TMC LIFE SCIENCES BERHAD

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

Annual Report 2026

Advancing Sustainable, Value-driven Care

24th AGM

Annual General Meeting of
TMC Life Sciences Berhad

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

Tuesday
24 November 2026

10.00 a.m.

AT A GLANCE

GROUP REVENUE

RM393.0
Million

NET PROFIT

RM17.4
Million

PROFIT BEFORE TAX

RM25.7
Million

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.



https://www.tmclife.com/

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Proxy Form

The digital version of **TMC Life Sciences Berhad** Annual Report 2026 is available on our website.

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

FEATURES IN THIS ANNUAL REPORT

1 Download the "**QR Code Reader**" on App Store or Google Play

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

Corporate Information

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

June Leong Lai Ling
Independent Non-Executive Director

Mazrina Binti Arifin
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 0777689)

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

Auditors

Ernst & Young PLT
202006000003
(LLP0022760-LCA) & AF0039
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Wilayah Persekutuan
Tel No. : 603-7495 8000
Fax No. : 603-2095 5332

Sustainability Statement Contact Person

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Tel No. : 603-6287 1111
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Taman Sains Selangor 1
PJU 5, Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan

Share Registrar

Vistra Investor & Issuing House Services Sdn. Bhd.
(formerly known as 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
Tel No. : 603-2783 9299
Email : is.enquiry@vistra.com

Registered Office

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
Tel No. : 603-2084 9000
Email : info@sshsb.com.my

Head Office

Level 11, No. 11, Jalan Teknologi
Taman Sains Selangor 1
PJU 5, Kota Damansara
47810 Petaling Jaya
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Tel No. : 603-6287 1111
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Stock Exchange Listing

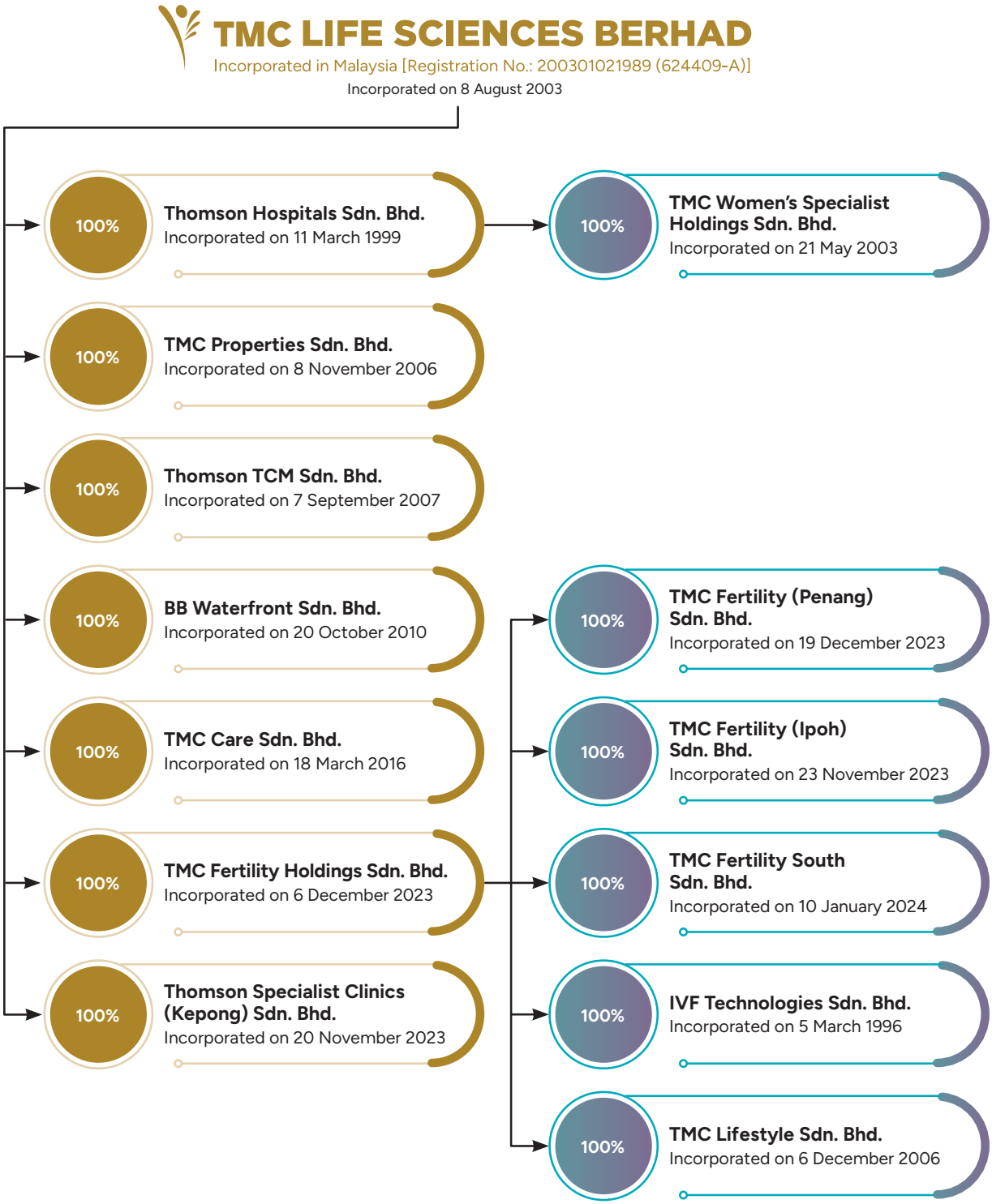
Main Market of
Bursa Malaysia Securities Berhad
Stock code : 101
Sector : Health Care
Sub-sector : Health Care Providers

