthcare professionals. This includes responsible prescribing and dispensing practices, and regulatory updates.

Initiatives:



Patient Education

Description:

Patients receiving controlled substances are counselled on appropriate use, potential side effects, and safe storage and disposal methods.

We cooperate fully with the Malaysian regulatory bodies to report and address any events of suspicious or non-compliant prescribing activities. Through these measures, we strive to ensure patient safety whilst minimising the risk of controlled substance misuse across our operations.



Sustainability Statement

(Cont'd)

Healthcare Digitalisation & Innovation

At TMCLS, we continue to work on enhancing care efficiency, access, and accuracy, staying informed of industry trends to better serve our clients and increase the quality of our care. Below is a summary of the initiatives we have implemented/currently exploring to enhance technology and drive digital innovation in our business operations.

Technology and Innovation

1

AI-Driven Technology - enhancing treatment processes

Thomson Fertility is exploring the integration of advanced AI technologies to optimise processes such as the selection of oocytes, sperm and embryos.

Our THKD operations also leverage AI for precision in endoscopic diagnosis, aiming to improve patient outcomes and streamline treatment protocols.

2

Strategic partnerships and investments

The following is our current ongoing collaboration:

- OncoCare
 - Service provider agreement between THKD and OncoCare Medical Malaysia in FY2025 regarding the provision of selected services to the operations of THKD's Oncology Centre

3

Laboratory Automation

For THKD operations, our total automation laboratory system allows for faster and more consistent task completion.

Technology used:

AlinIQ Analyzer Management System ("AMS")

- Connects any analyser or automation system to the Laboratory Information System ("LIS")
- Scalable solution that when connected to the analyser, it helps to better manage the flow of data throughout the entire workflow process

GLP Total Automation system

- Modular, single-tube transport and storage system that features a smart self-driving "CAR" to transport individual blood samples

Alinity chemical chemistry & immunoassay ("ci") series analysers

- Integrated clinical chemistry and immunoassay analysers with high testing throughput
- Automated calibration and Quality Control to increase workflow flexibility and labour savings

This has led to an increase efficiency in conducting blood tests and helping with patient diagnosis. Resulting in a 30% reduction in time taken to process samples and a reduced dependency on labour.

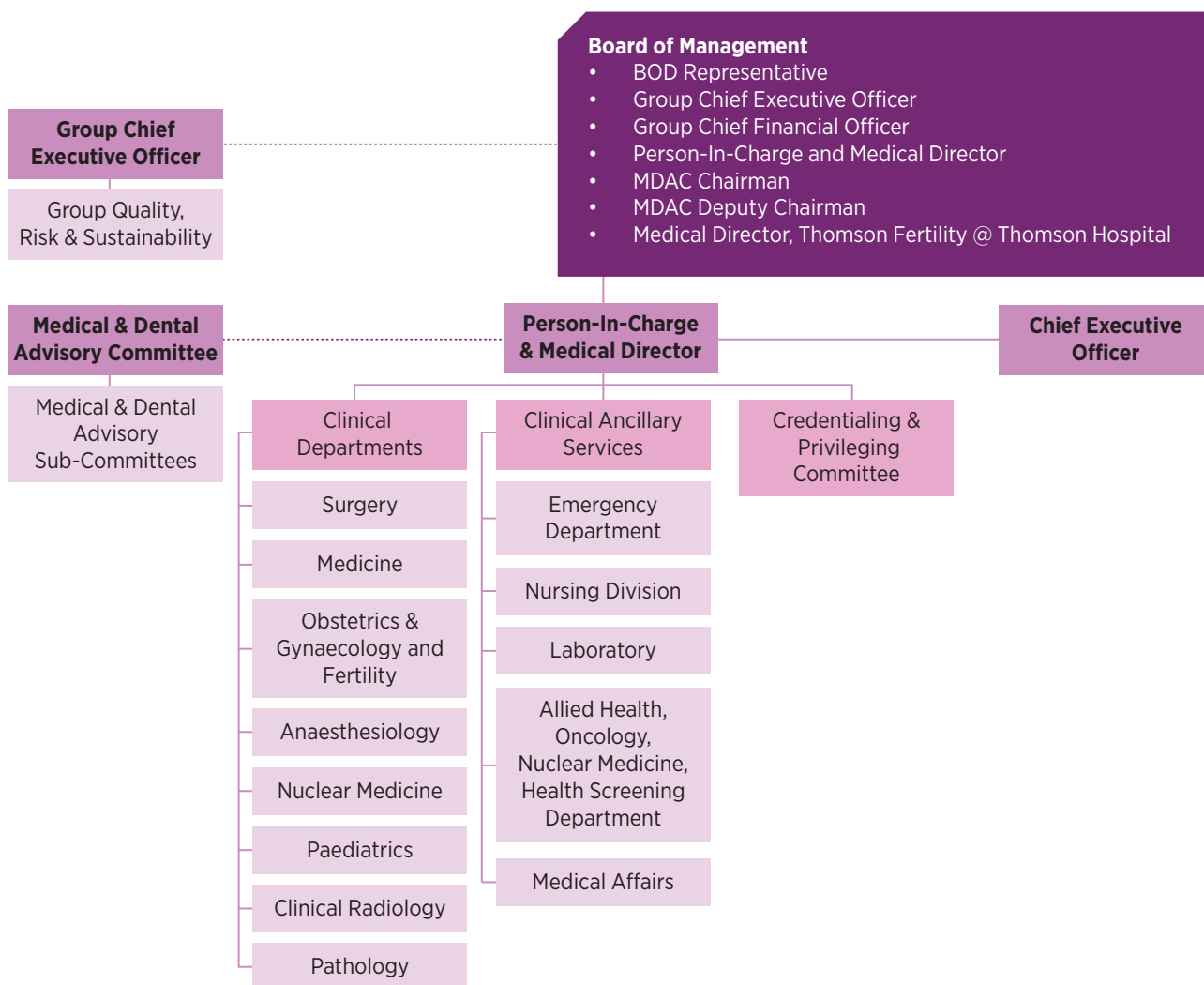
Sustainability Statement

(Cont'd)

Clinical Quality Indicators (“CQIs”)

A systematic approach to tracking and evaluating clinical performance is key to quality assurance. Here at TMCLS, we monitor key indicators such as patient falls, hospital-acquired infections, and cancer patient management, benchmarking them against global and national standards including MSQH, ACHS, RTAC, IPSG, and MPSG.

In support of this, our Clinical Indicators governance structure is designed to support continuous quality improvement and ensure consistent, data-driven oversight of clinical performance and patient safety across all our facilities.



Our Performance

The following are our key CQIs and key quality of care statistics respectively that we track annually to reflect patient safety, care effectiveness, and our commitment to continuous quality improvement.

Clinical Quality Indicators	Target	FY2025 progress
Safe Surgery	Zero cases of wrong surgery	Achieved
Healthcare Associated Infection	<5% annually	Achieved
Transfusion Safety	Zero incidents annually	Achieved
Fall prevention	<5 per 1,000 patient days	Achieved

Sustainability Statement

(Cont'd)

PATIENT SATISFACTION

Why is it Important

Customer satisfaction and relationship management are critical to building trust, fostering customer loyalty and supporting sustainable business growth. For TMCLS, meeting and exceeding patient needs and expectations is not only essential to business performance but also reflects our commitment as a healthcare provider.

Our Approach

Patient experience

Patient experience goes beyond clinical outcomes, it encompasses every aspect of their visit, from admission to discharge and post-care support. In FY2025, TMCLS continued to enhance this through targeted initiatives aimed at improving customer satisfaction and delivering a more seamless, patient-centred care.

Initiatives:



Outreach programmes

Description:

- TMCLS offers a range of programmes, including health screenings, wellness workshops, and public health campaigns
- Our key focus areas include health education, preventive care, and promoting healthy lifestyles, particularly among vulnerable populations

Our focus for FY2025: Increased awareness and programmes, working towards achieving Baby-Friendly Hospital Initiative ("BFHI") accreditation for our facility.

Initiatives:



Patient memberships

Description:

- TMCLS offers membership programmes to provide a range of benefits for different demographic groups within our community. These include:
 - o Thomson Kids Club
 - Benefits include exclusive invitations to educational activities, along with discounted rates for room charges and vaccinations
 - o Thomson Golden Years Club
 - Benefits include invitations to health talks and community activities, as well as discounted rates on room charges, health screenings, medications, and more

These memberships are targeted towards more vulnerable demographic customer groups, with the aim of promoting better access to preventive care, education, and health-related support throughout key life stages.

Initiatives:



Patient journey and care continuum

Description:

Initiatives to enhance patient experience across the care continuum include:

- Improved meal services on inpatient food and beverage menu
- Patient birthday celebrations
- Improvements on navigational accessibility via new pathfinders
- Bedside Discharge services for cancer patients: Improves patient quality, clarity, and safety by delivering it directly at the point of care

Initiatives:



Hospital admission Kits

Description:

Provision of Hospital Admission Kits to patients to support patient care and comfort of treatment during hospitalisation and post-discharge.

Sustainability Statement

(Cont'd)

Initiatives:



Training programmes

Description:

Equip staffs with tools and knowledge to improve patient interactions such as:

- Good Phone Etiquette
- Procedural education for new employees.
- S.H.I.N.E. (Smile, Hello, Inquire, Nod, Eye Contact)
- TCARE Core Values
- Gemba Walks – to understand frontline nursing operations and identify areas of improvements in patient care

Initiatives:



Company culture

Description:

- Sparkling Star Programme:
 - An initiative that promotes real time staff recognition through reward stickers, for exceptional service and grooming
 - The employee who achieves the highest number of recognitions from mystery patrollers and positive customer feedback is presented with The Best Customer Service Award

Customer Satisfaction and Relationship

In ensuring continuous improvement in our service quality, we have established clear avenues for customer communication and complaint management. Customers can easily submit feedback or complaints through multiple accessible channels, including online forms, dedicated customer service hotlines, or in-person support. All complaints and areas for improvement are carefully reviewed and addressed within a defined timeframe of 10 working days. More significant or urgent complaints are escalated and handled immediately to minimise impact.

To better understand expectations and evaluate Group performance, TMCLS also leverages patient and customer feedback through our dedicated Patient Liaison department. This team oversees the Patient Experience Measurement Programme (“PXMP”), which collects insights via survey forms and tracks key metrics such as Customer Satisfaction (“CSAT”) and Net Promoter Scores (“NPS”).

CSAT score:

- Gauges how satisfied customers are with a specific interaction, product or service
- Helps serve as our quality control and service feedback

NPS score:

- A measure of customer loyalty and how likely a customer is to recommend our services to others
- Aid TMCLS in our strategy planning and brand health tracking

Our Performance

Our Group-wide NPS and CSAT score for FY2025 can be found summarised below.

	FY2025	FY2024	FY2023	Target
Net Promoter Score - NPS (%)	72	72	62	≥ 60%
Overall Customer Satisfaction Score – CSAT	4.6	4.4	4.3	≥ 4.4

Sustainability Statement

(Cont'd)

COMMUNITY HEALTH & WELL-BEING

Why is it Important

Community investment is important in supporting the long-term social, economic, and environmental well-being of the communities we serve. Investing in local communities strengthens societal resilience, builds trust, and supports long-term sustainability.

Our Approach

Community Investment and Engagement

TMCLS engages in community investment through direct investment to the areas where we operate. This includes donations, financial contributions, and in-kind support that help address local needs such as community infrastructure and healthcare access.

Our CSR efforts are guided by the following principles:

Prioritising underserved communities

Collaboration with partners for greater impact

Looking to advancing community health and well-being

Beyond financial support, TMCLS actively engages communities through health education, health and wellness programmes. Our community engagement focus for FY2025 can be broken down into three major areas: Public Health Education, Health and Wellbeing, and Youth Empowerment.

All CSR initiatives are evaluated based on relevance, impact, and alignment with both our business TCARE values and stakeholder expectations.

Our Performance

The following table lists our key Community Engagement programmes for FY2025.

No.	Programme
1.	Wheelchair & Health Screening Giveaway to B40 community of Kota Damansara
2.	Hospital bed donation to B40 community of Kota Damansara
3.	Supporting the Heart Heroes Charity Run organised by the National Heart Congenital Association
4.	Blood Donation Drive in collaboration with National Blood bank
5.	Basic Life Support, Hand Hygiene and Career Talks at SK Seksyen 6, SK Seksyen 7, SMK Seksyen 8 and Kolej Tingkatan Enam Petaling Jaya
6.	Bubur Lambuk distribution in conjunction with Ramadhan with Kota Damansara community
7.	Displaying art pieces by autistic artists under The Spectrum by English Speaking Asians ("E.S.A.")
8.	Ihya' Ramadan Iftar Gathering & Solat Tarawih with Employee and orphanage children from Pusat Jagaan Darul Sakinah
9.	Complimentary Basic Health Screenings for community

Sustainability Statement

(Cont'd)

*Blood Donation Drive**Bed donation to underprivileged communities*

Through our community investment programmes in FY2025, we contributed an estimated RM66,920, reaching 4,232 beneficiaries. Although this was a lower financial outlay compared to RM89,549 in the previous year, the number of beneficiaries grew substantially from 2,943 to 4,232, demonstrating greater efficiency and enhanced community impact.

	FY2025	FY2024	FY2023
Total amount invested in external community (MYR)	66,920	89,549	75,340
Number of projects	30	33	5
Total number of individuals benefitted	4,232	2,943	Not reported

The data for number of beneficiaries is based on our best estimate given the difficulty in tracking exact number of beneficiaries for some of our initiatives.

Sustainability Statement (Cont'd)



ORGANISATIONAL MANAGEMENT

ECONOMIC PERFORMANCE

Why is it Important

TMCLS's economic performance remains a key focus for our stakeholders. Creating and sustaining direct and indirect economic value is not only central to our long-term sustainability but also in our ability to invest in ESG initiatives, which often require ongoing financial commitment.

Our Approach

For FY2025, TMCLS's approach to economic performance is shaped by our corporate strategies, aligning with our long-term growth objectives and commitment to patient-centred care. Amidst economic uncertainties, reflected in a decline in our financial performance, we continue to navigate challenges and focus our corporate strategies to build resilience and position the Group for recovery and future growth. This includes optimising of expanded capacity at our THKD operations, driving fertility business growth, and efforts to diversify our customer base, including expansion into international markets and new corporate customers. These efforts are guided by our corporate growth strategy, which place emphasise on expansion into high-potential markets, leveraging growth prospects and opportunities to further reinforce our commitment to long-term sustainability and position in the healthcare industry.



Sustainability Statement

(Cont'd)

Our Performance

The table below outlines the direct economic value generated and distributed to our key stakeholders over the past 3 financial years, providing a comprehensive view of our economic impact.

RM ('000)	FY2025	FY2024	FY2023
Economic Value Generated	345,538	346,418	311,443
Less: Economic Value Distributed, which consist of:	353,666	290,773	257,324
Operating costs	185,783	158,179	147,078
Payment to employees (e.g. wages, benefits)	117,946	107,089	95,407
Payment to capital providers	47,604	24,441	13,990
Payment to government (e.g. taxes, permits)	2,266	975	795
Community Investment	67	89	54
Economic Value Retained	(8,128)	55,645	54,119

FY2024 and FY2023 were restated to add in interest payment to loan provider under payment to capital providers.

Further discussion on Economic Performance can be found in the “Management Discussion and Analysis (“MD&A”)” section of this Annual Report.

Indirect Economic Impact

Beyond direct financial performance, the Group recognises the socio-economic multiplier effects generated through our operations and the long-term effects of our business activities on the wider economy and surrounding communities. These efforts help contribute to the overall health and well-being of the communities in which TMCLS operates.

We mainly generate indirect economic value by supporting the development of the Malaysian healthcare sector. Although non-monetary, TMCLS's contributions through engagement in clinical research and access to our facilities supports the broader development of Malaysia's healthcare landscape. This includes:

- Our fertility centres: eight on-going research projects, including joint research programmes with local and international organisations, concentrating on improving pregnancy rates and handling challenges in infertility with poor IVF outcome such as repeated implantation failure and poor ovarian reserve.
- Cross-country collaborations: working with medical professionals from other regions through knowledge transfer programmes to improve patient outcomes and accelerated innovation in healthcare.

Climate Change: Financial Risks and Opportunities

Climate change represents a significant growing risk to our business, as well as to the global ecosystems, economies and communities. Its impacts, ranging from rising average temperatures and more frequent extreme weather events to an increase in climate-related illnesses amongst patients, are becoming increasingly evident. As a healthcare business, we recognise our role in understanding and managing these climate-related risks that affect our business, properties, people, and patients.

In response, we have incorporated the International Financial Reporting Standards Sustainability Disclosure Standards (“IFRS”), IFRS S1 and IFRS S2, as per the National Sustainability Reporting Framework (“NSRF”), to guide our climate risk governance and reporting. The Group has also taken steps to enhance our climate-related disclosures, aligning with the requirements of IFRS S2 on a best-efforts basis, based on our current understanding.

For the full discussion, please refer to the “Climate Report” section of this Sustainability Statement.

Sustainability Statement

(Cont'd)

ETHICS AND INTEGRITY

Why is it Important

TMCLS recognises the inherent risks of bribery, medical fraud, and corruption within our business operations. These risks are particularly pronounced in areas regarding procurement activities, engagement with third-party vendors and government authorities, and the handling of high-value contracts and medical supplies. As such, ethical conduct and corporate integrity form the foundation of TMCLS's business philosophy and organisational culture.

Our Approach

We uphold a zero-tolerance policy towards bribery and corruption, which applies not only to our employees, but also to all parties acting for or on behalf of the Group – including contractors, sub-contractors, consultants, suppliers, agents, intermediaries and representatives.

Our risk management approach is guided by the Group's Code of Conduct, Anti-Bribery and Anti-Corruption ("ABAC") Policy, and Whistleblowing Policy, ensuring compliance with Section 17A of the Malaysian Anti-Corruption Commission Act Section ("MACCS17A").

Our Whistleblowing channel also provides an independent, secure, and trusted channel for reporting any actual or suspected misconduct involving its employees. All reported cases are notified to the Thomson Medical Group Whistleblowing Committee within 48 hours. This channel is implemented on top of TMCLS's other existing channels such as our grievance mechanism and it ensures confidentiality and anonymity, whilst prohibiting retaliation.

In maintaining ongoing compliance with our anti-bribery and anti-corruption policies, we also conduct training for all employees, including members of senior management and decision-makers at planned intervals. This training is also conducted during the onboarding of new employees or whenever our risk assessments call for additional formal training. The following table outlines the percentage of employees who have completed anti-corruption training:

Percentage of employees who have received training on anti corruption by employee category (%)



Sustainability Statement

(Cont'd)

During the reporting period, the percentage of employees completing anti-corruption training consistently reached 100%. To sustain this achievement, TMCLS has implemented monthly reporting to monitor completions and is exploring the integration of the training into our Learning Management System ("LMS"). Additional measures include reminders from Senior Management, with a particular focus on reinforcing participation among Heads of Departments ("HODs"). On top of that, we conduct annual corruption risk assessments to evaluate our internal control mechanisms to mitigate our exposure to corruption risks. These internal audits assess all our operations for adherence to anti-corruption standards and identify areas for improvement. As of FY2025, 100% of our business operations and entities were assessed for anti-corruption risks.

	FY2025	FY2024	FY2023
Percentage of business operations and entities assessed for anti-corruption risks (%)	100	90	60

Our Performance

In upholding our commitment to ethical and transparent business practices, we achieved our annual target of zero cases of confirmed incidents of corruption.

	FY2025	FY2024	FY2023
Number of confirmed corruption incidents	Nil		

EMERGENCY PREPAREDNESS FOR DISASTERS

Why is it Important

Emergency preparedness is crucial for healthcare providers in ensuring rapid and effective responses during disasters, safeguarding patient and employee safety, and maintaining business continuity especially for critical medical services.

Our Approach

TMCLS's emergency response are guided by our Emergency Response Plan ("ERP"), tailored for our THKD operations. In ensuring patient and staff safety, these plans provide a clear framework for swift, coordinated action during emergency situations. As part of our ERP, it also addresses disaster recovery plans to manage cybersecurity threats, ensuring critical systems and data can be restored promptly in the event of disruption, maintaining business continuity.

The ERP uses a colour-coded system to categorise incidents and guide appropriate responses, including partial or full facility evacuations. Each scenario is supported by specific standard operating procedures to ensure clarity and consistency in execution.

The hospital manages major incidents through the established drills and response plans, including:

- Code Red – Fire Emergency
- Code Grey – Violence & Aggression
- Code Yellow – Disaster Alert
- Code White – System Down
- Code Pink – Baby Abduction
- Code Blue – Medical Emergency
- Code Purple – Bomb Threat

Regular tabletop exercises are also conducted to simulate emergency scenarios, enabling teams to test readiness and refine response strategies accordingly. We remain committed to the continuous review and enhancement of our emergency protocols, ensuring our hospital stays resilient in the face of evolving risks and challenges.

Our Performance

In testing our response effectiveness, ensuring staff readiness, and identifying areas for improvement, the following table summarises the emergency preparedness drills conducted by TMCLS for the reporting period.

Emergency Code/ Training type	Number of Drills Conducted (FY2025)
Code Pink - Drill	1
Code Purple - Drill	1
Code Red - Drill	1
Code Yellow Internal - Focused training session	1
Emergency Preparedness and Response	2x monthly

Sustainability Statement (Cont'd)



[23-07-2024] Code Pink & Purple drill exercise.



[26-08-2024] Code Red drill exercise



[17-06-2025] Code Yellow (internal) training

CYBERSECURITY & DATA PROTECTION

Why is it Important

As technology continues to evolve, there is increased risk in cybersecurity threats and increasing regulatory scrutiny. In the case of healthcare data, it is also highly sensitive.

- TMCLS manages extensive volumes of personal and sensitive patient data, including medical histories, diagnostic information and insurance records
- Healthcare companies are vulnerable and prime targets for cyber-attacks. Healthcare data is not only highly sensitive but there is an enormous amount of data. The industry's increasing dependence on electronic health records, connected medical devices, and financial systems exposes it to a higher risk of attack
- Healthcare companies are also highly susceptible to disruptions in hospital operations

Consequently, protecting this information is critical for maintaining patient trust, ensuring clinical integrity, and complying with Malaysia's Personal Data Protection Act 2010 ("PDPA"). Data breaches or misuse of patient information can also result in legal penalties, reputational damage, and loss of stakeholder confidence.

Sustainability Statement

(Cont'd)

Our Approach

We recognise that data privacy and cybersecurity are foundational to delivering safe, ethical, and high-quality healthcare services. Our approach integrates technical, organisational, and governance measures to safeguard data throughout its lifecycle from collection to disposal. This includes patient information as well as data from internal operations and third-party systems.

Policy	Our approach and key initiatives
Compliance with the relevant privacy and data protection regulations (PDPA)	- Implementation of our Cybersecurity Policy and Risk Management Framework, applicable to all stakeholders and functions, to ensure compliance with PDPA and related legislation - Annual reviews (or in the event of a significant breach or untoward incident) of frameworks and policies. All employees are briefed on the policy as part of our employee onboarding process
Cybersecurity governance and oversight	In FY2025, the Group established a Data Protection Committee and a Data Protection Working Committee: - Tasked with implementing, monitoring, and continuously improving data protection and cybersecurity practices across TMCLS operations - Report to the ARMC and Board of Directors on an annual basis, or immediately in the event of a significant breach or untoward incident
Integration of privacy-by-design across data lifecycle stages	Controls are aligned to the key stages of the data lifecycle: from collection and use, to retention, processing, disclosure and destruction. This includes: - Data minimisation clauses within our Cybersecurity Policy - De-identification protocols in analytics - Certified destruction vendors and data erasure logs
Layered safeguards for system security: administrative, physical and technical	TMCLS has adopted an Information Security Management System ("ISMS"), based on ISO 27001, to manage information security risks. This includes: - Cyber ERM Insurance Coverage and Disaster Recovery plans against potential cybersecurity incidents and data breaches - Vulnerability Assessment and Penetration Testing ("VAPT"), mainly performed on our websites, web applications and internal infrastructure. TMCLS aims for a minimum of 5 VAPT exercises conducted annually - Security Operation Centre ("SOC") to provide 24-hour monitoring of its network and systems - Facility access controls and server room protections - Protection controls for endpoints, such as laptops and desktops For FY2025, we performed a gap assessment for our ISMS and initiated remediation measures where necessary.
Staff awareness and security culture	Our Cybersecurity Awareness Training programme via our e-learning platform is accessible to all staff. This training is an annual mandatory requirement for all staff members. We also conduct regular tabletop exercises to test our response strategies and coordination during real incidents. For FY2025, we have achieved 89% attendance for the training.
Monitoring of third-party systems and strengthened vendor compliance	Third-party applications are tested through security reviews and where applicable, penetration testing, to ensure they meet the organisation's cybersecurity and compliance standards. We aim to introduce higher cybersecurity standard demands from our vendors as part of our third-party/supplier due diligence process, subject to regulatory changes and stakeholder feedback.

Sustainability Statement

(Cont'd)

Our Performance

We are also pleased to report that, during the reporting period, we received no complaints regarding breaches of customer privacy or losses of customer data in FY2025.

Cybersecurity Statistics	FY2025	FY2024	FY2023
1. Number of Data Breaches	0	0	0
2. Percentage involving:			
a. Personally identifiable information ("PII") only and,	0	0	0
b. Protected health information ("PHI")			
3. Number of customers affected in each category:			
a. PII only and,	0	0	0
b. PHI			
4. Total amount of monetary losses as a result of legal proceedings associated with data security and privacy	0	0	0

SUPPLY CHAIN MANAGEMENT

Why is it Important

We recognise that effective procurement practices are essential for maintaining a reliable supply of operational resources whilst upholding high-quality standards. Healthcare delivery depends on the secure, ethical, and resilient supply chain. In terms of our pharmaceutical supply chains, it also faces increasingly complexity and risk, mainly pertaining to regulatory compliance, maintaining reliable access to critical medicines, and upholding ethical sourcing practices. Therefore, we recognise the heightened importance of maintaining a resilient and transparent pharmaceutical supply chain that supports patient safety and operational continuity.

Our Approach

Responsible Procurement

Here at TMCLS, we are committed to securing the best value for the company without compromising on quality or ethical standards. In doing so, we perform supply chain due diligence for all vendors and third parties that we engage with.

These expectations are reinforced through our Vendor COC declaration process. TMCLS requires 100% of our suppliers to declare adherence to the Group's Code of Conduct and Conflict of Interest policies. This integration ensures our suppliers align with TMCLS's sustainability agenda, reinforcing our commitment to ethical and environmentally responsible practices. This commitment was further reinforced during our Vendors & Doctors Integrity Day for FY2025, where we invited our doctors and our suppliers to participate in a Malaysian Anti -Corruption Commission ("MACC") Section 17A briefing and pledge ceremony.

As of FY2025, we have also incorporated sustainability criteria, such as labour practices into our procurement due diligence process. TMCLS is committed to upholding human rights and ethical labour practices, including the prevention of child and forced labour, non-discrimination and equal opportunities, and elimination of excessive working hours. This commitment extends across our entire supply chain, guided by local laws and regulations. In terms of environmental responsibility, whilst no criteria have been established, it is considered across our supply chain and are applied with particular focus in relevant contexts, such as prioritising green materials in our renovation and construction projects.

In light of the recent data breaches across the healthcare sector, including those involving third-party vendors, TMCLS recognises the increasing importance of strengthening our cybersecurity posture, particularly in relation to our supplier and partner networks. We are currently exploring opportunities to enhance our supplier due diligence process in line with emerging risks, regulatory expectations, and stakeholder feedback. This includes:

Cybersecurity criteria for vendors with systems interoperate with ours

Conduct periodic vendor assessments, where relevant

Scalable support models for small vendors to align with industry expectations

These potential measures will be guided by internal assessments and developed to align with operational needs, stakeholder expectations, evolving regulatory requirements, and emerging best practices.

Sustainability Statement

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Aside from the normal due diligence procedures that we follow for all our suppliers, we work closely with licensed distributors and regulatory authorities to ensure that all pharmaceutical products, including controlled substances, are procured, handled, and stored in accordance with national laws and clinical governance standards.

For medical consumables, TMCLS is required to source exclusively from local suppliers certified by the Medical Device Authority (“MDA”) of Malaysia. This ensures compliance with national healthcare regulations and product quality standards.

Summarised below are the key laws and regulations for pharmaceutical supply chains in Malaysia that we are in adherence to.

Area	Primary Laws/Guidelines	Key Compliance Requirements
Controlled Substances	• Poisons Act • Dangerous Drug Act	• Enforces the strict handling of controlled substances • Includes requirements for secure storage, detailed record-keeping and licensed handlings of said items
Drug Procurement	• PHFSA • Malaysian Anti-Corruption Commission Act • Ministry of Health Guidelines • Poisons Act • Dangerous Drug Act • Sales of Drug Act	Guidelines focusing on ethical sourcing and procurement transparency
Drug Distribution & Storage	• Good Distribution Practice (“GDP”)/Good Storage Practice (“GSP”) • National Pharmaceutical Regulatory Agency (“NPRA”) Guidelines • PHFSA	• Cold chain compliance: medications tend to require more demanding temperature controls • Ensures product traceability
Drug Registration & Sale	• Sale of Drugs Act • NPRA Guidelines	Ensures that only registered drugs procured and dispensed
Pharmacy Oversight	• Registration of Pharmacists Act	Ensures oversight by licensed pharmacists and adherence to industry best practices
Medical Consumable & Equipment	• Medical Device Authority Guideline • Medical Device Act	Ensures that medical consumable and equipment procured are registered with Medical Device Authority

Sustainability Statement

(Cont'd)

Local Procurement

Local procurement supports the local economic development and job creation within the communities where we operate. Our approach prioritises engagement with local suppliers whenever feasible, provided they meet our price, quality, performance, and ethical standards.

For our medical consumables, in cases where local alternatives are unavailable, such as specialised products or services not governed by MDA regulations, the Group may source from overseas suppliers. Despite this, the Group remains committed in strengthening our local supply chain. By doing so, we foster long-term partnerships with local vendors to ensure consistent product quality, reliable delivery timelines and competitive pricing.

In mitigating risks from unforeseen supply chain disruptions, we also work with multiple sources and service providers, helping to strengthen our supply chain and reduce vulnerabilities associated with the availability of critical materials.

Our Performance

Overall, in mitigating supply chain disruptions and regulatory risks, we maintain strong supplier relationships, enforce documentation and audit requirements, and continuously review sourcing strategies for high-risk or high-dependency categories. As a result of our vendor due diligence process:

100% of our suppliers undergo due diligence, including supplier screenings, and performance evaluation processes

Top 50 vendors by purchase order of our existing suppliers underwent Vendor Performance Evaluations for FY2025 to periodically review their contract clauses and ensure compliance with contractual obligations

100% of our new suppliers submitted a Vendor Code of Conduct ("COC") declaration, ensuring alignment with our ethical standards, including our ABAC Policy

	FY2025 (%)	FY2024 (%)	FY2023 (%)
Percentage of Vendors that signed the COC Declaration	100	100	97.6

We are also pleased to report that there were zero fines or censures related to negative environmental or social impacts in the supply chain from our vendors.

	FY2025	FY2024	FY2023
Number of vendors fined or censured related to negative environmental or social impacts in the supply chain	0	0	0

The following table reflects the percentage of spending on local suppliers for three (3) consecutive years, on a Group level:

	FY2025	FY2024	FY2023
Percentage (%) of local spending	100	100	100

Sustainability Statement

(Cont'd)



TALENT EXCELLENCE

DIVERSITY, EQUITY AND INCLUSION (“DEI”)

Why is it Important

We recognise that workforce diversity is a crucial factor in driving our success. It enriches our decision-making process, enhances risk awareness, and strengthens our ability to adapt to change. At TMCLS, DEI is core to providing compassionate, patient-centric care and promoting equitable access to healthcare, while addressing disparities in the system.

Our Approach

Our approach is to create an inclusive environment where all individuals are given equal opportunities to grow and succeed – regardless of gender, age, race, nationality, or other factors. We provide equal opportunities to both current and prospective employees, evaluating them based on their merit and potential for growth.

The tables below summarise the gender, age and diversity composition of our employees across all employment levels within our Group.

Gender Diversity by Employee Category	FY2025 (%)		FY2024 (%)		FY2023 (%)	
	Male	Female	Male	Female	Male	Female
Senior Management	52	48	48	52	52	48
Management	29	71	28	72	34	66
Executive	24	76	23	77	17	83
Non-Executive	22	78	21	79	20	80

Sustainability Statement

(Cont'd)

Age Diversity by Employee Category	FY2025 (%)			FY2024 (%)			FY2023 (%)		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Senior Management	0	55	45	0	52	48	0	41	59
Management	1	82	17	3	84	13	3	83	14
Executive	21	76	3	19	77	4	14	81	5
Non-Executive	50	48	2	51	46	3	53	44	3

TMCLS (Group) FY2025 percentage of employees per employee category in each of the above diversity categories (i) Gender and (ii) Age group data have undergone independent verification by a third party. Additional details are available in the Independent Assurance Statement on pages 96 to 99.

We also prioritise the hiring of local employees for our operations where possible, leveraging local talent to provide us with a deeper understanding of community needs in our operational areas, enhancing our overall business performance.

The following is a breakdown of the composition of our local and foreign workforce as well as a breakdown of our employees by ethnicity.

By Employee Type		FY2025 (%)	FY2024 (%)	FY2023 (%)
Local	West Malaysia	91.5	92.5	93.1
	East Malaysia	8.0	7.2	6.7
	Total	99.5	99.7	99.8
Foreign		0.5	0.3	0.2
Overall Composition		100.0	100.0	100.00

By Ethnicity		FY2025 (%)	FY2024 (%)	FY2023 (%)
Malay		68	69	68
Chinese		12	12	12
Indian		15	15	15
Others (Bumiputera Sabah & Sarawak, Orang Asli)		5	4	5
Overall Composition		100	100	100

Additionally, there has been a growing emphasis on fostering inclusivity for people with disabilities within the healthcare workforce and further efforts are needed to integrate them into more clinical roles and ensure equal opportunities. As part of our DEI strategy, we have set a target to increase our representation of employees with disabilities from 0.3% to 0.5% by FY2025.

However, we were unable to meet our target in the current year due to a shift in our strategic priorities, which placed a greater emphasis on increasing training for bonded Registered Nurses through the Post Basic/Nursing Internal Training Programme. Despite this, this target continues to be a part of our broader DEI vision, and we will explore opportunities to support this.

Beyond recruitment, we are committed to enhancing accessibility and providing reasonable accommodations for employees with disabilities. This includes improving workplace facilities, such as accessible parking, wheelchair ramps, and universally designed restrooms.

	FY2025 (%)	FY2024 (%)	FY2023 (%)
% of people with disabilities employed	0.3	0.3	0.5

Sustainability Statement

(Cont'd)

Utilisation of contractors/temporary staff

In our hospital operations, it is industry practice that medical consultants operate as self-employed professionals engaged on a contractual basis, rather than as permanent employees. Aside from this, TMCLS engages contractors and temporary staff based on our operational needs. While contractors and temporary staff provide flexibility and help fill short-term gaps when needed, permanent staff provide long-term value through greater continuity of care, stronger team cohesion, and sustained improvements in service quality and patient satisfaction.

The following is a breakdown of our temporary staff/contract staff.

Employment Type	FY2025		FY2024		FY2023	
	No.	(%)	No.	(%)	No.	(%)
Permanent	1,326	98	1,330	99	1,194	98
Contract	22	2	18	1	23	2
Temporary	0	0	0	0	0	0
Group Total:	1,348	100	1,348	100	1,217	100

Board Diversity

Current demographic and workforce trends indicate that Malaysia's healthcare sector is predominantly female, particularly within nursing and allied health professions. However, women remain underrepresented in senior executive and leadership roles across the industry.

Recognising this, the Group is committed to fostering inclusive leadership that reflects a broad spectrum of perspectives in decision-making. In line with this commitment, we ensure compliance with the Malaysian Code on Corporate Governance ("MCCG") Practice 5.9, and we aim to meet the MCCG target of at least 30% women across our Board of Directors. A summary of the gender composition of our Board members is provided below.

Category	FY2025 (%)		FY2024 (%)		FY2023 (%)	
	Male	Female	Male	Female	Male	Female
Board of Directors	67	33	62	38	62	38

With respect to board age diversity, a summary can be found tabulated below.

Category	FY2025(%)			FY2024 (%)			FY2023 (%)		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Board of Directors	0	17	83	0	25	75	0	50	50

Zero Discrimination and Equal Opportunity

We maintain a strict zero-tolerance policy towards all forms of discrimination and harassment, prohibiting discrimination based on factors such as race, age, and gender.

Our Code of Conduct outlines clearly, the expected behaviour of all Group members and stakeholders, including the Board, Senior Management and employees. This Code addresses critical issues such as sexual harassment, racial discrimination, coercion, and other forms of misconduct. Any incidents of misconduct are addressed swiftly and with integrity through our Grievance Mechanism, which provides a clear communication channel for reporting any concerns.

Sustainability Statement

(Cont'd)

Grievance Mechanism

- An avenue to escalate and address concerns, while also offering the option to submit anonymous complaints
- 2 communication channels to allow employees and stakeholders to raise concerns confidentially or anonymously:
 - E-voice system
 - Formal written submissions via email or hardcopy

All grievances are investigated by the Industrial Relations ("IR") Unit in accordance with our Employee Grievance Policy, which is accessible via the company intranet

This is embedded across all aspects of our business, starting from the hiring process. We uphold fair recruitment practices, implementing structured interview processes and anonymised screenings at early stages to help minimise unconscious bias.

In upholding this culture, we also provide ongoing training programmes focused on topics such as prevention of discrimination, anti-bias, and anti-harassment practices. These initiatives are designed to foster an inclusive environment that promotes mutual respect across all levels of our operations.

Overall, we are pleased to report that there were zero incidents of discrimination reported throughout FY2025.

Number of substantiated complaints concerning discrimination in the workplace received in FY2025

0

Labour Practice and Standards

As a responsible healthcare provider, TMCLS is committed to upholding human rights and ethical labour practices. We ensure full compliance with local employment laws, including the Employment Act 1955 and the Minimum Wage Order 2024, alongside strong commitment to employee well-being, dignity, and fair treatment. This commitment extends across our entire supply chain, ensuring that we actively engage with stakeholders, so that they maintain informed and fully compliant with these standards.

Beyond legal compliance, our approach is guided by the International Labour Organisation's ("ILO") eight fundamental conventions, focused on eliminating forced labour, child labour, and discrimination in the workplace. These principles apply to all employees, partners, and active stakeholders we engage with.

In alignment with the ILO fundamental conventions, we uphold the following core labour principles:

Initiatives:



Freedom of Association & Collective Bargaining

Description:

- In line with the Industrial Relations Act 1967 and Trade Unions Act 1959
- Minimum notice period for changes in terms of duties, work location or other operational changes
- Employees are given adequate notice of any operational changes

Initiatives:



Elimination of Forced and Child Labour

Description:

- Minimum employment age of 18 in accordance with both local and international standards
- Zero-tolerance stance on debt bondage, human trafficking and all forms of modern slavery across our operations and supply chain
- Supplier acknowledgement of our expectations required in prohibiting the exploitation of child, forced, and compulsory labour in their operations
- Expatriate Management
 - Expatriates: Treated on par with Malaysian employees, receiving the same terms and benefits as permanent employees

Sustainability Statement

(Cont'd)

Initiatives:



Non-Discrimination and Equal Opportunity

Description:

- Upholding equal opportunity and non-discrimination regardless of race, religion, gender, age, disabilities, and nationality
- Our hiring and reward systems are merit-based, transparent, and aligned with local labour laws

Initiatives:



Fair Compensation and Working Conditions

Description:

- Compensation is determined based on job scope, qualifications, and performance, without discrimination
- In compliance with all wage and working hour regulations, including the Employment Act 1955 and Minimum Wage Order 2024

Initiatives:



Safe and Respectful Work Environment

Description:

- Committed to maintain a safe, harassment-free and violence-free workplace
- Upholding employee's right to wellness, mental health support, and a healthy work-life balance

Initiatives:



Labour Accommodation

Description:

- Ensure compliance with Act 446 ("Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990") for all labour quarters

During this reporting period, there were no reported incidents or complaints pertaining to TMCLS's labour standards, including human rights violation such as discrimination, child labour or forced labour in the Group or in our supply chain.