Corporate Website

www.tmclife.com

Corporate Structure

As at 30 June 2026



Corporate Profile

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 continued to strengthen its capacity and capabilities during the year, marked by the ongoing development of Hospital Iskandariah, an integrated medical hub in Johor Bahru. This strategic expansion underscores the Group's commitment to responsible, sustainable growth while creating long-term value for stakeholders.

In recognition of its strong governance and sustainability practices, TMCLS received the Overall Excellence Award at the 2025 National Corporate Governance & Sustainability Awards ("NACGSA"), organised by the Minority Shareholders Watch Group.

Thomson Hospital Kota Damansara

Thomson Hospital Kota Damansara ("THKD"), the flagship hospital of TMC Life Sciences Berhad, is a multi-disciplinary tertiary care centre strategically located in the prime alcove of Kota Damansara, Selangor, established in 2008. Situated right next to the rebranded Kota Damansara Thomson Hospital MRT Station, THKD has a capacity of 554 beds including 25 critical care beds, and houses more than 170 consultant specialists across over 60 specialties and sub-specialties.

The hospital's established centres of excellence across a wide range of specialties include strong capabilities in gastroenterology and hepatology, cardiology, ENT, orthopaedics, minimally invasive surgery, and women & children's health. In 2024, THKD expanded its clinical expertise through a strategic partnership with OncoCare Cancer Centre Malaysia, bringing together leading oncologists to offer a comprehensive and personalised approach to cancer care – from diagnosis and treatment to post-treatment support.

Accredited organisation-wide by the Australian Council of Healthcare Standards ("ACHS") International Accreditation, THKD is equipped with advanced medical technology and modern infrastructure to deliver quality, value-based healthcare solutions and a superior service experience for our local and international patients. THKD also became the first Malaysian hospital accredited under ACHS International's EQuIP7 for Core and Ambulatory – Cancer Services.

Corporate Profile

(Cont'd)

Most recently, the hospital was awarded the 4-year Accreditation status for the 6th Edition of the Malaysian Society for Quality in Health ("MSQH") standard. THKD was also awarded the Baby-Friendly Hospital Initiative ("BFHI") certification from the National Lactation Centre under the Ministry of Health. These recognitions reflect THKD's sustained adherence to the national standards of excellence in healthcare quality and patient care.

As a technologically progressive institution, THKD was the first private hospital in Malaysia to implement Abbott's AlinIQ lab automation system, now MS ISO/IEC 15189 accredited. Its quality is further endorsed by the hospital-wide ACHS EQuIP accreditation. The facilities range from a 24-hour Emergency Department, Oncology and Nuclear Medicine Department, cardiac and vascular catheterisation labs, International Patient Centre, and more.

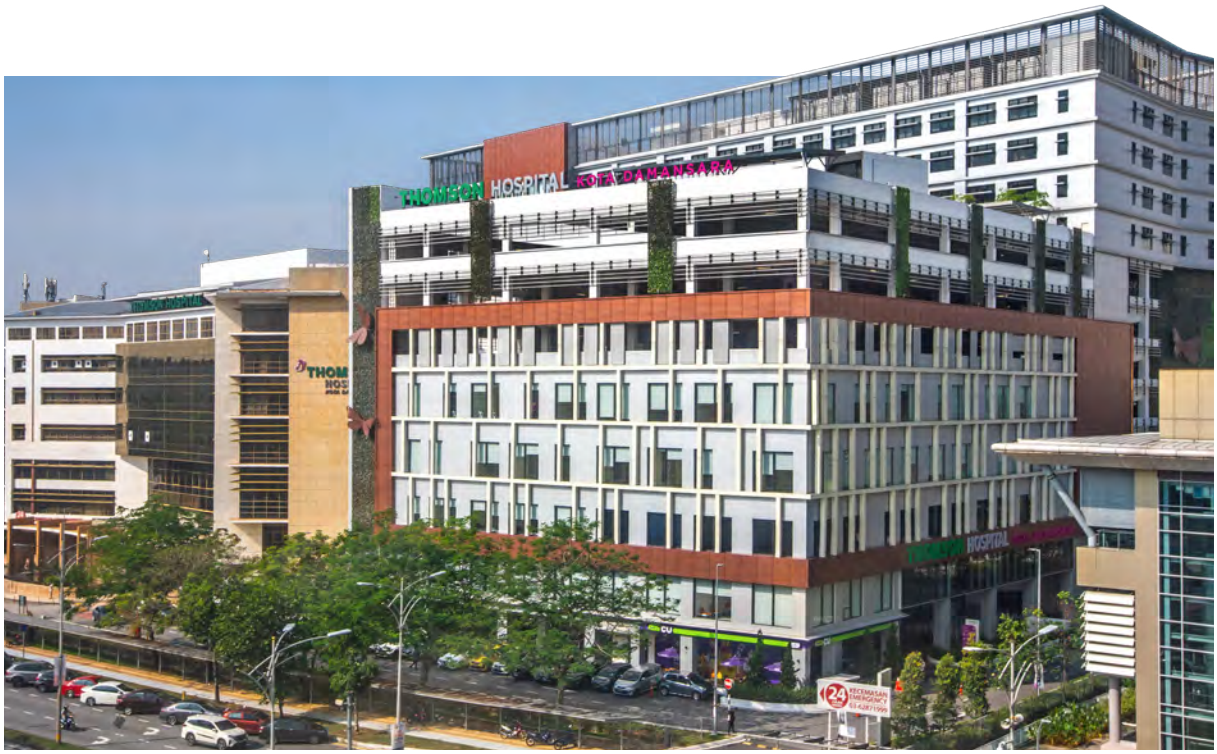
THKD has established its foothold as a forerunner in Malaysia's healthcare landscape by achieving several firsts:

- First in the country to introduce ENT, Head and Neck CO_2 laser treatment
- First private hospital in Malaysia to implement total laboratory automation
- First hospital recognised by the Malaysia Book of Records for a Hospital Alliance with Tertiary Educational Institutions
- First hospital in Malaysia to receive the Silver Green Building Rating from GreenRE

Beyond clinical excellence, THKD is an award-winning institution, recognised with regional accolades including being recognised by Newsweek Asia and Statista as one of Asia's Top Private Hospitals and Clinics 2026, awarded the Specialist Hospital of the Year, and Specialty Hospital of the Year – Malaysia in 2024 for paediatric services and in 2025 for pulmonology services.

THKD was also awarded 2nd Runner-Up in the Healthcare (Hospital) category in Talentbank's 8th Graduates' Choice Awards in 2025.

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.



Corporate Profile

(Cont'd)

Thomson Fertility

Thomson Fertility ("TF") has been at the forefront of reproductive medicine in Malaysia for more than three decades, celebrating life by helping thousands of individuals and couples realise their dreams of parenthood through compassionate, science-driven fertility care.

Established in 1994 in Damansara Utama, Selangor, TF (formerly known as TMC Fertility) has evolved from a single fertility clinic into one of Malaysia's leading fertility networks, with four centres nationwide supported by highly experienced fertility specialists, embryologists, scientists, nurses, and multidisciplinary healthcare professionals. TF continues to shape fertility care through a combination of clinical excellence, innovation, and personalised patient support.

Over the years, TF has built a strong reputation in Assisted Reproductive Technologies ("ART"), offering comprehensive fertility solutions ranging from In-Vitro Fertilisation ("IVF"), Intracytoplasmic Sperm Injection ("ICSI"), Frozen Embryo Transfer ("FET"), and fertility preservation services to advanced reproductive surgeries and specialised male fertility procedures. To date, TF has helped welcome more than 8,500 IVF babies into the world – a reflection of its longstanding expertise and commitment to advancing reproductive healthcare.

Innovation has remained central to TF's evolution. The centre has consistently pioneered advanced fertility technologies in Malaysia, including Pre-Implantation Genetic Testing ("PGT") for monogenic disorders and aneuploidy screening, AI-assisted embryo selection, time-lapse embryo monitoring, microfluidic sperm selection, and Optimal Receptivity Assay ("ORA") technology for women experiencing repeated implantation failure. These innovations continue to enhance precision, improve clinical outcomes, and expand treatment possibilities for patients facing increasingly complex fertility challenges.

TF has also played a defining role in advancing fertility treatment options for women with diminished ovarian reserve and complex reproductive conditions through emerging therapies such as ovarian rejuvenation and In-Vitro Activation ("IVA"). In 2023, TF achieved a regional milestone with Southeast Asia's first successful birth following genetic screening for Non-Ketotic Hyperglycinaemia using PGT-M, underscoring its leadership in reproductive genetics and precision medicine.