Number of substantiated complaints pertaining to TMCLS's labour standards, including human rights violation in FY2025, FY2024 and FY2023

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HUMAN CAPITAL DEVELOPMENT

Why is it Important

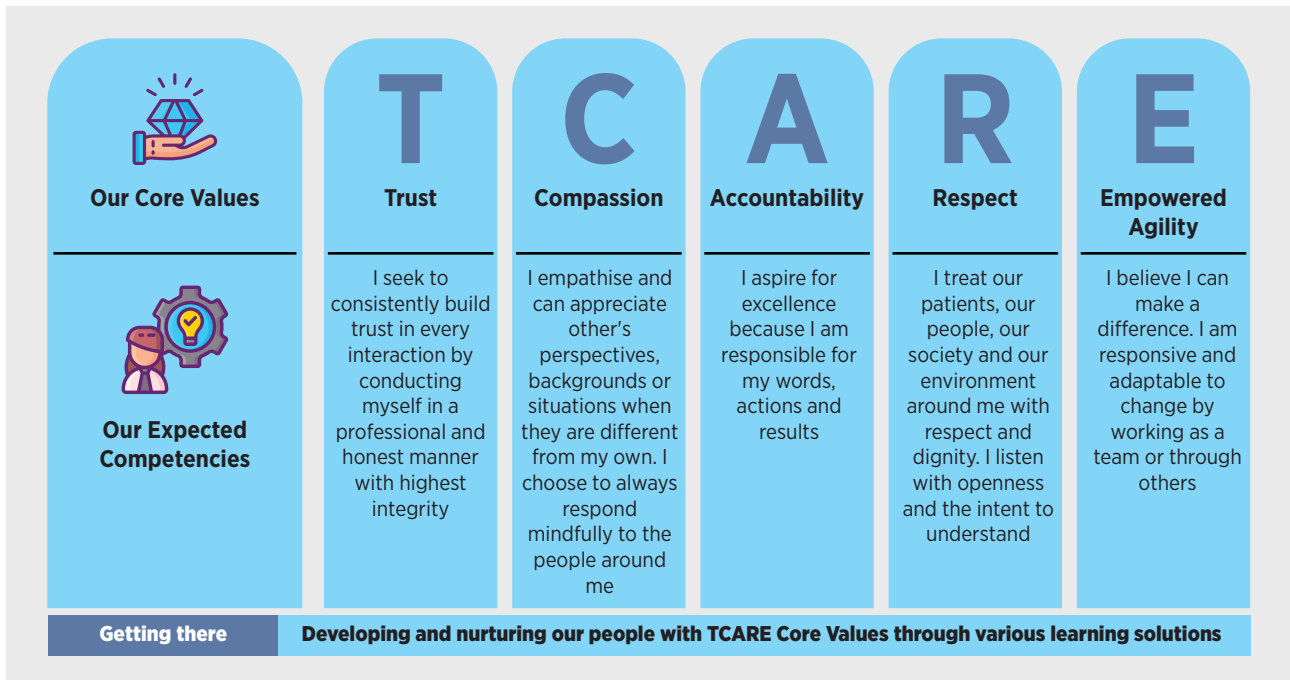
As a healthcare provider, we rely on our employees and their expertise to deliver our value proposition to customers. This underscores the importance for TMCLS to attract, develop and retain skilled professionals to ensure workplace sustainability and uphold the highest standards of care and safety for employees, patients, and visitors.

Our Approach

Our approach is grounded in our core values TCARE – Trust, Compassion, Accountability, Respect, and Empowered Agility, which guide not only our organisational culture but also shape our training programmes and performance management systems.

Sustainability Statement

(Cont'd)



TMCLS recognises the continuous learning and professional development of its employees as a vital investment in building a capable, agile, and engaged workforce. As part of our broader people sustainability strategy, the Group spent a total of RM1,000,070 during the reporting period to support a wide range of training and development initiatives.

Talent Recruitment

Our talent recruitment strategy focuses on attracting top-tier individuals who are not only highly skilled but also aligned with our core values, while supporting a seamless transition from academia to the healthcare industry. We are guided by our Recruitment Policy, outlining the principles and procedures to support our overall human capital development.

To support this, we have also established strong partnerships with selected educational institutions and student-led initiatives through the Thomson Alliance Group ("TAG") – a strategic partnership between THKD and various Malaysian universities.

This initiative is designed to strengthen ties between the healthcare and education sectors and workforce development across Malaysia. As of FY2025, we have partnered with a total of 18 universities and colleges, engaging in strategic collaborations and talent development programmes with them.

The following are the key initiatives we undertake:

Campus engagement and recruitment

Through our strategic partnerships, we facilitate recruitment drives, sharing sessions, career fairs, interviews, and internships

Sponsorships

The Group has sponsored 43 students in the Nursing Diploma programme and recruited 80 newly graduated nurses, while also attracting talent from disciplines such as Allied Health and Business Administration

Sustainability Statement

(Cont'd)

Summarised below are the talent attraction events that TMCLS hosted during the reporting period:

1	17/07/2024 Widad University visiting Thomson Hospital	7	12/09/2024 IMU Graduate Career Fair 2024	13	18/10/2024 Widad Nursing Sponsorship Interview	19	09/04/2025 SEGi University Graduate and Internship Career Fair 2025
2	26/07/2024 CCKK Career Fair and Talks (Diploma in Pharmacy)	8	20/09/2024 UOC Nursing Sponsorship Interview	14	19/10/2024 IIUM Recruitment & Sponsorship Opportunities Nursing Interview	20	24/05/2025 USM Kubang Kerian Nursing Career Fair 2025
3	27/07/2024 CCKK Career Fair and Talks (Diploma in Nursing)	9	26/09/2024 MAHSA Nursing Sponsorship Interview	15	22 - 23/10/2024 UNIMAS Nursing Career Fair 2024	21	12/06/2025 IMU Graduate Career Fair 2025
4	01/08/2024 Vision College Nursing Sponsorship Interview	10	02/10/2024 SEGi University Sponsored Students Visiting Thomson Hospital	16	25/10/2024 UiTM Samarahan Nursing Career Attack 2024		
5	06/08/2024 Lincoln University Sponsorship Interview at Thomson Hospital	11	10/10/2024 UMS Career Fair 2024	17	14/11/2024 UiTM Bertam Career Opportunities 2024		
6	20/08/2024 UNISEL Open Interview	12	11/10/2024 CCKK Nursing Interview	18	20/11/2024 UNIMAS Nursing Elective Posting		

As a result of these efforts, TAG has earned the distinction of being recognised by the Malaysian Book of Records as the 'First Hospital Alliance with a Tertiary Educational Institution'. This achievement, supported by Talent Corporation, was further recognised by TAG's inclusion among the top 10 organisations in the Graduates' Choice of Employer in Healthcare (Hospital) for three years (2022, 2024, and 2025).



Graduates' Choice of Employer in Healthcare (Hospital)

Sustainability Statement

(Cont'd)

Training and Development

Talent development enables a company to meet its evolving business needs, fostering individual development, and contributing to the long-term success of the organisation. Here at TMCLS, we offer a diverse range of training programmes, tailored to different career stages and functional needs.

A list of our training and development programmes currently in place can be found below.

Programme	Description
New Employee Onboarding	- General Orientation Programme - Manager Orientation Programme
OSHE Training	Fire Awareness & Emergency Response Plan (Theory)
Technical	Cybersecurity Awareness
Quality, Legal, Risk, Sustainability and Compliance	- Code of Conduct ("COC") - Harassment at the Workplace - Personal Data Protection Act 2010 - MACC Act 2009 - ESG Awareness - Risk Management Awareness
Customer Service and Behavioural Improvement (Personal Development)	- Effective Presentation Skills - Staying Motivated - TCARE Team Building - Interviewing Skills - Building Impactful Slides - Professional Image and Grooming
Mandatory Specialised Skills Courses	- Paediatric Advanced Life Support ("PALS") - Advanced Cardio Life Support ("ACLS") - Neonatal Resuscitation Programme ("NRP")
TCARE Leader in Me	A programme designed to enhance leadership skills e.g. growth mindset, effective leadership, conflict resolution and coaching, in alignment with our TCARE values.

Through our Learning Management System, the Group tracks and records down employee training data. This ensures that each division meets the prescribed minimum annual training hours, aligned with the company's Key Performance Indicators ("KPIs"). In FY2025, we also implemented a Training Needs Analysis ("TNA") framework as part of annual HR planning to help identify skills gaps and address accordingly.

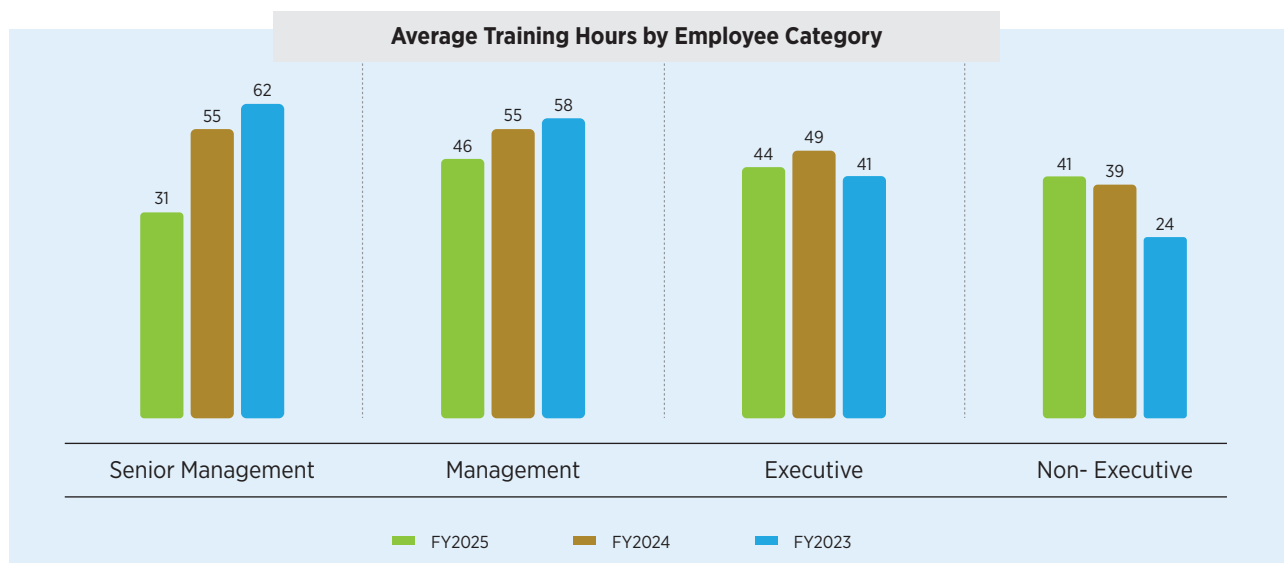
In FY2025, the total number of training hours for management and senior management declined compared to the previous year. However, investment in training increased to RM1,000,070 from RM866,839 in FY2024 and RM649,839 in FY2023. This demonstrates the Group's commitment to enhancing the quality and effectiveness of training, ensuring that employees continue to build the skills and competencies required to support our strategic objectives.

Sustainability Statement

(Cont'd)

The table and chart below are summary of training data for the Group.

Training Data	FY2025	FY2024	FY2023
Total training hours	55,664	56,783	40,991
Total training spends (RM)	1,000,070	866,839	649,839
Average Training Hours Per Employee	42	42	34
Average Training Hours by Gender:			
Male	32	35	42
Female	44	44	49
Total Training Hours by Employment Category:			
Senior Management	898	1,709	1,128
Management	6,520	8,182	5,277
Executive	6,996	8,199	8,915
Non-Executive	41,250	38,693	25,671



Nursing Workforce Development

In building a sustainable nursing workforce, we implement structured career development pathways and targeted training initiatives designed to retain top talent, cultivate leadership and support long term engagement.

At TMCLS, we have introduced a three-year Nursing Healthcare Assistant Training Programme and a six-month in-house Nursing Training Programme to support the transition of fresh graduate nurses into the workforce whilst enhancing their clinical competencies. We also fully sponsor career advancement opportunities, from Post-Basic Certifications to Master's Degrees.

The Group has set a target to increase the proportion of bonded Registered Nurses ("RNs") with Post Basic qualifications in specialty areas to 23%. The following provides a summary on the number of staff trained and certified in Post Basic qualifications.

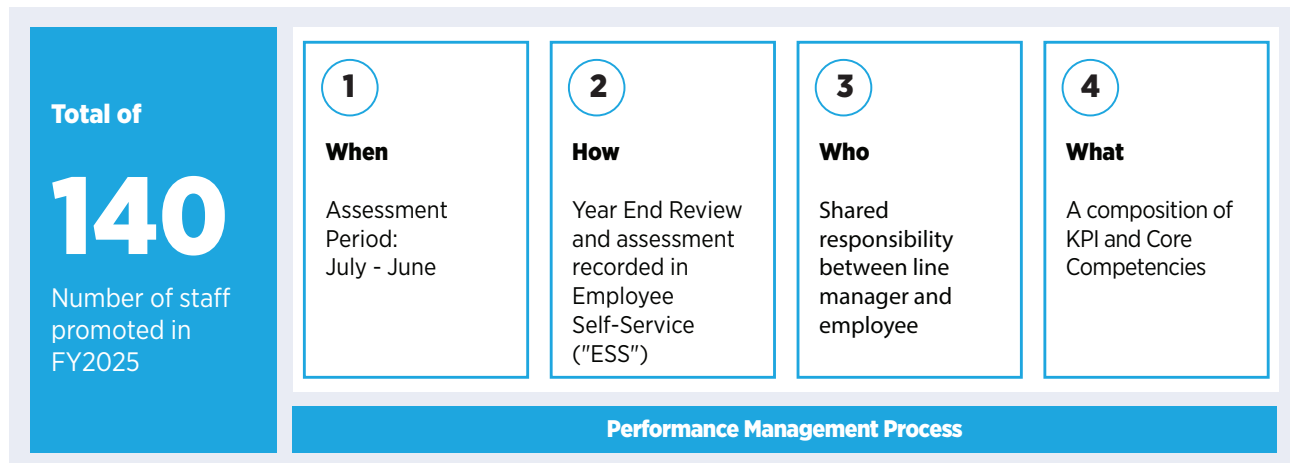
	FY2025	FY2024	FY2023
Staff Registered Nurse ("SRN") with Post Basic Qualification	124	103	115
Nurses sent for post basic	20	16	14

Sustainability Statement

(Cont'd)

Employee Appraisals

We conduct annual performance reviews and appraisal for all employees. The appraisal process, as outlined below, is designed to clearly define job duties, responsibilities, and priorities, ensuring alignment with both individual and organisational goals. Based on these evaluations, employees are recognised and rewarded in a fair manner that acknowledges their contributions and supports their continued development within the organisation.



Additionally, the appraisal process plays a key role in aligning future training opportunities with our broader business objectives. Throughout FY2025, TMCLS introduced several initiatives, including personalised coaching sessions, recognition of top performers, career aspiration discussions, and the creation of tailored improvement action plans.

Our Performance

For FY2025, we achieved a 100% completion for eligible employees' performance reviews.

	FY2025	FY2024	FY2023
Employee Appraisal Completion Rate (%)	100	100	100

TALENT RETENTION

Why is it Important

Talent retention is important and essential to our healthcare system's stability and quality of care. In Malaysia, the healthcare industry faces a significant brain drain, with skilled professionals leaving for better opportunities both domestically and abroad. Therefore, it is important that we address this challenge and continuously review our practices to ensure talent retention and sustain a strong, experienced workforce to meet growing healthcare demands. In recognition of our continued progress, THKD received a Silver award for Best HR Team (MNC) and a Gold award for Excellence in Work-Life Harmony at the HR Excellence Awards Malaysia during the reporting period.



Winners at HR Excellence Awards Malaysia (Gold - Excellence in Work-Life Harmony and Silver - Best HR Team (MNC)).

Sustainability Statement

(Cont'd)

Our Approach

Employee Compensation and Benefits

In driving talent attraction and retention, our approach looks towards strategic wages and remuneration practices with a focus on competitive pay structures and value-driven incentives.

We have a robust job grading and salary structure in place to ensure fair career development, internal pay equity, and market-competitive compensation in the healthcare industry. We ensure that our salaries are aligned with industry standards, both domestically and regionally. For those employed in higher-demand roles such as specialists and critical care nurses, we offer differentiated pay scales to discourage migration. We also maintain transparent and fair pay structures, establishing clear pathways for salary progression based on experience, education, and performance.

Additionally, we offer competitive compensation and benefits packages designed to provide fair and equitable rewards. These packages are aligned with job grades, as detailed in our pay structure, while also recognising and rewarding exceptional performance at both the individual and team levels. Below is a summary of the employee benefits we offer.

Type of Employee Benefits	
1 Financial Assistance Monetary: - Assistance to arrange loan from Appointed Panel Bank for Home Purchase - Special Loan for Tertiary Education - Sponsorship for Continuous Education Development - Childcare Fee Subsidy - Meal Subsidy - Donation from Staff and Consultant - Provide Handphone Allowance to all TMCLS Employees	2 Medical & Insurance coverage - Hospitalisation coverage - Outpatient medical coverage for dependents - Clinic and outpatient medical cards for employee and dependents - Discounted healthcare services - COVID-19 screening and treatment coverage - Extended outpatient medical benefit The outpatient medical benefit for employees now includes coverage for Clinical Psychology and Traditional Chinese Medicine visits.
3 Accommodation and Services - Hostel - Shuttle Service - Subsidy for food & drink - Parking Allowance - Hostel allowance for eligible employees - Flight allowance for eligible employees - Birthday Meal at Thomson Café for Thomson Employees - Company subsidies for childcare centre	4 Leaves - Annual - Parental - Marriage - Sabbatical - Prolonged illness - Natural Disaster leave of 5 working days per annum - Training & Examination Leave - Haj Leave for Muslim employees who have completed ten (10) consecutive years of service with the company are eligible for thirty-one (31) consecutive calendar days of leave to perform Haj

Parental leave

To prevent career discrimination for expecting parents, TMCLS offers parental leave that allows eligible employees to take time off and return to work in the same or a comparable position. Parental leave is available to all female employees and married male employees, all in accordance with the Employment Act 1955 (Amendment 2022). Eligible employees may also apply for Infant Care Leave to support breastfeeding mothers and primary caregivers in meeting family needs. This is offered as up to 3 months of unpaid leave which may be extendable upon review on a case-by-case basis.

Sustainability Statement

(Cont'd)

In FY2025, all 685 of our employees were eligible for parental leave, and a breakdown of our parental leave data is as follows.

Number of employees who:	FY2025		FY2024		FY2023	
	Male	Female	Male	Female	Male	Female
Are entitled to parental leave	175	510	165	529	123	394
Who took parental leave	19	55	19	60	16	63
Return to Work Rate (%)	100	91	100	97	100	61
Retention Rate (%)	79	75	75	73	80	61

1. Return to work rate = Total number of employees that returned to work after parental leave ended divided by total number of employees due to return to work after taking parental leave.
2. Retention rate = Total number of employees retained 12 months after returning to work following a period of parental leave divided by total number of employees returning from parental leave in the prior reporting period.

Employee Engagement

Proactive employee engagement is through our Thomson SHINE programme, designed to promote diversity and inclusion by fostering a sense of belonging and unity among employees. Alongside this programme, the Group implements various engagement events that have been instrumental in driving positive retention trends.

The following table lists our Employee Engagement Initiatives for FY2025.

1 Jul 2024 THKD Borneo Hi-Tea	5 Nov 2024 Long Service Award Ceremony	9 Dec 2024 HIV/AIDS Awareness Day	13 Mar 2025 Ihya' Ramadhan activities 2025
2 Aug 2024 Merdeka Food Run	6 Nov 2024 Deepavali Celebration	10 Dec 2024 Christmas Celebration	14 Apr 2025 Hari Raya Festive 2025
3 Sept – Oct 2024 Hari Malaysia Traditional Game tournament	7 Nov 2024 Step It Up Challenge	11 Jan 2025 Long Service Award Luncheon 15 & 20 Years	15 May 2025 Nurses Day 2025
4 Nov 2024 Breast Cancer Awareness Day	8 Nov 2024 Annual Dinner	12 Feb 2025 Chinese New Year Celebration	16 Jun 2025 Townhall Session & Nurses Townhall



Celebrating Hari Raya Aidilfitri together



Increasing awareness on breast cancer

Sustainability Statement

(Cont'd)



Engaging employees at our Townhall session.



Appreciating long-serving staff - luncheon with top management.

In addition, TMCLS conducts an annual employee engagement survey to assess the effectiveness of our engagement initiatives and identify key areas for improvement in the year ahead. For FY2025, the survey covered a broad range of focus areas – including, but not limited to, employee satisfaction, leadership, teamwork, career development, and workplace safety. The results of the survey are presented below.

	Overall Respondent (%)			
	Promoter	Neutral	Detractor	Total %
Employee Engagement Survey Rate for FY2025 (%)	44	39	17	72

Total overall respondent % = Promoters share divided by the sum of Promoters and Detractors share.

Succession Planning

Our approach to succession planning consists of two components: the proactive development and preparation of our employees to assume future key leadership roles, and strategic measures to manage unexpected vacancies in critical roles due to resignations, emergencies, or other unforeseen events. To minimise disruption to patient services, we maintain an up-to-date talent pipeline with identified successors for key roles.

Our Succession Planning policy provides a structured framework for effective succession planning. This ensures leadership and care continuity across all levels of the organisation, especially during staffing changes and untoward incidents.

For FY2025, a total of 140 employees were promoted, with 16 (11.4%) assuming leadership roles.

Employee Hiring

The Group recorded a decrease in hiring, from 436 in FY2024 to 341 in FY2025, representing a 22% reduction. This reflects a more stable workforce, controlled expansion, and a strategic focus on quality hires. The decline is aligned with the Group's priorities in restructuring, productivity improvements, and talent optimization, demonstrating improved efficiency in manpower planning despite lower numbers.

The table below presents a breakdown of employee hire data at the end of the reporting period:

	FY2025	FY2024
Total Number of Hiring	341	436
Rate of hiring by Gender (%)		
Male	21	21
Female	79	79
Rate of hiring by Age (%)		
Below 30 years old	64	50
30 - 50 years old	35	47
Above 50 years old	1	3

Sustainability Statement

(Cont'd)

	FY2025	FY2024
Total Number of Hiring	341	436
Rate of hiring by Employee Category (%)		
Senior Management	1	2
Management	7	6
Executive	9	10
Non-Executive	83	82

Employee Turnover

TMCLS closely monitors employee turnover rates as part of our commitment to workforce stability and employee engagement. We conduct exit interviews with all departed employees to monitor turnover trends and gather insights into employee experience and reasons for departure. This data is then compiled, analysed and included in our HR analytics report, which are then presented during monthly Management Team Meetings. Proposed targeted action plans are developed and implemented to address any key underlying issues and support ongoing efforts to improve employee retention.

As a result of FY2024's turnover trends, TMCLS has implemented the following:

- Introduction of structured onboarding and buddy programmes
- Launched e-Newbies for new joiners to receive feedback
- Improved internal career mobility and promotion transparency

Our Performance

In FY2025, the Group recorded an employee turnover rate of 25%, staying within our target range of 30%. Reflecting the Group's ongoing commitment in retaining talent, the table below presents a breakdown of employee turnover by employee category at the end of the reporting period:

	FY2025	FY2024
Total Number of Turnover	341	276
Number of employee turnover by employee category		
Senior Management	9	5
Management	34	30
Executive	31	43
Non-Executive	267	198
Rate of turnover by Gender (%)		
Male	17	18
Female	83	82
Rate of turnover by Age (%)		
Below 30 years old	52	36
30 - 50 years old	47	60
Above 50 years old	1	4
Rate of turnover by Employee Category (%)		
Senior Management	2	2
Management	10	11
Executive	9	15
Non-Executive	79	72

Turnover data is based on full-time staff voluntary turnover.

Sustainability Statement

(Cont'd)

SAFETY AT WORKPLACE

Why is it Important

Health and Safety is an important aspect to our business in ensuring business continuity as well as safeguarding our employees, contributing to the overall success and sustainability of the business. In the context of a healthcare business, it protects our frontline staff and sustains care continuity. Here at TMCLS, we adhere to the Occupational Safety and Health Act 1994 ("OSHA") in our operations to maintain a safe working environment. Our target is zero work-related fatalities across our operations.

Our Approach

Health and Safety Governance

At present, all health and safety risks at the Group level are identified and monitored through our ERM framework, with regular reporting to the Board via our ARMC. Occupational Safety, Health, and Environment ("OSHE") oversight is embedded throughout the Group's governance structure to ensure comprehensive oversight and responsibility at every level of our organisation.

The Group's OSHE governance framework is structured as follows:

- | | |
|--|---|
| 1 Health, Safety, Security, and Environment ("HSSE") Core Committee | <ul style="list-style-type: none"> Overarching body that consolidates all HSSE-related functions, including OSHE, Disaster Management, Radiation and Laser Safety, and Outsourced Service Providers ("OSP") Responsible for ensuring compliance with the Occupational Safety and Health Act and related regulations, whilst managing Group-wide health and safety risks |
| 2 Occupational Safety, Health, and Environment ("OSHE") Committee | <ul style="list-style-type: none"> Comprising of representatives from various departments Plays a key role in identifying and addressing safety and health issues at the operational level Reports to the HSSE Core Committee |
| 3 Risk Management Working Committee ("RMWC") | <ul style="list-style-type: none"> Deals with any reported OSHE incidents and is responsible for escalating the reports to the ARMC to provide Board-level visibility and oversight |
| 4 Safety and Health Officer ("SHO") | <ul style="list-style-type: none"> Qualified officer to advise management on OSHE matters related to THKD operations and ensure ongoing compliance with current regulations and best practices |
| 5 Occupational Safety and Health ("OSH") Coordinator | <ul style="list-style-type: none"> Trained staff to manage OSHE matters related to fertility branches |

All OSHE incidents are reported to the Thomson Hospital Kota Damansara HSSE Core Committee on a bi-annual basis and to the RMWC quarterly. In addition, the Group conducts quarterly OSHE meetings in line with the Safety and Health Committee Regulations 1996, ensuring that safety, health, and environmental concerns are regularly addressed and managed.

Sustainability Statement

(Cont'd)

OSHE Policies

Our commitment to upholding OSHE responsibility is guided by two core policies.

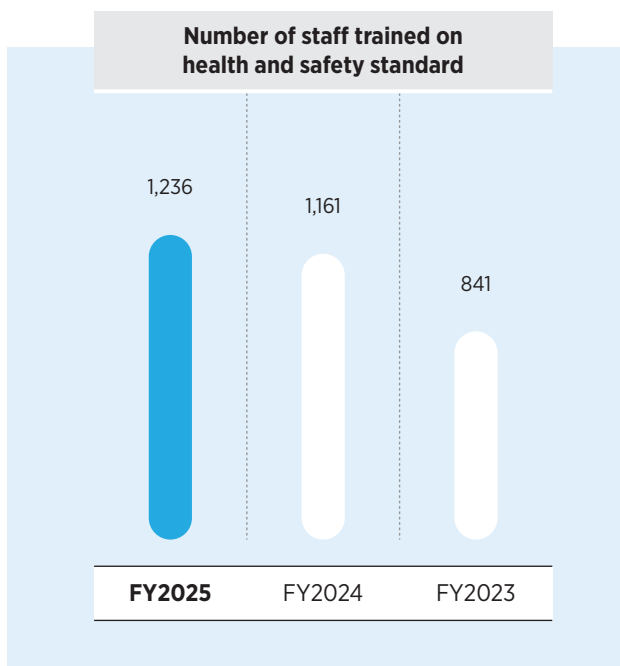
- Environment, Safety & Health (“ESH”) Policy: applies to employees, patients, and visitors, providing a Group-wide framework for safety and environmental responsibility
- OSHE Policy: focuses specifically on occupation health and safety matters for employees, tailored specifically for our THKD operations

These policies form the foundation of TMCLS’s OSHE management system. Both policies are reviewed annually to ensure compliance with current regulations and alignment with industry best practices. Through these policies, TMCLS aims to enhance workplace safety, protect all stakeholders, and support the overall well-being of employees, patients, and visitors.

Health and Safety Training and Awareness

The Group fosters a safe work environment and promotes employee well-being through its Integrated Management System (“IMS”), which equips employees with essential tools and safety training. We strive to strengthen the health and safety capabilities of our employees through targeted training programmes.

The following is the number of employees trained on health and safety standards.



Employee Health and Welfare

To foster continuous improvement and raise awareness around workplace mental health, TMCLS also conducted our Mental Health Awareness Survey 2025, from 18th February to 14th March 2025. This survey assessed the mental wellbeing of 1,202 employees using the Depression, Anxiety and Stress Scale (DASS-21) and the Copenhagen Burnout Inventory.

Overall, approximately 80% of employees were successfully assessed. The results indicate that the majority fall within the “Normal” range indicating that employees are in a healthy mental and emotional state, showing no significant symptoms of depression, anxiety, stress, or burnout at the time of the survey. This reflects a generally positive state of mental health across the organisation.

However, the employee surveys highlighted concerns around stress and burnout. To address these, the Group has introduced several initiatives, including the “Step It Up Challenge” launched in November 2024 to encourage healthier lifestyles, monthly casual chat sessions with senior management to provide direct support, and access to counselling through the company’s in-house clinic psychologist, as well as counselling support from clinical psychologists at UiTM Hospital and government hospitals. All costs are covered under staff medical benefits.

Our Performance

Health and Safety Statistics

We monitor health and safety across our business operations to protect our workers and communities. The table below displays health and safety statistics for three (3) consecutive years.

Safety Statistics	FY2025	FY2024	FY2023
Total Manhours	3,529,816	3,228,520	2,984,824
Number of fatalities as a result of work-related injury and ill health	0	0	0
Loss Time Incident Rate (“LTIR”)	0.30	0.37	0.46

- FY2024 and FY2023 Total Manhours values were restated based on an enhanced approach to data consolidation.
- FY2024 and FY2023 LTIR values were restated due to changes in the calculation formula. To align with Bursa, we have since revised to follow this formula: $LTIR = \frac{[Number\ of\ Lost\ Time\ Injury\ Cases]}{[Total\ Hours\ Worked]} \times 200,000$.

Sustainability Statement

(Cont'd)



ENVIRONMENTAL MANAGEMENT

CLIMATE CHANGE

Why is it Important

The Group recognises the importance of climate stewardship in relation to our business operations. We are cognisant on the correlation between human health and climate health. The continuous operation of medical equipment and the building services system are essential for patient care, but they also contribute to our environmental footprint.

As we continue to rely on the national grid, which is largely derived from fossil fuels, we are cognisant of the rising cost of energy and the potential increasing unreliability of our electricity supply as a result of climate change. We recognise the operational risks involved and are committed to ongoing efficiency improvements to mitigate these challenges.

Therefore, as a healthcare provider, we hold a responsibility in reducing their environmental impact, supporting sustainable practices wherever we can and contributing to climate resilience, whilst continuing to deliver safe, high-quality care.

Our Approach

In managing the climate risks associated with our business operations, the Group has set a net-zero carbon emissions target by 2050 in support of Malaysia's net-zero aspirations.

Net-Zero Carbon Emissions by 2050

**FY2022 &
FY2023**



Measuring Scope 1 and Scope 2

FY2024



Expansion of carbon accounting (Scope 3 emissions)

FY2025



Establish baseline for Scope 1 & 2 emission by FY2025

FY2050



Net-Zero

For FY2025, we have established our baseline for our Scope 1 and Scope 2 GHG emissions intensity. In this initial phase, we use intensity baselines rather than absolute emissions to better reflect the nature of our healthcare operations, which are subject to ongoing expansion and fluctuating patient volumes. This approach provides the Group with a foundation as we continue to enhance our emissions data management and work towards establishing our absolute emissions baseline in the subsequent reporting years.

Sustainability Statement

(Cont'd)

The following are our Group-wide metrics and targets.

Targets	Metrics	FY2025 Progress	FY2024 Progress
To reduce Scope 1 and 2 GHG emissions intensity from FY2025 baseline level by 5% in 3 years	Total Scope 1 and 2 Carbon Intensity, MtCO ₂ e/RM' million in revenue (FY2025: 41 MtCO ₂ e/RM' million in revenue)	Total: 41 MTCO ₂ e/RM' million in revenue	Total: 38 MTCO ₂ e/RM' million in revenue
Long-Term: To achieve Net-Zero emissions by 2050	Net-Zero of TMCLS GHG intensity (metric tonnes CO ₂ e per million of revenue)		

The emission intensity for FY2025 was selected as the baseline for tracking TMCLS's GHG reductions towards our Net Zero by 2050 target. FY2025 was selected due to the following factors:

- Reliable, accurate, and comprehensive GHG Emission data are available (2nd year sustainability assurance)
- Stable operational conditions (post-renovation and the new MRI and CT scan are just operated)
- Represent a period before significant emission reduction effort started

Please refer to Emissions Management section for explanation on the increase of GHG emission intensity for Scope 1 and 2.

For further discussion on TMCLS's climate change adaptation efforts, please refer to the "Climate Report" section of this Sustainable Statement.

Energy and Emissions

Reducing emissions remains a key focus of our sustainability efforts, with energy management playing a central role. We actively track and optimise our energy consumption across facilities, invest in energy-efficient systems, and explore opportunities for diversifying our energy sources.

Effective energy management is central to our GHG emissions strategy. We engage with the Sustainable Energy Development Authority ("SEDA") to conduct regular third-party energy audits and benchmark against national healthcare energy performance standards. Our emissions reduction approach focuses on reducing and optimising our energy use across our operations. Key focus areas include:

- **Infrastructure and Equipment Enhancement Programme:** enhances energy efficiency through installation of smart sensors, use of Energy Star-certified products, scheduling of LED lighting (leads to 0.5% savings annually) and lifecycle replacement of our biomedical equipment
- **Heating, Ventilation, and Air Conditioning ("HVAC") Optimisation:** transition to higher-efficiency HVAC systems including chiller and AHU scheduling adjustments and chiller pump replacements to reduce energy load
- **Renewable Energy:** installation of solar panels at our THKD site to integrate clean energy

- **Improvement of Sustainable Energy Management System ("SEMS"):** systematically monitor and control power and energy consumption, aligning with ASEAN Centre for Energy standards positioning the Group for potential AEMAS certification

These efforts are implemented alongside scheduled asset replacements as well as the adoption of green building principles to maximise resource efficiency and improve building sustainability.

Sustainable and Green Design

Healthcare facilities are immensely resource-intensive buildings, using significant energy, water and materials to upkeep their constant 24/7 operations. Therefore, here at TMCLS, we recognise the value of sustainable design and green buildings in offering eco-friendly, energy efficient spaces to help:

- Reduce our operational costs
- Improve patient outcomes
- Enhance staff well-being
- Lower environmental footprint

At TMCLS, our approach is to use the criteria outlined in the table below to guide our design and construction processes, aligning our efforts to build sustainable, eco-friendly buildings. This also applies to any current construction/renovations and or future projects that we undertake.

Sustainability Statement

(Cont'd)

The following are our key features:

Key features	Description
Passive Design features	
North-South building orientation	Reduces heat gain and maximises natural light, reducing overall cooling energy needs
Light-coloured roofing, PU insulated cavity walls, double-glazed windows, and Low-E glass panels	Creates an energy-efficient building envelope, designed to keep heat out
Light shelves and glare-prevention blinds	Allow natural light deep into the wards, reducing artificial lighting needs while supporting patient recovery and staff productivity
Indoor Environmental Quality and Wellbeing	
Carbon Monoxide Monitoring	Ensures optimal ventilation by adjusting fresh air intake as needed, providing a healthier indoor environment
Sustainable Materials	
Low Volatile Organic Compounds ("VOC") emulsion paints	Green-labelled, low VOC paints help reduce harmful indoor air pollution, improving indoor air quality for our people and patients
Green label construction materials	• SGBC/ SGLS/ Eco-SIRIM or other equivalent certifications • Prioritisation of locally sourced or recycled materials, including plasterboard, aluminium panels, green cement, and certified wood, wherever possible
Lightweight block systems	Used in place of conventional bricks, it reduces construction waste due to precise manufacturing processes in controlled factory settings, enhances thermal insulation, and reduces structural weight which decrease the overall amount of concrete required
Others	
Indoor Environment and Wellbeing Design	Colour psychology principles create a cheerful and healthy indoor environment, helping to alleviate stress for patients and visitors
Sustainable Transportation	• Our THKD location is well-connected by public transportation - o MRT: Kota Damansara MRT Station (approximately 3 to 5 minute walk from the hospital) - o Bus Routes: 780, T805 and 802 (approximately 4 to 5 minute walk away) • EV charging bays provided to support green energy use

For FY2025, the list of our green building properties is as follows:

List of Properties

Thomson Hospital Kota Damansara
(Block A and Block C)

Green Building Certification

GreenRE Rating : Silver

Building Category : Healthcare Facilities Category

Effective Dates : 21st June 2022 – 20th June 2025

Other Emissions

As a healthcare provider, one of our primary sources of Scope 1 emissions stems from the use of anaesthetic gases. Volatile anaesthetic agents such as nitrous oxide, desflurane, and isoflurane are potent greenhouse gases with high Global Warming Potentials ("GWPS"). In clinical practice, these gases are administered using continuous flow systems and are minimally metabolised by patients, resulting in significant waste.

To minimise these emissions, the Group is currently exploring the use of lower-GWP aesthetic agents in our practice wherever clinically appropriate.