Further strengthening its women's health ecosystem, TF launched EndoCare@Thomson in collaboration with the Endometriosis Association of Malaysia, establishing a more integrated and multidisciplinary approach towards the management of endometriosis and fertility-related conditions. This reflects TF's broader commitment to supporting women across every stage of their reproductive health journey through coordinated, patient-centred care.

TF's pursuit of excellence has been recognised both nationally and internationally through numerous industry accolades. 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.

Today, under the Thomson Fertility brand, TF continues to redefine fertility care in Malaysia by combining advanced reproductive science with compassionate care. As fertility needs continue to evolve, TF remains committed to pushing the boundaries of reproductive medicine while empowering patients with hope, confidence, and access to world-class fertility solutions.



Corporate Profile

(Cont'd)

Thomson TCM

Established in November 2018 in Puchong, Selangor, Thomson TCM ("TTCM") was founded with a clear aspiration – to redefine the role of Traditional Chinese Medicine ("TCM") within modern healthcare and become one of Malaysia's most trusted integrative health and wellness centres.

Built on the belief that healthcare should address both prevention and healing, TTCM offers a holistic approach that blends the time-honoured principles of Eastern medicine with contemporary healthcare practices. Within a modern, calming, and patient-centric environment, TTCM supports individuals across various stages of their health journey, focusing not only on treatment, but also on long-term wellness and quality of life.

TTCM is distinguished by its integrative care model; working closely with consultants from Thomson Fertility ("TF") and Thomson Hospital Kota Damansara ("THKD"), TTCM delivers coordinated care that complements conventional medical treatment in areas such as fertility support, hormone balance, pain management, rehabilitation, and general wellness. This collaborative approach reflects the Group's broader vision of delivering comprehensive and patient-centred healthcare solutions.

TTCM is led by a team of qualified and experienced physicians who provide a wide range of traditional therapies including acupuncture, Chinese herbal medicine, cupping, moxibustion, Tui-Na therapeutic massage, Gua-Sha, and dietary therapy. Guided by evidence-based practices and personalised treatment philosophies, TTCM continues to build trust among patients seeking integrative healthcare options that support both physical and emotional well-being.

As part of its commitment to expanding accessibility and community outreach, TTCM extended its services beyond its main centre through the establishment of a satellite clinic at ReU Living, an aged care and rehabilitation facility. This initiative reflects TTCM's ongoing efforts to bring holistic healthcare closer to communities with evolving wellness and rehabilitation needs.

Beyond clinical services, TTCM has also expanded into wellness and home care solutions through a curated range of products designed to support everyday health management. These include herbal wellness teas, therapeutic herbal heat pillows, home moxibustion kits, herbal soups, and other traditional wellness products that complement patients' healthcare journeys beyond the clinic setting.

TTCM's commitment to clinical quality, innovation, and integrative healthcare excellence has been recognised at the regional level, having been awarded TCM Centre of the Year at the Global Health Asia-Pacific Healthcare & Hospitals Awards for two consecutive years in 2022 and 2023.



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 Thomson Hospital Kota Damansara ("THKD"), it is the first retail pharmacy under TMC Life Sciences Berhad, established to enhance value and accessibility for patients and customers seeking quality medications, supplements and healthcare products.

Guided by a community-centric approach, TMC Care prioritises an advisory-based pharmacist model, ensuring patients receive personalised guidance and support in managing their health. Through its retail-led model, it also improves affordability for chronic medications, making long-term care more accessible.
Over the years, 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 specialist clinic focused on women's health, fertility, obstetrics, and gynaecology services. Strategically located approximately 10 km from Kuala Lumpur city centre, the clinic provides convenient access to patients across the Klang Valley, particularly within the northern Kuala Lumpur and Kepong catchment areas.

Over the years, TSCK has built a strong reputation as a trusted destination for women seeking personalised, accessible, and quality specialist care in a comfortable outpatient setting. Supported by experienced healthcare professionals and seamless referral pathways within the Thomson care ecosystem, the clinic remains committed to expanding its clinical relevance while addressing the evolving healthcare needs of urban women and families.

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report of TMC Life Sciences Berhad ("TMCLS") for the financial year ended 30 June 2026 ("FY2026").



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

FY2026 marked an important inflection point in strengthening the Group's foundation and positioning TMCLS for sustainable, long-term growth. At the Board level, our philosophy has remained consistent: to build a healthcare organisation that prioritises long-term sustainability, pursues responsible growth underpinned by strong governance, and delivers lasting value to our patients, employees, shareholders and the communities we serve.

Guided by this philosophy, the Group focused on building a more resilient, integrated healthcare ecosystem: embedding the principles of Value-Based Care across our operations, safeguarding clinical quality and patient outcomes, reinforcing organisational fundamentals, and driving greater operational discipline and cost efficiency.

The progress achieved during the year is a testament to the collective commitment of our Board of Directors, management team, consultant specialists, healthcare professionals, and employees across the Group. These achievements, however, were realised amid one of the most challenging operating environments faced by Malaysia's private healthcare sector in recent years. It is within this context that TMCLS demonstrated the strength of its strategy, the resilience of its people, and the value of its long-term vision.

Chairman's Statement

(Cont'd)

NAVIGATING THE HEADWINDS

FY2026 was marked by a complex and rapidly evolving healthcare landscape. The convergence of inflationary pressures, ongoing healthcare reform efforts and geopolitical uncertainties reinforced the need for healthcare organisations to remain agile, financially disciplined and steadfast in delivering quality care.

One of the most pressing challenges continues to be healthcare affordability. Medical inflation has significantly outpaced inflation, driven by rising costs of healthcare delivery, higher prices for medical consumables and pharmaceuticals, and escalating labour expenses[1]. These pressures have contributed to increasing insurance premiums, underscored by the lapse and cancellation of more than 340,000 medical insurance and takaful policies over the past three years[2].

At the same time, the ongoing healthcare reform initiatives such as RESET, the introduction of Diagnosis-Related Group payment reforms, the development of the Medical and Health Insurance/Takaful ("MHIT")[3], enhanced healthcare price transparency, and the gradual shift from fee-for-service towards value-based reimbursement. The operating environment was further shaped by ongoing workforce shortages, rising labour costs, intense competition for skilled healthcare professionals, increasingly stringent regulatory requirements, heightened cybersecurity risks and the growing importance of digital resilience. Supply chain volatility, compounded by geopolitical developments, including the conflict in the Middle East[4], continued to affect supply chains, procurement and the cost of critical medical supplies, while higher fuel and operating costs added further pressure on margins.

Despite these challenges, we continue to see compelling long-term opportunities for the sector. Malaysia is well-positioned to strengthen its role as a regional healthcare hub, supported by the continued growth of medical tourism, favourable demographic trends, an ageing population, and the increasing prevalence of chronic diseases. Demand for specialised healthcare services, digital health solutions and integrated models of care is expected to continue expanding, creating opportunities for healthcare providers that can deliver high-quality and patient-centred care.

While the external environment will remain dynamic, the Board believes that a firm commitment to our value-based care strategy, strong governance, financial discipline, and operational agility strengthens TMCLS's position to navigate future challenges and create long-term value for our patients, shareholders, and the communities we serve.

FINANCIAL & OPERATIONAL PERFORMANCE

For the financial year ended 30 June 2026, the Group recorded a commendable improvement in its financial performance, with revenue increasing by 14% to RM393.03 million and profit after tax rising to RM17.38 million, compared with RM3.61 million in the preceding financial year. This performance was underpinned by an expanded customer base, continued growth in the corporate and international patient segments, strengthened insurer relationships, higher contributions from key specialties, as well as ongoing cost optimisation and improved resource utilisation.

The Group's financial position remained resilient, supported by total assets of RM1.12 billion and strategic capital expenditure of RM18.89 million to enhance operational capacity and capabilities, while disciplined repayments contributed to a reduction in term loan obligations.

The Group also generated stronger operating cash flows, with net cash from operating activities increasing to RM57.69 million and cash and cash equivalents standing at RM93.09 million as of 30 June 2026, reflecting improved earnings, prudent capital allocation, tax refund receipts and disciplined cash management. These results underscore the Group's leadership accountability, resilience, operational discipline and continued commitment to delivering sustainable long-term value to shareholders.



1 Code Blue: https://codeblue.galencentre.org/2026/06/pac-blames-insurance-hospitals-for-rising-premiums-health-care-costs/
2 NST: https://www.nst.com.my/news/nation/2026/01/1364626/premium-hikes-lead-340000-policy-cancellations
3 The Star: https://www.thestar.com.my/news/nation/2025/07/30/govt-mulls-law-reform-to-support-reset-strategy-against-private-healthcare-inflation
4 The Edge: https://theedgemalaysia.com/node/802548

Chairman's Statement

(Cont'd)

STRATEGIC ACHIEVEMENTS & KEY DEVELOPMENTS

Accreditation and Accolades

The Group continued to strengthen its reputation for quality and clinical excellence through the achievement of key accreditations and industry recognition. Thomson Hospital Kota Damansara ("THKD") successfully renewed its Malaysian Society for Quality in Health ("MSQH") accreditation, securing the highest four-year accreditation status under the 6th Edition standards. The hospital maintained the Australian Council of Healthcare Standards ("ACHS") for the 3rd year. The hospital also attained certification under the Baby-Friendly Hospital Initiative ("BFHI"), reinforcing its commitment to evidence-based maternal and infant care.