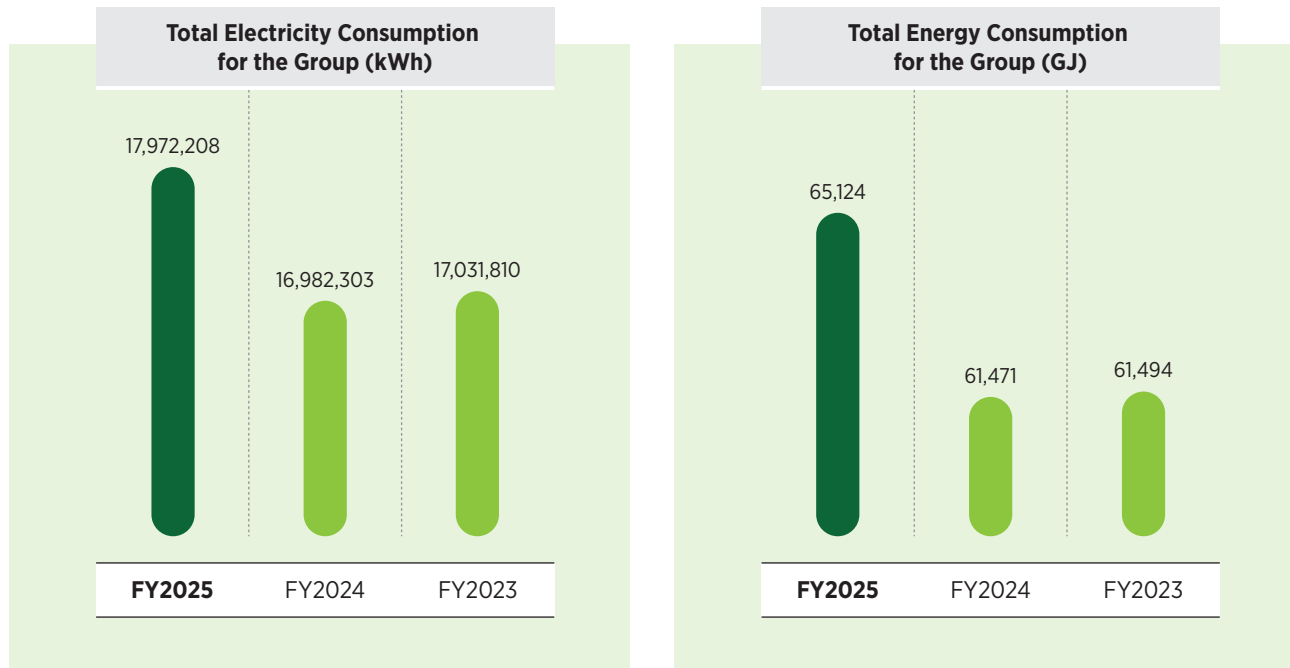
Sustainability Statement

(Cont'd)

Our Performance

Energy Consumption

In FY2025, we continued to track our energy consumption on a Group level. For the reporting period, the Company's total energy consumption is 65,124 GJ, and the breakdown, categorised by business segment as follows:



Type of Energy Consumption - Electricity		Units	FY2025	FY2024	FY2023
Purchased Grid Electricity	THKD	kWh	16,053,051	15,265,801	15,813,806
		GJ	57,791	54,957	56,930
	Thomson Fertility Puchong	kWh	396,379	402,092	479,680
		GJ	1,427	1,448	1,727
	Thomson Specialist Clinic (Kepong)	kWh	19,589	16,551	15,583
		GJ	71	60	56
	Other business units	kWh	903,603	814,642	722,741
		GJ	3,253	2,933	2,602
From Solar Panels	THKD	kWh	599,586	483,217	Not yet available
		GJ	2,159	1,740	

Sustainability Statement

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Type of Energy Consumption – Fuel consumption (THKD only)		Units	FY2025	FY2024	FY2023
Fuel Consumption – Diesel	Generator Set (Power Backup)	Litres	1,696	1,537	No refill
		GJ	63	57	
	Company Owned Vehicles (Car)	Litres	3,320	3,061	1,528
		GJ	122	113	56
Fuel Consumption – Petrol	Company Owned Vehicles (Car and Motorcycle)	Litres	4,133	2,961	2,090
		GJ	139	100	70
Fuel Consumption – LPG	Cooking Fuel	kg	2,160	1,414	1,150
		m³	3,085	2,021	1,643
		GJ	99	65	53
THKD Total Energy Consumption		GJ	60,373	57,031	57,109

1. Total Energy Consumption is calculated by adding up total non-renewable fuel consumed by company owned cars, motorcycles, power generators, and kitchens; electricity purchased from the grid and solar generated electricity for FY2025.
2. For FY2024, the figure for Total Energy Consumption have been restated from 62,366 GJ to 61,471 GJ to reflect finalised data, based on an enhanced approach to data consolidation and tabulation.
3. Petrol consumption for company owned car includes company owned motorcycle fuel consumption. The motorcycle fuel consumption amount is estimated based on reported fuel efficiency of Honda Wave 125i (2017).
4. Diesel consumption for the generator set is currently estimated using the generator's specifications.
5. For FY2025 THKD's total energy consumption, Thomson Fertility Puchong Energy Consumption from Electricity Purchased and Thomson Specialist Clinic (Kemping) Energy Consumption from Electricity Purchased have undergone independent verification by a third party. Additional details are available in the Independent Assurance Statement on pages 96 to 99.
6. For our Bursa Sustainability Indicators, please note that the unit for Bursa C4(a) Total Energy Consumption is stated as megawatts (MW) in the submission. However, the data that TMCLS has provided reflects the energy consumption in gigajoules (GJ) and the figures should be interpreted accordingly.
7. TMCLS's increase in total energy consumption can be attributed to the following factors:
 - An increase in total electricity consumption for FY2025, primarily due to several operational changes at THKD, which include our renovation projects, the opening of new wards, and our new MRI and CT scan.

Emissions Management

Our emissions calculation approach is aligned to GHG protocol. The table below details the types of activities and sources considered, along with the methods used for calculations, providing an overview of TMCLS's GHG inventory.

	Activity	Sources	Accounting Approach
Scope 1	Stationary Combustion	• THKD Diesel consumption from generators • THKD Liquefied Petroleum Gas ("LPG") as cooking fuel	• Annual fuel consumption data for the reporting period • Diesel consumption for the generator set is currently estimated using the generator's specifications
	Mobile Consumption	• THKD Diesel and petrol consumption from company-owned vehicles (car and motorcycle)	• Annual fuel consumption data for the reporting period • Motorcycle fuel consumption is estimated based on the reported fuel efficiency of a Honda Wave 125i (2017)
	Fugitive Emissions	• THKD CO₂ leakages from fire extinguishers • THKD, Thomson Fertility Ipoh, and Thomson Specialist Clinic (Kemping) refrigerant refill for air conditioner/refrigerator	Annual fire extinguisher refill data and annual refrigerant refill data for the reporting period

Sustainability Statement

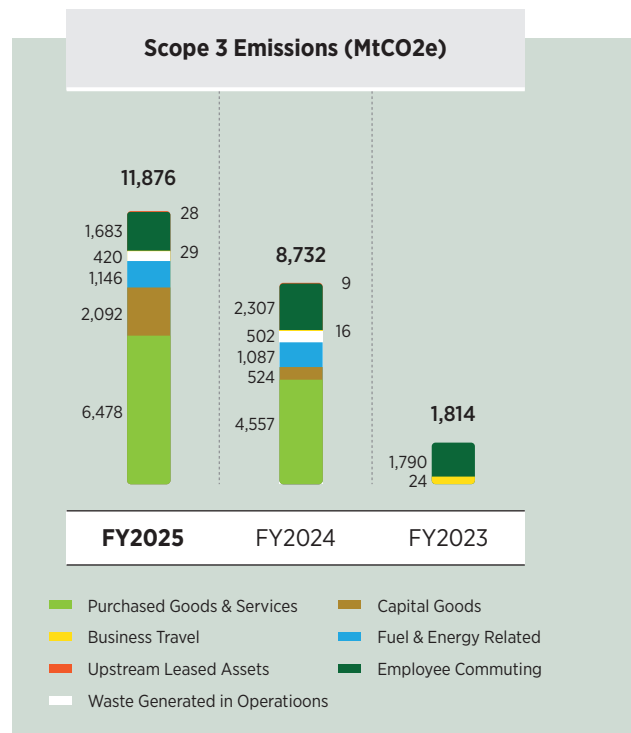
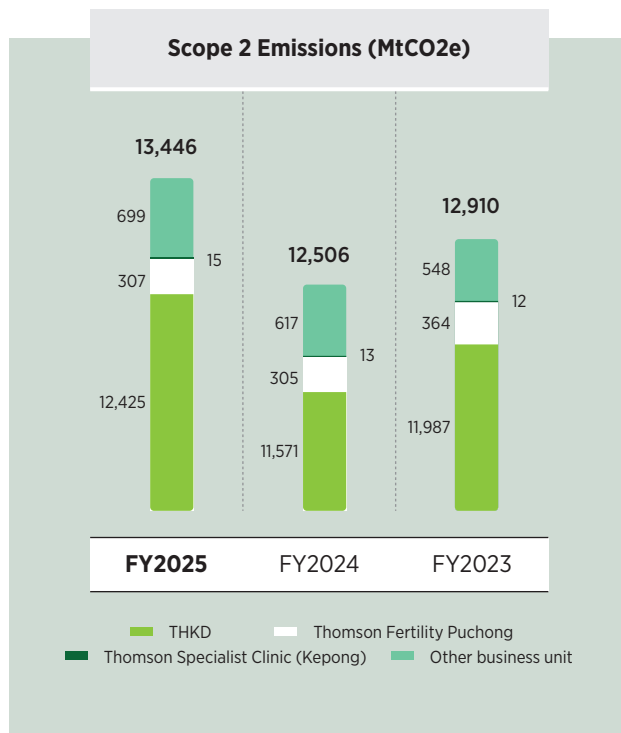
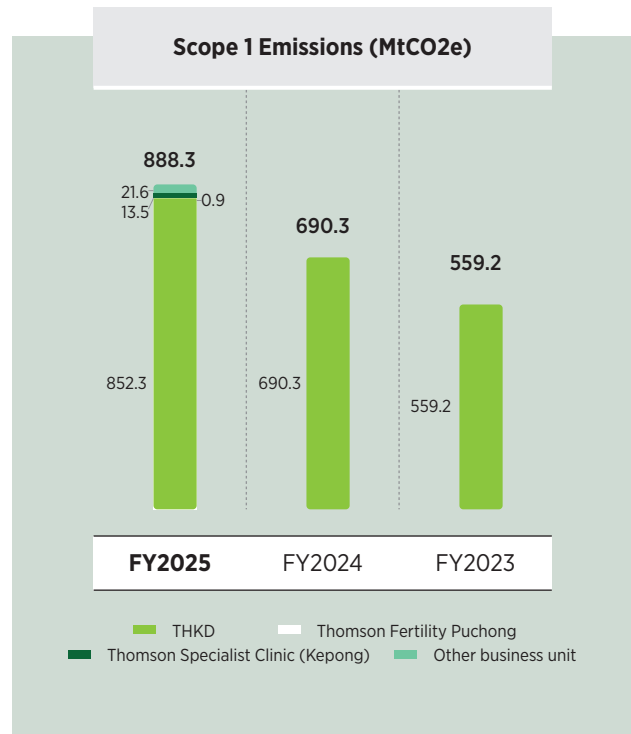
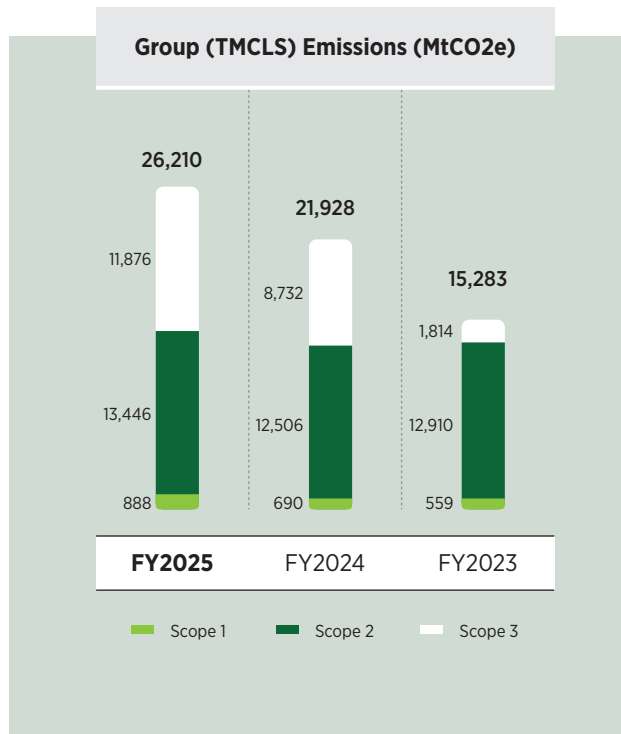
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	Activity	Sources	Accounting Approach
Scope 1	Medical Gas (Inhalants)	THKD and Thomson Fertility branches (Puchong and Johor) CO ₂ incubator and fugitive emissions from inhaled anaesthetics, including: - Nitrous Oxide (N ₂ O) - Desflurane - Sevoflurane - Entonox	Annual usage of CO ₂ , pre-mixed gas and inhaled anaesthesia data for the reporting period
	Grid Electricity	Electricity from TMCLS Group including THKD, Thomson Fertility branches including Ipoh, Puchong, Johor, and Penang, Thomson Specialist Clinic (Kepong), and Thomson TCM Note: TMC Care Pharmacy is located inside THKD's building. Therefore, its electricity is included in THKD electricity consumption	Annual consumption of electricity for the reporting period
Scope 2	Purchased Goods & Services	THKD major expense which includes medicines, food & beverages, consumables, dressing, housekeeping supplies etc.	Based on the total cost of purchased goods and services
	Capital Goods	TMCLS Group major capex which includes buildings, medical equipment, electrical & mechanical, furniture etc.	Based on the total cost of purchased from capital goods
Scope 3	Fuel & Energy Related Activities (Not Included in Scope 1 or Scope 2)	TMCLS Group upstream emissions from LPG, diesel, petrol, electricity and other fuels are accounted for	Based on the total quantity of fuel consumed in volume or energy measurements
	Waste in Operations	1. General waste: Plastic, cartoon, food etc 2. Clinical Waste	Based on the total mass of waste, categorised by type (e.g., plastic, food, etc.)
	Business Travel	Travel record	Based on the distance travelled by TMCLS employees, using airplanes as the mode of travel
	Employee Commuting	Survey	Estimated tabulation based on the employee commuting survey carried out internally for TMCLS employees
	Leased Assets	THKD data for fuel used by third party ambulance	Based on total fuel usage in volume units from January to June to calculate monthly average, and extrapolated for the entire financial year

Sustainability Statement

(Cont'd)

The following is a summary of our emissions profile, which reflects the outcomes of our energy consumption patterns:



Sustainability Statement

(Cont'd)

1. For FY2025, THKD's Scope 1 and Scope 2, Thomson Fertility Puchong's Scope 1 and 2 and Thomson Specialist Clinic (Kepong)'s Scope 1 and 2 emissions have undergone independent verification by a third party. Additional details are available in the Independent Assurance Statement on pages 96 to 99.
2. Emission Conversion factor for Scope 1 is derived from the UK Government GHG Conversion Factors for Company Reporting 2025, 2024 and 2023. For Scope 1 from Medical Gas (Inhalants), the emission conversion factor derived from IPCC AR6.
3. Scope 2 emissions are indirect GHG emissions arising from the generation of purchased electricity consumed by the Group. Emission Conversion factor for Scope 2 is derived from the Malaysia Energy Information Hub - Grid Emission Factor ("GEF") (2022): 0.774 kg CO₂e/kWh.
4. Emission Conversion factors for Scope 3 emission calculations are sourced from:
 - Malaysia Energy Information Hub - Grid Emission Factor ("GEF") (2021)
 - IPCC AR6 Chapter 7, Supplementary Materials. Link: Chapter 7: The Earth's Energy Budget, Climate Feedbacks, and Climate Sensitivity | Climate Change 2021: The Physical Science Basis (<https://www.ipcc.ch/>)
 - DEFRA - UK Government GHG Conversion Factors for Company Reporting (2023)
5. The figure for upstream leased assets for Scope 3 FY2024 was restated from "8 MtCO₂e" to "9 MtCO₂e" to reflect rounding adjustments that were previously not accounted for.
6. TMCLS's increase in total emissions can be attributed to:
 - a) An increase in Scope 1 emissions due to refrigerant refills (air conditioning and refrigeration systems) at THKD and several fertility branches, as well as the inclusion of emissions from CO₂ incubators and medical gas (sevoflurane) usage at fertility branches.
 - b) A rise in Scope 2 emissions, directly linked to increased electricity consumption in FY2025, as explained in note 7 of Energy Consumption section.
 - c) Higher Scope 3 emissions resulting from enhancements in data collection processes and the adoption of a more comprehensive calculation methodology in FY2025.

Energy Intensity

To assess the Group's energy efficiency, we track our electricity intensity, energy intensity, and carbon intensity.

- **Electricity intensity:** Measured as total electricity consumption relative to operational size and revenue
- **Energy intensity:** Measured as total energy consumption (from all sources) relative to our Gross Floor Area ("GFA") and revenue
- **Carbon intensity:** Measured as Scope 1 and Scope 2 greenhouse gas emissions relative to our Gross Floor Area ("GFA") and revenue

These indicators provide a comprehensive view of how efficiently energy is consumed and the associated environmental impact across our operations. The monitoring of these metrics helps us to track our progress, identify areas for improvement and set benchmarks to enhance our energy practices.

Below is our intensity data for the past 3 years.

	FY2025	FY2024	FY2023
Electricity Intensity			
TMCLS Electricity Intensity (kWh/m ²)	172.36	162.90	163.30
TMCLS Electricity Intensity (kWh/RM'000)	0.05	0.05	0.05
Energy Intensity			
TMCLS Energy Consumption Intensity (GJ/m ² GFA)	0.62	0.59	0.59
TMCLS Energy Consumption Intensity (GJ/RM'000)	0.19	0.18	0.20
Carbon Intensity (Scope 1 & 2)			
TMCLS Carbon Intensity (MtCO ₂ e/m ²)	0.14	0.13	0.13
TMCLS Carbon Intensity (MtCO ₂ e/RM'million in revenue)	41	38	43

1. Intensity measurements are based on the GFA of all TMCLS-owned operations and revenue.
2. The figure for FY2024 TMCLS Energy Consumption Intensity (GJ/m²) has been restated from 0.60 GJ to 0.59 GJ to reflect finalised data, based on an enhanced approach to data consolidation and tabulation.

Sustainability Statement

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CLINICAL & OTHER WASTE MANAGEMENT

Why is it Important

Given the regulatory and environmental risks associated with healthcare operations, effective waste management is a key focus of TMCLS's environmental strategy. In the healthcare industry, due to the unique risks and responsibilities associated with handling of medical and hazardous materials, poor waste management practices can directly impact patient safety, staff wellbeing, regulatory compliance, and public health.

Our Approach

The Group adheres to strict regulations under the Environmental Quality Act (Scheduled Waste) Regulations 2005. All our waste is handled by licensed contractors for collection and disposal, guided by our Waste Management Standard Operating Procedures ("SOP") for safe disposal. Regular training sessions are also conducted for our staff to ensure proper waste management, especially the hazardous fraction.

The Group's Waste Management SOP also include clear guidelines for the segregation and disposal of recyclable waste using designated bins. These are then collected and sent to the appropriate centres to be processed.

We also continuously evaluate our waste management practices to ensure compliance with regulatory requirements to promote more efficient and environmentally responsible waste handling across the Group. In line with this, TMCLS conducts annual waste audits and inspections to assess and improve our performance. This includes annual site visits for all third-party waste management vendors we engage with, as well as internal audits of all TMCLS on-site operations conducted by our Inspection Control Team.

In striving towards effective waste management, we have implemented various initiatives across our business operations to address these concerns.

Waste Management Initiatives include the following:

Waste Reduction and Minimisation

- Use of hand dryers to reduce paper towel waste
- Digitalisation of records to reduce paper use
- Reduction in Single-Use Items: discontinuation of plastic water bottles and disposable plastic cutlery for inpatients, reuseable alternatives are provided instead
- Inventory control to minimise expired goods and prevent overstocking (e.g. medications or supplies)

Recycling & Material Recovery

- Recycling of paper, plastic, glass and metals
- Medical packaging recovery schemes
- Using environmental friendly cleaning agents and following guidelines for sustainable housekeeping practices

TMCLS has set an overall target to increase the proportion of our waste recycled by $\leq 2\%$ annually, aiming to divert more materials from landfill each year.

Sustainable Procurement & Resource Use

- Procurement of products from recycled or biodegradable materials
 - o E.g. Our Hospital Admission Kit: items such as our toothbrushes and combs are made of 50% wheat
- Selecting suppliers with take-back programmes for equipment or packaging
- Minimisation of hazardous chemicals in cleaning products with green cleaning products used wherever possible

Awareness, Training & Behavioural Change

- Staff training on proper segregation and waste protocols, including hazardous vs non-hazardous waste disposal
- Employee recycling programmes and campaigns
 - o Sorting machines: collects plastic waste and generates discount vouchers for participating employees to be used at various outlets
 - o Paper bag reuse programme: cupboards were converted into paper bag drop-off and collection stations for reuse purposes
 - o THKD Recycling Week (10-13 March 2025)
 - THKD's Weigh & Win Recycling Competition: encourages employees to bring in recyclable waste from both home and the workplace. A total of 2,065 kg of recyclable material was collected

Sustainability Statement

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Building upon the success of THKD’s Weigh & Win Recycling Competition in FY2024, the hospital also launched their THKD Recycling Week, held from 10-13 March 2025. The initiative featured a range of activities, including recycling talks, quizzes, a recycling video competition, and vendor booths showcasing THKD’s suppliers and highlighting their sustainability initiatives.

For FY2025, THKD’s Weigh & Win Recycling Competition was expanded to include donations of clothes, shoes, and bags as acceptable categories. The results of the FY2025 competition are presented below.



Scheduled Waste Management

As a healthcare provider, most of our scheduled waste generated consists of hazardous and non-hazardous clinical materials. These require careful and responsible management due to their potential impact on human health and the environment.

When handling our scheduled waste, we engage with a DOE-licensed disposal service providers to manage the end-of-life treatment and disposal of them. All of which are incinerated and are carried out in strict compliance with the relevant regulations. For our general (non-scheduled) waste, it is all collected by a separate licensed contracted service provider.

On our end, we are responsible for the proper handling, segregation and initial containment of the scheduled waste, including spill management. These processes are governed by our Waste Management SOP, which is aligned with national guideline and best practices. Key measures that are currently in place at TMCLS are summarised below.

			
Waste Handling	Waste Segregation	Initial Containment	Spill Management
Waste is handled at the point of generation by trained personnel using appropriate PPE	Colour-coded, labelled containers are used at source for waste segregation	Containers are leak-proof, sealed when ¾ full, and properly labelled	Spill Response SOP in place
Waste is never left unattended or uncontained	All packaging and labelling are in adherence to Regulation 10 of the Environmental Quality (Scheduled Wastes) Regulations 2005	Stored in designated, restricted-access waste holding areas that meet environmental and containment standards	
	Proper sharps containers and clinical waste segregation		

Sustainability Statement
(Cont'd)

After initial containment, our scheduled waste is then handed over to our contractors for appropriate treatment and final disposal. The table below outlines their waste disposal process.

Waste Collection  Scheduled Waste Transportation and Treatment Agreement between TMCLS and Kualiti Alam is signed Transportation vehicle is deployed to collect the segregated and labelled waste from TMCLS	Waste Treatment and Disposal  Scheduled Waste to Energy (SWtE) • TMCLS’s waste is brought to the Incineration Plant • The plant generates up to 3.4 MWe of green power which is then sold to the national grid • Resultant slag from the rotary kiln is sent off to the Vertical Secured Landfill • Fly ash captured by the fabric filter is further treated via fixation at the Solidification Plant, before being sent off to the Vertical Secured Landfill site Vertical Secured Landfill • All waste disposed of needs to meet with Direct Landfill Waste Acceptance Criteria. This includes: ◦ Passing the Toxicity Characteristic Leaching Procedure test ◦ Ensuring Total Organic Carbon levels are below 10%
Waste Management  Waste collected is weighed, inspected and sampled by our contractor’s waste inspection and sampling team Waste consignments will then be transferred to temporary storage, ready for treatment/disposal	

Air Pollutants

TMCLS conducts Indoor Air Quality (“IAQ”) assessment based on the Department of Occupational Safety and Health (“DOSH”) and the Industry Code of Practice on Indoor Air Quality 2010. The results indicated that the concentration of all monitored air contaminants are within acceptable limits, as defined by the relevant standards.

Our operations also remain well below regulatory thresholds. As per our Genset Emission Monitoring Report, the capacity of our diesel-powered generators does not exceed the thresholds stipulated in the Environmental Quality (Clean Air) Regulations 2014 by the Department of Environment of Malaysia. We also do not operate any on-site incinerators for our waste management processes.

As a result, we are pleased to report zero cases of non-compliance with health and environmental laws. Therefore, no fines or penalties have been incurred.

ZERO

Number of fines or censures related to health and environmental non-compliance for FY2025, FY2024 and FY2023

Sustainability Statement

(Cont'd)

Our Performance

Clinical and Pharmaceutical Waste Generated

Below is a breakdown of the total amount of hazardous clinical and pharmaceutical waste generated across all TMCLS facilities that we own and operate.

Summary of Clinical and Pharmaceutical Waste Generated				
Waste Type	Disposal method	FY2025	FY2024	FY2023
		Tonnes	Tonnes	Tonnes
Clinical Waste	Incinerated	288.77	266.09	222.52
	Recycled/Treated	0	0	0
	Landfilled	0	0	0
Pharmaceutical Waste	Incinerated	0.19	0.13	0.08
	Recycled/Treated	0	0	0
	Landfilled	0	0	0
Total Waste Generated		288.96	266.22	222.60

Total Waste Generated

In FY2025, the Company generated 643.47 tonnes of waste. We diverted 43.81 tonnes through recycling and reuse, while 599.66 tonnes were properly disposed of.

Category	FY2025	FY2024	FY2023
	Tonnes	Tonnes	Tonnes
Waste directed to disposal	599.66	718.61	501.64
Waste diverted from disposal	43.81	28.44	11.25
Total Waste Generated	643.47	747.05	512.89

1. Waste directed to disposal includes waste from Hazardous Waste (Clinical Waste and Pharmaceutical Waste) and Non-hazardous waste (general waste which includes food waste).
2. Waste diverted from disposal includes waste that is reused, recycled, or subject to other recovery positions.

Below is a breakdown of waste directed to disposal by waste type:

Category	Waste types	FY2025	FY2024	FY2023
		Tonnes	Tonnes	Tonnes
Waste directed to disposal:				
Hazardous Waste	SW 404 – Clinical Waste	288.77	266.09	222.52
	SW 403 – Pharmaceutical Waste	0.19	0.13	0.08
Total Hazardous Waste Directed to Disposal		288.96	266.22	222.60
Non-Hazardous Waste	General Waste (includes food waste)	310.70	452.39	279.04
	Food Waste	32.27	17.13	8.70
Total Non-Hazardous Waste Directed to Disposal		310.70	452.39	279.04

Sustainability Statement

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Category	Waste types	FY2025	FY2024	FY2023
		Tonnes	Tonnes	Tonnes
Waste diverted from disposal:				
Recyclables	Paper	41.80	28.44	11.25
	Plastic	0.90		
	Metal	0.69		
	Electronic	0.18		
	Clothing	0.24		
Total Recyclable Waste Directed to Disposal		43.81		

WATER MANAGEMENT

Why is it Important

Water management is a critical component of healthcare operations, essential for hygiene, infection control, and daily operations. Efficient use of water not only helps reduce operational costs but also contributes to our environmental sustainability goals. Additionally, as our water supply is primarily sourced from local municipal systems, it is important that our consumption does not negatively impact our surrounding communities.

Our Approach

Water Withdrawn, Consumed, and Discharged

A significant portion of our total water consumption for the Group stems from our core hospital operations, including clinical services, patient care and sanitation. Water is especially critical for our cooling systems, which support temperature regulation and equipment performance despite its significant contribution to our overall environmental footprint.

In ensuring business continuity in the event of water disruptions, we also integrate water disruption scenarios in our emergency response plans, engaging in contingency contracts with water tankers or third-party suppliers. Additionally, the Group continues to make use of our 17m³ metered rainwater harvesting system to capture and store rainwater for non-potable uses, reducing reliance on municipal water supplies.

We also implement water efficiency measures wherever possible, including the use of water-efficient fixtures, routine preventive maintenance and leak repairs, as well as awareness efforts such as informational posters to encourage responsible water use.

Summary of Group water consumption	Unit	FY2025	FY2024	FY2023
Total Water Withdrawal: This includes	ML	133.16	128.41	131.22
a) Surface water from rivers, lakes, natural ponds	ML	Nil	Nil	Nil
b) Groundwater from wells, boreholes	ML	Nil	Nil	Nil
c) Used quarry water collected from the quarry	ML	Nil	Nil	Nil
d) Treated water from local authorities	ML	132.96	128.25	131.22
e) External wastewater	ML	Nil	Nil	Nil
f) Harvested rainwater	ML	0.20	0.16	Nil
g) Sea water, water extracted from the sea or the ocean	ML	Nil	Nil	Nil
Total Water Consumed	ML	133.16	128.41	131.22

Water Consumed = Water Withdrawal - Water Discharged.

Sustainability Statement

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Total Volume of Water Used	Unit	FY2025	FY2024	FY2023
THKD	ML	131.74	126.20	128.83
Thomson Fertility Puchong	ML	0.53	2.05	2.39
Thomson Specialist Clinic (Kepong)	ML	0.15		
The rest of the Group	ML	0.54		
Group Total	ML	132.96	128.25	131.22

1. Water used refers to the sum of all water that has been withdraw, generated as waste, or been consumed by humans over the course of the reporting period.
2. THKD's, Thomson Fertility Puchong's and Thomson Specialist Clinic (Kepong)'s total volume of water used, have undergone independent verification by a third party. Additional details are available in the Independent Assurance Statement on pages 96 to 99.
3. Source for water consumption data is from monthly water bills.

According to the World Resource Institute's Aqueduct Water Risk Atlas Tool, Malaysia is not classified as a water-stressed country. Nevertheless, to ensure responsible use, we conduct annual risk assessments on water availability. Since FY2022, the Group's water withdrawal and consumption levels in water-stressed regions has been effectively zero.

Water Intensity

The Group generally aims to achieve year-on-year reductions in our water intensity as we improve efficiency and conservation practices. However, we have yet to establish a specific target for our water intensity ratios. This is due to the current stage of data maturity across our facilities. Moving forward, we will continue to track our water consumption closely to identify opportunities for further efficiency and improvement, as well as enhance our data coverage and consistency with the intention of setting robust water intensity baseline and target for future reporting years.

Below is our municipal potable water intensity data for the past 3 years.

TMCLS Water Consumption Intensity	Unit	FY2025	FY2024	FY2023
Per Gross Floor Area	(m ³ /m ² GFA)	1.28	1.23	1.26
Per Group Revenue	(m ³ /RM'000)	0.38	0.37	0.42

Intensity measurements are based on the GFA of all TMCLS-owned operations and revenue.

Sustainability Statement

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CLIMATE REPORT

This climate report has been prepared with reference to the International Financial Reporting Standards Sustainability Disclosure Standards (IFRS S1 and IFRS S2), aiming to support the Group's disclosure of risks and opportunities arising from climate change. It details how we identify and address climate-related challenges as well as assesses the resilience of our strategy and responses.

The foundational standards, developed by the International Accounting Standards Board ("IASB") and the International Sustainability Standards Board ("ISSB"), has been integrated into Bursa Malaysia's sustainability reporting requirement through the NSRF.

Compared to our previous Task Force on Climate-related Financial Disclosures ("TCFD"), IFRS S1 and S2 offer a more structured and comprehensive framework, better enabling companies to manage their sustainability-related risk and opportunities whilst taking into account their resources and level of preparedness.

Accordingly, FY2025 marks TMCLS's first climate report, prepared with reference to IFRS S1 and S2. The Group has undertaken steps to enhance its climate-related disclosures and align with the requirements of IFRS S2 on a best-efforts basis, based on our current understanding. These efforts aim to provide a more comprehensive and structured overview of our approach to managing our climate-associated risks.

The following sections outline TMCLS's climate risk management approach, structured around the four core pillars of the TCFD framework:

a) Governance

We recognise that climate change is closely linked to other sustainability areas, such as economic performance, health and safety, waste and energy management, and emissions. These matters are interconnected and are overseen through our Sustainability Governance framework.

For further discussion on this topic, please refer to the "Sustainability Governance Structure" section of our Sustainability Statement.

b) Strategy

The Group recognises the extensive and far-reaching risks that climate change presents, not only to our operations, but also the wider economic and business landscape.

Climate change has significant implications for public health. It contributes to extreme weather events, increasing the frequency and intensity of them and directly impacting patient health outcomes and public health systems. As stated by the World Health Organisation, recent research attributes 37% of heat-related deaths to human-induced climate change. Heat-related deaths among those over 65 have risen by 70% in two decades. Climate change can also increase infectious disease spread, with warmer temperatures and increased rainfall creating breeding grounds for disease vectors.

As a responsible healthcare provider, it is important

that we manage our climate-related risks to ensure continuity of care during weather events and strengthen the resilience of our healthcare systems to safeguard the well-being of our communities now and in the future.

To manage these climate-related uncertainties and evolving market dynamics, TMCLS reviewed its current Group-level risks to determine how they may be affected by climate change specifically. This risk mapping enables a more targeted and informed response to emerging climate-related challenges.

Overall, our key climate-related risks can be categorised into two types: physical and transitional risks. According to the TCFD framework, these risks are categorised as follows:

1. Physical risks: refers to the direct effects of climate change, involving both acute and chronic risks as follows:
 - o Acute risks: risks which involve short-term, event-driven impacts such as extreme weather events
 - o Chronic risks: risks that relate to longer-term shifts in climate patterns that may have sustained effects on our operations
2. Transitional risks: risks arising from the global shift towards a low-carbon economy as societies address the challenges of climate change.

Sustainability Statement

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The key material risks identified for our business, along with our action plan, are outlined below.

Acute Physical Risks

Physical Risk	Potential Financial Impact	Our Adaptation Plan
Safety and security of our People and Property The increased risk in extreme weather events such as floods and prolonged heat waves, pose a potential threat to the safety and security of our people and property. This includes: • Damage to property including structural damage, utility disruptions (such as energy supply) • Increased likelihood of accidents during operations could potentially cause injuries to employees and third parties	Increased operational expenses due to: • Higher repair and maintenance costs for restoring damaged properties, facilities, and assets, including structural repairs • Delays and disruptions to business operations in the event of compromised access to roads or security systems • Increased labour costs arising from delays, overtime, and increased medical and insurance costs from increased likelihoods of work-related injuries, because of damage to properties and facilities	• Regular operational site inspections and maintenance schedules • Designing climate-resilient infrastructure such as flood-proof and solar-powered hospitals, to withstand environmental disruptions Refer to “Safety at Workplace” section of our Sustainability Statement.
Supply Chain Disruption Supply chain disruption arising from the absence or lack of (critical) supplies or utilities (energy and water), as a result of the increased risk in extreme weather events such as floods and prolonged heat waves. This also contributes to increased patients in the event of extreme weather events or climate-related outbreaks, in turn causing strain on our healthcare resources and employees.	Increased operational expenses due to: • Increased costs associated with sourcing alternative supplies or arranging expedited deliveries at premium rates, which are driven by disruptions in supply chains, potentially impacting overall budget • Increased reliance on backup energy sources (e.g., diesel generators) and water supply alternatives, increasing utility costs • Increased healthcare costs for emergency care and intensive care units during extreme weather events • Increased labour costs as healthcare workers may face higher stress, burnout and illness, resulting in absenteeism and workforce productivity losses. Overtime pays or the increased hiring of temporary staff to cover shortages also contributed to this • Legal and liability risks if patient care standards drop due to overwhelmed demand	• Diversifying suppliers and maintaining open and transparent communication with clients • Periodic review of buffer stocks and manpower practices, when required • Implement risk assessment procedures considering climate-related factors • Have robust emergency response plans in place. This includes conducting regular tabletop exercises to simulate emergency scenarios and refine response strategies accordingly • Have appropriate manpower contingency plans in place to maintain operations when normal staffing levels are disrupted Refer to: “Supply Chain Management” and “Emergency Preparedness for Disasters” sections of our Sustainability Statement.

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Chronic Physical Risks

Physical Risk	Potential Financial Impact	Our Adaptation Plan
Rising Average Temperature Rising average temperatures pose heightened heat-related risks to our workforce and may also lead to damage to our properties, assets, and products. This includes potential structural degradation, reduced equipment efficiency, and overall increased operational challenges. It also poses heightened risk to our patients and public health, resulting in increased morbidity and mortality rates of climate-related illnesses and diseases. Higher incidence of these conditions can lead to higher operational costs and increased strain on our operations.	Increased operational expenses due to: - Increased absenteeism and medical claims due to heat-related health issues, raising operational costs and disrupting the workforce, impacting overall productivity - Increased maintenance and repair costs for equipment may arise due to heat-related wear and tear - Increased energy consumption for cooling systems to maintain comfortable conditions for our employees and patients, increasing overall electricity/energy costs - Heat-related damage and stress on HVAC systems can cause system failures. Such operational disruptions increase costs especially many medical devices and storage areas (e.g. for vaccines and medications) require strict temperature control	- Ensure continuous inspection and regular maintenance of temperature control and HVAC infrastructure to maintain operational efficiency and prevent heat-related equipment failure - Ensure all our facilities meet the relevant legal and safety standards (e.g. fire certificate), particularly as heat-related risks may increase the likelihood or severity of safety incidents - Maintain workforce management practices that support operational flexibility such as cross training our employees to ensure adequate staffing coverage to meet varying care demand

Transitional risks

Transitional Risk	Potential Financial Impact	Our Strategy
Policy and Legal Risk		
Introduction of carbon tax and pricing mechanism	Increased operating costs resulting from the implementation of carbon taxes and emissions trading schemes, including future carbon pricing on medical waste incineration	Ongoing monitoring of regulatory developments to ensure compliance with evolving climate-related laws and standards
Enhanced emissions-reporting obligation	Higher capital and operating expenditures driven by more stringent emissions disclosure requirements	
Mandates and regulations on green products and services	Higher capital expenditures to comply with green standards and environmental obligations	- Use of green certified products - Pursuant of green building certifications for our business operation sites
Market Risk		
Unreliability of the energy market	Increased capital and operational costs driven by fluctuations in energy prices and the transition to renewable energy sources	Continuous optimisation of our energy consumption practices, exploring other cost-effective renewable energy options
Reputation Risk		
Shifts in customer and investors' preferences towards eco-conscious healthcare providers	Increased capital expenditures to meet growing demand for green certifications and sustainability credentials across our healthcare facilities	Exploring the feasibility of using more sustainable and eco-friendly materials

Sustainability Statement

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Opportunities posed by climate change:

As global industries transition towards decarbonisation, climate change presents not only risks but also significant opportunities for growth and transformation. These include the following:

Opportunities	Description
Expansion of Health Services and Markets	Growing demand for preventive care, mental health services, and climate-related illness treatment presents opportunities to diversify and expand our healthcare offerings. These include: • Introducing new service lines tailored to climate-adapted care models, addressing conditions such as heat-related illnesses, respiratory issues, and climate-driven diseases • Extending healthcare access to underserved or climate-affected communities, opening new patient segments and potential funding opportunities from public and private sources
Improve operational efficiency	• By promoting energy savings, water conservation, and waste reduction initiatives, the Company can potentially lower operational costs while meeting key climate goals
Innovation in Climate-Resilient Healthcare Services	Embracing innovation in climate-resilient healthcare allows the Group to adapt to environmental challenges whilst enhancing service delivery. Key opportunities include expanding telemedicine, mobile health apps and remote care to support and maintain continuity during extreme weather events or environmental crises
Public Health Leadership and Advocacy	Positioning the Group as a leader in climate-health education and advocacy enhances our role in addressing the health impacts of climate change. Opportunities include: • Forging collaborations with academic institutions or global organisations on climate adaptation, public health innovation and climate-health education • Partnering with governments and NGOs on public health campaigns targeting climate-sensitive diseases and disaster preparedness • Strengthening our brand reputation to differentiate ourselves from competitors and attract new patients and partners

Sustainability Statement

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CLIMATE SCENARIO ANALYSIS ON PHYSICAL RISKS

For FY2025, TMCLS has begun conducting climate scenario analysis for our physical climate risks, helping to assess and disclose the resilience of our business activities and strategise our operations against climate risk. Currently, we focus on our physical climate risks as given the nature of our business, as a healthcare provider, we heavily rely on continuous access to infrastructure, clean water, energy and supply chains to deliver critical services and maintain patient safety.

Our Approach

Our analysis considers a range of global temperature rise scenarios, including a low-emissions pathway aligned with global Net-Zero targets (1.5°C - 2°C increase) and a high-emissions scenario assuming limited mitigation efforts (4°C - 5°C increase), as per the Intergovernmental Panel on Climate Change ("IPCC").

Our current assessment spans three key time horizons:

- short-term (1-2 years)
- medium-term (2-5 years)
- long-term (>5 years, or 2035)

These timeframes align with our business strategy and planning processes. As a healthcare provider, we face immediate operational risks and typically operate with shorter asset lifespans, which form the basis for our selected horizons.

It should be noted that according to the IPCC's projections, it indicates that the 1.5°C threshold is likely to be exceeded in the early 2030s. As a result, whilst we considered a 1.5°C scenario across the short, medium, and long terms, we did not explore it in as much detail as business-as-usual scenarios. Nevertheless, we recognise the value of retaining this scenario as a reference point, while prioritising more challenging pathways to enhance climate resilience and preparedness.

We are cognisant of the growing importance in this area and will continue to monitor and assess the resilience of our business activities and strategy our operations against climate risk. As we progress, we would also look to refining our climate risk assessments, considering it across considering more scenarios and alternative timeframes in future disclosures. This will support more informed decision-making and strengthen our long-term resilience in a changing climate landscape.

Outcome and key challenges

Our preliminary climate scenario analysis highlights increased exposure to physical climate risks, impacting our people, property, and supply chains, with a higher likelihood of business disruptions due to global warming. We identified several high-level exposure points, including the potential for:

- Increased frequencies of heatwaves, extreme weather events, and flooding, which may disrupt access to facilities and impact vulnerable patient populations
- Supply chain disruptions, with increased exposure for our temperature-sensitive medicines and equipment suppliers

- A rise in climate-related health conditions, such as respiratory illness and heat stress

However, we also encountered the following key challenges:

- Limited precise data and the non-linearity of climate behaviour adds to the difficulty of our scenario analysis
- Absence of localised climate data results in uncertainty in our analysis of the probability and impacts of climate risks

Despite these limitations, we will continue to implement our existing climate adaptation measures, identifying opportunities associated with the transition towards a low-carbon economy wherever we can. This initial scenario analysis has also helped highlight key areas for improvement, including the need to strengthen internal capabilities, engage with external climate experts, as well as develop more detailed risk assessments, particularly in relation to patient services and operational continuity.

c) Risk Management

The Group uses an ERM framework for identifying, assessing and managing enterprise-level risks across our all-business functions. Through this, we assess the impact of climate risks to our business, evaluating its significance accordingly. Where applicable, these risks are further assessed within our enterprise risk management framework. Any risks and opportunities deemed material are then presented to the Board for their review and input.

Further information can be found in the "Risk Management Framework" section of this sustainability statement.

d) Metrics and Targets

Our Board and Management oversees our climate-related risks through the continuous monitoring our emissions and performance metrics, with an emphasis on energy efficiency, to encourage accountability and continually assess our progress. Where the Group has not yet established specific targets for managing climate-related risks and opportunities, the Board has outlined general strategic objectives to guide us towards a future position where we can implement formal target-setting frameworks.

Sustainability Statement

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An overview of our key climate risk metrics and targets identified can be found below.

Area	Metrics	Performance objectives
GHG Emissions	Scope 1, Scope 2 and Scope 3 GHG emissions For further information, please refer to the 'Energy Management' and 'Emissions Management' section of our Sustainability Statement	Currently, the Group has a Net-Zero target for GHG emissions by 2050. To effectively track our progress over time, we look to establish strategic interim targets across different time horizons, focusing on improving overall operational energy efficiency and reducing our overall environmental footprint. As of FY2025, we have established our baseline for Scope 1 and Scope 2 emissions intensity. In terms of Scope 3 emissions, we have enhanced our data tracking capabilities to gain better oversight of our indirect emissions.
Climate-Related Capital Expenditure	Capital invested in - o Energy Efficiency improvements - o Renewable Energy Systems - o Green Building Certifications (e.g. GreenRE) - o Infrastructure upgrades to improve resilience to extreme weather events	Overall, we aim to progressively integrate climate considerations into our capital allocation decisions. Green building and energy savings form part of our broader ESG risk management strategy. To support this, we track and disclose climate-related capital expenditures to better understand our financial resources directed towards climate mitigation, adaption, and resilience initiatives. Whilst we have not yet set any specific targets on our climate-related capital investments, we maintain an annual budget for our climate-aligned initiatives and continuously track our year-on-year progress. This approach ensures that climate-related risks and opportunities are factored into long-term investment decisions, positioning ourselves as a more sustainable and climate-resilient healthcare provider. However, the successful implementation of these initiatives is subject to the financial feasibility of each of the proposed initiatives.

Overall, our Board and management closely monitors developments in this area. While we recognise the continuously evolving risks and opportunities associated with climate change, our response will be guided by our financial performance, the feasibility of climate initiatives, and the effectiveness of government policies supporting a low-carbon and climate-resilient economy.

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APPENDIX

Independent Assurance Statement



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To the Board of Directors of TMC Life Sciences Berhad

Independent Limited Assurance Statement on Selected Sustainability Indicators for TMC Life Sciences Berhad

Scope

We have been engaged by TMC Life Sciences Berhad ("TMC") to perform a 'limited assurance engagement', as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on selected subject matters (the "Subject Matter") contained in TMC's (the "Company's") Annual Report as of 8 September 2025 for the year ended 30 June 2025 (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Subject Matter

Our limited assurance engagement was performed for the selected Subject Matter listed in the table below, as presented in the Report:

Subject Matter	Criteria	Scope
Percentage of employees by gender and age group	- GRI 405-1b. Percentage of employees per employee category in each of the following diversity categories: i. Gender ii. Age group - Bursa C3(a) Percentage of employees by gender and age group, for each employee category	TMC Life Sciences Berhad
Total energy consumption	- GRI 302-1 Energy consumption within the organisation - Bursa C4(a) Total energy consumption	- Thomson Hospitals Sdn Bhd - IVF Technologies Sdn Bhd - Thomson Specialist Clinics (Kepong) Sdn Bhd
Greenhouse gas ("GHG") emissions Scope 1	- GRI 305-1 Direct (Scope 1) GHG emissions - Bursa C11(a) Scope 1 emissions in tonnes of CO₂e	- Thomson Hospitals Sdn Bhd - IVF Technologies Sdn Bhd - Thomson Specialist Clinics (Kepong) Sdn Bhd

Sustainability Statement

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Subject Matter	Criteria	Scope
GHG emissions Scope 2	- GRI 305-2 Energy indirect (Scope 2) GHG emissions - Bursa C11(b) Scope 2 emissions in tonnes of CO₂e	- Thomson Hospitals Sdn Bhd - IVF Technologies Sdn Bhd - Thomson Specialist Clinics (Kepong) Sdn Bhd
Total water consumption	- GRI 303-3 Water withdrawal - Bursa C9(a) Total volume of water used	- Thomson Hospitals Sdn Bhd - IVF Technologies Sdn Bhd - Thomson Specialist Clinics (Kepong) Sdn Bhd

Criteria applied by TMC

In preparing the Subject Matter, TMC Life Sciences Berhad applied the Global Reporting Initiative (GRI) Standards, Bursa Sustainability Reporting Guide (3rd edition), GHG Protocol and TMC's relevant policies and procedures ("Criteria").

TMC's responsibilities

TMC's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') and *International Standard for Assurance Engagements on Greenhouse Gas Statements* ('ISAE 3410') (collectively referred to as the "Standards") and the terms of reference for this engagement as agreed with TMC Life Sciences Berhad on 7 July 2025. Those Standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

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APPENDIX

Independent Assurance Statement

**Our independence and quality management**

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Conducted interviews with personnel to understand the business and reporting process.
- ▶ Conducted interviews with key personnel to understand the process for collecting, collating and reporting the subject matter during the reporting period.
- ▶ Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria.
- ▶ Undertook analytical procedures of the data and made inquiries of management to obtain explanations for any significant differences we identified.
- ▶ Analytical procedures and inspection of documents on a sample basis with respect to the compilation and reporting of the Subject Matter.
- ▶ Tested, on a sample basis, underlying source information to check the accuracy of the data.

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- ▶ Performed recalculations of Subject Matter using input data.
- ▶ Checked that measurements made at the end of the reporting period are timely entered in the records and the Report.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the matters stated above in our report as of 8 September 2025 for the year ended 30 June 2025, in order for it to be in accordance with the Criteria.

Restricted use

This report is intended solely for the information and use of TMC and is not intended to be and should not be used by anyone other than those specified parties.

Ernst & Young Consulting Sdn. Bhd.

8 September 2025

Kuala Lumpur, Malaysia

Sustainability Statement

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APPENDIX		Bursa Sustainability Indicators		
Indicator	Measurement Unit	2023	2024	2025
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	100.00	97.00	100.00
Management	Percentage	100.00	100.00	100.00
Executive	Percentage	100.00	100.00	100.00
Non-Executive	Percentage	100.00	99.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	60.00	90.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	75,340.00	89,549.00	66,920.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	2,943	4,232
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	41.00	52.00	55.00
Senior Management Above 50	Percentage	59.00	48.00	45.00
Management Under 30	Percentage	3.00	3.00	1.00
Management Between 30-50	Percentage	83.00	84.00	82.00
Management Above 50	Percentage	14.00	13.00	17.00
Executive Under 30	Percentage	14.00	19.00	21.00
Executive Between 30-50	Percentage	81.00	77.00	76.00
Executive Above 50	Percentage	5.00	4.00	3.00
Non-Executive Under 30	Percentage	53.00	51.00	50.00
Non-Executive Between 30-50	Percentage	44.00	46.00	48.00
Non-Executive Above 50	Percentage	3.00	3.00	2.00
Gender Group by Employee Category				
Senior Management Male	Percentage	52.00	48.00	52.00
Senior Management Female	Percentage	48.00	52.00	48.00
Management Male	Percentage	34.00	28.00	29.00
Management Female	Percentage	66.00	72.00	71.00
Executive Male	Percentage	17.00	23.00	24.00
Executive Female	Percentage	83.00	77.00	76.00
Non-Executive Male	Percentage	20.00	21.00	22.00
Non-Executive Female	Percentage	80.00	79.00	78.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	62.00	62.00	67.00
Female	Percentage	38.00	38.00	33.00
Under 30	Percentage	0.00	0.00	0.00
Between 30 - 50	Percentage	50.00	25.00*	17.00
Above 50	Percentage	50.00	75.00*	83.00

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Indicator	Measurement Unit	2023	2024	2025
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	61,494.00	61,471.00	65,124.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.46	0.37	0.30
Bursa C5(c) Number of employees trained on health and safety standards	Number	841	1,161	1,236
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	1,128	1,709	898
Management	Hours	5,277	8,182	6,520
Executive	Hours	8,915	8,199	6,996
Non-executive	Hours	25,671	38,693	41,250
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	2.00	1.00	2.00
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	-	5	6
Management	Number	-	30	32
Executive	Number	-	43	31
Non-executive	Number	-	198	263
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	100.00	100.00
Bursa (Supply chain management)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	131.220000	128.250000 *	132.960000
Bursa (Waste management)				
Bursa C10(a) Total waste	Metric tonnes	512.89	747.05	643.47
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	11.25	28.44	43.81
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	501.64	718.61	599.66
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	559.00	690.33	888.32
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	12,910.00	12,506.00	13,446.41
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	1,814.00	8,732.00	11,876.00

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GRI Context Index

Statement of use	TMCLS has reported the information cited in this GRI content index for the period 1 July 2024 until 30 June 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD		DISCLOSURE	PAGE REF / REASONS FOR OMISSION
GRI 2: General Disclosures 2021	2-1	Organisational details	31
	2-2	Entities included in the organisation's sustainability reporting	31
	2-3	Reporting period, frequency and contact point	31
	2-4	Restatements of information	75, 80, 83
	2-5	External assurance	31
	2-6	Activities, value chain and other business relationships	3-9
	2-7	Employees	60-62
	2-8	Workers who are not employees	60-62
	2-9	Governance structure and composition	34
	2-10	Nomination and selection of the highest governance body	121-123
	2-11	Chair of the highest governance body	34
	2-12	Role of the highest governance body in overseeing the management of impacts	34
	2-13	Delegation of responsibility for managing impacts	34
	2-14	Role of the highest governance body in sustainability reporting	34
	2-15	Conflicts of interest	53-54, 57, 131
	2-16	Communication of critical concerns	34-35, 53-54, 56, 74
	2-17	Collective knowledge of the highest governance body	34, 125
	2-18	Evaluation of the performance of the highest governance body	123-124
	2-19	Remuneration policies	34, 126-127
	2-20	Process to determine remuneration	126-127
	2-21	Annual total compensation ratio	127
	2-22	Statement on sustainable development strategy	11, 14
	2-23	Policy commitments	32, 44, 53, 57, 59, 63-64, 136
	2-24	Embedding policy commitments	32, 42, 44, 53, 57, 59, 63-64, 136
	2-25	Processes to remediate negative impacts	53, 62-63
	2-26	Mechanisms for seeking advice and raising concerns	38-39, 48, 53, 62-63
	2-27	Compliance with laws and regulations	42, 53, 55, 58, 63, 74, 84, 86
	2-28	Membership associations	40
	2-29	Approach to stakeholder engagement	38-39
	2-30	Collective bargaining agreements	63
GRI 3: Material Topics 2021	3-1	Process to determine material topics	40
	3-2	List of material topics	40
	3-3	Management of material topics	40

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GRI STANDARD		DISCLOSURE	PAGE REF / REASONS FOR OMISSION
ECONOMIC PERFORMANCE			
GRI 3: Material Topics 2021	3-3	Management of material topics	51-52
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	52
	201-2	Financial implications and other risks and opportunities due to climate change	52
INDIRECT ECONOMIC IMPACTS			
GRI 203: Indirect Economic Impacts 2016	3-3	Management of material topics	52
	203-1	Infrastructure investments and services supported	N/A
	203-2	Significant indirect economic impacts	N/A
PROCUREMENT PRACTICES			
GRI 204: Procurement Practices 2016	3-3	Management of material topics	57-59
	204-1	Proportion of spending on local suppliers	59
ANTI-CORRUPTION			
GRI 205: Anti-corruption 2016	3-3	Management of material topics	53-54
	205-1	Operations assessed for risks related to corruption	54
	205-2	Communication and training about anti-corruption policies and procedures	53-54
	205-3	Confirmed incidents of corruption and actions taken	54
CUSTOMER PRIVACY			
GRI 418: Customer Privacy 2016	3-3	Management of material topics	55-56
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	57
MATERIALS			
GRI 301: Materials 2016	3-3	Management of material topics	78
ENERGY			
GRI 302: Energy 2016	3-3	Management of material topics	76-78
	302-1	Energy consumption within the organisation	79-83
	302-2	Energy consumption outside of the organisation	79-83
	302-3	Energy intensity	83
	302-4	Reduction of energy consumption	77
	302-5	Reductions in energy requirements of products and services	N/A

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GRI STANDARD		DISCLOSURE	PAGE REF / REASONS FOR OMISSION
WATER AND EFFLUENTS			
GRI 303: Water and Effluents 2018	3-3	Management of material topics	88-89
	303-1	Interactions with water as a shared resource	88-89
	303-2	Management of water discharge-related impacts	N/A
	303-3	Water withdrawal	88-89
	303-4	Water discharge	88-89
	303-5	Water consumption	88-89
EMISSIONS			
GRI 305: Emissions 2016	3-3	Management of material topics	80-83
	305-1	Direct (Scope 1) GHG emissions	80-83
	305-2	Energy indirect (Scope 2) GHG emissions	80-83
	305-3	Other indirect (Scope 3) GHG emissions	80-83
	305-4	GHG emissions intensity	83
WASTE			
GRI 306: Waste 2020	3-3	Management of material topics	84-88
	306-1	Waste generation and significant waste-related impacts	84-88
	306-2	Management of significant waste-related impacts	84-88
	306-3	Waste generated	84-88
	306-4	Waste diverted from disposal	84-88
	306-5	Waste directed to disposal	84-88
EMPLOYMENT			
GRI 401: Employment 2016	3-3	Management of material topics	64-73
	401-1	New employee hires and employee turnover	72-74
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	70
	401-3	Parental leave	70-71
LABOUR / MANAGEMENT RELATIONS			
GRI 402: Labor/ Management Relations 2016	3-3	Management of material topics	63
	402-1	Minimum notice periods regarding operational changes	63
OCCUPATIONAL HEALTH AND SAFETY			
GRI 403: Occupational Health and Safety 2018	3-3	Management of material topics	74-75
	403-1	Occupational health and safety management system	75
	403-2	Hazard identification, risk assessment, and incident investigation	74
	403-3	Occupational health services	75
	403-4	Worker participation, consultation, and communication on occupational health and safety	74-75

Sustainability Statement

(Cont'd)

GRI STANDARD		DISCLOSURE	PAGE REF / REASONS FOR OMISSION
OCCUPATIONAL HEALTH AND SAFETY			
GRI 403: Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety	75
	403-6	Promotion of worker health	75
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	N/A
	403-8	Workers covered by an occupational health and safety management system	N/A
	403-9	Work-related injuries	75
	403-10	Work-related ill health	75
TRAINING AND EDUCATION			
GRI 404: Training and Education 2016	3-3	Management of material topics	67
	404-1	Average hours of training per year per employee	68
	404-2	Programmes for upgrading employee skills and transition assistance programmes	67
	404-3	Percentage of employees receiving regular performance and career development reviews	69
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 405: Diversity and Equal Opportunity 2016	3-3	Management of material topics	60-62
	405-1	Diversity of governance bodies and employees	60-62
NON-DISCRIMINATION			
GRI 406: Non-discrimination 2016	3-3	Management of material topics	63
	406-1	Incidents of discrimination and corrective actions taken	63
CHILD LABOUR			
GRI 408: Child Labour 2016	3-3	Management of material topics	63-64
FORCED OR COMPULSORY LABOUR			
GRI 409: Forced or Compulsory Labour 2016	3-3	Management of material topics	63-64
LOCAL COMMUNITIES			
GRI 413: Local Communities 2016	3-3	Management of material topics	49-50
	413-1	Operations with local community engagement, impact assessments, and development programmes	49-50
SUPPLIER SOCIAL ASSESSMENT			
GRI 414: Supplier Social Assessment 2016	3-3	Management of material topics	57, 59
CUSTOMER HEALTH AND SAFETY			
GRI 416: Customer Health and Safety 2016	3-3	Management of material topics	43-44
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	43

Board Of Directors

**DATO' SRI MOHD
MOKHTAR BIN
MOHD SHARIFF**

- Independent Non-Executive Chairman

KAN KHEONG NG

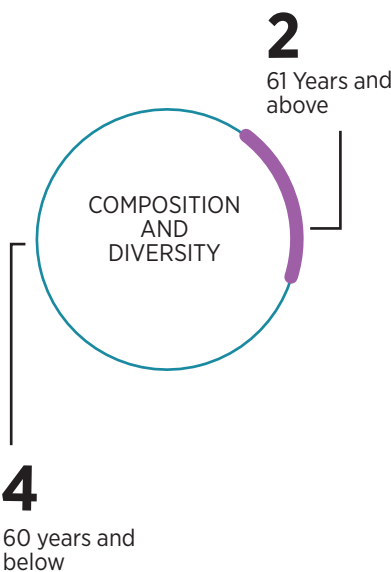
- Executive Vice Chairman

**DR. HENG JUN LI
MELVIN**

- Non-Independent Non-Executive Director



Board at A Glance



Board Of Directors (Cont'd)

MAZRINA BINTI ARIFIN

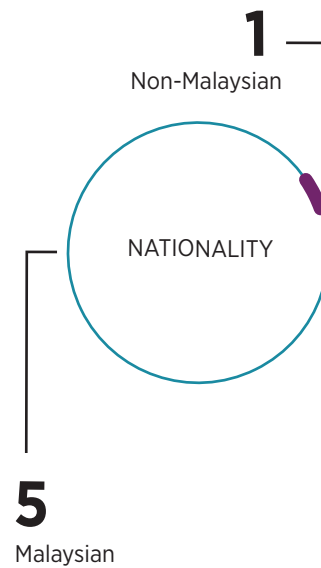
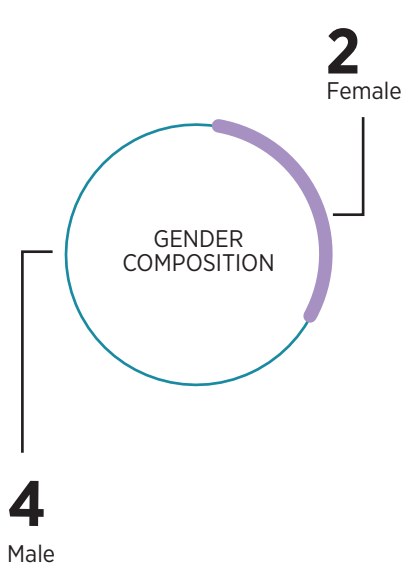
- Independent Non-Executive Director
- Chairman of Remuneration Committee
- Member of Audit and Risk Management Committee
- Member of Nominating Committee

JUNE LEONG LAI LING

- Independent Non-Executive Director
- Chairman of Audit and Risk Management Committee
- Member of Nominating Committee
- Member of Remuneration Committee

DATO' MOHD SHERIDAN BIN RAMLI

- Independent Non-Executive Director
- Chairman of Nominating Committee
- Member of Audit and Risk Management Committee
- Member of Remuneration Committee



Directors' Profile



DATO' SRI MOHD MOKHTAR BIN MOHD SHARIFF

POSITION

Independent Non-Executive Chairman

DATE OF APPOINTMENT

25 January 2019



NATIONALITY
Malaysian



GENDER
Male



AGED
68

Dato' Sri Mohd Mokhtar bin Mohd Shariff was appointed to the Board on 25 January 2019.

He holds a Bachelor of Law (Hons) degree, a Master of Business Administration, Certificate of Legal Practice, and was called to the Malaysian Bar in September 2019.

Prior to joining the Board, Dato' Sri Mohd Mokhtar had a career serving the Royal Malaysia Police from 3 July 1977 to 22 May 2018. Throughout his tenure, he held various key senior positions, including Director of Special Branch, Director of Narcotics Crime Investigation Department, Chief Police Officer of Johor, Deputy Chief Police Officer of Johor, Deputy Chief Police Officer of Pahang, and Head of Special Branch Kuala Lumpur. In addition, he also served in the Embassy of Malaysia in Bangkok, Thailand.

Dato' Sri Mohd Mokhtar has no family relationship with any Director and/or major shareholder of the Company. He has no convictions of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year under review. He has no conflict of interest with the Company. He does not hold any directorship in other public companies and listed issuers in Malaysia, other than his position as independent and non-executive director of Zetrix AI Berhad (formerly known as MY E.G. Services Berhad), South Malaysia Industries Berhad and Pacific & Orient Bhd.

Directors' Profile

(Cont'd)



KAN KHEONG NG

POSITION

Executive Vice Chairman

DATE OF APPOINTMENT

2 June 2015



NATIONALITY
Malaysian



GENDER
Male



AGED
70

Mr. Barry Kan Kheong Ng was appointed to the Board on 2 June 2015 and re-designated to Executive Vice Chairman on 10 November 2023. He holds a Degree in Business Administration from the Royal Melbourne Institute of Technology. With nearly 30 years of experience in the automotive industry, he has demonstrated exceptional expertise in managing renowned global brands throughout his career with Wearnes Automotive, a prestigious regional dealership headquartered in Singapore. Before joining Wearnes Automotive, he spent 7 years at the Port Authority of Singapore.

During his tenure as General Manager at Malayan Motors, a division of Wearnes Automotive Pte. Ltd., Mr. Barry Kan oversaw the franchises of Rolls Royce, Bentley, Jaguar, and Volvo Trucks in Singapore. He successfully introduced these brands into new territories such as Brunei, Indonesia, Taiwan, and Thailand. In addition to his strategic management role, he took interest in Customer Relationship Management and Aftersales operations, resulting in a high level of clientele retention for the luxury automotive brands.

As the Managing Director of the Prestige Division of Wearnes Automotive, Mr. Barry Kan played a pivotal role in acquiring new brands, including Bugatti, Land Rover, and McLaren. He also served as the key representative for the company's esteemed high-society clientele, including Captains of Industry and members of Royal families within the region.

When presented with the exciting opportunity to develop the integrated automotive hub in Nusajaya, Iskandar Malaysia, Mr. Barry Kan joined Fastrack Autosports (Iskandar) Pte. Ltd. as part of the project's conceptualization and execution. Currently, he manages the joint venture company, Fastrack Iskandar Sdn. Bhd., in collaboration with UEM Sunrise Berhad. In addition, Mr. Barry Kan serves as the Chief Executive Officer and Executive Director of Secura Group Limited (Singapore Listed).

Mr. Barry Kan is also a director of Wellington College International Regional Management Pte Ltd, which serves as the master agreement holder for the Wellington College International schools in Singapore, Indonesia, and Malaysia.

Mr. Barry Kan has no family relationship with any Director and/or major shareholder of the Company. He has no convictions of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year under review. He has no conflict of interest with the Company. He does not hold any directorship in other public companies and listed issuers in Malaysia.

Directors' Profile

(Cont'd)



JUNE LEONG LAI LING

POSITION

- Independent Non-Executive Director
- Chairman of Audit and Risk Management Committee
- Member of Nominating Committee
- Member of Remuneration Committee

DATE OF APPOINTMENT

1 July 2022



NATIONALITY
Malaysian



GENDER
Female



AGED
51

Ms. June Leong Lai Ling was appointed to the Board on 1 July 2022. She holds a Master's in Business Administration from Peking University in Beijing and a BSc in Engineering with Management from King's College London in the United Kingdom.

Currently, Ms. June Leong serves as an Independent Director of Thomson Medical Group Limited ("TMGL") and is a member of the Audit and Risk Committee of TMGL. In addition to her role at TMGL, she is the Chief Executive Officer of Alpha Goal International ("Alpha Goal"), a dedicated single-family office that makes investments worldwide across various asset classes, including a portfolio of listed equities, hedge funds, and private equity funds.

Before joining Alpha Goal, Ms. June Leong held the position of Executive Director at China International Capital Corporation. She embarked on her career in 1995 as an Analyst in Morgan Stanley's investment banking division in Singapore. Subsequently, she became an Executive Director at Goldman Sachs Private Wealth Management, based in Hong Kong, where she served Hong Kong, China, and Southeast Asian clients from February 2006 to October 2008.

Ms. June Leong has no family relationship with any Director and/or major shareholder of the Company. She has no convictions of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year under review. She has no conflict of interest with the Company. She does not hold any directorship in other public companies and listed issuers in Malaysia.

Directors' Profile

(Cont'd)



MAZRINA BINTI ARIFIN

POSITION

- Independent Non-Executive Director
- Chairman of Remuneration Committee
- Member of Audit and Risk Management Committee
- Member of Nominating Committee

DATE OF APPOINTMENT

19 May 2023



NATIONALITY
Malaysian



GENDER
Female



AGED
57

Ms. Mazrina binti Arifin was appointed to the Board on 19 May 2023. She qualified as a Certified Chartered Accountant from Chartered Association of Certified Accountants in England and BSc of Science in Accounting from University of Hull in United Kingdom.

Ms. Mazrina binti Arifin brings a diverse range of experience to the Board. She was attached to Arthur Andersen Tax Services Sdn. Bhd. from 1995 to 1998, where she served as a Senior Tax Consultant. Following her tenure at Arthur Andersen, she ventured into entrepreneurship and founded Under6ers, Child Enrichment Centres, in Kuala Lumpur and Selangor from 2001 to 2009.

In 2010, Ms. Mazrina assumed the role of Finance Director for Springboard 4 Malaysia Sdn. Bhd. and Springboard 4 Asia Ltd. (Labuan), where she played a key role in financial management and oversight until 2015 and part of the initial team member of the education recruitment business into Cambodia and Vietnam.

Since 2015, Ms. Mazrina has held the position of Finance Director at the Institute for Democracy and Economic Affairs (IDEAS) Berhad, a tax approved charitable organization and director of IDEAS Autism Centres in Rawang and Nilai. Ms. Mazrina holds Finance Director position at IDEAS Research and Policy Berhad, an independent think tank. Her expertise in finance contributes to the strategic direction and financial governance of these organizations.

Furthermore, Ms. Mazrina served as a Senior Independent Non-Executive Director of Hup Seng Industries Berhad from 2000 to 2022, Chairman of Nominating Committee and Senior member of Audit Committee during the tenure; where she provided valuable insights and guidance as an independent director. Ms. Mazrina has also been appointed as member of audit committee of Usains Holdings Sdn. Bhd. (the corporate arm of Universiti Sains Malaysia – USM) from August 2024.

Ms. Mazrina has a proven track record in financial management and a deep understanding of the business landscape. Her diverse experiences in taxation, entrepreneurship, and nonprofit organizations making her a valuable member of the Board.

Ms. Mazrina has no family relationship with any Director and/or major shareholder of the Company. She has no convictions of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year under review. She has no conflict of interest with the Company. She does not hold any directorship in other public companies and listed issuers in Malaysia.

Directors' Profile

(Cont'd)

**DR. HENG JUN LI MELVIN****POSITION**

- Non-Independent Non-Executive Director

DATE OF APPOINTMENT

26 January 2023



NATIONALITY
Singaporean



GENDER
Male



AGED
42

Dr. Heng Jun Li Melvin was appointed to the Board on 26 Jan 2023. He is currently the Executive Director and Group Chief Executive Officer of Thomson Medical Group Limited, Singapore. He leads and manages the Group and works actively with the Board and Management to set the overall strategic direction focused on driving business operations and growth of the Group.

Dr Heng is a physician and healthcare executive with over 15 years of experience in hospital management, primary and specialist clinics, teleradiology, MedTech and aeromedical evacuations. He has also invested in several MedTech companies such as Mesh Bio Pte. Ltd. and Global Health Byte Pte. Ltd. (now UNO Technologies Pte. Ltd.).

From 2016 to 2018, Dr Heng served as an advisor to the Ministry of Health in the Primary Care IT sub-committee for National Electronic Health Records and GP Connect in Singapore. Before joining Thomson Medical Group, Dr Heng was with Gleneagles Hospital where he held various leadership positions including Chief Executive Officer and Chief Operating Officer.

From 2009 to 2015, Dr Heng was a medical doctor with the National Health Service (United Kingdom) and Tan Tock Seng Hospital. After leaving the public service, Dr Heng co-founded an aeromedical evacuation company (Global Medical Concierge Pte. Ltd.) and was also an equity partner at OneCare Medical Pte. Ltd., a chain of primary care clinics.

Dr Heng was awarded the Public Service Medal (COVID-19) by the Singapore Government in 2023.

Dr Heng graduated from the St George's Hospital Medical School in London with a Bachelor of Medicine and Bachelor of Surgery ("MBBS"). He holds a Master of Business Administration ("MBA") from the Frankfurt School of Finance and Management and has a Graduate Diploma in Occupational Medicine ("GDOM") from the National University of Singapore ("NUS").

Dr Heng has no family relationship with any Director and/or major shareholder of the Company. He has no convictions of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year under review. He has no conflict of interest with the Company. He does not hold any directorship in other public companies and listed issuers in Malaysia.

Directors' Profile

(Cont'd)



DATO' MOHD SHERIDAN BIN RAMLI

POSITION

- Independent Non-Executive Director
- Chairman of Nominating Committee
- Member of Audit and Risk Management Committee
- Member of Remuneration Committee

DATE OF APPOINTMENT

15 July 2023



NATIONALITY
Malaysian



GENDER
Male



AGED
51

Dato' Mohd Sheridan bin Ramli was appointed to the Board effective 15 July 2023.

Dato' Sheridan specialises in the fundraising process of different and various financial instruments such as equities and debt for various corporates and institutions. Dato' Sheridan served on the Investment Committee panel of Urusharta Jamaah Sdn. Bhd., a wholly-owned company of the Ministry of Finance, Malaysia until his resignation in June 2025. Dato' Sheridan was the Deputy President/Chief Executive Officer of K & N Kenanga Holdings Bhd. from 2006 to 2010. Dato' Sheridan is currently a Director of Bradbury Asset Management (Malaysia) Sdn. Bhd.

Dato' Sheridan holds a Masters of Business Administration from the University of Nottingham, United Kingdom.

Dato' Sheridan has no family relationship with any Director and/or major shareholder of the Company. He has no convictions of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year under review. He has no conflict of interest with the Company. He does not hold any directorship in other public companies and listed issuers in Malaysia.

Profile of Key Senior Management Team

1 DATO' DR. AHMAD ADZUAN BIN ABDUL RAHMAN

- Group Chief Executive Officer, TMC Life Sciences Berhad
- Regional Senior Director, Thomson Medical Group

2 WONG YU CHEE

- Group Chief Financial Officer, TMC Life Sciences Berhad

3 LAKSHMI DEVI A/P K.V RAMACHANDRA MENON

- Chief Executive Officer, TMC Fertility Holdings Sdn. Bhd.

4 DR. SIVA KUMARAN A/L P. JAYARAMAN

- Acting Chief Executive Officer, Thomson Hospitals Sdn. Bhd.
- Chief Operating Officer, Thomson Hospitals Sdn. Bhd.



Profile Of Key Senior Management Team

(Cont'd)



DATO' DR. AHMAD ADZUAN BIN ABDUL RAHMAN

POSITION

- Group Chief Executive Officer, TMC Life Sciences Berhad
- Regional Senior Director, Thomson Medical Group

MALAYSIAN

MALE

AGED 48

Dato' Dr. Adzuan Abdul Rahman joined TMC Life Sciences Berhad as Group Chief Executive Officer on 10 February 2025. He is also currently the Regional Senior Director of Thomson Medical Group.

Dato' Dr. Adzuan is a seasoned healthcare leader and entrepreneur with over 20 years of experience in clinical practice, hospital management, and corporate strategy. His career spans leadership roles across Malaysia, Singapore, Hong Kong, and the broader Southeast Asia region, driving innovation, operational excellence, and business growth in the healthcare sector.

Trained as a doctor in the United Kingdom, Dato' Dr. Adzuan began his career in medical practice before expanding into corporate healthcare after earning an MBA from IMD Business School, Switzerland. He has since held key executive roles at Parkway Laboratories Singapore, Parkway East Hospital Singapore, and Gleneagles Hospital Kuala Lumpur, where he spearheaded operational improvements, patient care enhancements, and strong financial performance.

At idsMED Group, he served as Regional Managing Director and Executive Vice President, leading the company's strategic expansion and business optimisation. Most recently, he co-founded Novotec Pte. Ltd., which focuses on novel and innovative technologies, including the application of Generative AI in healthcare.

He holds a Bachelor of Medicine, Surgery, and Obstetrics from Queen's University Belfast (UK), an MBA from IMD Business School (Switzerland), and has completed executive education in Mergers & Acquisitions at Imperial College Business School (UK).

Dato' Dr. Adzuan does not hold any directorship in other public companies and listed issuers in Malaysia. He has no family relationship with any Director and/or major shareholder of the Company. He has no convictions of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. Also, he has no conflict of interest with the Company.



WONG YU CHEE

POSITION

- Group Chief Financial Officer, TMC Life Sciences Berhad

MALAYSIAN

MALE

AGED 52

Mr. Wong Yu Chee brings over 29 years of extensive experience in finance, audit, accounting, and tax compliance services in Malaysia and Shanghai.

Mr. Wong began his career in 1996 as an auditor at a local audit firm. In 1997, he joined Coopers & Lybrand, now known as PricewaterhouseCoopers PLT ("PwC"), where he spent eight years specializing in assurance assignments for large multinational companies, public listed companies across various industries, Initial Public Offerings ("IPOs"), and corporate exercises.

Following his tenure at PwC, Mr. Wong served as a Finance Manager at GlaxoSmithKline before relocating to Shanghai in late 2005 to join Ernst & Young. During his three-year tenure at Ernst & Young Shanghai, he focused on statutory audit assignments, IPO assurance assignments, corporate exercises, and United States audit assignments. Subsequently, Mr. Wong joined TMF Shanghai, where he led accounting and tax compliance services for two years.

In 2010, Mr. Wong returned to Malaysia as the Director of Accounting & Tax Compliance Services at TMF Malaysia, providing assistance to businesses in accounting and tax compliance, including Goods and Services Tax advisory services. In 2015, he joined PCA Corporate Services Sdn. Bhd. as the Group Chief Operating Officer before joining the Company as Group Chief Financial Officer on 3 August 2015.

Mr. Wong holds the designation of Fellow Member of the Association of Chartered Certified Accountants (FCCA), member of the Malaysian Institute of Accountants (MIA) - Chartered Accountant (M), and Associate Member of the Chartered Tax Institute of Malaysia (ACTIM).

Mr. Wong does not hold any directorship in other public companies and listed issuers in Malaysia. He has no family relationship with any Director and/or major shareholder of the Company. He has no convictions of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. Also, he has no conflict of interest with the Company.

Profile Of Key Senior Management Team

(Cont'd)



LAKSHMI DEVI A/P K. V. RAMACHANDRA MENON

POSITION

- Chief Executive Officer, TMC Fertility Holdings Sdn. Bhd.

**MALAYSIAN
FEMALE
AGED 61**

Ms. Lakshmi Menon is the Chief Executive Officer of TMC Fertility Holdings Sdn. Bhd., bringing with her over 25 years of experience in the Malaysian healthcare sector, including more than six years specialising in fertility services. She was appointed to her current role in January 2024, where she leads the organisation with a clear focus on strategic growth, clinical quality, and patient-centric care.

Known for her ability to lead high-performing teams and drive operational excellence, Ms. Lakshmi has a proven track record of enhancing business performance while delivering meaningful improvements in patient experience. Her leadership style combines strategic insight with a deep understanding of healthcare systems, positioning her to navigate complex challenges and lead sustainable organisational transformation.

Ms. Lakshmi holds a Master's in Business Administration from Southern Cross University, Australia, and a Bachelor of Science in Nutrition and Dietetics from the University of Madras, India. Her career reflects a longstanding commitment to advancing healthcare delivery through innovation, empathy, and excellence.

Ms. Lakshmi does not hold any directorship in other public companies and listed issuer in Malaysia. She has no family relationships with any Director and/or major shareholders of the Company. She has no convictions of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. Also, she has no conflicts of interest with the Company.



DR. SIVA KUMARAN A/L P. JAYARAMAN

POSITION

- Acting Chief Executive Officer, Thomson Hospitals Sdn. Bhd.
- Chief Operating Officer, Thomson Hospitals Sdn. Bhd.

**MALAYSIAN
MALE
AGED 48**

Dr. Siva Kumaran Jayaraman joined Thomson Hospitals Sdn. Bhd. as Chief Operating Officer (Clinical) in December 2022 and is currently serving as the Acting Chief Executive Officer (CEO).

Dr. Siva Kumaran brings over a decade of clinical experience in the government healthcare sector. Prior to joining Thomson Hospitals Sdn. Bhd., he held senior management positions in two major public hospitals. During his tenure at Hospital Selayang, he established a new Medico-Legal Unit and, as Deputy Director (Surgical Services), oversaw significant enhancements in surgical disciplines and patient care. He also played a pivotal role in strengthening the liver transplant team. In addition, Dr. Siva contributed to national-level healthcare efforts, serving on the COVID-19 National Task Force and facilitating the outsourcing of patients from government hospitals to private facilities.

In February 2022, he was appointed Deputy Director I at Hospital Serdang, a 1,000-bed tertiary hospital offering 34 specialties. He was instrumental in the completion and operationalisation of the Serdang Heart Centre, a newly built facility dedicated to cardiac services. He later assumed the role of Acting Hospital Director, further expanding his leadership responsibilities and strategic oversight. In this capacity, Dr. Siva oversaw clinical services, managed new projects, ensured regulatory compliance, and maintained high standards of patient care. His leadership, critical thinking, and problem-solving abilities were vital in ensuring seamless hospital operations, particularly in high-pressure environments.

Since joining Thomson Hospitals Sdn. Bhd., Dr. Siva Kumaran has focused on driving strategic and operational improvements across the hospital's clinical and support services. His experience managing large tertiary hospitals has been instrumental in advancing the organisation's strategic objectives and enhancing the quality of patient care. As Acting CEO, Dr. Siva is committed to Thomson Hospitals Sdn. Bhd.'s mission of helping people live healthier lives by delivering accessible, accountable, and sustainable healthcare. He aims to foster continuous improvement and innovation, expand service offerings, integrate advanced medical technologies, and ensure that Thomson Hospitals remains a leader in healthcare delivery in Malaysia.

Dr. Siva Kumaran holds a Bachelor of Medicine and Bachelor of Surgery (MBBS) from the Manipal Academy of Higher Education, India (2005), and a Master's in Healthcare Administration ("MHA") from Flinders University of South Australia (2018).

He does not hold any directorship in other public companies or listed issuers in Malaysia. He has no family relationship with any Director and/or major shareholder of the Company, no convictions of any offences within the past five (5) years, and no public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year. He also has no conflict of interest with the Company.

Corporate Directory



HOSPITAL

Thomson Hospitals Sdn. Bhd.

No. 11, Jalan Teknologi
Taman Sains Selangor 1
PJU 5, Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan

Tel : 603-6287 1111
Fax : 603-6287 1212
www.thomsonhospitals.com



RETAIL PHARMACY

TMC Care Sdn. Bhd.

N3, Ground Floor, New Wing
No. 11, Jalan Teknologi
Taman Sains Selangor 1
PJU 5, Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan

Tel : 603-6151 8778
www.tmcarepharmacy.com



WELLNESS CENTRE

Thomson TCM Sdn. Bhd.