THKD's Laboratory Services further achieved MS ISO/IEC 15189 accreditation, reaffirming compliance with internationally recognised standards for medical laboratory quality, competence and reliability. Complementing these achievements, THKD was recognised by Newsweek Asia and Statista as one of Asia's Top Private Hospitals and Clinics 2026, reflecting the hospital's continued commitment to delivering high-quality, patient-centred healthcare.

Clinical Excellence and Medical Innovation

The Group continued to enhance its clinical capabilities through innovation, service expansion, and investments in specialised technologies. THKD strengthened its Value-Based Care model with clinical governance frameworks across selected diagnoses and procedures, promoting consistent clinical decision-making, improved outcomes and cost-effective care delivery.

During the year, THKD introduced several advanced technologies across key specialties, namely in treating prostate and abdominal cancers, ENT (Ear, Nose and Throat) conditions; diagnosing gastrointestinal and liver conditions; and performing orthopaedic and spine surgery. THKD also expanded its multidisciplinary expertise with 14 new specialist consultants (resident, sessional and visiting) across medical and surgical specialties.

Thomson Fertility broadened its treatment capabilities with In-Vitro Activation ("IVA"), offering an additional option for women with Primary Ovarian Insufficiency ("POI") and Diminished Ovarian Reserve ("DOR").



THKD's Laboratory Services achieved MS ISO/IEC 15189 accreditation

Talent Building and Recognition

The Group remained committed to building a resilient, future-ready workforce through sustained efforts in talent development, career progression, employee engagement, and workforce capability. These efforts were recognised when THKD was named 2nd Runner-Up in the Healthcare (Hospital) category at Talentbank's 8th Graduates' Choice Awards, reflecting its commitment to developing an employer brand of choice within the healthcare sector.

GOVERNANCE, RISK MANAGEMENT AND SUSTAINABILITY

Strong governance remains fundamental to the long-term success and sustainability of TMCLS. The Board remains committed to upholding the highest standards of accountability, transparency, and ethical conduct across all aspects of the Group's operations.

The Board provides active oversight of sustainability-related matters, including climate change, workforce resilience, governance, patient safety and healthcare accessibility, recognising them as integral to the Group's long-term strategy and sustainable value creation. During the year, the Board continued to oversee the integration of these considerations into strategic planning, enterprise risk management and investment decisions to strengthen the Group's resilience while supporting sustainable growth.

I am proud that our efforts in strengthening governance and sustainability practices were recognised this year, with TMCLS received the Overall Excellence Award at the 2025 National Corporate Governance & Sustainability Awards ("NACGSA"), organised by the Minority Shareholders Watch Group. This recognition reflects the Board's unwavering commitment to governance excellence, responsible business practices, and sustainable value creation.

Chairman's Statement

(Cont'd)

NOTE OF APPRECIATION

On behalf of the Board of Directors, I extend my sincere appreciation to our management team, specialist consultants, healthcare professionals, and employees across the Group. Their dedication, professionalism, and commitment to patient care have been instrumental in delivering the progress achieved during FY2026.

To our patients, I extend the Group's gratitude for the trust placed in us; to our business partners, for their continued collaboration, and to our shareholders, for their confidence and unwavering support.

I also extend a special appreciation to two senior management leaders who have contributed meaningfully to the Group with dedication and commitment. Firstly, Ms. Lakshmi Devi A/P K.V Ramachandra Menon for her leadership and contributions during her tenure as Chief Executive Officer of Thomson Fertility, and secondly, to Dr. Siva Kumaran A/L P.Jayaraman, for his leadership as Acting Chief Executive Officer and Chief Operating Officer of Thomson Hospital Kota Damansara.

I would also like to extend a warm welcome to Dr. Savitha Dharan A/P Raviendrun, who has joined the Group as Chief Executive Officer of Thomson Hospital Kota Damansara on 1 July 2026 and Ms. Ng Yee Voon, who was appointed as the Senior General Manager of Thomson Fertility on 13 May 2026. The Board has great confidence that, through their leadership and management experience, they will drive transformation and sustainable growth for the Group.

OUTLOOK FOR FY2027

As we enter FY2027, we remain focused on executing our strategic priorities while responding proactively to an increasingly dynamic healthcare landscape. In the year ahead, the Group will prioritise the re-empanelment of key payors, expand its corporate healthcare accounts, and accelerate the growth of international patient services. We will also deepen regional partnerships, broaden our specialised clinical offerings, strengthen operational excellence, advance our value-based care initiatives, accelerate digital transformation, and further enhance the patient experience across our integrated network.

Beyond FY2027, we remain committed to strengthening our integrated healthcare ecosystem by scaling our existing businesses, growing our Centres of Excellence, expanding our regional footprint, and developing strategic partnerships that complement our capabilities and extend our reach. At the same time, we will continue to enhance operational resilience, maintain disciplined execution, and allocate capital prudently to support sustainable, long-term growth.