Lot No. 1F-3
1st Floor, Tower 4 & 5 @ PFCC
Jalan Puteri 1/2, Bandar Puteri
47100 Puchong
Selangor Darul Ehsan

Tel : 603-8068 9077
Fax : 603-8068 9076
www.thomson-tcm.com



O & G CLINICS

Thomson Specialist Clinics (Kepong) Sdn. Bhd.

No. 8, Jalan Prima
Metro Prima, Kepong
52100 Kuala Lumpur
Wilayah Persekutuan

Tel : 603-6258 0000
Fax : 603-6241 5809



THOMSON FERTILITY

Headquarter:

Thomson Fertility

1F-1B, 1st Floor
Tower 4 @ PFCC
Jalan Puteri 1/2
Bandar Puteri
47100 Puchong
Selangor Darul Ehsan

Tel : 603-8069 9333
Fax : 603-8069 9332
www.tmcfertility.com

Branches:

Thomson Fertility, Johor Bahru

Medical Suites, 04-02 & 04-03,
Level 4, Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru
Johor Darul Ta'zim

Tel : 607-278 0088
Fax : 607-278 0808

Thomson Fertility, Penang

No. 3E-1-1 & 3E-1-2, Straits Quay
Jalan Seri Tanjung Pinang
10470 Tanjung Tokong
Pulau Pinang

Tel : 604-890 9118
Fax : 604-890 9448

Thomson Fertility, Puchong

GF-12, Ground Floor
Tower 4 @ PFCC
Jalan Puteri 1/2
Bandar Puteri
47100 Puchong
Selangor Darul Ehsan

Tel : 603-8069 9333
Fax : 603-8069 9332

Thomson Fertility, Ipoh

Ground Floor, No. 33 & 33A
Persiaran Pearl, Taman Pearl
31400 Ipoh
Perak Darul Ridzuan

Tel : 605-548 8118
Fax : 605-548 7118

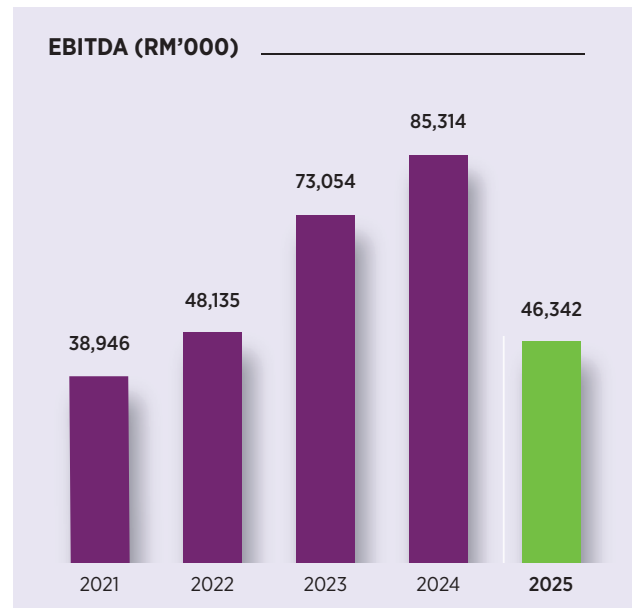
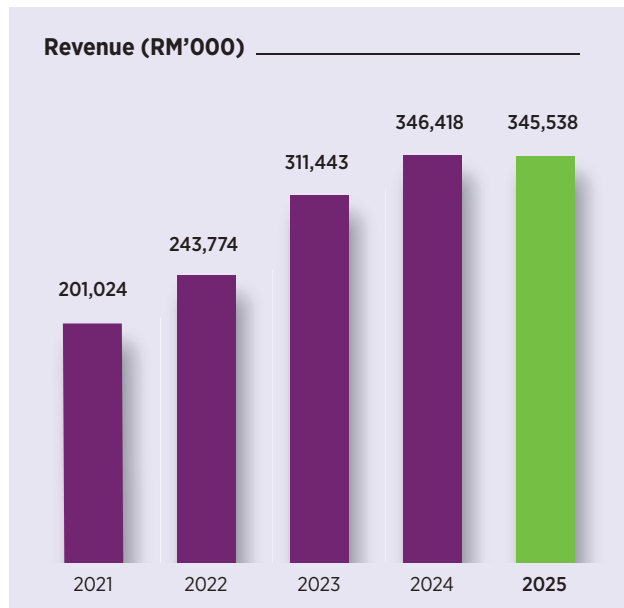
Thomson Fertility @ Thomson Hospital

2nd Floor, Thomson Hospital
Kota Damansara
No. 11, Jalan Teknologi
Taman Sains Selangor 1
PJU 5, Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan

Tel : 603-6287 1000
Fax : 603-6287 1001



Financial Highlights



RM'000	2021 (Audited)	2022 (Audited)	2023 (Audited)	2024 (Audited)	2025 (Audited)
Financial performance					
Revenue	201,024	243,774	311,443	346,418	345,538
EBITDA	38,946	48,135	73,054	85,314	46,342
Profit before tax	27,672	32,180	40,890	52,621	7,072
Profit after tax	20,254	41,389	39,257	40,648	3,606
Financial position					
Cash and bank balances	139,906	141,135	166,544	188,572	109,564
Debts and borrowings	168,851	206,859	215,692	202,758	179,473
Total assets	1,060,233	1,132,850	1,176,795	1,189,723	1,132,190
Shareholder's equity	789,621	827,388	861,959	888,034	853,043

Corporate Governance Overview Statement

The Board of Directors (“Board”) of TMC Life Sciences Berhad (“TMCLS” or “the Company”) recognises the importance of safeguarding and promoting the interest of its stakeholders. The Board is committed to upholding high standards of corporate governance through transparency, accountability, integrity and corporate performance.

TMCLS adopts the following requirements and guidelines on corporate governance best practices:

- Companies Act 2016 (“CA 2016”);
- Malaysian Code on Corporate Governance (“MCCG” or “Code”);
- Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”); and
- Corporate Governance Guide – 4th Edition issued by Bursa Malaysia Berhad.

The Board is pleased to present the following Corporate Governance Overview Statement (“Statement”) that describes the extent how the Group has applied and complied with the three (3) principles that are set out in the MCCG throughout the financial year under review:

- Principle A: Board leadership and effectiveness;
- Principle B: Effective audit and risk management; and
- Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.



This Statement should be read together with the Corporate Governance Report of the Company (“CG Report”), which is available on the Company’s website at www.tmcclife.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. BOARD RESPONSIBILITIES

Clear Functions of the Board and Management

The Company is helmed by an experienced Board comprising members of calibre and credibility with necessary skills, expertise and experience, ranging from medical practitioners to entrepreneurs and accountants.

The Board is primarily responsible for oversight and the overall governance of the Group. It carries out its mandate by providing strategic guidance, implementing succession planning, effectively monitoring Management goals and ensuring overall accountability for the business growth of the Group. In addition, the Board is responsible for ensuring that the Group’s internal controls, risk management processes, Environmental, Social and Governance (“ESG”) governance and reporting procedures are in place. In discharging their fiduciary responsibilities, the Board endorses its business strategies and governs the day-to-day management of the Company by the senior management team. The Board monitors the performance of the Group based on the quarterly financial results reported by Management and has full access to all operational information and explanations provided by Management.

Key matters reserved for the Board’s approval include the annual business plan and budget, dividend policy, business continuity plan, issue of securities, business restructuring, expenditure above a certain pre-determined limit, new business venture, expansion plan, funding plan, acquisition or disposal of companies within the Group, appointment and remuneration of senior management, and any other strategic matters requiring the Board’s decision. Also, the functions of the Board and Management are clearly demarcated to ensure the effectiveness of the Company’s operations and are guided by the Limit of Authority (“LOA”). The purpose of the LOA is to define the limits of authority designated to specified positions within the Group and to establish the types and maximum amounts of obligations that may be approved by individuals or groups of individuals. The LOA will be reviewed from time to time to ensure that it remains relevant to the Company’s objectives.

The Board is committed to acting in the best interest of the Company and its shareholders by exercising due diligence and care in discharging its duties and responsibilities to ensure that high ethical standards are applied at all times.

The Board has set up different Board Committees with different functions to assist the Board in discharging its fiduciary duties. These Board Committees do not make decisions on behalf of the Board and the Company. Each Board Committee must review matters under its purview and make the necessary recommendations to the Board for its consideration and decision-making.

Corporate Governance Overview Statement

(Cont'd)

Chairman and Chief Executive Officer

The roles of the Chairman and the Group Chief Executive Officer are separated.

The Chairman provides leadership at the Board level, represents the Board to the shareholders and other stakeholders and is responsible for ensuring the integrity and effectiveness of the Board and its Board Committees.

The Group Chief Executive Officer provides executive leadership and is accountable to the Board for the implementation of the strategies, objectives and decisions of the Board within the framework of delegated authorities, values and policies of the Company.

Company Secretaries

The Company Secretaries are experienced, competent and knowledgeable and play an important role in advising the Board on corporate compliance with the relevant laws, rules, procedures and regulations affecting the Board and the Company, as well as best practices of governance. The Directors have ready and unrestricted access to the advice and services of the Company Secretaries. The Board is regularly updated on and apprised of any new regulations and guidelines by the Company Secretaries.

The Company Secretaries are responsible for advising the Directors of their obligations and duties to disclose their interest in securities, disclosure of any conflict of interest in a transaction involving the Group, prohibition on dealing in securities, restrictions on disclosure of price-sensitive information, and continuing disclosure obligations.

The Company Secretaries also safeguard all statutory books and records of the Company and maintain the statutory registers of the Company. The Company Secretaries also ensure all Board meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are recorded. In addition, the Company Secretaries also ensure that any change in the Company's statutory information should be duly completed in the relevant prescribed forms and lodged with the Companies Commission of Malaysia within the stipulated timeframe.

Access to Information and Advice

In exercising their duties, the Directors have direct access to the senior management team. In addition, the Directors may seek advice from the Company Secretaries to assist them in furthering their duties. The Board may engage independent advisors on specialised issues at the Group's expense to enable them to discharge their duties proficiently.

The agenda and meeting papers are distributed at least seven (7) days prior to the meetings to allow the Directors to have sufficient time to review and request any further information or clarification prior to the meetings and to raise relevant issues during the meetings.

Upon conclusion of the meetings, the draft minutes are circulated to the Board to ensure that the minutes of meetings accurately reflect the deliberations and decisions of the Board, including the abstention of the Director from voting or deliberating on a particular matter, if any. Thereafter, the final minutes are confirmed and approved by the Chairman of the succeeding meeting.

Demarcation of Responsibilities

Board Charter

The Board Charter, which was adopted by the Board in July 2013 and last reviewed on 30 June 2023, sets out the composition, roles and responsibilities, and processes of the Board.

The objectives of the Board Charter are to ensure that all Board members are aware of their duties and responsibilities, the various legislations and regulations affecting their conduct, and that the highest standards of corporate governance are applied in all dealings by the Board members individually and/or on behalf of the Company. It serves as strategic guidance and effective oversight of Management.



The details of the Board Charter are available for reference at the Company's website at www.tmclife.com.

Code of Conduct and Ethics

The Board has committed to creating a corporate culture within the Group to operate the businesses ethically and to uphold the highest standards of professionalism and exemplary corporate conduct in relation to interactions with shareholders, employees, suppliers and customers. The Group has implemented a Code of Conduct and Ethics, which dictates the ethics and standards of good conduct expected of every Director. The Code of Conduct and Ethics is available for reference at the Company's website at www.tmclife.com.

Corporate Governance Overview Statement

(Cont'd)

Whistleblowing Policy and Procedure

The Board allows employees and associates to report suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse involving resources of the Company. The Whistleblowing Policy and Procedure (adopted by the Company in July 2013 and last reviewed by the Board on 26 July 2024) provides and facilitates a mechanism for any employee and associate to report concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse.



The Whistleblowing Policy and Procedure is available on the Company's website at www.tmclife.com.

Anti-Bribery and Anti-Corruption ("ABAC") Policy

The Board had established and approved the ABAC Policy to uphold the Group's effort and commitment to ensure adequate and standardised ABAC Policy (last reviewed by the Board on 7 April 2025). The ABAC Policy is consistently applied throughout the Group by the employees and business operations.



The ABAC Policy is available for reference on the Company's website at www.tmclife.com.

Strategies to Promote Sustainability

The Board places great importance on ESG governance, corporate social responsibility ("CSR") and business sustainability. The Board embraces CSR as an integral part of the Group's business philosophy and corporate culture.



The CSR activities of the Group during the financial year under review are set out on pages 49 to 50 of this Annual Report.

The Company is fully committed to instituting a robust, wide-ranging and germane sustainability framework to cover all aspects of operations.

The Company's sustainability strategies, priorities, targets and performance against these targets were communicated to its internal and external stakeholders. In the financial year ended 30 June 2023, the Group has committed to achieving the Net Zero Carbon Emission goal by 2050. During the financial year under review, the Company continues to track and monitor the greenhouse gas accounting where Scopes 1, 2 and 3 (business and employee commute emissions for the Company were identified and measured). The Group has established financial year ended 30 June 2025 as the baseline year for GHG Scope 1 & 2 reduction.

The Board has undertaken the relevant training to stay abreast with and understand the sustainability issues relevant to the Company and its businesses, including climate-related risks and opportunities.

The Company acknowledges that it is the responsibility of the Board and senior management to address material sustainability risks and opportunities and the performance evaluation of the Board and senior management should consider how well the Board and senior management have performed their respective roles. The Board Performance Assessment included an assessment of ESG issues.

The Corporate Scorecard, in particular, the sustainability-related key performance indicators ("KPI") were cascaded down to the senior management within the organisation. This encompasses enhancing sustainability culture and practices, improving ESG ratings, and tracking and monitoring greenhouse gas emissions. ESG risk was incorporated as part of the senior management monitoring with key risk indicators that measure the FTSE4 Goods Rating.

The Board has identified a designated person to provide a dedicated focus to manage sustainability strategically. The designated person has commenced the work of coordinating the sustainability framework and roadmap formulation with the assistance of external consultants. Once it has been finalised, it will incorporate the sustainability KPIs and its integration into the operations of the Group.

2. BOARD COMPOSITION

Composition of the Board and Board Balance

The Board comprises one (1) Independent Non-Executive Chairman, one (1) Executive Vice Chairman, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors. This aligns with the requirements of Paragraph 15.02 of the MMLR of Bursa Securities and the MCGG.

Corporate Governance Overview Statement

(Cont'd)

Composition of the Board and Board Balance (contd.)

Our Chairman, Dato' Sri Mohd Mokhtar bin Mohd Shariff is an Independent Non-Executive Chairman of the Company. The Board is committed to ensuring effective leadership and is satisfied by having Dato' Sri Mohd Mokhtar bin Mohd Shariff as its Independent Non-Executive Chairman due to his vast experience in the legal and regulatory industry and is able to provide the Board with a clear direction to the strategic decision and contributing significantly to the long-term growth of the Group. Further, he also demonstrates his objectivity in deliberating and making decisions aligning with the shareholders' interest at large to ensure a balance of power and authority on the Board during his tenure as Chairman of the Company.



The profile of the individual Directors is set out on pages 108 to 113 of this Annual Report.

Annual Assessment of Independence of Directors

All the Independent Non-Executive Directors fulfil the criteria of independence defined in the MMLR of Bursa Securities and act independently of Management and do not participate in any business dealings. None of the Independent Non-Executive Directors are involved in any other relationship with the Group that may impair his/her independent judgement and decision-making. The Board performed a yearly assessment of its Independent Non-Executive Directors and received confirmation of independence from the respective Independent Non-Executive Directors.

Tenure of Independent Non-Executive Directors

The Board recognises the Code's recommendation on the service tenure of an Independent Non-Executive Director, which should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Non-Executive Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Non-Executive Director. The Board shall justify and seek shareholders' approval through a two-tier voting process according to Practice 5.3 of the MCCG in the event the Board retains its Independent Non-Executive Director whose tenure exceeds a cumulative term of nine (9) years.

Diversity Policy

The Board has established a Diversity Policy, which forms part of the Board Charter to strictly adhere to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, which includes the selection of the Board members and senior management.

With regard to boardroom diversity, the Board is supportive of diversity in gender, ethnicity and age. The Board will endeavour to improve diversity by widening the scope of Director sourcing and actively looking for Directors to add relevant expertise to the Board.

As of the date of the Statement, two (2) out of six (6) of the Directors are female Directors.

Nominating Committee ("NC")

The NC established by the Board consists of the following members:

Chairman:	Dato' Mohd Sheridan bin Ramli
Members:	Ms. June Leong Lai Ling
	Ms. Mazrina binti Arifin

The NC comprises three (3) members who are all Independent Non-Executive Directors. The role of the NC is to assist the Board in evaluating candidates for nomination to the Board and to assess the effectiveness of the Board and each individual Director on an ongoing basis in terms of contribution, skills, experience and other qualities. The objective is to improve the Board's effectiveness, identify gaps, maximise strengths and address weaknesses of the Board.

Corporate Governance Overview Statement

(Cont'd)

Nominating Committee ("NC") (contd.)

During the financial year ended 30 June 2025, the NC conducted three (3) meetings. The key activities undertaken by the NC during the financial year under review were as follows:

- Reviewed and assessed the performance and effectiveness of the Board as a whole, Board Committees and the performance of each Director for the financial year ended 30 June 2024.
- Reviewed the terms of office and performance of the Audit and Risk Management Committee ("ARMC") and each of its members to determine whether ARMC and members have carried out their duties in accordance with their terms of reference.
- Reviewed the independence of the Independent Non-Executive Directors.
- Assessed and recommended the re-election of Directors at the Twenty-Second Annual General Meeting ("AGM") of the Company held on 6 November 2024, taking into consideration the Fit and Proper Policy.
- Assessed the training needs of each Director.
- Reviewed the performance of senior management for the financial year ended 30 June 2024.
- Reviewed and recommended to the Board the appointment of Chief Executive Officer of TMC Fertility Holdings Sdn. Bhd.
- Discussed the Employee Share Option Scheme.
- Reviewed and recommended to the Board the appointment of Group Chief Executive Officer of the Company.
- Reviewed and recommended to the Board the changes in the composition of the NC, Remuneration Committee ("RC") and ARMC.

(a) Appointment to the Board

The NC has been entrusted with the responsibility to identify, evaluate, select and recommend to the Board suitable candidates with the required credentials to be appointed as a Director of the Company, either to fill a casual vacancy or as an addition to meet the changing needs of the Group. That being said, the potential candidate may be proposed by existing Directors, shareholders or their party referral. On the assessment and selection of the Director candidate, consideration would be taken on the need for the mix of skills, experiences, other qualities and diversity in gender, ethnicity and age within the Board composition as well as having considered the assessment as set out in the Fit and Proper Policy. For the appointment of Independent Non-Executive Director, the NC would also assess whether the candidate meets the requirements for independence based on the criteria prescribed in the MMLR of Bursa Securities.

During the financial year under review, the Company did not appoint any new Director to its Board.

(b) Re-election of Directors

In accordance with the Company's Constitution ("Constitution"), at every AGM, one-third (1/3) of the Directors for the time being or, if the number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office such that each Director shall retire from office once in every three (3) years and all Directors who retire from office shall be eligible for re-election. Proposals for the re-election of Directors are recommended by the NC to the Board prior to the shareholders' approval at the AGM of the Company, based on the annual assessment conducted.

Based on the recent annual assessment and evaluation, the NC is satisfied with the performance of the Directors who are standing for re-election and has recommended to the Board their proposed re-election in accordance with the Constitution. The Board supported the NC's recommendations to re-elect the eligible Directors standing for re-election at the forthcoming Twenty-Third AGM of the Company.

Corporate Governance Overview Statement

(Cont'd)

(b) Re-election of Directors (contd.)

For the purpose of determining the eligibility of the Directors to stand for re-election at the AGM of the Company, the Board, through its NC, undertakes a formal evaluation to determine the eligibility of each retiring Director in line with MCCG, which includes the following:

- (i) Performance and effectiveness of the Board as a whole, Board Committees and individual Directors;
- (ii) Independence of the Independent Non-Executive Directors; and/or
- (iii) Fit and Proper assessment.

The Directors to retire shall abstain from deliberations and decisions on their own eligibility to stand for re-election at the meetings of the Board and NC, where relevant.

(c) Annual Assessment of the Board and Board Committees

The NC undertakes an annual evaluation to review the performance of each individual Director and the effectiveness of the Board and the Board Committees.

The assessment of the Board and Board Committees covers areas such as the Board structure/mix, operation, decision-making, boardroom participation and activities, meeting administration and conducts, skills, knowledge, experience and competencies and role and responsibilities. For the performance of the individual Directors, the assessment criteria have included the areas of contribution and interaction with peers, quality of input of the Director, understanding of the role, etc.

During the annual assessment, the Directors are given a performance evaluation sheet for individual Director Self Evaluation and Board Evaluation to complete. In addition, Directors who are members of the Board Committees are given additional performance evaluation sheets for the respective Board Committees to complete. Sufficient time is given to the Directors and/or members of the Board Committees to complete the forms. Upon completion, the forms are submitted to the Company Secretaries for compilation of ratings and scores. A summary would then be presented to the NC for further review and assessment.

The Director who is subject to re-election and/or retention in office as Independent Non-Executive Director at the AGM of the Company is assessed by the NC (with the relevant NC member abstaining on his/her own re-election or retention) before a recommendation is made to the Board and shareholders for the re-election and/or retention in office as Independent Non-Executive Director. The outcome of the assessment and recommendation will be reported to the Board for information and decision on areas for improvement.

3. FOSTER COMMITMENT

Time Commitment

The Board requires its members to devote sufficient time to the workings of the Board, to discharge their duties as Directors of the Company effectively, and to use their best endeavours to attend meetings.

Board Meetings

The meetings of the Board, Board Committees and AGM for each financial year are fixed in advance for the whole year to ensure all Directors/Board Committees members' dates are booked and to facilitate Management's planning for the entire financial year.

The Board meetings are scheduled to be held regularly, and sufficient notice is issued for meetings conducted in accordance with a structured agenda. The Board is supplied with information in a timely manner and of appropriate quality to enable them to discharge their duties. The Board has a formal schedule of matters specifically reserved for the Board's discussion and/or approval and has received notice and meeting materials in advance of the meeting. All issues and decisions made during the Board meetings are properly recorded and thereafter, circulated to the Chairman for comments before minutes of proceedings are finalised and tabled to the Board for confirmation. The Company Secretaries organise and attend all Board meetings to ensure proper recording of the proceedings. Ad-hoc meetings may be called as and when significant issues require the Board's decisions.

Corporate Governance Overview Statement

(Cont'd)

Board Meetings (contd.)

During the financial year ended 30 June 2025, twenty-two (22) meetings were held in which the Board deliberated upon and considered various issues, including but not limited to the Group's financial results, corporate exercises, business plans and annual budgets, the performance of the Group's business operations, material agreements, major capital expenditures, expansion plans, strategic issues affecting the Group's business operations as well as the matters related to the suspension and termination of the former Group Chief Executive Officer.

Attendance of the Directors at the Board meetings held during the financial year ended 30 June 2025 was as follows:

Director	Attendance
Dato' Sri Mohd Mokhtar bin Mohd Shariff	22/22
Kan Kheong Ng	22/22
Cheah Ho Chee	9/9 ⁽¹⁾
June Leong Lai Ling	22/22
Dr. Heng Jun Li Melvin	22/22
Mazrina binti Arifin	22/22
Dato' Mohd Sheridan bin Ramli	22/22
Wan Nadiyah binti Wan Mohd Abdullah Yaakob	6/15 ^{(1)*}

Notes:

⁽¹⁾ Reflects the number of Board meetings attended during the financial year up to the date of retirement or removal

* Excused from nine (9) Board meetings in view that she is interested in the agenda of the meetings

Directors' Training

The Directors keep abreast with the latest industry developments as well as new statutory and regulatory requirements by attending various training programmes, seminars and/or conferences to enable them to discharge their duties effectively.

The training needs of Directors would be assessed and proposed by the individual Directors. Each Director determines the areas of training that he or she may require for personal development as a Director or as a member of a Board Committee. During the financial year under review, the Directors have attended the following training programmes, seminars and/or conferences:

Director	Name of Seminars/Training Programmes attended
Dato' Sri Mohd Mokhtar bin Mohd Shariff	TMC Life Sciences Berhad - Navigating ESG: Trends, Compliance and Strategic Growth
Kan Kheong Ng	- TMC Life Sciences Berhad - Navigating ESG: Trends, Compliance and Strategic Growth - Sustainability Workshop - M & A Mastery 2025: Cracking the Code of Corporate Power Plays in a Shifting Global Landscape
Dr. Heng Jun Li Melvin	TMC Life Sciences Berhad - Navigating ESG: Trends, Compliance and Strategic Growth
June Leong Lai Ling	- TMC Life Sciences Berhad - Navigating ESG: Trends, Compliance and Strategic Growth - Financial Due Diligence
Mazrina binti Arifin	- TMC Life Sciences Berhad - Navigating ESG: Trends, Compliance and Strategic Growth - Audit Committee Conference - e-Invoicing: Journey to a successful implementation
Dato' Mohd Sheridan bin Ramli	- TMC Life Sciences Berhad - Navigating ESG: Trends, Compliance and Strategic Growth - M & A Mastery 2025: Cracking the Code of Corporate Power Plays in a Shifting Global Landscape - Financial Due Diligence

Corporate Governance Overview Statement

(Cont'd)

4. REMUNERATION

Remuneration Policy

The Company has a Remuneration Policy and Procedures for Directors and Senior Management to administer the remuneration of its Directors and senior management, taking into account the demands, complexities, and performance of the Group as well as the skills and experience required.

In the case of Executive Directors and senior management of the Group, the components of the remuneration packages are structured so as to link the remuneration packages with corporate and individual performance and take into account similar packages at comparable companies (of similar size and complexity to the Company locally; and in the same industry in the region). The remuneration packages of the Non-Executive Directors of the Company shall be determined based on their qualification, experience, level of responsibilities, and competence, with regard to their responsibilities, time commitment, and annual evaluation as undertaken by the NC and RC.



The Remuneration Policy and Procedures for Directors and Senior Management is available at the Company's website at www.tmclife.com.

Remuneration Committee

The RC established by the Board consists of the following members:

Chairman:	Ms. Mazrina binti Arifin
Members:	Ms. June Leong Lai Ling
	Dato' Mohd Sheridan bin Ramli

The RC comprises three (3) members who are Independent Non-Executive Directors. The role of the RC is to recommend to the Board, the remuneration packages of Executive Directors and senior management personnel of the Group, in addition to any increment/incentive to be awarded.

During the financial year ended 30 June 2025, the RC conducted five (5) meetings. The key activities undertaken by the RC during the financial year under review were as follows:

- (a) Discussed and recommended to the Board for approval, bonus and salary increment/adjustment for senior management and employees upon assessing the performance of the Company and employees.
- (b) Discussed and recommended to the Board for approval, the additional benefits to the Directors for the financial years ended 30 June 2024 and 30 June 2025.
- (c) Discussed and recommended to the Board for approval, the payment of Directors' fees and any benefits for the financial year ending 30 June 2026.
- (d) Discussed and recommended to the Board for approval, the remuneration package of the Group Chief Executive Officer.
- (e) Reviewed the salary benchmarking within the industry for senior management and employees.



The full terms of reference of the RC, outlining the RC's purpose, composition, appointment of members, performance evaluation, duties of the Chairman, duties of the RC, disclosure, meeting, authority, and review of the terms of reference, is available at the Company's website at www.tmclife.com.

Remuneration of Directors

The RC is responsible for reviewing and recommending to the Board, the remuneration package for the Executive Directors. It is the ultimate responsibility of the Board to approve the remuneration package of the Executive Directors.

The remuneration of Non-Executive Directors, which comprises Directors' fees, meeting allowance, and other benefits, if any, are determined and recommended by the Board and subject to the approval of the shareholders at the AGM of the Company.

Corporate Governance Overview Statement

(Cont'd)

Remuneration of Directors (contd.)

The Directors' remuneration paid or payable to all the Directors of the Company for the financial year ended 30 June 2025 were as follows:

(i) Received from TMCLS

	Salaries and Bonus (RM)	Fees (RM)	Other Remuneration (RM)	Benefit- in-kind (RM)	Total (RM)
Non-Executive Directors					
Dato' Sri Mohd Mokhtar bin Mohd Shariff	-	156,000	52,500	12,785	221,285
Cheah Ho Chee	-	35,417	30,500	5,519	71,436
June Leong Lai Ling	-	96,935	69,000	7,565	173,500
Mazrina binti Arifin	-	90,000	66,000	7,271	163,271
Dato' Mohd Sheridan Bin Ramli	-	90,000	66,000	10,960	166,960
Non-Independent Non-Executive Director					
Dr. Heng Jun Li Melvin	-	90,000	42,000	4,830	136,830
Total (RM)	-	558,352	326,000	48,930	933,282

(ii) Received on Group Basis

	Salaries and Bonus (RM)	Fees (RM)	Other Remuneration (RM)	Benefit- in-kind (RM)	Total (RM)
Executive Directors					
Kan Kheong Ng	1,057,284	-	42,292	-	1,099,576
Wan Nadiyah Binti Wan Mohd Abdullah Yaakob	351,477	-	71,988	6,025	429,490
Non-Executive Directors					
Dato' Sri Mohd Mokhtar bin Mohd Shariff	-	156,000	52,500	12,785	221,285
Cheah Ho Chee	-	35,417	30,500	5,519	71,436
June Leong Lai Ling	-	96,935	69,000	7,565	173,500
Mazrina binti Arifin	-	90,000	66,000	7,271	163,271
Dato' Mohd Sheridan Bin Ramli	-	90,000	66,000	10,960	166,960
Non-Independent Non-Executive Director					
Dr. Heng Jun Li Melvin	-	90,000	42,000	4,830	136,830
Total (RM)	1,408,761	558,352	440,280	54,955	2,462,348

Remuneration of Top Five (5) Senior Management Staff

The remuneration of the Executive Directors has been disclosed in the Directors' remuneration table above and is accordingly not included in the top five (5) senior management's remuneration for the financial year ended 30 June 2025 stated below:

	Number of Executives	Salaries and Bonus	Other Remuneration	Total
Above RM500,000	3	89%	11%	100%
Between RM250,000 and RM500,000	1	89%	11%	100%

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

5. AUDIT AND RISK MANAGEMENT COMMITTEE

Composition and Activities of ARMC

The ARMC is comprised three (3) members who are Independent Non-Executive Directors, and the ARMC's responsibilities include reviewing management and financial statements, related party transactions, conflict of interest, internal control and risk management processes.

All members of the ARMC have undertaken continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices, and rules as and when required.

The Chairman of the ARMC is Ms. June Leong Lai Ling, whilst the Chairman of the Board is Dato' Sri Mohd Mokhtar bin Mohd Shariff.



The summary of activities of the ARMC is set out separately in the ARMC Report on pages 130 to 133 of this Annual Report.

Financial Reporting

The Board is responsible for the quality and completeness of publicly disclosed financial reports. The Board, with the assistance of the ARMC, has to ensure that the financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the requirements of the CA 2016 in Malaysia and that appropriate accounting policies have been used, consistently applied and supported by reasonable judgements and estimates, and the financial reports present a balanced, clear and comprehensive assessment of the Group's financial performance.

Cooling Period of a Former Partner of the External Audit Firm

In line with the recommendation of the MCCG, the terms of reference of the ARMC include the cooling-off period of at least three (3) years to be observed before the appointment of a former partner of the external audit firm of the Company, i.e. the former partners of the audit firm and/or the affiliate firm (including those providing advisory services, tax consulting, etc.) as a member of the ARMC.

None of the members of the Board were former partners of the external audit firm of the Company and the Board has no intention of appointing any former partner of the external audit firm of the Company as a member of the Board.

Assessment of Suitability and Independence of External Auditors

The ARMC applies the best practice of ensuring a full assessment to ensure the suitability, objectivity and independence of the external auditors.

Based on the annual assessment conducted for the financial year ended 30 June 2025, the ARMC has reviewed the Ernst & Young PLT 2024 Transparency Report and was satisfied with the performance and independence of the external auditors as well as the fulfilment of criteria based on several factors, including independence of the external auditors, quality of audit review procedures and adequacy of the firm's expertise and its resources to carry out the audit work that they were tasked with.

Ernst & Young PLT has also confirmed to the ARMC that they had been independent throughout the audit engagement with respect to the financial year under review.

6. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Sound Framework to Manage Risks

The Board acknowledges its overall responsibility for maintaining an internal control system that provides reasonable assurance of effective and efficient operations, compliance with laws and regulations, and internal procedures and guidelines. The system, by its nature, can only provide reasonable but not absolute assurance against the risk of material errors, fraud or loss.



The Statement of Risk Management and Internal Control, which provides an overview of the state of internal controls within the Company and the Group, is set out on pages 134 to 137 of this Annual Report.

Corporate Governance Overview Statement

(Cont'd)

Internal Audit Function

The Company's internal audit function is outsourced to a professional service firm. The internal auditors are free from relationships or conflicts of interest, which could impair their objectivity and independence, and the internal audit function is carried out in accordance with the recognised framework.

Information on the Group's internal audit function, which reports directly to the ARMC, is presented in the ARMC Report in this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

7. COMMUNICATION WITH STAKEHOLDERS

Shareholders' Communication and Investor Relations

The Board acknowledges the need for the Company's shareholders and investors to be informed of all material business and corporate developments concerning the Group in a timely manner.

Shareholders and investors are kept informed of financial performance, major corporate proposals and pertinent issues of the Group via announcements made through Bursa Securities.

The Company maintains a website at www.tmclife.com to facilitate access to pertinent information concerning the Group and its operations by the shareholders, consumers and general public. Announcements, news and relevant updates are regularly posted on the Company's website at www.tmclife.com.

Corporate Disclosure Policy and Procedures

The Board places importance on ensuring disclosures made to shareholders and investors are accurate, clear, timely and comprehensive as they are critical towards building and maintaining corporate credibility and investor confidence. As such, the Board adopted a Corporate Disclosure Policy and Procedures in July 2013, which sets out the policies and procedures for disclosure of material information of the Group. The said Policy and Procedures applies to all Directors, Management, officers and employees of the Group.

8. CONDUCT OF GENERAL MEETINGS

Shareholders' Participation at General Meetings

The AGM is the principal forum for dialogue and interaction with the shareholders. The shareholders are encouraged to raise any questions relating to the proposed resolutions and the Group's business operations and affairs. The Notice of the AGM, together with the Form of Proxy are given to shareholders at least twenty-eight (28) days before the AGM, which provides shareholders with sufficient time to prepare themselves to attend the AGM or to appoint a proxy to attend and vote on their behalf. Each item of special business included in the Notice of the AGM is accompanied by an explanatory statement for the proposed resolution to facilitate the full understanding and evaluation of the issues involved.

The minutes of the Twenty-Second AGM of the Company held on 6 November 2024 was uploaded to the Company's website no later than thirty (30) business days after the AGM.

The Chairman and the Board will respond to shareholders' questions during the meeting. The external auditors are also present to provide their professional and independent clarification on issues highlighted by the shareholders, if required.



Corporate and financial information of the Group are also made available to the public through the Company's website at www.tmclife.com.

COMPLIANCE WITH MCCG

The Board is satisfied that during the financial year under review, the Company has complied with the Best Practices in MCCG on the application of the principles and best practices in corporate governance, except for those highlighted in the CG Report.

The Statement is made in accordance with a resolution of the Board dated 18 September 2025.

Audit and Risk Management Committee Report

During the financial year under review, the Audit and Risk Management Committee (“ARMC”) of TMC Life Sciences Berhad (“TMCLS”) carried out its duties and responsibilities in accordance with its terms of reference and held discussions with the Internal Auditors, External Auditors, outsourced risk management consultant and relevant members of management. The ARMC is of the view that no material misstatements or losses, contingencies or uncertainties have arisen based on the reviews made and discussions held.

MEMBERS AND ATTENDANCE

The ARMC comprises the following members and the details of attendance of each member at the fifteen (15) meetings held during the financial year ended 30 June 2025 were as follows:

Director	Designation	Attendance
June Leong Lai Ling (Chairman)	Independent Non-Executive Director (Redesignated on 3 December 2024)	15/15
Cheah Ho Chee (Chairman)	Independent Non-Executive Director (Ceased office on 6 November 2024)	7/7*
Mazrina Binti Arifin (Member)	Independent Non-Executive Director	15/15
Dato' Mohd Sheridan Bin Ramli (Member)	Independent Non-Executive Director	15/15

* Reflects the number of ARMC meetings attended during the financial year up to the date of cessation

The current composition of the ARMC complied with Paragraph 15.09(1)(c) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

TERMS OF REFERENCE

Primary Purposes

The ARMC had discharged its function and carried out its duties as set out in the terms of reference (“TOR”) of the ARMC.



The TOR of the ARMC is available for reference on the Company's website at www.tmclife.com.

SUMMARY OF THE ACTIVITIES OF ARMC

The main activities carried out by the ARMC during the financial year ended 30 June 2025 were as follows:

Financial reporting

- (i) Reviewed the quarterly financial results of the Group including the draft announcements pertaining thereto, and made recommendations to the Board of Directors (“Board”) for approval. The reviews served to ensure that the Group's financial reporting and disclosures are in compliance with Bursa Securities MMLR and applicable accounting standards in Malaysia;
- (ii) Reviewed and made the recommendation to the Board in respect of the annual audited financial statements of the Company and the Group for the financial year ended 30 June 2024;
- (iii) Reviewed the proposed final dividend and special dividend for the financial year ended 30 June 2024 after reviewing and considering the presented solvency test presented;
- (iv) Reviewed the potential financial and tax implications of the proposed change to the asset useful life of the System, Applications and Products modules.

Audit and Risk Management Committee Report (Cont'd)

External audit and re-appointment of External Auditors

- (i) Reviewed with the External Auditors, the results of their audit for the financial year ended 30 June 2024 and their audit report;
- (ii) Reviewed and discussed the Information Technology Management Letter;
- (iii) Reviewed and recommended to the Board for approval, the fees for the audit and non-audit services for the financial year ended 30 June 2025;
- (iv) Reviewed and recommended to the Board for approval and recommendation on the re-appointment of External Auditors, Ernst & Young PLT for the financial year ended 30 June 2025; and
- (v) Reviewed with the External Auditors, the Audit Plan for the financial year ended 30 June 2025 on both the audit strategy and audit approach, the adequacy of existing external audit arrangements, with emphasis on the scope and quality of the audit and proposed fees for the statutory audit.

Internal audit

- (i) Reviewed with the Internal Auditors, the Internal Audit Plan to ensure the adequacy of the scope and coverage of work;
- (ii) Reviewed the internal audit issues, recommendations and management responses to rectify and improve the system of internal control;
- (iii) Reviewed the effectiveness of the audit process and the overall performance of the Internal Audit function; and
- (iv) Discussed the engagement of Internal Auditors to perform audit steps or agreed-upon procedures on 2021 Internal Audit Report as a follow-up.

Enterprise Risk Management

- (i) Reviewed the Enterprise Risk Management Framework and Top Risk; and
- (ii) Reviewed the Enterprise Risk Management Framework policy.

Related party transactions

- (i) Reviewed the related party transactions and ensured that they were not more favourable to the related parties than those generally available to the public and complied with Bursa Securities MMLR;
- (ii) Monitored the thresholds of the related party transactions to ensure compliance with Bursa Securities MMLR; and
- (iii) Reviewed the related party transactions transacted every quarter and made a statement of its view on whether the transactions are in the best interest of the Company, fair, reasonable and on commercial terms and not detrimental to the interests of the non-interested shareholders of the Company.

Conflict of Interest ("COI")

During the financial year ended 30 June 2025, the ARMC regularly reviewed any COIs or potential COIs, and no COI situations that have arisen, are ongoing, or may arise in the future were reported by the Board members. Measures have been implemented to manage COIs effectively, including assessing COIs during annual appraisals and for new appointments. The Board members also declare any COI or potential COI at the Board meeting.

Audit and Risk Management Committee Report

(Cont'd)

Other activities

- (i) Received updates on the Group Information Technology matters;
- (ii) Received updates on the Group Project matters;
- (iii) Received updates on the Sustainability matters;
- (iv) Reviewed the quarterly Malaysian Anti-Corruption Commission Act Compliance Report and Internal Audit Follow-up Report;
- (v) Reviewed and recommended to the Board for approval, the ARMC Report and Statement on Risk Management and Internal Control for inclusion in the 2024 Annual Report;
- (vi) Reviewed and received the updates on the Whistleblowing Report;
- (vii) Reviewed and recommended to the Board for approval, the new or amendments to the policies and procedures of the Company within the purview of the ARMC to ensure that the policies and procedures adopted are aligned with the developments of the rules, regulations, guidelines, best practices issued and recommended by the relevant regulatory authorities;
- (viii) Developed a formal assessment form for Internal Auditors and External Auditors;
- (ix) Received updates on the Insurance Panel;
- (x) Reviewed and discussed, and recommended to the Board for recommendation to the shareholders for approval, the proposed change in the Constitution of TMCLS on Directors' retirement at the Annual General Meeting;
- (xi) Discussed the proposed sale of the freehold building;
- (xii) Discussed the proposed change in Directorship of TMCLS's subsidiaries;
- (xiii) Discussed the proposed switch of the paying bank for dividends to shareholders;
- (xiv) Received updates on operational efficient and cost management initiatives;
- (xv) Received updates on the Debt Collection Agencies' incentive;
- (xvi) Completed the annual evaluation for ARMC Members' Peer Performance Evaluation form and assessed the suitability and independence of the External Auditors and the performance of the Internal Auditors;
- (xvii) Discussed on issues related to the suspension and investigation of the former Group Chief Executive Officer ("CEO") and CEO of Thomson Hospital Kota Damansara ("THKD");
- (xviii) Discussed issues related to the legal case involving Thomson Hospitals Sdn. Bhd.; and
- (xix) Reviewed and recommended to the Board for approval, the appointment of Sustainability Limited Assurance Provider and Sustainability Statement Copywriter.

Audit and Risk Management Committee Report (Cont'd)

INTERNAL AUDIT FUNCTION

The Group's Internal Audit function is outsourced to a professional services firm with tasked assisting the ARMC to discharge its duties and responsibilities. The main role of the Internal Auditors is to provide the ARMC with independent and objective reports on the effectiveness of the system of internal controls within the Group. The ARMC discusses the Internal Audit Reports with the Internal Auditors to ensure that management duly acts upon the recommendations from the reports. Three (3) internal audit reviews were carried out during the financial year ended 30 June 2025. The reviews were on the areas of:

- a) Revenue and account receivables of THKD;
- b) Human resource management and payroll of THKD;
- c) Adequate procedures and legal department process of TMCLS; and
- d) Procurement, account payable, revenue, account receivable, human resource management and payroll, inventory and fixed asset management of Thomson Fertility Centre Puchong and Thomson TCM.

The cost incurred in relation to the Internal Audit function during the financial year ended 30 June 2025 was RM121,600 (financial year ended 30 June 2024: RM93,600).



The Statement on Risk Management and Internal Control can be found on pages 134 to 137 of this Annual Report, and this provides an overview of the risk management and internal controls system within the Group.

Statement on Risk Management and Internal Control

INTRODUCTION

The Malaysian Code on Corporate Governance requires the Board of Directors of public listed companies to establish a sound risk management framework and system of internal control to safeguard shareholders' investments and the Group's assets.

Pursuant to paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") which requires the Board of Directors of public listed companies to include in the Annual Report a "statement about the state of internal control of the listed issuer as a group", the Board of Directors of TMC Life Sciences Berhad is pleased to provide the following Statement on Risk Management and Internal Control in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and Practice Note 9 of the Listing Requirements.

BOARD RESPONSIBILITY

The Board of Directors of TMC Life Sciences Berhad acknowledges the importance of maintaining a sound system of risk management and internal control to safeguard the shareholders' investments and the Group's assets. The Board is assisted by the Risk Management Committee and management to implement the policies and procedures on risk and control. These include identifying the risks and assessing the potential impacts of the risks, and to have the necessary internal control to mitigate the risks. The profiles of the risks are reviewed by the Board on annual basis.

The Board also acknowledges that whilst the Group's system of risk management and internal control is designed to identify, manage and attempt to lower the risk threatening the achievement of business objectives, some risks may not be totally eliminated. As such, the system of risk management and internal control can only provide reasonable but not absolute assurance against material misstatement of financial and management information and records, and/or against any financial losses or fraud.

THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Risk Management Framework

The Group recognises that risk is an inherent and unavoidable component of its operations and is characterised by threats and opportunities. The Group works on fostering a risk-aware corporate culture and is committed to managing the risks in a proactive and effective manner to enhance opportunity, reduce threats and sustain its competitive advantage.

The Board has taken necessary measures to ensure that risk management is embedded in the Group's management system with the assistance of the Management, Audit and Risk Management Committee ("ARMC") and the outsourced Internal Auditors. In line with this commitment, the Group has established a Strategic Enterprise Risk Management ("ERM") Framework, aligned with ISO 31000 Risk Management Principles and Guidelines. The framework sets the foundation for integrating risk management into key departments and business processes across the Group.

During the year under review, the Group undertook several enhancements to strengthen its risk governance and oversight capabilities. Key enhancements include:

- (a) Updated the Group ERM Framework (2024) to align with the expectations and standards of the major shareholder, ensuring greater consistency and strategic alignment across entities;
- (b) Established a Group-wide Risk Management Working Committee. The new committee plays a key role in monitoring, reviewing, and escalating significant risks, thus enhancing operational governance;
- (c) Implemented Risk and Control Self-Assessment ("RCSA"), which applied to key departments to improve risk ownership, enable closer risk monitoring, and identify control gaps proactively; and
- (d) Quarterly review of high-risk areas to strengthen the oversight through periodic review and reporting of high and emerging operational risks.

The Group acknowledges the importance of quality and caliber of its employees and a variety of training and development opportunities are actively explored. Relevant training and continuing development programmes are provided for staff to improve their various areas of knowledge, technical skills and personal development. These have directly and indirectly enhanced their level of risk awareness in their operating environment.

Statement on Risk Management and Internal Control (Cont'd)

The key elements of the Group's Internal Control System

The Group's internal control system consists of the policies, processes, activities and control environment that facilitates an effective and efficient operation by enabling it to respond appropriately to significant business, operational, financial, compliance and other risks in order to achieve the Group's strategy and objectives.

The key elements of the Group's internal control system, that are regularly reviewed by the Board, are as follows:

- i. The Group has in place an established organisational structure with clearly defined lines of key responsibilities and appropriate levels of delegation and authority.
- ii. The Group has in place internal procedures covering significant areas of operations, such as purchasing of assets required for the operations of the Group, recruitment and selection of employees, training and development of employees and has a clear definition of authorisation procedures for purchasing, payment and capital expenditure. A Group Tender Committee has been established to evaluate major expenditures before being formally approved by the appropriate authority levels.
- iii. Regular Senior Management Meetings ("SMM") are held to review and monitor the business developments, to discuss and resolve operational and management issues and to review the financial performance of the Group against the budget and business plans.
- iv. The ARMC reviews the quarterly financial reports, annual financial statements and reports to the Board on its review and findings thereon to ensure effectiveness of the internal financial control environment of the Group.
- v. The corporate head office coordinates the budgetary process for the Group wherein the budgets are discussed and prepared at the operating unit level, reviewed and recommended by executive committee and finally approved by the Board of Directors.
- vi. Significant corporate matters and its status discussed at SMM are brought to the Board meetings for further deliberation and review by the Board members.
- vii. The Board, the ARMC and Management monitor the effectiveness of the Group's risk management and internal control system.
- viii. Internal Quality Audits are conducted and a group-wide incident reporting system in place to assess and monitor clinical risks. These risks are discussed and addressed through the organisation's clinical governance structure including the Medical and Dental Advisory Committee and the Board of Management.

MANAGEMENT OF RISKS

The Group is principally involved in providing healthcare services. The Group undertakes a periodic exercise to identify key external and operational risks faced by all business and functional units. Key risk exposures faced by the Group during the financial year have been identified by all business and functional unit heads and with the appropriate risk mitigation plans being developed accordingly.

The key external risks of the Group include escalating costs resulting in lower operational profits due to inflation, foreign exchange fluctuation impact on the purchase of medical equipment, increasing competition from existing established medical and specialist centres, cyber risks from hacker attack and data breaches. The Group manages the risk through implementing cost control awareness and initiatives, monitoring the market and pricing trends and periodic review of costing and pricing strategy to stay competitive in the market. As for increasing competition from existing established medical and specialist centres, the Group is actively monitoring market development, trends and pricing of competitors. The Group manages cyber risk by enhancing the Group IT policies with continuous education of measures and ways to prevent hacker attack to minimise the possibilities of data breach and network downtime, by strengthening the Group IT infrastructure and IT security measures. The Group conducted annual IT penetration and Vulnerability Assessment on the IT infrastructure and continue to improve on areas of high vulnerability of cyber attack identified.

Statement on Risk Management and Internal Control

(Cont'd)

The key operational risks of the Group include corruption risk, financial reporting risk and clinical risks.

- (i) During the financial year, the Group continued to strengthen its anti-corruption framework in alignment with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. Building on the enhancements made in the previous year, a new Anti-Bribery and Anti-Corruption ("ABAC") Policy was approved on 7 April 2025. This Policy sets out the Group's commitment to comply with anti-bribery and corruption laws in Malaysia and must be read together with the Group's Code of Conduct, Whistleblowing Policy, and Conflict of Interest Policy.

In addition, the ABAC Policy outlines requirements for Employees and Third Parties to comply with the anti-bribery and corruption laws of other jurisdictions when conducting business transactions outside of Malaysia. This reflects the Group's commitment to upholding the highest standards of integrity, both domestically and internationally.

To support the implementation of the new ABAC Policy, targeted training sessions and group-wide communication initiatives were conducted to promote awareness and understanding of the revised policies and procedures. These efforts aim to cultivate a strong culture of integrity, transparency, and ethical conduct across all levels of the organisation.

The ARMC continues to receive quarterly reports on policy compliance, whistleblowing activities, and corruption risk management, ensuring effective oversight and timely intervention where necessary.

- (ii) Financial reporting risk has been managed by requiring continuous professional education for the financial reporting team, external financial reporting training attended by Directors and arrangement to announce year end result as audited.
- (iii) The Group manages clinical risks through a clinical governance framework and adherence to international standards via quality accreditations such as Malaysian Society for Quality in Health ("MSQH"), Reproductive Technology Accreditation Council of Australia ("RTAC") and The Australian Council on Healthcare Standards ("ACHS"). Internal quality audits are conducted, and an incident reporting system is implemented to monitor and track clinical incidents and risks. A quality and safety committee reviews any incidents or audit results and escalates to the Medical and Dental Advisory Committee and Board of Management where necessary.

The execution of risk mitigation plans is being monitored and managed by the respective business and functional unit owners. Significant deviation from the risk mitigation plan will be reported to the SMM accordingly.

Assurance Mechanisms

The ARMC is tasked by the Board to carry out the duty to review and monitor the effectiveness of the Group's internal control system. To discharge its responsibilities, the ARMC relies significantly on the support of independent internal auditors to review the effectiveness of risk identification procedures and control processes implemented by management, and to report directly to the ARMC during the ARMC meetings. The independent internal auditors provide assurance over the operation and validity of the internal control system in relation to the level of risk involved.

During the financial year ended 30 June 2025, major internal audit activities were as follows:

- a) Discussed with senior management to develop risk-based internal audit plan;
- b) Reviewed management's responses and action plans on internal audit findings;
- c) Performed business processes review of revenue and account receivables, human resource management and payroll of Thomson Hospital Kota Damansara;
- d) Performed processes review of legal department for the Group; and
- e) Performed business process review of procurement and account payable, revenue and account receivable, human resource management and payroll, inventory and fixed assets management of Thomson Fertility Centre Puchong and Thomson TCM.

Based on these audits, the internal auditors provide the ARMC with report highlighting observations, their opinion on the areas audited by them over the adequacy and effective of the internal control process and procedures, management action plans to improve the internal control system within the Group, as well as the status of implementation of action plan on previous audit.

In addition, the ARMC also reviews and deliberates on any significant matters relating to internal control highlighted by the External Auditors in the course of their statutory audit of the financial statements of the Group.

Statement on Risk Management and Internal Control (Cont'd)

THE BOARD'S COMMITMENT

As the Group operates in a dynamic business environment, a sound risk management and internal control system must be in place in order to be able to support its business objectives. Therefore, the Board remains committed towards maintaining a sound system of risk management and internal control and believes that a balanced achievement of its business objectives and operational efficiency can be attained. During the financial year ended 30 June 2025, all members of ARMC have attended related training as disclosed in Corporate Governance Overview Statement.

THE BOARD'S CONCLUSION

The Board has received assurance from the Group Chief Executive Officer and the Group Chief Financial Officer that based on the risk management and internal control of the Group as well as inquiry and information provided, the Group's risk management and internal control system is operating adequately and effectively in all material aspects.

The Board is of the view that the risk management and internal control system in place for the financial year under review and up to the date of issuance of the financial statements, is adequate and effective to safeguard the shareholders' investments and the Group's assets.

Moving forward, the Group will continue to improve and enhance the existing systems of risk management and internal controls, taking into consideration the changing business environment.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. As set out in their terms of engagement, the said review procedures were performed in accordance with the Audit and Assurance Practice Guide 3: Guidance for Auditors On Engagements To Report On The Statement On Risk Management and Internal Control Included in the Annual Report ("AAPG 3") issued by the Malaysian Institute of Accountants.

AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system. AAPG 3 also does not require the external auditors to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in this Annual Report will, in fact, remedy the problems.

Based on their procedures performed, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

Other Corporate Disclosure

(a) Statutory Audits and Other Services

The statutory audits and other services incurred for services rendered by the External Auditors for the financial year ended 30 June 2025 were set out below:

	Group RM	Company RM
Statutory Audit	358,400	85,000
Other services	91,600	6,600
Total	450,000	91,600

(b) Material Contracts

During the financial year ended 30 June 2025, there were no material contracts entered into by the Company and its subsidiaries involving Directors', chief executive's and/or major shareholders' interests.

(c) Utilisation of Proceeds

The Company did not raise funds through any corporate proposal during the financial year under review.

(d) Employees' Share Option Scheme ("ESOS")

The ESOS granted to eligible persons expired on 28 May 2025 ("Date of Expiry"). All unexercised ESOS options lapsed on the Date of Expiry. Accordingly, the ESOS committee of TMC Life Sciences Berhad was dissolved with immediate effect.

None of the Directors exercised their ESOS options prior to the Date of Expiry.

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Directors' Report

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities and other information of the subsidiaries are disclosed in Note 16 to the financial statements.

HOLDING COMPANIES

The immediate, penultimate and ultimate holding companies are Sasteria (M) Pte. Ltd., Sasteria Pte. Ltd. and Thomson Medical Group Limited respectively, all of which are incorporated in The Republic of Singapore. The ultimate holding company is listed on the Mainboard of Singapore Exchange Securities Trading Limited.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year, attributable to owners of the parent	3,606	31,229

There were no material transfers to or from reserves or provisions during the financial year, other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDEND

Dividend paid by the Company since 30 June 2024 was as follows:

	RM'000
In respect of the financial year ended 30 June 2024 as reported in the Directors' report of that financial year:	
First and final single-tier dividend of 0.4898 sen per ordinary share and a special single-tier dividend of 1.7271 sen per ordinary share, declared on 21 August 2024 and paid on 3 January 2025	38,616

A first and final single-tier dividend of 0.1863 sen per ordinary share in respect of the financial year ended 30 June 2025 had been declared on 26 August 2025. The financial statements for the current financial year do not reflect these proposed dividends. Such dividends will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 June 2026.

Directors' Report

(Cont'd)

DIRECTORS

The names of the Directors of the Company in office since the beginning of the financial year to the date of this report are:

Dato' Sri Mohd Mokhtar Bin Mohd Shariff
 Kan Kheong Ng*
 Dr. Heng Jun Li Melvin*
 June Leong Lai Ling
 Mazrina Binti Arifin
 Dato' Mohd Sheridan Bin Ramli
 Cheah Ho Chee (Retired on 6 November 2024)
 Wan Nadiah Binti Wan Mohd Abdullah Yaakob (Removed on 9 December 2024)

* These Directors are also Directors of certain subsidiaries of the Company.

The names of the Directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report, not including those Directors listed above are:

Wong Yu Chee
 Dato' Dr. Mohd Hamzah Bin Kamarul Zaman
 Dato' Dr. Ahmad Adzuan bin Abdul Rahman (Appointed on 30 May 2025)
 Siva Kumaran A/L P.Jayaraman (Appointed on 30 May 2025)
 Lakshmi Devi A/P K.V Ramachandra Menon (Appointed on 14 July 2025)
 Chong Kuoh Ren (Appointed on 14 July 2025)
 Navdeep Singh Pannu A/L Mohan Singh (Resigned on 29 March 2025)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted under the Company's Employees' Share Options Scheme ("ESOS").

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits are as follows:

	Group RM'000	Company RM'000
Salaries, fees and bonuses	2,407	884
Estimated monetary value of benefits-in-kind	55	49
	2,462	933

The Company maintains a liability insurance for the Directors and Officers of the Group. The total amount of sum insured for Directors and Officers of the Group for the financial year amounted to RM15,000,000. In respect of the above, the amount of insurance premium paid for the financial year was RM25,660.

Directors' Report

(Cont'd)

DIRECTORS' INTERESTS IN SHARE OPTIONS

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in ordinary shares or options over ordinary shares in the Company and ultimate holding company during the financial year were as follows:

		←	Number of options over ordinary shares			→
	Option price RM	1.7.2024 '000	Granted '000	Exercised '000	Lapsed/ forfeited '000	30.6.2025 '000
Interests in the Company						
Dato' Sri Mohd Mokhtar						
Bin Mohd Shariff	0.75	2,000	-	-	(2,000)	-
Kan Kheong Ng	0.94	2,000	-	-	(2,000)	-

On 28 May 2025, the ESOS has expired and the Board of Directors had resolved that there shall be no further extension and/or renewal on the ESOS.

	←	Number of shares granted for the Share Grant Plan 2015			→
	1.7.2024	Granted	Exercised	Lapsed/ forfeited	30.6.2025
Interests in the ultimate holding company, Thomson Medical Group Limited					
Dr. Heng Jun Li Melvin					
Time-based Awards	1,468,400	-	-	-	1,468,400
Performance-related Awards	8,810,100	-	-	-	8,810,100

ISSUES OF SHARES

The Company has not issued any new shares or debentures during the financial year.

ESOS

The Company has an ESOS plan for the granting of non-transferable options that are to be settled by physical delivery of the ordinary shares of the Company to eligible Directors and employees.

The salient features and other terms of the ESOS plan are disclosed in Note 26(b) to the financial statements.

The details of the options over the ordinary shares of the Company are as follows:

Grant date	Option price RM	Number of options over ordinary shares				Exercisable	
		1.7.2024 '000	Granted '000	Exercised '000	Lapsed/ forfeited '000	30.6.2025 '000	30.6.2025 '000
28 August 2015	0.75	3,746	-	-	(3,746)	-	-
25 January 2017	0.94	3,125	-	-	(3,125)	-	-
26 September 2018	0.94	2,000	-	-	(2,000)	-	-
17 November 2020	0.75	6,410	-	-	(6,410)	-	-
		15,281	-	-	(15,281)	-	-

Directors' Report

(Cont'd)

ESOS (contd.)

Details of options granted to Directors are disclosed in the section on Directors' interests in this report.

The ESOS of the Company, which had been in effect for a period of ten years since its implementation on 28 May 2015, expired on 28 May 2025. Pursuant to Clause 20.5 of the ESOS By-Laws, all unexercised ESOS options lapsed on the expiry date, notwithstanding any provisions to the contrary. As at the date of expiry, the share option reserve relating to the vested but unexercised options was transferred to retained profits.

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
 - (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
 - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Directors' Report
(Cont'd)

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration are as follow:

	Group RM'000	Company RM'000
Statutory audits	358	85
Other services	92	7
	450	92

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young PLT for the financial year ended 30 June 2025.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 26 August 2025.

Dato' Sri Mohd Mokhtar Bin Mohd Shariff

Kan Kheong Ng

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Dato' Sri Mohd Mokhtar Bin Mohd Shariff and Kan Kheong Ng, being two of the Directors of TMC Life Sciences Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 150 to 203 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 26 August 2025.

Dato' Sri Mohd Mokhtar Bin Mohd Shariff

Kan Kheong Ng

Statutory declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Wong Yu Chee, being the Officer primarily responsible for the financial management of TMC Life Sciences Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 150 to 203 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Wong Yu Chee
at Petaling Jaya
on 26 August 2025

Wong Yu Chee
MIA 16689

Before me,

Independent Auditors' Report

to the members of TMC Life Sciences Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of TMC Life Sciences Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 150 to 203.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025, and of their financial performance and cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

(A) Revenue recognition - hospital division

(Refer to Notes 2.15 and 4 to the financial statements)

During the financial year ended 30 June 2025, the Group had recognised a total revenue of RM312 million from the hospital division, which represents about 90% of the Group's total revenue.

Given the nature of the hospital operations and that the Group relies heavily on information technology system in accounting for its revenue, where such information technology system processes large volumes of data for numerous types of products and services which consist of individually low value transactions, we assessed the risk of material misstatement in respect of revenue recognition to be higher and therefore identified it as an area of focus.

Independent Auditors' Report
to the members of TMC Life Sciences Berhad
(Incorporated in Malaysia) (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (contd.)

Key audit matters (contd.)

(A) Revenue recognition - hospital division (contd.)

In addressing this area of focus, we performed, amongst others, the following procedures:

- We obtained an understanding of the management's internal controls over the timing and amount of revenue recognised;
- Together with our information technology specialist, we tested the automated and manual controls in place to ensure completeness and accuracy of revenue recognised, including the updating of approved billing rate changes in the system and the data interface between the billing system and the general ledger;
- We performed correlation analysis between revenue, trade receivables and cash and bank balances, and inspected samples of documents which evidenced the rendering of services and sales of products to customers; and
- We inspected samples of documents to establish whether transactions were recorded in the correct accounting period.

(B) Impairment assessment of goodwill

(Refer to Notes 3.2(a) and 14(a) to the financial statements)

As at 30 June 2025, the carrying amount of goodwill recognised by the Group amounted to RM193 million, representing 21% and 17% of the Group's total non-current assets and total assets respectively. This goodwill relates to a subsidiary principally engaged in healthcare services. The Group is required to perform annual impairment assessment of the cash generating unit ("CGU") to which this goodwill has been allocated.

The Group estimated the recoverable amount of its CGU to which the goodwill is allocated based on value-in-use ("VIU"). Estimating the VIU involves estimating the CGU's future cash inflows and outflows and discounting it at an appropriate discount rate ("discounted cash flow approach").

We identified this as our area of audit focus due to the significance of the amount, the complexity and the significant judgement involved in determining the recoverable amount of the CGU using a discounted cash flow approach. Specifically, we focused on the evaluation of the assumptions on revenue growth rate, terminal growth rate and discount rate.

In addressing this area of focus, we performed, amongst others, the following procedures:

- We obtained an understanding of the relevant internal controls over estimating the recoverable amount of the CGUs;
- We evaluated the management's key assumptions on revenue growth rate and terminal growth rate, by taking into consideration the current and expected future economic conditions. We also compared these key assumptions against past actual outcomes of another subsidiary of the Group which operates in similar activity;
- Together with internal valuation specialist, we evaluated the appropriateness of the discount rate used to determine the present value of the cash flows and assessed whether the rate used reflects the current market assessments of the time value of money and the risks specific to the asset; and
- We also assessed the sensitivity analysis performed by management on the key assumptions used in the impairment model, to understand the impact that reasonable alternative assumptions would have on the carrying amount.

We also evaluated the adequacy of the Group's disclosures of each key assumption on which the Group has based its cash flow projections. Key assumptions are those to which the recoverable amount is most sensitive, as disclosed in Note 14(a) to the financial statements.

Independent Auditors' Report

to the members of TMC Life Sciences Berhad
(Incorporated in Malaysia) (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (contd.)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' report and annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

Independent Auditors' Report

to the members of TMC Life Sciences Berhad
(Incorporated in Malaysia) (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (contd.)

Auditors' responsibilities for the audit of the financial statements (contd.)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (contd.)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation; and
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
26 August 2025

Tseu Tet Khong@ Tsau Tet Khong
03374/06/2026 J
Chartered Accountant

Statements of Comprehensive Income

For the financial year ended 30 June 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	4	345,538	346,418	33,650	17,291
Other income	5	4,601	4,164	-	1,135
Inventories and consumables		(118,019)	(101,314)	-	-
Staff costs	8	(117,946)	(107,089)	-	-
Other operating expenses		(67,832)	(56,865)	(3,485)	(2,695)
Depreciation and amortisation		(34,101)	(27,905)	-	-
Interest income		4,167	5,466	1,361	1,589
Finance costs	6	(9,336)	(10,254)	-	-
Profit before tax	7	7,072	52,621	31,526	17,320
Income tax expense	10	(3,466)	(11,973)	(297)	(338)
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year		3,606	40,648	31,229	16,982
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year attributable to owners of the parent		3,606	40,648	31,229	16,982
Earnings per share attributable to owners of the parent (sen):					
Basic/diluted	11	0.21	2.33		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Financial Position

As at 30 June 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Assets					
Non-current assets					
Property, plant and equipment	13	725,778	718,274	-	-
Intangible assets	14	201,192	206,494	-	-
Investment property	15	2,039	2,099	-	-
Investment in subsidiaries	16	-	-	660,175	649,887
Deferred tax assets	24	700	315	-	-
		929,709	927,182	660,175	649,887
Current assets					
Inventories	17	15,908	11,622	-	-
Trade and other receivables	18	65,600	51,592	788	8,507
Tax recoverable		11,409	10,755	-	-
Cash and bank balances	19	109,564	188,572	32,722	42,768
		202,481	262,541	33,510	51,275
Total assets		1,132,190	1,189,723	693,685	701,162
Current liabilities					
Contract liabilities	4	519	525	-	-
Trade and other payables	20	69,286	72,035	642	682
Borrowings	21	39,948	25,302	-	-
Provision	22	-	381	-	-
Income tax payable		559	377	49	118
		110,312	98,620	691	800
Net current assets		92,169	163,921	32,819	50,475
Non-current liabilities					
Contract liabilities	4	357	257	-	-
Borrowings	21	143,024	179,932	-	-
Provision	22	739	222	-	-
Deferred tax liabilities	24	24,715	22,658	-	-
		168,835	203,069	-	-
Total liabilities		279,147	301,689	691	800
Net assets		853,043	888,034	692,994	700,362
Represented by:					
Equity attributable to owners of the parent					
Share capital	25	625,986	625,986	625,986	625,986
Reserves	26	-	1,316	-	1,316
Retained profits	27	227,057	260,732	67,008	73,060
Total equity		853,043	888,034	692,994	700,362

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity

For the financial year ended 30 June 2025

		Attributable to owners of the parent			
			Non-distributable Share options reserve RM'000	Distributable Retained profits RM'000	Total RM'000
	Note	Share capital RM'000			
Group					
At 1 July 2024		625,986	1,316	260,732	888,034
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year		-	-	3,606	3,606
Transactions with owners					
Fair value charges on share options granted under ESOS		-	19	-	19
Transfer within reserve for ESOS forfeited/lapsed		-	(1,335)	1,335	-
Dividend on ordinary shares		12	-	(38,616)	(38,616)
Total transactions with owners		-	(1,316)	(37,281)	(38,597)
At 30 June 2025		625,986	-	227,057	853,043
At 1 July 2023					
		625,986	1,415	234,558	861,959
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year		-	-	40,648	40,648
Transactions with owners					
Fair value charges on share options granted under ESOS		-	55	-	55
Transfer within reserve for ESOS forfeited		-	(154)	154	-
Dividend on ordinary shares		12	-	(14,628)	(14,628)
Total transactions with owners		-	(99)	(14,474)	(14,573)
At 30 June 2024		625,986	1,316	260,732	888,034

Statements of Changes in Equity

For the financial year ended 30 June 2025 (Cont'd)

		← Attributable to owners of the parent →			
			Non-distributable Share options reserve RM'000	Distributable Retained profits RM'000	
	Note	Share capital RM'000			Total RM'000
Company					
At 1 July 2024		625,986	1,316	73,060	700,362
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year		-	-	31,229	31,229
Transactions with owners					
Fair value charges on share options granted under ESOS		-	19	-	19
Transfer within reserve for ESOS forfeited/lapsed		-	(1,335)	1,335	-
Dividend on ordinary shares		12	-	(38,616)	(38,616)
Total transactions with owners		-	(1,316)	(37,281)	(38,597)
At 30 June 2025		625,986	-	67,008	692,994
At 1 July 2023					
		625,986	1,415	70,552	697,953
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year		-	-	16,982	16,982
Transactions with owners					
Fair value charges on share options granted under ESOS		-	55	-	55
Transfer within reserve for ESOS forfeited		-	(154)	154	-
Dividend on ordinary shares		12	-	(14,628)	(14,628)
Total transactions with owners		-	(99)	(14,474)	(14,573)
At 30 June 2024		625,986	1,316	73,060	700,362

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Cash Flows

For the financial year ended 30 June 2025

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Operating activities				
Profit before tax	7,072	52,621	31,526	17,320
Adjustments for:				
Allowance for expected credit losses:				
- trade receivables	646	147	-	-
Amortisation of intangible assets	5,852	2,750	-	-
Property, plant and equipment:				
- depreciation	28,189	25,095	-	-
- written off	36	68	-	-
- gain on disposal	(12)	-	-	-
Depreciation of investment property	60	60	-	-
Gain on termination of leases	(2)	(42)	-	-
Gain on disposal of subsidiaries	-	-	-	(1,135)
Loss on liquidation of a subsidiary	-	-	-	8
Inventory written off	143	131	-	-
Unwinding of discount on provision for restoration	14	8	-	-
Interest expense	9,322	10,246	-	-
Interest income	(4,167)	(5,466)	(1,361)	(1,589)
Dividend income	-	-	(33,650)	(17,291)
Fair value charges on share options granted under ESOS	19	55	6	15
Operating profit/(loss) before changes in working capital	47,172	85,673	(3,479)	(2,672)
Changes in working capital:				
Inventories	(4,429)	1,619	-	-
Receivables	(14,654)	8,746	(2,556)	(5,042)
Contract liabilities	94	782	-	-
Payables	5,715	(10,906)	(40)	(1,260)
Cash flows from/(used in) operations	33,898	85,914	(6,075)	(8,974)
Interest paid	(9,126)	(10,176)	-	-
Income taxes paid	(2,266)	(975)	(366)	(256)
Net cash flows from/(used in) operating activities	22,506	74,763	(6,441)	(9,230)

Statements of Cash Flows

For the financial year ended 30 June 2025 (Cont'd)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Investing activities				
Uplift/(placement) of deposits placed with:				
- financial institutions with original maturity of more than three months	32,225	(31,058)	11,003	7,425
- deposits pledged	94	(36)	-	-
Interest received	4,167	5,466	1,361	1,589
Subscription of shares in subsidiaries	-	-	-	(394)
Proceeds from liquidation of a subsidiary	-	-	-	55
Proceeds from disposals of property, plant and equipment	12	-	-	-
Purchase of property, plant and equipment	(40,707)	(25,350)	-	-
Purchase of intangible assets	(432)	(3,195)	-	-
Dividend received from subsidiaries	-	-	33,650	17,291
Net cash flows (used in)/from investing activities	(4,641)	(54,173)	46,014	25,966
Financing activities				
Dividends paid	(38,616)	(14,628)	(38,616)	(14,628)
Drawdown of term loan	-	2,978	-	-
Repayments of:				
- lease liabilities	(2,461)	(2,027)	-	-
- finance lease obligation	(882)	(882)	-	-
- industrial hire purchase	(22,595)	(15,097)	-	-
- term loans				
Net cash flows used in financing activities	(64,554)	(29,656)	(38,616)	(14,628)
Net changes in cash and cash equivalents	(46,689)	(9,066)	957	2,108
Cash and cash equivalents at the beginning of financial year	107,511	116,577	14,704	12,596
Cash and cash equivalents at the end of financial year (Note 19)	60,822	107,511	15,661	14,704

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

30 June 2025

1. CORPORATE INFORMATION

TMC Life Sciences Berhad (the "Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The registered office of the Company is located at 7th Floor, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur. The principal place of business of the Company is located at Level 11, No.11, Jalan Teknologi, Taman Sains Selangor 1, PJU 5, Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan.

The immediate, penultimate and ultimate holding companies are Sasteria (M) Pte. Ltd., Sasteria Pte. Ltd. and Thomson Medical Group Limited respectively, all of which are incorporated in The Republic of Singapore. The ultimate holding company is listed on the Mainboard of Singapore Exchange Securities Trading Limited.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 16.

There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 August 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and amended MFRSs which are mandatory for annual financial periods beginning on or after 1 January 2024 described fully in Note 2.2.

The financial statements have been prepared on the historical cost basis except otherwise disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM"), and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

2.2 Changes in accounting policies

On 1 July 2024, the Group and the Company adopted the following Amendments to MFRSs which are effective for annual financial periods beginning on or after 1 January 2024.

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 16 Leases: <i>Lease liability in a Sale and Leaseback</i>	1 January 2024
• Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non Current</i>	1 January 2024
• Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
• Amendments to MFRS 107 and MFRS 7 Disclosures: <i>Supplier Finance Arrangements</i>	1 January 2024

The adoption of the above standards did not have any significant impact on the financial statements of the Group and of the Company.

Notes to the Financial Statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)**2.3 Standards issued but not yet effective**

The standards that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 121: <i>The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability</i>	1 January 2025
• Annual Improvements to MFRS 1, 7, 9, 10, 107 and 141: <i>Accounting Standards - Volume 11</i>	1 January 2026
• Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
• Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: <i>Disclosures - Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
• MFRS 18: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
• MFRS 19: <i>Subsidiaries without Public Accountability: Disclosure</i>	1 January 2027
• Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Directors expect that the adoption of the above standards will have no material impact on the financial statements in the period of initial application, except for the changes in presentation and disclosures of financial information arising from the adoption of the standard as discussed below:

MFRS 18: Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101: *Presentation of Financial Statements*. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to MFRS 107: *Statement of Cash Flows* and some requirements of MFRS 101 have been moved to MFRS 108: *Basis of Preparation of Financial Statements*.

MFRS 18 additional requirements are as follows:

(i) Statement of profit or loss and other comprehensive income

MFRS 18 introduces newly defined "operating profit or loss" and "profit or loss before financing and income tax" subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged.

Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

(ii) Statement of cash flows

The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from "profit or loss" to "operating profit or loss". It also provides guidance on classification of interest and dividend in statement of cash flows.

(iii) New disclosures of expenses by nature

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

Notes to the financial statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)

2.3 Standards issued but not yet effective (contd.)

MFRS 18: *Presentation and Disclosure in Financial Statements* (contd.)

MFRS 18 additional requirements are as follows (contd.):

(iv) Management-defined Performance Measures (“MPMs”)

The standard requires disclosure of explanations of the entity’s company-specific measures that are related to the statement of profit or loss, referred as MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(v) Enhanced guidance on aggregation and disaggregation

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

The Group and the Company are currently assessing the impact of MFRS 18, particularly with respect to the structure of the statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group and the Company are also assessing the impact on aggregation and disaggregation on how information is grouped in the financial statements.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- (i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) exposure, or rights, to variable returns from its investment with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) the contractual arrangement with the other vote holders of the investee;
- (ii) rights arising from other contractual arrangements; and
- (iii) the Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Notes to the Financial Statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)**2.4 Basis of consolidation (contd.)**

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation except for unrealised losses which are not eliminated if there are indications of impairment.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date's fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition date's fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9: *Financial Instruments* is measured at fair value with the changes in fair value recognised in the statement of comprehensive income in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the fair value of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate fair value of the consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss on acquisition date.

2.5 Subsidiaries

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Notes to the financial statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)

2.6 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Freehold land has an unlimited useful life and is not depreciated. Capital work-in-progress ("WIP") are also not depreciated as these assets are not available for use. Depreciation of buildings constructed on leasehold land is provided for on a straight-line basis to write off the cost of the asset to its residual value over the shorter of the estimated useful life of 50 years or the respective remaining lease periods of the leasehold land.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Buildings	2%
Electrical and mechanical equipment	10%
Motor vehicles	20%
Medical equipment	10%
Furniture and fittings	10% - 20%
Renovation	10% - 15%
Office equipment and computers	10% - 25%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively, if appropriate.

2.7 Intangible assets

(a) Goodwill

Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the interest of the Group in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

Notes to the Financial Statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)**2.7 Intangible assets (contd.)****(b) Other intangible assets**

Intangible assets other than goodwill acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is represent fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful life of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the expected useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of comprehensive income when the asset is derecognised.

Computer software

Computer software is measured initially at cost. Following initial acquisition, computer software is measured at cost less any accumulated amortisation and accumulated impairment losses.

The useful life of computer software is assessed to be finite. Computer software is amortised on a straight-line basis over the estimated useful life assessed for impairment whenever there is an indication that it may be impaired.

During the financial year, the Group and the Company conducted a review to reassess the useful lives of their intangible assets. This reassessment was conducted in light of the change in plan with regards to the usage of the hospital information management system, resulting in the need to revise the expected useful lives of certain intangible assets.

As a result of this review, the useful lives of certain intangibles were revised to better reflect the remaining expected useful lives of certain intangibles, which were previously assessed to have useful lives at annual rates of 10% to 33%, were revised to 25% to 50% with the following impact on the amortisation expense in statement of comprehensive income.

	2025 RM'000	2026 RM'000	2027 RM'000	After 2027 RM'000
Net increase/(decrease) in amortisation expense	2,967	3,955	(1,762)	(5,160)

Notes to the financial statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)

2.7 Intangible assets (contd.)

(b) Other intangible assets (contd.)

The change in estimated useful lives is accounted for prospectively in accordance with MFRS 108: *Accounting Policies, Changes in Accounting Estimates and Errors*.

The amortisation expense on computer software with finite life is recognised in the statement of comprehensive income.

Gains or losses arising from derecognition of computer software are measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income when the asset is derecognised.

2.8 Investment property

Investment property is property which is held to earn rental yields or for capital appreciation or for both and is not occupied by the Group. Investment property also include property that is being constructed or developed for future use as investment property. Investment property is initially measured at cost, which includes transaction costs.

Subsequent costs are included in the carrying amount of the investment property or recognised as a separate asset, as appropriate, only when the costs are incurred and it is probable that the future economic benefits associated with the asset would flow to the Group and the costs of the asset could be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of investment property is recognised in the statement of comprehensive income as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the investment property is acquired, if applicable.

After initial recognition, investment property is stated at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost or valuation of the investment property to its residual value on a straight-line basis over its estimated useful life. The principal depreciation period for the investment property is fifty (50) years.

At the end of each reporting period, the carrying amount of an item of the investment property is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the investment property. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

Investment property is derecognised when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from their disposal. The gain or loss arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and is recognised in the statement of comprehensive income in the period of the retirement or disposal.

Notes to the Financial Statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)**2.9 Inventories**

Inventories are stated at the lower of cost, which is determined on the weighted average basis, and net realisable value. Cost includes expenditure incurred in bringing inventories to their present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

2.10 Impairment of non-financial assets

The Group and the Company assess, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group and the Company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group and the Company base their impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's and of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of comprehensive income in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group and the Company estimate the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually or when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment loss relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Notes to the financial statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)

2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. The Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refers to how they manage their financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debts instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original weighted average effective interest rate ("EIR"). The expected cash flows will include cash flows from the sales of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within next 12 months ("a 12 months ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

For trade receivables, the Group applies simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on historical credit experience. The Group considers forward looking factors do not have significant impact to credit risk given the nature of its industry and the amount ECLs is insensitive to changes to forecast economic conditions.

The Group and the Company consider a financial assets to be default when internal and external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. Financial assets is written off when there is no reasonable expectation of recovering the contractual cash flows.