Our vision remains clear: to help people lead healthier lives by making healthcare accessible, accountable and sustainable. Underpinned by clinical excellence, innovation and responsible stewardship, TMCLS will continue delivering high-quality, patient-centred care and building a future-ready healthcare ecosystem that creates sustainable value for all stakeholders.

The Group will continue strengthening its climate-related and sustainability disclosures in line with Bursa Malaysia's Sustainability Reporting Framework and the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2), while progressively enhancing data quality, governance and enterprise-wide risk integration.

While we recognise that the external environment will continue to evolve, the Group looks to the future with confidence and optimism, guided by our long-term strategy and supported by the dedication of our people.

CLOSING REMARKS

Reflecting on FY2026, we take pride in the resilience and unwavering dedication our people have demonstrated in navigating a dynamic operating environment. Their commitment, together with the trust and support of our stakeholders, has enabled the Group to strengthen its foundations and position itself for the next phase of sustainable growth.

Looking ahead, we remain steadfast in our commitment to responsible stewardship, innovation and sustainable value creation. Guided by a clear long-term strategy, the Board is confident in TMCLS' ability to seize new opportunities, adapt to evolving healthcare needs, and deliver enduring value for our patients, shareholders, employees and the communities we serve.

With a strong foundation, a shared sense of purpose, and a clear strategic direction, we are confident that TMCLS is well-positioned to create lasting value for generations to come.

Management Discussion and Analysis

Financial Overview

For the financial year ended 30 June 2026 ("FY2026"), the Group recorded revenue of RM393.03 million, an increase of 14% or RM47.49 million from RM345.54 million in the previous financial year ended 30 June 2025 ("FY2025"). The stronger performance was mainly driven by a broader customer mix, supported by growth in corporate and international patient segments, as well as strengthened collaborative partnerships with insurers to support sustainable growth. The Group's profitability also improved significantly, with profit after tax increasing from RM3.61 million in FY2025 to RM17.38 million in FY2026, underpinned by higher contributions from key specialties, cost efficiency initiatives and improved resource utilisation.



1 **Thomson Hospital Kota Damansara**

2 **Thomson Fertility**

3 **Thomson TCM**

4 **TMC Care Pharmacy**

5 **Thomson Specialist Clinic Kepong**

Statement of Financial Position

As at 30 June 2026, the Group's net assets stood at RM867.18 million, marginally higher than RM853.04 million as at 30 June 2025. With solid cash and bank balances of RM111.64 million and bank borrowings of RM141.65 million, our net debt-to-equity ratio was at a healthy level of 3%.

Statement of Cash Flows

Operating Activities

Net cash generated from operating activities amounted to RM57.69 million for the financial year ended 30 June 2026, representing a 156% increase from the previous financial year. The improvement was mainly attributable to improved collection, operational cost efficiency initiatives and the receipt of net tax refund during FY2026.

Investing Activities

The Group recorded net cash inflow from investing activities of RM18.33 million, compared with net cash outflow of RM4.64 million in the previous financial year. The positive movement was mainly due to lower capital expenditure as the Group prioritised near-term cash flow requirements to meet its financial commitments during FY2026.

Management Discussion and Analysis

(Cont'd)

Financing Activities

Net cash used in financing activities amounted to RM43.75 million, 32% lower than RM64.55 million in FY2025. Cash used during the financial year mainly comprised scheduled term loan repayments of RM37.60 million and dividend payments of RM3.25 million. The Group continued to manage its financing obligations with discipline and prudent cash management, while maintaining sufficient liquidity to support sustainable operational growth.

Consequently, the Group recorded a net increase in cash and cash equivalents of RM32.27 million, resulting in a closing cash and cash equivalents balance of RM93.09 million as at 30 June 2026. The stronger cash position was mainly supported by improved collection, the receipt of net tax refund of RM10.14 million, lower capital expenditure and ongoing cost efficiency initiatives during FY2026.

Thomson Hospital Kota Damansara

2025 – 2026 Key Milestones

FY2026 marked a year of transformation and resilience for Thomson Hospital Kota Damansara ("THKD"), with the hospital recording a significant improvement in financial performance, further strengthening its reputation for clinical excellence, innovation, and value-based healthcare delivery.

This performance was driven by continued enhancement of specialised clinical services, adoption of advanced technologies, improved operational efficiencies, and disciplined cost optimisation initiatives.



Rapid Response Team strengthens patient safety outcomes

Management Discussion and Analysis

(Cont'd)

Advancing Clinical Excellence and Quality Standards

A significant milestone further reinforcing THKD's position as a trusted healthcare provider was the successful renewal of the Malaysian Society for Quality in Health ("MSQH") accreditation, securing the highest four-year accreditation status under the 6th Edition standards. THKD also achieved certification under the Baby-Friendly Hospital Initiative ("BFHI"), underscoring its commitment to evidence-based maternal and infant care.