(b) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Notes to the Financial Statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)**2.11 Financial instruments (contd.)****(b) Financial liabilities (contd.)****Initial recognition and measurement (contd.)**

The Group's and the Company's financial liabilities include lease liabilities, trade and other payables, loans and borrowings including financial guarantee contracts, if any.

After initial recognition, these financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statements of comprehensive income.

This category generally applies to trade and other payables, interest-bearing loans and borrowings, lease liabilities as further disclosed in Note 20, 21 and 23 respectively.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incur in connection with the borrowing of funds.

2.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for restoration costs are in respect of management's best estimate of the costs necessary to be incurred to restore rented premises. The initial estimated amount is capitalised as part of the cost for property, plant and equipment.

Notes to the financial statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)

2.14 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(a) Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Long term leasehold land	99 years
Buildings	1 - 3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy of impairment of non-financial assets is disclosed in Note 2.10.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in financial liabilities in Note 21.

Notes to the Financial Statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)**2.14 Leases (contd.)****(a) Group as a lessee (contd.)****(iii) Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(b) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.15 Revenue and other income recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sale of goods and rendering of services

Revenue from hospital operations comprises inpatient and outpatient hospital charges and sales of pharmaceutical products, medical and consumable supplies. These are recognised at a point in time upon transfer of control of goods and services to the customers net of discounts, rebates and returns.

Revenue from embryo freezing maintenance and healthcare related package services are recognised over time as and when services are rendered.

Other hospital revenue mainly consists of clinic rental from consultants. These are recognised on an accrual basis in accordance with the substance of the relevant agreements.

(b) Dividend income

Dividend income is recognised when the Company's right to receive payment is established.

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Notes to the financial statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)

2.16 Taxes

(a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associate and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associate and joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Notes to the Financial Statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)**2.16 Taxes (contd.)****(b) Deferred tax (contd.)**

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

2.17 Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company.

A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of comprehensive income.

2.18 Employee benefits**(a) Short term benefits**

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave, maternity and paternity leave are recognised when the absences occur.

(b) Defined contribution plan

The Group and the Company participate in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(c) Share-based payments**Employees' share options scheme ("ESOS")**

The Company operates an equity-settled, share-based compensation plan, allowing the employees of the Group to acquire ordinary shares of the Company at predetermined prices. The total fair value of share options granted to employees is recognised as an expense with a corresponding increase in the share options reserve within equity over the vesting period and taking into account the probability that the options will be vested.

Notes to the financial statements

30 June 2025 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (contd.)

2.18 Employee benefits (contd.)

(c) Share-based payments (contd.)

Employees' share options scheme ("ESOS") (contd.)

The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At the end of each reporting period, the Company revises its estimates of the number of options that are expected to become exercisable on vesting date. The Company recognises the impact of the revision of original estimates, if any, in profit or loss, with a corresponding adjustment to equity over the remaining vesting period.

2.19 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group and of the Company.

2.20 Current versus non-current classification

The Group and the Company present assets and liabilities in the statements of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within 12 months after the reporting period; or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within 12 months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Group and the Company classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Notes to the Financial Statements

30 June 2025 (Cont'd)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Critical judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(a) Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group included the renewal period as part of the lease term for leases of properties with shorter non-cancellable period such as one to three years. The Group typically exercises its option to renew for these leases because there will be a significant negative effect on operation if a replacement asset is not readily available. The renewal periods for leases with longer non-cancellable periods are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

3.2 Key sources of estimation uncertainties

The key assumptions concerning the future and other key sources of estimation and uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Impairment of goodwill

Goodwill is tested for impairment annually and other times when such indicators exist. This requires management to estimate the expected future cash flows of the CGU to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to terminal growth rates and pre-tax discount rate used. If the expectation is different from estimation, such difference will impact the carrying value of goodwill. The carrying amount of goodwill as at 30 June 2025 was RM193,045,000 (2024: RM193,045,000). Further details are disclosed in Note 14(a).

(b) Impairment of receivables

The Group assesses at each reporting date impairments on financial assets at amortised cost to be based on ECL model applying simplified approach. ECL is the difference between the contractual cash flows due in accordance with the terms of the contract and the cash flows the Group expects to receive. The Group applies the simplified approach, which allows expected lifetime credit losses to be recognised for trade receivables. The ECL is determined based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The carrying amount of the Group's financial assets at amortised cost at reporting date is disclosed in Note 18.

(c) Taxes

Significant estimation is involved in determining the group-wide provision for income taxes and deferred taxation. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Notes to the financial statements

30 June 2025 (Cont'd)

4. REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers				
Hospital and ancillary services	312,384	307,929	-	-
Clinic services	23,105	29,440	-	-
Clinic rental income	2,671	2,538	-	-
Hospital administration fee	2,639	2,539	-	-
Membership fees	7	25	-	-
Others	4,732	3,947	-	-
	345,538	346,418	-	-
Revenue from other sources				
Dividend income from subsidiaries	-	-	33,650	17,291
Total revenue	345,538	346,418	33,650	17,291

Timing of revenue recognition

The following tables represent revenue from contracts with customers by timing of revenue recognition:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At a point in time	341,500	342,907	-	-
Over time	4,038	3,511	-	-
	345,538	346,418	-	-

Information about contract liabilities from contracts with customers is disclosed as follows:

	Group	
	2025 RM'000	2024 RM'000
Contract liabilities	876	782

Contract liabilities primarily relate to the Group's obligation to transfer good or services to customers for which the Group has received advances from customers for embryo freezing maintenance and healthcare related package services.

Set out below is the amount of revenue recognised from:

	Group	
	2025 RM'000	2024 RM'000
Amounts included in contract liabilities at the beginning of the year	525	-

Notes to the Financial Statements

30 June 2025 (Cont'd)

4. REVENUE (contd.)

Contract liabilities are recognised as revenue as the Group performs under the contract. Set out below is the movement of contract liabilities during the financial year:

	Group	
	2025	2024
	RM'000	RM'000
At beginning of financial year	782	-
Billings and advances received during the financial year	1,306	1,582
Revenue recognised during the financial year	(1,212)	(800)
At end of financial year	876	782

The transaction price allocated to the remaining performance obligations as at the reporting date is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Within one year	519	525
More than one year	357	257
	876	782

5. OTHER INCOME

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Rental income	2,353	1,633	-	-
Bad debt recovered	17	1,014	-	-
Gain on disposal of plant and equipment	12	-	-	-
Gain on termination of leases (Note 23(b))	2	42	-	-
Car park collection income	1,369	1,011	-	-
Sponsorship income	96	-	-	-
Gain on disposal of subsidiaries	-	-	-	1,135
Others	752	464	-	-
	4,601	4,164	-	1,135

6. FINANCE COSTS

	Group	
	2025	2024
	RM'000	RM'000
Interest expense on:		
- lease liabilities (Note 23(b))	137	135
- term loans	8,948	9,959
- amortisation of finance fees on borrowings	196	70
- finance lease obligation - industrial hire purchase	41	82
- unwinding of discount on provision for restoration (Note 22)	14	8
	9,336	10,254

Notes to the financial statements

30 June 2025 (Cont'd)

7. PROFIT BEFORE TAX

In addition to other items disclosed elsewhere in the financial statements, the following items have been included in arriving at profit before tax:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
- statutory audit (EY Malaysia)	358	324	85	77
- other services (EY Malaysia)	92	96	7	6
Director's remuneration, excluding benefits-in-kind (Note 9):				
- Executive Directors	1,523	1,738	-	100
- Non-Executive Directors	884	809	884	809
Inventory written off	143	131	-	-
Property, plant and equipment (Note 13):				
- depreciation	28,189	25,095	-	-
- written off	36	68	-	-
Amortisation of intangible assets (Note 14)	5,852	2,750	-	-
Depreciation of investment property (Note 15)	60	60	-	-
Expenses related to short-term leases and low-value assets (Note 23(b)):				
- equipment	161	165	-	-
- premises	-	6	-	-
Allowance for expected credit losses:				
- trade receivables (Note 18(a))	646	147	-	-
Loss on liquidation of a subsidiary	-	-	-	8
Realised loss on foreign exchange	3	4	-	-

8. STAFF COSTS

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Salaries, wages and bonuses	86,884	77,793	-	-
Social security contributions	1,313	1,154	-	-
Contributions to defined contribution plans	10,859	9,863	-	-
Fair value charges on share options granted under ESOS	13	40	-	-
Allowances	8,838	10,129	-	-
Other benefits	10,039	8,110	-	-
	117,946	107,089	-	-

Included in staff costs of the Group are Executive Directors' remuneration amounting to RM1,529,000 (2024: RM1,777,000). The Executive Directors' remuneration of the Company in the previous financial year was RM111,000. The directors' remuneration of the Group and of the Company are disclosed in Note 9.

Notes to the Financial Statements

30 June 2025 (Cont'd)

9. DIRECTORS' REMUNERATION

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Executive Directors' remuneration:				
Salaries and bonuses (Note 7)	1,435	1,510	-	-
Director fees (Note 7)	-	78	-	78
Other emoluments (Note 7)	-	22	-	22
Contributions to defined contribution plans (Note 7)	88	128	-	-
Benefits-in-kind	6	39	-	11
	1,529	1,777	-	111
Non-Executive Directors' remuneration:				
Director fees (Note 7)	558	459	558	459
Other emoluments (Note 7)	326	350	326	350
Benefits-in-kind	49	45	49	45
	933	854	933	854
Total Directors' remuneration including benefits-in-kind	2,462	2,631	933	965

The number of Directors of the Company whose total remuneration during the financial year fell within the following bands (excluding the award of ESOS and other benefits-in-kind) are analysed below:

	Number of Directors	
	2025	2024
Executive Directors:		
RM100,001 - RM150,000	-	1
RM400,001 - RM450,000	1	-
RM650,001 - RM700,000	-	1
RM900,001 - RM950,000	-	1
RM1,050,001 - RM1,100,000	1	-
Non-Executive Directors:		
RM50,001 - RM100,000	1	-
RM100,001 - RM150,000	1	2
RM150,001 - RM200,000	3	3
RM200,001 - RM250,000	1	-

Notes to the financial statements

30 June 2025 (Cont'd)

10. INCOME TAX EXPENSE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Statements of comprehensive income:				
Current income tax:				
Malaysian income tax	1,870	1,954	301	337
(Over)/underprovision in prior financial years	(76)	(7)	(4)	1
	1,794	1,947	297	338
Deferred income tax (Note 24):				
Relating to origination and reversal of temporary differences	1,798	10,994	-	-
Overprovision in prior financial years	(126)	(968)	-	-
	1,672	10,026	-	-
Income tax expense recognised in profit or loss	3,466	11,973	297	338

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year.

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before tax	7,072	52,621	31,526	17,320
Taxation at Malaysian statutory tax rate of 24% (2024: 24%)	1,697	12,629	7,566	4,157
Effect of expenses not deductible for tax purposes	1,476	1,512	811	559
Income not subject to tax	-	-	(8,076)	(4,379)
Utilisation of prior year business losses and capital allowances	-	(449)	-	-
Deferred tax assets not recognised during the financial year	495	174	-	-
Utilisation of investment tax allowances	-	(918)	-	-
(Over)/underprovision of income tax in prior financial years	(76)	(7)	(4)	1
Overprovision of deferred tax in prior financial years	(126)	(968)	-	-
	3,466	11,973	297	338

Notes to the Financial Statements

30 June 2025 (Cont'd)

11. EARNINGS PER ORDINARY SHARE**(a) Basic**

Basic earnings per ordinary share is calculated by dividing the profit for the financial year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2025 RM	2024 RM
Profit attributable to owners of the parent (RM'000)	3,606	40,648
Weighted average number of ordinary shares in issue ('000)	1,741,882	1,741,882
Basic earnings per share (sen)	0.21	2.33

(b) Diluted

There was no dilution in the earnings per share of the Group in the previous financial year as the share price of the Company as at the reporting date was lower than the exercise prices of the ESOS. The effect of assumed conversion of ESOS outstanding will be anti-dilutive and as such, the diluted earnings per share is the same as the basic earnings per share.

During the current financial year, all unexercised ESOS options lapsed on 28 May 2025. Consequently, there was no dilution in the earnings per share of the Group as at the reporting date.

12. DIVIDENDS

	Group/Company	
	2025 RM'000	2024 RM'000

Recognised during the financial year:

First and final single-tier dividend of 0.4199 sen per ordinary share and special single-tier dividend of 0.4199 sen per ordinary share in respect of financial year ended 30 June 2023 paid on 3 January 2024

- 14,628

First and final single-tier dividend of 0.4898 sen per ordinary share and a special single-tier dividend of 1.7271 sen per ordinary share in respect of financial year ended 30 June 2024 paid on 3 January 2025

38,616 -

A first and final single-tier dividend of 0.1863 sen per ordinary share in respect of the financial year ended 30 June 2025 had been declared on 26 August 2025. The financial statements for the current financial year do not reflect these proposed dividends. Such dividends will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 June 2026.

Notes to the financial statements

30 June 2025 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Right-of-use long term leasehold land RM'000	Buildings RM'000	Right-of-use assets-building RM'000	Electrical and mechanical equipment RM'000	Motor vehicles RM'000	Medical equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Office equipment and computers RM'000	Assets under construction RM'000	Total RM'000
Group												
2025												
Cost												
At 1 July 2024	180,000	19,668	357,735	6,509	3,695	350	147,598	7,593	27,527	19,632	109,295	879,602
Additions	-	-	98	3,512	153	-	17,711	677	979	1,703	11,040	35,873
Termination	-	-	-	(112)	-	-	-	-	-	-	-	(112)
Disposal	-	-	-	-	-	-	(72)	-	-	-	-	(72)
Written off	-	-	-	-	-	-	(2,665)	(30)	(27)	(8)	-	(2,730)
Reclassification	-	-	109	-	-	-	2,498	-	14,358	1,346	(18,311)	-
Transfer to intangible assets	-	-	-	-	-	-	-	-	-	-	(118)	(118)
At 30 June 2025	180,000	19,668	357,942	9,909	3,848	350	165,070	8,240	42,837	22,673	101,906	912,443
Accumulated depreciation												
At 1 July 2024	-	3,573	32,539	4,129	2,778	350	79,207	4,938	20,226	13,588	-	161,328
Depreciation charge for the financial year (Note 7)	-	204	7,156	2,448	170	-	12,143	896	2,901	2,271	-	28,189
Termination	-	-	-	(86)	-	-	-	-	-	-	-	(86)
Disposal	-	-	-	-	-	-	(72)	-	-	-	-	(72)
Written off	-	-	-	-	-	-	(2,648)	(28)	(15)	(3)	-	(2,694)
At 30 June 2025	-	3,777	39,695	6,491	2,948	350	88,630	5,806	23,112	15,856	-	186,665
Net carrying amount	180,000	15,891	318,247	3,418	900	-	76,440	2,434	19,725	6,817	101,906	725,778

Notes to the Financial Statements

30 June 2025 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (contd.)

	Freehold land RM'000	Right-of-use long term asset-leasehold land RM'000	Buildings RM'000	Right-of-use assets-building RM'000	Electrical and mechanical equipment RM'000	Motor vehicles RM'000	Medical equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Office equipment and computers RM'000	Assets under construction RM'000	Total RM'000
Group												
2024												
Cost												
At 1 July 2023	180,000	19,668	355,297	6,228	3,695	350	142,944	6,854	26,329	18,628	97,318	857,311
Additions	-	-	2	2,320	-	-	9,607	409	570	1,006	15,966	29,880
Termination	-	-	-	(2,039)	-	-	-	-	-	-	-	(2,039)
Written off	-	-	-	-	-	-	(5,093)	(4)	-	(2)	-	(5,099)
Reclassification	-	-	2,436	-	-	-	140	334	628	-	(3,538)	-
Transfer to intangible assets	-	-	-	-	-	-	-	-	-	-	(451)	(451)
At 30 June 2024	180,000	19,668	357,735	6,509	3,695	350	147,598	7,593	27,527	19,632	109,295	879,602
Accumulated depreciation												
At 1 July 2023	-	3,369	25,416	2,992	2,616	350	73,607	4,169	17,946	11,696	-	142,161
Depreciation charge for the financial year (Note 7)	-	204	7,123	2,034	162	-	10,627	772	2,280	1,893	-	25,095
Termination	-	-	-	(897)	-	-	-	-	-	-	-	(897)
Written off	-	-	-	-	-	-	(5,027)	(3)	-	(1)	-	(5,031)
At 30 June 2024	-	3,573	32,539	4,129	2,778	350	79,207	4,938	20,226	13,588	-	161,328
Net carrying amount	180,000	16,095	325,196	2,380	917	-	68,391	2,655	7,301	6,044	109,295	718,274

(a) As at the end of the financial year, a long term leasehold land and building with total carrying amount of RM334,138,000 (2024: RM341,291,000) has been charged to a bank for credit facility granted to the Group as disclosed in Note 21.

(b) As at the end of the financial year, a medical equipment held under industrial hire purchase arrangement was at net carrying amount of RM2,164,000 (2024: RM2,654,000).

(c) Further details of right-of-use assets are disclosed at Note 23(a).

Notes to the financial statements

30 June 2025 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (contd.)

During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	Group
	2025
	RM'000
	2024
	RM'000
Additions to property, plant and equipment	35,873
Right-of-use assets	(3,512)
Provision for restoration costs (Note 22)	(122)
Movement of property, plant and equipment purchased but were unsettled and remained as other payables	8,468
Cash payments on purchase of property, plant and equipment	40,707
	29,880
	(2,320)
	(39)
	(2,171)
	25,350

14. INTANGIBLE ASSETS

Intangible assets represent goodwill arising from acquisition of a subsidiary and computer software.

	Goodwill	Computer	Total
	RM'000	software	RM'000
	(a)	RM'000	
		(b)	
Group			
2025			
Cost			
At 1 July 2024	193,045	23,965	217,010
Additions	-	432	432
Transfer from property, plant and equipment	-	118	118
At 30 June 2025	193,045	24,515	217,560
Accumulated amortisation and impairment			
At 1 July 2024	-	10,516	10,516
Amortisation charge for the financial year (Note 7)	-	5,852	5,852
At 30 June 2025	-	16,368	16,368
Net carrying amount	193,045	8,147	201,192

Notes to the Financial Statements

30 June 2025 (Cont'd)

14. INTANGIBLE ASSETS (contd.)

	Goodwill RM'000 (a)	Computer software RM'000 (b)	Total RM'000
Group			
2024			
Cost			
At 1 July 2023	193,045	20,319	213,364
Additions	-	3,195	3,195
Transfer from property, plant and equipment	-	451	451
At 30 June 2024	193,045	23,965	217,010
Accumulated amortisation and impairment			
At 1 July 2023	-	7,766	7,766
Amortisation charge for the financial year (Note 7)	-	2,750	2,750
At 30 June 2024	-	10,516	10,516
Net carrying amount	193,045	13,449	206,494

(a) Goodwill

Goodwill has been allocated to the operating division of the Group, which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. The carrying amount of goodwill allocated to the CGU of the Group is as follows:

	Group	
	2025 RM'000	2024 RM'000
Healthcare services segment	193,045	193,045

Healthcare services segment represents a subsidiary, BB Waterfront Sdn. Bhd., which was acquired by the Company on 23 June 2015.

For the purpose of impairment testing, the recoverable amount of a CGU is determined based on its value in use. The value in use is determined by discounting the pre-tax cash flows based on financial forecast and financial projections approved by the management based on the following key assumptions:

	2025 %	2024 %
Terminal growth rate	3.0	3.0
Pre-tax discount rate	10.1	10.3

(i) Terminal growth rate

Rate is based on management's expectation of the terminal growth rate used to extrapolate cash flows beyond the budget period.

Notes to the financial statements

30 June 2025 (Cont'd)

14. INTANGIBLE ASSETS (contd.)**(a) Goodwill (contd.)****(ii) Pre-tax discount rate**

The pre-tax discount rate reflects the market assessment of the risks specific to the CGU. This reflected the management's best estimate of return on capital employed in the Group.

(iii) Revenue growth rate

Revenue growth rate is determined based on management's estimate of the number of beds, occupancy rate, average length of stay and inflation rate based on the industry trends and past performances of the segment.

The management believes that there is no reasonably possible change in the key assumptions on which management has based its determination of the CGU's recoverable amount, which would cause the CGU's carrying amount to materially exceed its recoverable amount.

Based on the annual impairment testing undertaken by the Group, no impairment loss is required for the carrying amount of the goodwill as at 30 June 2025.

(b) Computer software

Computer software represents license, professional services, data migration and integration of hospital information system and enterprise resource planning software that are not an integral part of property, plant and equipment. Software assets are recorded at cost and have finite useful life based on the term of the license or other contractual basis. The cost is amortised over the asset's expected useful life.

15. INVESTMENT PROPERTY

	Group	
	2025	2024
	RM'000	RM'000
Cost	2,978	2,978
Accumulated depreciation		
At the beginning of financial year	879	819
Depreciation charge for the financial year (Note 7)	60	60
At the end of financial year	939	879
Net carrying amount	2,039	2,099
Rental income derived from investment property	173	173
Direct operating expenses of income generating property	(17)	(14)
Estimated fair value at the end of financial year		
Freehold building	4,600	4,600

The fair value of investment property for disclosure purposes, which is at Level 3 fair value, was recommended by the Directors as at the end of reporting year based on indicative market value of similar properties in the vicinity on a price per square feet basis. Directors are of the opinion that this value adopted is fair and reasonable for disclosure purposes. Any changes in the price per square feet will result in a reasonable change in the fair value of the investment properties.

Notes to the Financial Statements

30 June 2025 (Cont'd)

15. INVESTMENT PROPERTY (contd.)

The Group has no restriction on the realisability of its investment properties and has no contractual obligation to enhance its investment properties.

The investment property of the Group has been charged to a bank for credit facilities granted to a subsidiary of the Company as disclosed in Note 21.

16. INVESTMENT IN SUBSIDIARIES

		Company	
	Note	2025 RM'000	2024 RM'000
Unquoted shares at cost			
- ordinary shares		386,843	386,843
- redeemable preference shares	(a)	272,135	261,860
		658,978	648,703
Add: Equity contribution to subsidiaries pursuant to ESOS		1,197	1,184
		660,175	649,887

(a) Redeemable preference shares ("RPS")

During the year, RM10,275,000 of amount due from subsidiaries have been converted into RPS. The salient terms of RPS are as follows:

- (i) They do not carry the right to vote, except for variation of holder's rights to the class of shares and the winding up of the subsidiaries;
- (ii) They rank prior to the ordinary shares with regard to the repayment of the issue price and dividend declared (if any). The RPS have no further rights to participate in the surplus assets of the subsidiaries;
- (iii) Dividends are payable to the holders of RPS at the discretion of the subsidiaries and the dividends were not cumulative;
- (iv) They are not convertible to ordinary shares; and
- (v) They are redeemable at any time, either in full or partial, at the discretion of the subsidiaries by giving relevant notice.

(b) Internal restructuring

In the previous financial year, as part of the Group internal restructuring, the Company has transferred its investments in IVF Technologies Sdn. Bhd. and TMC Lifestyle Sdn. Bhd. to a newly incorporated entity, TMC Fertility Holdings Sdn. Bhd. at a consideration mutually agreed by both parties ("Disposal").

As a result of the Group internal restructuring, the Company recognised a resultant gain on disposal of RM1,135,000 in profit or loss for the previous financial year.

The Group internal restructuring which involved the transfer of subsidiaries within the Group did not have any impact to the financial performance and position of the Group.

Notes to the financial statements

30 June 2025 (Cont'd)

16. INVESTMENT IN SUBSIDIARIES (contd.)

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business	Principal activities	Proportion of ownership interest	
			2025 %	2024 %
Thomson Hospitals Sdn. Bhd.	Malaysia	Multi-disciplinary tertiary care services	100	100
TMC Properties Sdn. Bhd.	Malaysia	Property investment	100	100
Thomson TCM Sdn. Bhd.	Malaysia	Provision of traditional and complementary services	100	100
BB Waterfront Sdn. Bhd.	Malaysia	Provision of healthcare services	100	100
TMC Care Sdn. Bhd.	Malaysia	Provision of pharmacy services and products; and management support services	100	100
TMC Fertility Holdings Sdn. Bhd. *	Malaysia	Investment holding company	100	100
Thomson Specialist Clinics (Kepong) Sdn. Bhd. *	Malaysia	Business of specialist in Obstetrics and Gynaecology	100	100
i) Subsidiaries of Thomson Hospitals Sdn. Bhd.				
TMC Women's Specialist Holdings Sdn. Bhd.	Malaysia	Business of operating fertility centres and providing related services	100	100
ii) Subsidiaries of TMC Fertility Holdings Sdn. Bhd.				
IVF Technologies Sdn. Bhd.	Malaysia	Provision of fertility services and operation of women's clinic	100	100
TMC Lifestyle Sdn. Bhd.	Malaysia	Development, marketing and management of healthcare programmes; Provision of fertility consultancy, laboratory and embryology services and research and development	100	100
TMC Fertility (Ipoh) Sdn. Bhd. *	Malaysia	Provision of fertility services and operation of women's clinic	100	100
TMC Fertility (Penang) Sdn. Bhd. *	Malaysia	Provision of fertility services and operation of women's clinic	100	100
TMC Fertility South Sdn. Bhd. *	Malaysia	Provision of fertility services and operation of women's clinic	100	100

* Newly incorporated subsidiaries in the previous financial year. The subsidiaries' first audited financial period is for the period ended 30 June 2024.

Notes to the Financial Statements

30 June 2025 (Cont'd)

17. INVENTORIES

	Group	
	2025 RM'000	2024 RM'000
At cost:		
Pharmaceutical products	9,156	4,979
Medical and consumable supplies	6,752	6,643
	15,908	11,622

During the financial year, the amount of inventories and consumables recognised as an expense in the statement of comprehensive income of the Group was RM118,019,000 (2024: RM101,314,000).

18. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade receivables					
Third parties		45,581	33,753	-	-
Less: Allowance for expected credit losses		(2,907)	(2,626)	-	-
Trade receivables, net	(a)	42,674	31,127	-	-
Other receivables					
Other receivables	(b)(i)	17,704	15,021	293	356
Amounts due from subsidiaries	(b)(ii)	-	-	106	7,756
Deposits		2,074	2,559	1	1
Prepayments		3,350	3,087	388	394
		23,128	20,667	788	8,507
Less: Allowance for expected credit losses: - other receivables		(202)	(202)	-	-
Other receivables, net	(b)	22,926	20,465	788	8,507
Total trade and other receivables		65,600	51,592	788	8,507
Less: Prepayments		(3,350)	(3,087)	(388)	(394)
Add: Cash and bank balances (Note 19)		109,564	188,572	32,722	42,768
Total financial assets carried at amortised cost		171,814	237,077	33,122	50,881

Notes to the financial statements

30 June 2025 (Cont'd)

18. TRADE AND OTHER RECEIVABLES (contd.)**(a) Trade receivables**Ageing analysis of trade receivables

The ageing analysis of the Group's total trade receivables is as follows:

	Gross Carrying Amount RM'000	Allowance for expected credit losses RM'000	Net Carrying Amount RM'000
Group 2025			
Current	23,874	63	23,811
Less than 30 days	10,596	98	10,498
30 days to 60 days	3,033	62	2,971
61 days to 90 days	1,938	36	1,902
91 days to 120 days	1,385	32	1,353
More than 121 days	4,755	2,616	2,139
Total	45,581	2,907	42,674
2024			
Current	17,788	-	17,788
Less than 30 days	5,522	63	5,459
30 days to 60 days	2,886	35	2,851
61 days to 90 days	2,488	60	2,428
91 days to 120 days	1,064	40	1,024
More than 121 days	4,005	2,428	1,577
Total	33,753	2,626	31,127

The Group's trade receivables are non-interest bearing and are subject to normal trade credit terms ranging from 30 to 60 days (2024: 30 to 60 days). Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances more than 90 days, which are deemed to have higher credit risk, are monitored individually.

The Group has net trade receivables amounting to RM5,394,000 (2024: RM5,029,000) are aged more than 60 days. These receivables are unsecured. Management is confident that these receivables are recoverable as these accounts are still active.

Notes to the Financial Statements

30 June 2025 (Cont'd)

18. TRADE AND OTHER RECEIVABLES (contd.)**(a) Trade receivables (contd.)**Movement in expected credit losses for trade receivables

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

Movement in allowance for expected credit loss:

	Group	
	2025	2024
	RM'000	RM'000
At the beginning of financial year	2,626	3,336
Allowance for expected credit losses (Note 7)	646	147
Written off	(365)	(857)
At the end of financial year	2,907	2,626

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(b) Other receivables

(i) Other receivables of the Group include patient billings made on behalf of doctors amounting to RM16,192,000 (2024: RM13,643,000). Other receivables are unsecured and non-interest bearing.

(ii) The amounts due from subsidiaries are unsecured, non-interest bearing and are repayable upon demand.

Other receivables that are impaired

The Group's other receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the expected credit losses are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Other receivables		
- nominal amount	202	202
Less: Allowance for expected credit losses	(202)	(202)
	-	-

Movement in allowance accounts:

At the beginning/end of financial year		
- other receivables	202	202

Included in other receivables of the Group is an amount of RM78,883 (2024: RM78,883) owing from a related company. The amount due from a related company is unsecured, non-interest bearing and is repayable upon demand.

Further details of related party transaction are disclosed in Note 28.

Notes to the financial statements

30 June 2025 (Cont'd)

19. CASH AND BANK BALANCES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash at banks and on hand	43,555	60,003	2,655	7,145
Deposits with licensed banks	66,009	128,569	30,067	35,623
	109,564	188,572	32,722	42,768

- (a) Included in deposits with licensed banks of the Group is an amount of RM1,646,000 (2024: RM1,740,000) which is pledged as securities for facilities granted to the Group.
- (b) Cash restricted in use of the Group amounting to RM2,460,000 (2024: RM2,460,000) are assigned and charged as security for a Debt Service Reserve Account.
- (c) The EIR and range of maturity of deposits of the Group and of the Company at the reporting date were as follows:

	Group		Company	
	2025	2024	2025	2024
Weighted average effective interest rates (%)	3.07	3.25	3.54	3.84
Range of maturities (months)	1-12	1-12	1-6	3-6

For the purpose of statements of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash at banks and on hand	43,555	60,003	2,655	7,145
Deposits with licensed banks	66,009	128,569	30,067	35,623
	109,564	188,572	32,722	42,768
Less:				
Deposits with licensed banks (for more than 3 months)	(44,636)	(76,861)	(17,061)	(28,064)
Deposit pledged to a licensed bank	(1,646)	(1,740)	-	-
Cash restricted in use	(2,460)	(2,460)	-	-
Total cash and cash equivalents	60,822	107,511	15,661	14,704

Notes to the Financial Statements

30 June 2025 (Cont'd)

20. TRADE AND OTHER PAYABLES

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Trade payables					
Third parties	(a)	26,875	18,450	-	-
Other payables					
Amounts due to subsidiaries	(b)(i)	-	-	135	94
Other payables	(b)(ii)	28,349	32,639	220	9
Deposits received		779	756	-	-
Accruals		13,283	20,190	287	579
		42,411	53,585	642	682
Total trade and other payables		69,286	72,035	642	682
Add: Borrowings (Note 21)		182,972	205,234	-	-
Total financial liabilities carried at amortised cost		252,258	277,269	642	682

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranged from 30 to 90 (2024: 30 to 90) days.

(b) Other payables

- (i) The amounts due to subsidiaries are unsecured, non-interest bearing and are repayable upon demand.
- (ii) Other payables of the Group include patient billings made on behalf of doctors and payable to doctors upon collection from patients, amounting to RM21,568,000 (2024: RM21,510,000). Other payables are non-interest bearing. Other payables (other than those patients billings made on behalf of doctors and payables to doctors) are normally settled on an average term of two months (2024: average term of two months).

21. BORROWINGS

	Maturity	Group 2025 RM'000	Group 2024 RM'000
Current			
Lease liabilities	2026	1,901	1,814
Secured:			
Term loans	2026	37,605	22,601
Finance lease obligation			
- Industrial hire purchase	2026	442	887
		39,948	25,302

Notes to the financial statements

30 June 2025 (Cont'd)

21. BORROWINGS (contd.)

	Maturity	Group 2025 RM'000	2024 RM'000
Non-current			
Lease liabilities	2027 - 2028	1,598	662
Secured:			
Term loans	2027 - 2030	141,426	178,829
Finance lease obligation			
- Industrial hire purchase		-	441
		143,024	179,932
Total borrowings			
Lease liabilities (Note 23(b))		3,499	2,476
Secured:			
Term loans		179,031	201,430
Finance lease obligation			
- Industrial hire purchase		442	1,328
		182,972	205,234

As at reporting date, the weighted average EIR for the borrowings were as follows:

	Group 2025 %	2024 %
Floating rate		
Term loans	4.60	4.63
Finance lease obligation		
- Industrial hire purchase	4.79	4.74
Fixed rate		
Lease liabilities	4.80	4.70

The remaining maturities of the borrowings as at 30 June 2025 and 30 June 2024 are as follows:

	Group 2025 RM'000	2024 RM'000
On demand	39,948	25,302
1 to 2 years	46,085	38,700
3 to 5 years	96,939	137,859
> 5 years	-	3,373
	182,972	205,234

On 8 April 2010, a wholly-owned subsidiary, TMC Properties Sdn. Bhd. ("TMCP"), has entered into a term loan facility of up to RM2,125,000 with Public Bank Berhad to finance the purchase of a unit of 3 ½ storey shop office located at Bandar Puchong Jaya. The first drawdown was made in May 2010, and the first principal repayment shall commence in June 2010. The term loan is secured by a first legal charge over an investment property of the Group as disclosed in Note 15 and a corporate guarantee from the Company as disclosed in Note 30(a).

Notes to the Financial Statements

30 June 2025 (Cont'd)

21. BORROWINGS (contd.)

On 14 January 2020, a wholly-owned subsidiary, Thomson Hospitals Sdn. Bhd. ("THSB"), has entered into a term loan facility of up to RM300 million with Malayan Banking Berhad to facilitate the construction of hospital related expansions plan undertaken by THSB at Kota Damansara, Petaling Jaya (the "Project") for the development cost of the Project. The first drawdown was made on 11 March 2020, and the first principal repayment commenced on the 36-month from the date of first drawdown.

The securities for THSB's facilities are as follows:

- (i) First legal charge over the land and buildings at Thomson Hospital Kota Damansara as disclosed in Note 13;
- (ii) Corporate guarantee from the Company as disclosed in Note 30(a); and
- (iii) General debenture by way of fixed and floating charge over the present and future assets of the Project under the term loan facility.

A term loan includes financial covenants requiring the Group to maintain a debt-to-equity ratio of not more than 1.0 times at all times. Additionally, the term loan requires THSB to maintain a debt service cover ratio of at least 1.1 times and a security cover ratio of at least 1.3 times.

As at reporting date, the Group has no indication of any difficulty in complying with these covenants.

On 30 October 2020, THSB has entered into an industrial hire purchase facility up to RM4,410,000 with OCBC Bank Berhad to finance the purchase of a medical equipment. The hire purchase was drawdown in December 2020, and the first principal repayment commenced in the same month. The hire purchase is secured by corporate guarantee from the Company as disclosed in Note 30(a).

Reconciliation of liabilities arising from financing activities

	At 1 July 2024 RM'000	Cash flows RM'000	Other changes RM'000	At 30 June 2025 RM'000
Group				
Lease liabilities	2,476	(2,461)	3,484	3,499
Term loans	201,430	(22,595)	196	179,031
Finance lease obligation - Industrial hire purchase	1,328	(882)	(4)	442
Total	205,234	(25,938)	3,676	182,972
	At 1 July 2023 RM'000	Cash flows RM'000	Other changes RM'000	At 30 June 2024 RM'000
Group				
Lease liabilities	3,367	(2,027)	1,136	2,476
Term loans	213,479	(12,119)	70	201,430
Finance lease obligation - Industrial hire purchase	2,213	(882)	(3)	1,328
Total	219,059	(15,028)	1,203	205,234

Included in the other changes are transaction costs deducted against carrying amount of loans and borrowings amortised under effective interest rate method, and accrued but not yet paid interest on interest-bearing loans and borrowings.

Notes to the financial statements

30 June 2025 (Cont'd)

22. PROVISION

	Restoration costs of right-of-use assets-building	
	2025	2024
	RM'000	RM'000
Group		
At beginning of financial year	603	556
Arising during the financial year (Note 13)	122	39
Unwinding discount (Note 6)	14	8
At the end of financial year	739	603
Current	-	381
Non-current:		
- More than 2 years and less than 3 years	739	222
	739	603

Provision for restoration costs are the estimated costs of dismantling, removal or restoration of right-of-use assets-building arising from the use of such assets.

23. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**The Group as a lessee**

The Group has lease contracts for various properties and equipment used in its operations. Leases of properties and equipment generally have lease terms between 1 to 3 years. The Group's obligation under its leases is secured by the lessor's title to the leased assets.

The Group also has certain leases of premises with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(a) Right-of-use assets

The carrying amounts of right-of-use assets recognised and the movements during the financial year is disclosed in Note 13 under right-of-use assets-building category and long term leasehold land category.

The leases of premises are mainly used for the Group's hospital operation and clinics, and staff hostel.

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the financial year:

	Group	
	2025	2024
	RM'000	RM'000
At the beginning of financial year	2,476	3,367
Additions (Note 13)	3,512	2,320
Termination	(28)	(1,184)
Interest expense on lease liabilities (Note 6)	137	135
Payments	(2,598)	(2,162)
At the end of financial year (Note 21)	3,499	2,476

Notes to the Financial Statements

30 June 2025 (Cont'd)

23. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (contd.)**The Group as a lessee (contd.)****(b) Lease liabilities (contd.)**

The maturity analysis of lease liabilities are disclosed in Note 31(c).

The following are the amounts recognised in profit or loss:

	Group	
	2025	2024
	RM'000	RM'000
Depreciation expense of right-of-use assets:		
- long term leasehold land (Note 13)	204	204
- building (Note 13)	2,448	2,034
Interest expense on lease liabilities (Note 6)	137	135
Expenses related to short-term leases and low-value assets (Note 7):		
- equipment	161	165
- premises	-	6
Gain on termination of leases (Note 5)	(2)	(42)
Total amount recognised in profit or loss	2,948	2,502

During the financial year, the Group had total cash outflows for leases of RM2,759,000 (2024: RM2,333,000). The Group also had non-cash additions to right-of-use assets and lease liabilities of RM3,512,000 (2024: RM2,320,000).

24. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2025	2024
	RM'000	RM'000
At the beginning of financial year	(22,343)	(12,317)
Recognised in profit or loss (Note 10)	(1,672)	(10,026)
At the end of financial year	(24,015)	(22,343)

Presented after appropriate offsettings as follows:

Deferred tax assets	700	315
Deferred tax liabilities	(24,715)	(22,658)
	(24,015)	(22,343)

Notes to the financial statements

30 June 2025 (Cont'd)

24. DEFERRED TAX ASSETS/(LIABILITIES) (contd.)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group

	Provisions RM'000	Investment tax allowances RM'000	Offsetting RM'000	Total RM'000
At 1 July 2023	2,190	25,520	(25,622)	2,088
Recognised in profit or loss	(81)	(8,521)	6,829	(1,773)
At 30 June 2024	2,109	16,999	(18,793)	315
At 1 July 2024	2,109	16,999	(18,793)	315
Recognised in profit or loss	574	254	(443)	385
At 30 June 2025	2,683	17,253	(19,236)	700

Deferred tax liabilities of the Group

	Fair value adjustment on business combination RM'000	Property, plant and equipment RM'000	Offsetting RM'000	Total RM'000
At 1 July 2023	(16,336)	(23,691)	25,622	(14,405)
Recognised in profit or loss	-	(1,424)	(6,829)	(8,253)
At 30 June 2024	(16,336)	(25,115)	18,793	(22,658)
At 1 July 2024	(16,336)	(25,115)	18,793	(22,658)
Recognised in profit or loss	75	(2,575)	443	(2,057)
At 30 June 2025	(16,261)	(27,690)	19,236	(24,715)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to the Financial Statements

30 June 2025 (Cont'd)

24. DEFERRED TAX ASSETS/(LIABILITIES) (contd.)

The amounts of unused tax losses and unabsorbed capital allowances of which no deferred tax assets are recognised in the statements of financial position are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Unused tax losses	5,475	3,673
Unabsorbed capital allowances	1,447	1,184
	6,922	4,857
Deferred tax benefit at 24% (2024: 24%), if recognised	1,661	1,166

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries are subject to a 10-year limitation on the carry forward of those losses under the Finance Bill 2021 and guidelines issued by the tax authority. The availability of unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the respective subsidiaries are also subject to no substantial changes in shareholdings of the respective subsidiaries under Income Tax Act, 1967 and guidelines issued by the tax authority. Deferred tax assets of certain subsidiaries have not been recognised as it is not probable that their future taxable profits will be available against which they may be utilised.

Pursuant to the relevant tax regulations, the unrecognised tax losses at the end of reporting period will expire as follows:

	Group	
	2025	2024
	RM'000	RM'000
Year of assessment:		
2029	1,344	1,344
2030	656	656
2031	596	596
2032	369	369
2033	229	229
2034	479	479
2035	1,802	-
	5,475	3,673

25. SHARE CAPITAL

	Group/Company		Amount	
	Number of shares		2025	2024
	2025	2024	2025	2024
	'000	'000	RM'000	RM'000
Issued and fully paid, at no par value	1,741,882	1,741,882	625,986	625,986

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Notes to the financial statements

30 June 2025 (Cont'd)

26. RESERVES

	Note	Group	Company
		2025	2024
		RM'000	RM'000
		2025	2024
		RM'000	RM'000
Non-distributable:			
Share options reserve	(a)	-	1,316

(a) Share options reserve

The share options reserve represents the effect of equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees recorded on the grant date of share options. When options are exercised, the amount from the share options reserve is transferred to share capital. The share options reserve in relation to the vested unexercised options at the expiry of the share option scheme will be transferred to retained profits. Following the expiration of ESOS on 28 May 2025, the share option reserve relating to the vested but unexercised options was transferred to retained profits.

(b) Employees' share options scheme

The Company implemented an ESOS, which is in force for a period of five (5) years until 28 May 2020 ("the option period"). On 28 April 2020, the Company resolved to extend the duration of the exercisable of unexercised ESOS shares, expired on 28 May 2020 for another 5 years to 28 May 2025 in accordance with the provisions of the ESOS By-Laws.

The main features of the ESOS were as follows:

- (i) Eligible Directors and employees must be at least eighteen (18) years of age on the Date of Offer, who are confirmed on the Date of Offer (in respect of Employee only) and have served full time for at least a period of one (1) year of continuous services before the date of offer;
- (ii) The total number of shares offered under the ESOS shall not, in aggregate, exceed 15% of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company at any time during the existence of the ESOS;
- (iii) The option price per ordinary share under ESOS granted in Financial Year 2016 and Financial Year 2021 were RM0.75, Financial Year 2017 and Financial Year 2019 were RM0.94 respectively;
- (iv) The option granted to an Eligible Person shall be subject to a minimum of one hundred (100) Options and in multiples of one hundred (100) Options and is subject to the following:
 - Not more than 10% of the shares available under the ESOS shall be allocated to an eligible person, who either singly or collectively through persons connected with eligible persons, holds 20% or more of the issued and paid-up ordinary share capital (excluding treasury shares of the Company);
- (v) An option granted under ESOS in Financial Year 2016, Financial Year 2017, Financial Year 2019 and Financial Year 2021 may be exercised by the grantee upon achieving the vesting conditions set by the ESOS Committee and is subject to the allotment of shares over the vesting periods of 10 years, 8.34 years, 6.67 years and 4.53 years, respectively after the extension of another 5 years of exercisable period; and
- (vi) The shares shall on issue and allotment rank pari passu in all respect with the then existing issued shares of the Company.

Notes to the Financial Statements

30 June 2025 (Cont'd)

26. RESERVES (contd.)

(b) Employees' share options scheme (contd.)

The details of the options over the ordinary shares of the Company are as follows:

		← Number of options over ordinary shares →				Exercisable	
	Option price RM	1.7.2024 '000	Granted '000	Exercised '000	Lapsed/ forfeited '000	30.6.2025 '000	30.6.2025 '000
Grant date							
28 August 2015	0.75	3,746	-	-	(3,746)	-	-
25 January 2017	0.94	3,125	-	-	(3,125)	-	-
26 September 2018	0.94	2,000	-	-	(2,000)	-	-
17 November 2020	0.75	6,410	-	-	(6,410)	-	-
		15,281	-	-	(15,281)	-	-

There was no share options exercised during the financial year. All unexercised ESOS options lapsed on the expiry date.

The fair value of share options granted during the financial year were estimated by using a Black-Scholes Model, taking into account the terms and conditions upon which the options were granted. The key inputs of the options are as follows:

	Grant dates			
	17.11.2020	26.9.2018	25.1.2017	28.8.2015
ESOS expiry date	28.5.2025	28.5.2025*	28.5.2025*	28.5.2025*
Share price at grant date (per share)	RM0.535	RM0.735	RM0.940	RM0.520
Potentially dilutive share price (per share)	RM0.535	RM0.735	RM0.940	RM0.512
Exercise price per share at grant date	RM0.750	RM0.940	RM0.940	RM0.750
Historical volatility	29.81%	20.94%	17.79%	36.73%
Risk free rate of return at grant date	2.11%	3.44%	3.40%	3.91%
Dividend yield	0.38%	0.21%	0.16%	0.57%

* On 28 April 2020, the Company resolved to extend the duration of the exercisability of unexercised ESOS shares, which expired on 28 May 2020 for another 5 years to 28 May 2025 in accordance with the provisions of the ESOS By-Laws.

The ESOS of the Company, which had been in effect for a period of ten years since its implementation on 28 May 2015, expired on 28 May 2025. Pursuant to Clause 20.5 of the ESOS By-Laws, all unexercised ESOS options lapsed on the expiry date, notwithstanding any provisions to the contrary.

27. RETAINED PROFITS

The Company may distribute dividends out of its entire retained profits under the single-tier system.

Notes to the financial statements

30 June 2025 (Cont'd)

28. RELATED PARTY TRANSACTIONS

- (a) In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the Company with related parties took place at terms agreed between the parties during the financial year:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Administration service charges payable to:				
- subsidiaries	-	-	1,573	1,071
Gain on disposal of investment in subsidiaries to a subsidiary (Note 16)	-	-	-	1,135
Dividend income from subsidiaries	-	-	33,650	17,291

The transactions between related parties are set on terms mutually agreed between the parties.

Information regarding outstanding balances arising from related party transactions as at 30 June 2025 and 30 June 2024 are disclosed in Notes 18 and 20.

- (b) Compensation of key management personnel

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company, directly or indirectly including any Directors of the Group.

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Short term employee benefits	3,623	3,203	-	-
Share options granted under ESOS	6	16	-	-
	3,629	3,219	-	-

29. COMMITMENTS**(a) Capital commitments**

Capital expenditure as at 30 June 2025 and 30 June 2024 are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Capital expenditure in respect of construction and purchase of property, plant and equipment:		
- approved and contracted for	29,581	49,325

(b) Operating lease commitments - the Group as lessor

The Group has entered into commercial property leases on its property. The leases have remaining non-cancellable lease terms of between one and three years. Certain leases include a clause to enable upward revision of the rental charge upon renewal of tenancy based on prevailing market conditions.

Notes to the Financial Statements

30 June 2025 (Cont'd)

29. COMMITMENTS (contd.)**(b) Operating lease commitments - the Group as lessor (contd.)**

Future minimum rentals receivable under non-cancellable operating leases at the reporting date are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Not later than 1 year	2,107	1,619
Later than 1 year and not later than 5 years	1,549	1,302
	3,656	2,921

30. GUARANTEES AND CONTINGENCIES**(a) Financial guarantees**

	Group	
	2025	2024
	RM'000	RM'000
Unsecured		
Corporate guarantees given to licensed banks for banking facility granted to wholly-owned subsidiaries	179,473	202,758
Letter of guarantee given to suppliers	9,225	5,237
	188,698	207,995

No value has been placed on the corporate guarantees provided by the Company as the Directors regard the value of the credit enhancement provided by the said corporate guarantees as minimal. This is because the credit facilities granted under the guarantees are collateralised by fixed charges over a long term leasehold land, buildings, assets under construction, medical equipment and investment property of the Group as disclosed in Notes 13 and 15.

(b) Contingent liabilities

The Group is subject to litigations in the ordinary course of business, mainly arising from its subsidiary's hospital operations. The Directors are of the opinion, based on legal advice, management assessment and sufficiency of medical malpractice insurance, that no significant exposure will arise that requires recognition.

31. FINANCIAL INSTRUMENTS**(a) Financial risk management objectives and policies**

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing their interest rate risks (both fair value and cash flow), liquidity risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

(b) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group's and the Company's income and operating cash flows are substantially independent of changes in market interest rates.

Notes to the financial statements

30 June 2025 (Cont'd)

31. FINANCIAL INSTRUMENTS (Cont'd)**(b) Interest rate risk (Cont'd)**

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate of interest.

Sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowing affected. With all other variables held constant, the Group's profit before tax are affected through the impact on floating rate borrowings, as follows:

	Increase/ (decrease) in basis points	(Decrease)/increase in profit before tax 2025 RM'000	2024 RM'000
Group			
Borrowing - floating rate	25 (25)	(449) 449	(507) 507

(c) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company actively manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash or cash equivalents and credit facilities to meet their working capital requirements as well as the expansion. At the reporting date, approximately 21.8% (2024: 12.3%) of the Group's loans and borrowings (Note 21) will mature in less than one year based on the carrying amount reflected in the financial statements.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand RM'000	1 to 5 years RM'000	> 5 years RM'000	Total RM'000
2025				
Group				
Financial liabilities:				
Trade and other payables	69,286	-	-	69,286
Lease liabilities	2,015	1,658	-	3,673
Industrial hire purchase	447	-	-	447
Term loan	45,091	151,934	-	197,025
Total undiscounted financial liabilities	116,839	153,592	-	270,431

Notes to the Financial Statements

30 June 2025 (Cont'd)

31. FINANCIAL INSTRUMENTS (contd.)**(c) Liquidity risk (contd.)****Analysis of financial instruments by remaining contractual maturities (contd.)**

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations (contd.).

	On demand RM'000	1 to 5 years RM'000	> 5 years RM'000	Total RM'000
2025				
Company				
Financial liabilities:				
Trade and other payables, representing total undiscounted financial liabilities	642	-	-	642
2024				
Group				
Financial liabilities:				
Trade and other payables	72,035	-	-	72,035
Lease liabilities	1,881	673	-	2,554
Industrial hire purchase	926	447	-	1,373
Term loan	31,449	192,951	3,419	227,819
Total undiscounted financial liabilities	106,291	194,071	3,419	303,781
Company				
Financial liabilities:				
Trade and other payables, representing total undiscounted financial liabilities	682	-	-	682

(d) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities, including deposits with banks and financial institutions.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events and current economic conditions.

Notes to the financial statements

30 June 2025 (Cont'd)

31. FINANCIAL INSTRUMENTS (contd.)

(d) Credit risk (contd.)

Exposure to credit risk

At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 18.

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 10 (2024: 10) customers, which constituted approximately 64% (2024: 53%) of its gross trade receivables as at the end of the reporting period.

(e) Fair values

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	18
Cash and bank balances	19
Trade and other payables	20
Borrowings - with floating rate	21

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date as the impact of discounting is immaterial.

32. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to safeguard the Group's ability to continue in operations as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

The Group considers its capital to comprise its ordinary share capital, retained profits and share options reserve which are classified as equity in the consolidated statement of financial position.

Pursuant to the requirements of Practice Note No.17/2005 of the Bursa Malaysia Securities, the Group is required to maintain a consolidated shareholders' equity equal to or not less than the 25% of the issued and paid-up share capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Group has complied with this requirement for the financial year ended 30 June 2025.

Notes to the Financial Statements

30 June 2025 (Cont'd)

33. SEGMENT INFORMATION

No segmental information is provided as the Group is primarily involved in the healthcare industry and the Group's activities are predominantly in Malaysia.

Financial information is presented to management in accordance with the measurement policies of MFRS and IFRS. There are no adjustments or eliminations made in preparing the Group's financial statements from the reportable segment revenues, profit or loss, assets and liabilities.

Major customers

The Group does not have significant reliance on a single major customer, with whom the Group transacted ten percent (10%) or more of its revenue during the financial year.

List of Properties

Location	Description/ Existing use	Approximate age of building (years)	Land area (square feet)	Gross floor area (square feet)	Tenure	Net book value at 30.06.2025 RM'000
Land and building at Lot No. 11, Jalan Teknologi Taman Sains Selangor 1 PJU 5, Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan	Private hospital	17.75	261,380	677,890	Leasehold for 99 years expiring 17 April 2108	352,159
Shoplot at No. 5, Jalan Merbah 3 Bandar Puchong Jaya 47800 Puchong Selangor Darul Ehsan	Ground Floor - Rented 1 st Floor - Rented 2 nd Floor - Rented 3 rd Floor - Rented	16.75	1,873	6,625	Freehold	2,039
PTB No.24436, Title No. H.S (D) 566005 Town District of Johor Bahru State of Johor Darul Takzim (Located along Jalan Stulang Darat, in the vicinity of Stulang Darat, Johor Bahru)	Vacant A parcel of development land approved for development of private medical centre	-	152,595	-	Freehold	180,000

Analysis of Shareholdings

As at 18 August 2025

NUMBER OF ISSUED SHARE	:	1,741,882,393 ORDINARY SHARES
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER ORDINARY SHARE
NUMBER OF SHAREHOLDERS	:	4,579

DISTRIBUTION OF SHAREHOLDINGS

Size of Holding	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
LESS THAN 100	251	5.48	6,907	0.00
100 TO 1,000	566	12.36	290,750	0.02
1,001 TO 10,000	1,808	39.48	11,141,314	0.64
10,001 TO 100,000	1,630	35.60	58,762,770	3.37
100,001 TO LESS THAN 5% OF ISSUED SHARES	321	7.01	202,515,264	11.63
5% AND ABOVE OF ISSUED SHARES	3	0.07	1,469,165,388	84.34
TOTAL	4,579	100.00	1,741,882,393	100.00

THIRTY LARGEST SHAREHOLDERS**(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER)**

No.	Name	No. of Shares	% of Issued Share Capital
1.	UOB KAY HIAN NOMINEES (ASING) SDN. BHD. [QUALIFIER: UOB KAY HIAN PTE. LTD. FOR SASTERIA (M) PTE. LTD.]	1,221,638,155	70.13
2.	DYAM TUNKU ISMAIL IBNI SULTAN IBRAHIM	133,000,000	7.64
3.	UOB KAY HIAN NOMINEES (ASING) SDN. BHD. [QUALIFIER: EXEMPT AN FOR UOB KAY HIAN PTE. LTD. (A/C CLIENTS)]	114,527,233	6.57
4.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: CIMB FOR SIOU WONG YEN @ SIOU KWANG HWA (PB)]	28,000,000	1.61
5.	CITIGROUP NOMINEES (ASING) SDN. BHD. [QUALIFIER: EXEMPT AN FOR UBS AG SINGAPORE (FOREIGN)]	11,232,350	0.64
6.	CGS INTERNATIONAL NOMINEES MALAYSIA (ASING) SDN. BHD. [QUALIFIER: EXEMPT AN FOR CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD. (RETAIL CLIENTS)]	9,868,000	0.57
7.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR SIOU WONG YEN @ SIOU KWANG HWA (7003958)]	6,500,000	0.37
8.	LIM GAIK BWAY @ LIM CHIEW AH	5,580,600	0.32
9.	MERCSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR SIOU WONG YEN @ SIOU KWANG HWA]	4,537,800	0.26

Analysis of Shareholdings

As at 18 August 2025 (Cont'd)

**THIRTY LARGEST SHAREHOLDERS
(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED
HOLDER) (contd.)**

No.	Name	No. of Shares	% of Issued Share Capital
10.	LEMBAGA TABUNG AMANAH WARISAN NEGERI TERENGGANU	4,047,000	0.23
11.	MERCSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR WONG FUEI BOON]	4,005,000	0.23
12.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: CIMB FOR SIOH WEI SHENG (PB)]	3,450,000	0.20
13.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: CIMB FOR SIOH YUEN SENG (PB)]	3,450,000	0.20
14.	NG KOK CHEONG	3,000,000	0.17
15.	ALEXANDER CHIN KAI YUEH	2,911,300	0.17
16.	OOI SIN HENG	2,550,000	0.15
17.	CHIEW POH CHENG	2,300,000	0.13
18.	TENG KING HUAT	2,080,000	0.12
19.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR YEW BOON HEAN (YEW0048C)]	2,000,000	0.11
20.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR YONG MEW SENG (E-KUG)]	1,997,600	0.11
21.	NG KOON SAN @ AK AH TIN	1,800,000	0.10
22.	RICHARD TEH LIP HEONG	1,769,500	0.10
23.	LIM KIAN SENG	1,617,800	0.09
24.	HLB NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR WONG TAK KEONG]	1,543,000	0.09
25.	MOHD SALLEH BIN HJ. HARUN	1,500,600	0.09
26.	NG CHUNG YEOW	1,478,000	0.08
27.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: CHIEW LIK ING]	1,474,498	0.08

Analysis of Shareholdings

As at 18 August 2025 (Cont'd)

THIRTY LARGEST SHAREHOLDERS**(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER) (contd.)**

No.	Name	No. of Shares	% of Issued Share Capital
28.	CHAI KOK KUM	1,454,500	0.08
29.	YEELY COPIER SDN. BHD.	1,400,000	0.08
30.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK (8039533)]	1,387,600	0.08
		1,582,100,536	90.83

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name	Direct		Indirect	
	No. of Shares Held	% of Issued Share Capital	No. of Shares Held	% of Issued Share Capital
SASTERIA (M) PTE. LTD.	1,221,638,155	70.13	-	-
SASTERIA PTE. LTD.	-	-	1,221,638,155 ⁽¹⁾	70.13
LIM ENG HOCK	-	-	1,221,638,155 ⁽²⁾	70.13
DYAM TUNKU ISMAIL IBNI SULTAN IBRAHIM	133,000,000	7.64	-	-
THOMSON MEDICAL GROUP LIMITED	-	-	1,221,638,155 ⁽³⁾	70.13

Notes:

⁽¹⁾ Deemed interested through its 100% shareholdings in Sasteria (M) Pte. Ltd. pursuant to Section 8 of the Companies Act 2016.⁽²⁾ Deemed interested by virtue of his ultimate shareholdings in Sasteria (M) Pte. Ltd., Sasteria Pte. Ltd. and Thomson Medical Group Limited pursuant to Section 8 of the Companies Act 2016.⁽³⁾ Deemed interested through its 100% shareholdings in Sasteria (M) Pte. Ltd. and Sasteria Pte. Ltd. pursuant to Section 8 of the Companies Act 2016.**DIRECTORS' SHAREHOLDINGS AS PER REGISTER OF DIRECTORS' SHAREHOLDING AND CHIEF EXECUTIVE OFFICER'S SHAREHOLDING**

None of the Directors or the chief executive (who is not a director) have any direct or deemed interest in the shares of the Company.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-Third Annual General Meeting of the Company will be held at Jasper Junior Ballroom, Level G, M World Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Monday, 27 October 2025 at 10:00 a.m. for the following purposes:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Reports of the Directors and the Auditors thereon. *(Please refer to Explanatory Note 1)*
2. To approve the declaration and payment of a final single-tier dividend of 0.1863 sen per ordinary share in respect of the financial year ended 30 June 2025. *(Resolution 1)*
3. To approve the payment of Directors' fees amounting to RM810,000 for the financial year ending 30 June 2027. *(Resolution 2)*
4. To approve the payment of Directors' benefits amounting to RM560,000 for the financial year ending 30 June 2027. *(Resolution 3)*
5. To re-elect the following Directors who are due to retire by rotation pursuant to Clause 97 of the Company's Constitution and being eligible, have offered themselves for re-election:
 - (a) Kan Kheong Ng; and *(Resolution 4)*
 - (b) Dato' Mohd Sheridan bin Ramli. *(Resolution 5)*
6. To re-appoint Ernst & Young PLT as the Company's Auditors until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. *(Resolution 6)*

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without any modification, to pass the following ordinary and special resolutions:

7. **ORDINARY RESOLUTION** *(Resolution 7)*
- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS

"THAT subject to the Companies Act 2016 ("**the Act**") and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

THAT pursuant to Section 85 of the Act to be read together with Clause 54 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act;

THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

Notice of Annual General Meeting (Cont'd)

8. **SPECIAL RESOLUTION - PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**

(Resolution 8)

“**THAT** approval be and is hereby given for the Company to delete the existing sub-clauses 97.1 and 97.2 and to substitute them with a new Clause 97, and to amend Clause 104, in the form and manner as set out in Appendix I of the Annual Report 2025;

AND THAT the Directors be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by any relevant authorities and to do all acts and take all such steps as may be considered necessary to give effect to the foregoing.”

9. To transact any other ordinary business for which due notice has been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that a final single-tier dividend of 0.1863 sen per ordinary share in respect of the financial year ended 30 June 2025, if approved by shareholders, will be payable on 6 January 2026 to shareholders whose names appear in the Record of Depositors on 9 December 2025.

A depositor shall qualify for entitlement to the dividend only in respect of:

- a) Securities transferred into the Depositor's Securities Account before 4:30 p.m. on 9 December 2025 in respect of transfers; and
- b) Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

Chua Siew Chuan (SSM PC No. 201908002648) (MAICSA No.: 0777689)
Chin Mun Yee (SSM PC No. 201908002785) (MAICSA No.: 7019243)
Company Secretaries

Kuala Lumpur
26 September 2025

Notes:

1. A member of the Company entitled to attend, participate, speak and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his/her stead. A proxy may, but need not, be a member of the Company and there shall be no restriction on the qualification of the proxy.
2. Where a member appoints two (2) proxies, he/she shall specify the proportions of his/her holdings to be represented by each proxy, failing which, the appointment shall be invalid.
3. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, such member may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“**omnibus account**”), there is no limit to the number of proxies that the exempt authorised nominee may appoint in respect of each omnibus account it holds.

Notice of Annual General Meeting

(Cont'd)

5. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting at which the person named in the appointment proposes to vote:

- i. In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

- ii. By electronic means via email

In the case of an appointment made via email, the proxy form must be received via email at is.enquiry@vistra.com.

For option (ii), the Company will require the member to deposit the original executed proxy form as in (i) above no later than Saturday, 25 October 2025 at 10:00 a.m. for verification purposes.

- iii. Online

In the case of an appointment made via an online lodgement facility, please log in to the link website at <https://srmy.vistra.com> and follow the steps outlined in the Administrative Guide as attached in the Annual Report for registering on the Share Registry and IPO (MY) portal and submitting your proxy form electronically.

6. A member of the Company is permitted to give the Company notice of termination of a person's authority to act as proxy not less than twenty-four (24) hours before the time stipulated for holding the Meeting of the Company. The notice of termination must be in writing and be made in a hard copy form or by electronic means via email in the same manner as appointment of a proxy.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. An instrument appointing a proxy to vote at a Meeting shall be deemed to include the power to demand a poll on behalf of the appointor.
8. For the purpose of determining who shall be entitled to attend this Meeting, the Company shall request Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 62 of the Constitution of the Company, a Record of Depositors as at 17 October 2025 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend this Meeting.

Explanatory Notes to Ordinary and Special Businesses:

1. Audited Financial Statements for the financial year ended 30 June 2025

This Agenda is meant for discussion only as Section 340(1)(a) of the Companies Act 2016 does not require the formal approval of the shareholders and hence, is not put forward for voting.

2. Resolution 2 – Directors' fees

The proposed Resolution 2 is for the purpose of approving the payment of Directors' fees amounting to RM810,000 for the financial year ending 30 June 2027.

3. Resolution 3 – Directors' benefits

The proposed Resolution 3 is for the purpose of approving the payment of Directors' benefits amounting to RM560,000 for the financial year ending 30 June 2027. The Directors' benefits comprise meeting attendance allowances of RM280,000 and medical and group personal accident benefits of RM280,000. The total estimated amount of Directors' meeting attendance allowances is calculated based on the size of the Board of Directors and Board Committees and the number of meetings estimated to be held during the financial year ending 30 June 2027.

Notice of Annual General Meeting (Cont'd)

Payment of the meeting attendance allowances would be made by the Company on a monthly basis and/or as and when incurred if the proposed Resolution 3 has been passed at the Twenty-Third Annual General Meeting of the Company. The Board of Directors is of the view that it is just and equitable for the Directors to be paid on Directors' benefits on such basis, particularly after they have discharged their responsibilities and rendered their services to the Company and its subsidiaries (if any) throughout the period as stated therein.

4. Resolutions 4 and 5 – Re-election of Directors who retire by rotation pursuant to Clause 97 of the Company's Constitution

Pursuant to Clause 97 of the Company's Constitution, one-third (1/3) of the Directors for the time being or, if the number is not three (3) or a multiple of three (3), the number nearest to one-third (1/3) shall retire from office such that each Director shall retire from office once in every three (3) years and all Directors who retire from office shall be eligible for re-election. Hence, two (2) out of six (6) Directors are to retire in accordance with Clause 97 of the Company's Constitution.

For the purpose of determining the eligibility of the Directors to stand for re-election at the Twenty-Third Annual General Meeting of the Company, the Board of Directors, through its Nominating Committee undertakes a formal evaluation to determine the eligibility of each retiring Director in line with the Malaysian Code on Corporate Governance, which includes the following:

- (i) Performance and effectiveness of the Board of Directors as a whole, Board Committees and individual Directors;
- (ii) Independence of the Independent Non-Executive Director; and/or
- (iii) Fit and proper assessment.

Based on the results of the abovementioned evaluations, the Board of Directors considered the performance of Mr. Kan Kheong Ng and Dato' Mohd Sheridan bin Ramli (each referred to as "**retiring Director**") to be effective. The retiring Directors met the Board of Directors' expectations in terms of experience, expertise, integrity, competency, participation and contribution. Each retiring Director demonstrates a commitment to the role and has sufficient time to meet his commitment to the Company. The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the meetings of the Board of Directors and Nominating Committee, if so applicable.

The details of the retiring Directors are available in the Directors' Profile of the Annual Report 2025.

5. Resolution 7 – Authority to issue and allot shares and waiver of pre-emptive rights

The proposed Resolution 7 primarily gives flexibility to the Board of Directors to issue and allot shares to such persons at any time at their absolute discretion without convening a general meeting. This authorisation will expire at the conclusion of the next Annual General Meeting of the Company.

This is a renewal of the mandate obtained from the members at the last Annual General Meeting of the Company ("**the previous mandate**"). The purpose of this general mandate is for possible fund-raising exercises including but not limited to further placement of shares for the purpose of funding current and/or future investment projects, working capital, repayment of borrowings and/or acquisitions.

The previous mandate was not utilised and accordingly, no proceeds were raised.

As at the date of the Notice of Meeting, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Twenty-Second Annual General Meeting of the Company held on 6 November 2024, which will lapse at the conclusion of the Twenty-Third Annual General Meeting of the Company.

Pursuant to Section 85(1) of the Companies Act 2016 be read together with Clause 54 of the Company's Constitution, shareholders of the Company have pre-emptive rights to be offered any new shares in the Company that rank equally to the existing issued shares in the Company or other convertible securities.

6. Resolution 8 – Proposed Amendments to the Constitution of the Company

The proposed Resolution 8 is intended to amend the Company's Constitution in respect of the re-election of Directors.

APPENDIX I

PROPOSED AMENDMENTS TO THE CONSTITUTION

The Constitution of the Company shall be amended in the following manner:

- (i) That the existing sub-clauses 97.1 and 97.2 be deleted in their entirety and substituted with the following new Clause 97, to be read as follows:

97. Subject always to Clause 104, at the first annual general meeting of the Company and at the annual general meeting in every subsequent year, all the Directors shall retire from office, but shall be eligible for re-election and an election of Directors shall take place each year. A retiring Director shall retain office until the close of the meeting at which he retires.

Retirement of Directors

- (ii) That the existing Clause 104 be revised and substituted with the following to be read as follows:

104. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but the total number of Directors shall not at any time exceed the maximum number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election.

Appointment by the Board of Directors

Without prejudice to Clause 95, if:

- (1)(a) any resolution or resolutions for the election or re-election of the persons eligible for election or re-election as Directors is or are put to the annual general meeting and lost; and
- (b) at the end of that meeting, the number of Directors falls below the minimum number of Directors required under Clause 95, the two (2) Directors, being Directors who are ordinarily resident in Malaysia, who stood for election or re-election and who, among all the Directors who are ordinarily resident in Malaysia who stood for election or re-election, received the two highest number of votes in favour of their election or re-election, each of such Directors shall remain in office and shall not be deemed to have retired from office under Clause 97, but each of such Directors:
- (i) may only act for the purposes of (A) filling vacancies to comply with the Company's obligations under the Act and, to the extent practicable, the Listing Requirements, and (B) convening general meetings of the Company, and perform such duties as are appropriate to maintain the Company as a going concern and to comply with the Company's legal and regulatory obligations; and
- (ii) shall convene a general meeting as soon as reasonably practicable following the annual general meeting of the Company referred to in Clause 104(1)(a) for the purposes of appointing additional Directors and he shall retire at that meeting if the number of Directors appointed at the general meeting that he has convened is equal to or more than the minimum number of Directors required under Clause 95.
- (2) If at the end of the general meeting convened under Clause 104(1)(b)(ii), the number of Directors who is ordinarily resident in Malaysia, appointed at such general meeting, other than the two (2) Directors referred to under Clause 104(1), is fewer than the minimum number of Directors required under Clause 95, the provisions of Clause 104(1)(b)(ii) shall be repeated until the Directors, who are ordinarily resident in Malaysia, appointed at such general meeting shall be no fewer than the minimum number of Directors required under Clause 95. Thereafter, the two (2) Directors referred to under Clause 104(1) shall retire.

*I/We (full name) _____

*NRIC/Passport/Company/Registration No. _____

of (full address) _____

being a *member/members of **TMC LIFE SCIENCES BERHAD** [Registration No. 200301021989 (624409-A)] hereby appoint:-

Name	Address	NRIC/ Passport No.	Telephone no.	Email Address	Proportion of Shareholdings (%)
*and/or					

*and/or THE CHAIRMAN OF THE MEETING, as *my/our *proxy/proxies, to attend and vote for *me/us and on *my/our behalf at the **TWENTY-THIRD ANNUAL GENERAL MEETING** of the Company to be held at Jasper Junior Ballroom, Level G, M World Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Monday, 27 October 2025 at 10:00 a.m. and at any adjournment thereof.

Please indicate with an "X" in the spaces provided, how you wish your vote to be cast in respect of the following resolutions. In the absence of specific directions, your proxy/proxies may vote or abstain at his/her/their discretion. If you appoint two (2) proxies, please specify the proportions of holdings to be represented by each proxy.

*My/our *proxy/proxies *is/are to vote as indicated below:

1.	To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Reports of the Directors and the Auditors thereon.			
No.	Resolutions	Resolution	For	Against
2.	To approve the declaration and payment of a final single-tier dividend of 0.1863 sen per ordinary share in respect of the financial year ended 30 June 2025.	1		
3.	To approve the payment of Directors' fees amounting to RM810,000 for the financial year ending 30 June 2027.	2		
4.	To approve the payment of Directors' benefits amounting to RM560,000 for the financial year ending 30 June 2027.	3		
5(a).	To re-elect Mr. Kan Kheong Ng who is due to retire by rotation as a Director pursuant to Clause 97 of the Company's Constitution.	4		
5(b).	To re-elect Dato' Mohd Sheridan bin Ramli who is due to retire by rotation as a Director pursuant to Clause 97 of the Company's Constitution.	5		
6.	To re-appoint Ernst & Young PLT as the Company's Auditors and to authorise the Directors to fix their remuneration.	6		
As Special Business:				
7.	Ordinary Resolution - Authority to issue shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights.	7		
8.	Special Resolution - Proposed Amendments to the Constitution of the Company.	8		

* Delete if not applicable

Dated this _____ day of _____ 2025

Number of shares held:	
CDS account no.:	
Telephone no.:	
Email address:	

Signature/Common Seal of Shareholder

Lastly, fold this flap for sealing

Notes:

1. A member of the Company entitled to attend, participate, speak and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his/her stead. A proxy may, but need not, be a member of the Company and there shall be no restriction on the qualification of the proxy.
2. Where a member appoints two (2) proxies, he/she shall specify the proportions of his/her holdings to be represented by each proxy, failing which, the appointment shall be invalid.
3. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, such member may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies that the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting at which the person named in the appointment proposes to vote:
 - i. In hard copy form
In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.
 - ii. By electronic means via email
In the case of an appointment made via email, the proxy form must be received via email at is.enquiry@vistra.com.

For option (ii), the Company will require the member to deposit the original executed proxy form as in (i) above no later than Saturday, 25 October 2025 at 10:00 a.m. for verification purposes.
 - iii. Online
In the case of an appointment made via an online lodgement facility, please log in to the link website at <https://srmy.vistra.com> and follow the steps outlined in the Administrative Guide as attached in the Annual Report for registering on the Share Registry and IPO (MY) portal and submitting your proxy form electronically.
6. A member of the Company is permitted to give the Company notice of termination of a person's authority to act as proxy not less than twenty-four (24) hours before the time stipulated for holding the Meeting of the Company. The notice of termination must be in writing and be made in a hard copy form or by electronic means via email in the same manner as appointment of a proxy.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. An instrument appointing a proxy to vote at a Meeting shall be deemed to include the power to demand a poll on behalf of the appointor.
8. For the purpose of determining who shall be entitled to attend this Meeting, the Company shall request Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 62 of the Constitution of the Company, a Record of Depositors as at 17 October 2025 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend this Meeting.

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Affix
Stamp
Here

The Share Registrar
Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur,
Wilayah Persekutuan

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ADMINISTRATIVE GUIDE FOR THE TWENTY THIRD ANNUAL GENERAL MEETING (“23rd AGM”)

Day and Date : **Monday, 27 October 2025**
Time : **10:00 a.m.**
Venue : **Jasper Junior Ballroom, Level G, M World Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan**

REGISTRATION ON THE DAY OF THE 23rd AGM

1. The registration counter will open at 8:30 a.m. on Monday, 27 October 2025 and will remain open until the conclusion of the 23rd AGM or such time as may be determined by the Chairman of the meeting.
2. Please produce your ORIGINAL MyKad or Passport (for foreign shareholder) during registration for verification. Only original MyKad or Passport is valid for registration.
3. Please note that you are not allowed to register on behalf of another shareholder/proxy, even with the original MyKad or Passport of that other shareholder/proxy. Please make sure you collect your MyKad or Passport after the registration.
4. After verification and registration, you will be given an identification wristband. If you are attending the Meeting as a shareholder as well as proxy, you will be registered once and will only be given one identification wristband to enter the meeting hall. There is no replacement in the event that you lose/misplace the identification wristband.
5. After registration and signing on the Attendance List, please vacate the registration area.
6. The registration counter will only handle verification of shareholdings and registration. For other clarification or queries, you may proceed to the Help Desk.

HELP DESK

The Help Desk will handle all clarification and queries on matters relating to the 23rd AGM.

CORPORATE MEMBERS

Corporate members who wish to appoint corporate representatives instead of proxy, must deposit their original or duly certified of appointment of corporate representative to Tricor Investor & Issuing House Services Sdn. Bhd. on or before the 23rd AGM.

APPOINTMENT OF PROXY OR ATTORNEY

1. Only members whose names appear on the Record of Depositors as at 17 October 2025 shall be eligible to attend, speak and vote at the 23rd AGM or appoint proxy(ies) and/or the Chairman of the Meeting to attend and vote on his/her behalf.
2. Members can appoint the Chairman of the Meeting as their proxy and indicate the voting instruction in the proxy form.
3. If you wish to participate in the 23rd AGM yourself, please do not submit any proxy form for the 23rd AGM. You will not be allowed to participate in the 23rd AGM together with a proxy appointed by you.

Administrative Guide

(Cont'd)

APPOINTMENT OF PROXY OR ATTORNEY (contd.)

4. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting at which the person named in the appointment proposes to vote:

(i) In hard copy form:

In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

(ii) By electronic means via email:

In the case of an appointment made via email, the proxy form must be received via email at is.enquiry@vistra.com.

For option (ii), the Company will require the member to deposit the original executed proxy form as in (i) above no later than Saturday, 25 October 2025 at 10:00 a.m. for verification purposes.

(iii) Online

The procedures to submit your proxy form electronically via Vistra Share Registry and IPO (MY) portal ("The Portal") are summarised below:-

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User at The Portal	1. Visit the website at https://srmy.vistra.com. 2. Click "Register" and select "Individual Holder" and complete the New User Registration Form. 3. For guidance, you may refer to the tutorial guide available on the homepage. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. <i>If you are an existing user with The Portal or our TIIH Online portal previously, you are not required to register again.</i>
Proceed with submission of proxy form	1. After the release of the Notice of Meeting by the Company, login with your email address and password. 2. Select the corporate event: "TMC LIFE SCIENCES 23rd AGM". 3. Navigate to the 3 dots at the end of the corporate event and choose "SUBMISSION OF PROXY FORM". 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Indicate the total number of shares assigned to your proxy(s) to vote on your behalf. 6. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. 7. Indicate your voting instructions – FOR or AGAINST or ABSTAIN. 8. Print the proxy form for your record.

APPOINTMENT OF PROXY OR ATTORNEY (contd.)

4. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting at which the person named in the appointment proposes to vote: (contd.)

(iii) Online (contd.)

Procedure	Action
ii. Steps for Corporation or Institutional Shareholders	
Register as a User at The Portal	1. Visit the website at https://srmy.vistra.com. 2. Click "Register" and select "Representative or Corporate Holder" and complete the New User Registration Form. 3. Complete the registration form with your personal details. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approved within two (2) working days. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. <i>Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor if you need clarifications on the user registration.</i>
Proceed with submission of proxy form	1. Login to https://srmy.vistra.com with your email address and password. 2. Select the corporate event: "TMC LIFE SCIENCES 23rd AGM". 3. Navigate to the icon ">" at the end of the corporate event. 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Select the corporate holder's name. 6. Proceed to download the submission file. 7. Prepare the file for the appointment of proxy(ies) by inserting the required data. 8. Proceed to upload the duly completed proxy appointment file. 9. Select "Confirm" to complete your submission. 10. Print the confirmation report of your submission for your record.

VOTING AT MEETING

1. The voting at the 23rd AGM will be conducted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Company has appointed Tricor Investor & Issuing House Services Sdn. Bhd. as Poll Administrator to conduct poll voting electronically (e-voting) via The Portal and Independent Scrutineers will be appointed to verify the results of the poll.
2. Upon completion of the voting session for the 23rd AGM, the Independent Scrutineers will verify the poll results for the announcement by the Chairman, followed by the Chairman's declaration whether the resolutions are carried.

RESULTS OF THE VOTING

The resolutions proposed at the 23rd AGM and the results of the voting will be announced at the 23rd AGM and subsequently via an announcement made by the Company through Bursa Securities at www.bursamalaysia.com.

Administrative Guide

(Cont'd)

NO RECORDING OR PHOTOGRAPHY

No recording or photography of the 23rd AGM proceedings is allowed without prior written permission of the Company.

NO SMOKING POLICY

A no smoking policy is maintained in the Meeting Hall. Your co-operation is much appreciated.

ENQUIRY

If you have any enquiry prior to the meeting, you may contact the Share Registrar during office hours on Mondays to Fridays from 9:00 a.m. to 5:30 p.m. (except public holidays).

Tricor Investor & Issuing House Services Sdn. Bhd.		
Telephone Number	General Line	603-2783 9299
Contact Person	Mohammad Ashraff Bin Mohd Khaizan	603-2783 9276 muhammad.ashraff@vistra.com
	Low Cheng Chuan	603-2783 9278 cheng.chuan.low@vistra.com.com
Email	is.enquiry@vistra.com	

The Company may at its discretion make any changes to the above arrangements in the event of unforeseen circumstances.



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