Another key initiative was the implementation of the Rapid Response Team ("RRT") system, which significantly enhanced early detection, rapid response and timely escalation of deteriorating patients, strengthening pre-Code Blue management and improving patient safety outcomes.

To improve patient literacy through education, THKD established the Diabetes Education Programme to effectively empower patients in managing their conditions by adopting clinically informed lifestyle habits.

During the year, the hospital's Laboratory Services achieved MS ISO/IEC 15189 accreditation, reaffirming compliance with internationally recognised standards for medical laboratory quality, competence, and reliability. In addition, THKD was recognised by Newsweek Asia and Statista as one of Asia's Top Private Hospitals and Clinics 2026, reinforcing its reputation for delivering high-quality, patient-centred healthcare services.



Recognised by Newsweek Asia and Statista as one of Asia's Top Private Hospitals and Clinics 2026

Value-Based Care and Accelerating Innovation

In elevating its Value-Based Care ("VBC") model, THKD developed clinical governance frameworks for selected diagnoses and procedures across key specialties to further strengthen clinical decision-making, patient outcomes, and cost effectiveness in care delivery.

THKD continued to strengthen its specialised clinical capabilities in FY2026, adopting new technologies and strengthening capabilities for complex procedures across key service lines to expand access to precision diagnostics, minimally invasive treatments, and specialised care.

Oncology and Urology

Introduced High-Intensity Focused Ultrasound ("HIFU"), Laser Transurethral Resection of the Prostate ("Laser TURP") and Targeted Transrectal Ultrasound ("TRUS") Biopsy to improve accuracy in diagnosis and minimally invasive treatment. Options for prostate cancer and benign prostatic hyperplasia.

Oncology and Colorectal Surgery

Introduced Hyperthermic Intraperitoneal Chemotherapy ("HIPEC") to provide a more comprehensive approach to cancer treatment by combining surgical tumour removal with the intra-operative delivery of heated chemotherapy for selected advanced abdominal cancers.

Gastroenterology and Hepatology

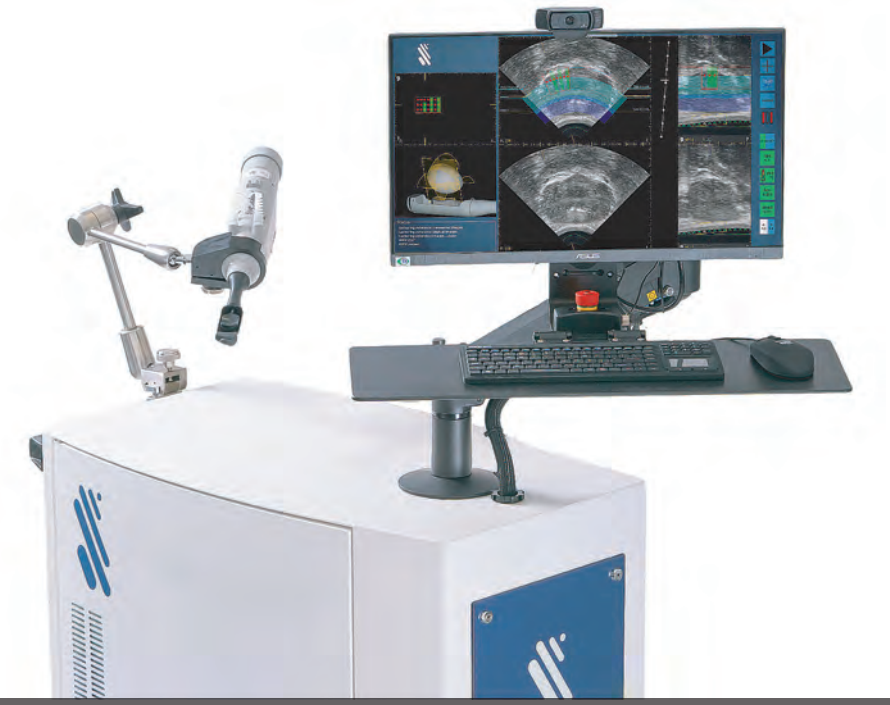
Introduced Endoscopic Ultrasound ("EUS") and Liver Elastography for enhancement of precision care for gastrointestinal and liver diseases.

Orthopaedic and Spine Surgery

Introduced advanced 3D Image Intensifier imaging technology to offer greater precision in orthopaedic and spine procedures.

Management Discussion and Analysis

(Cont'd)



Enhancing prostate cancer care through adoption of new technology

THKD further expanded its consultant base with 14 new specialist consultants (resident, sessional, and visiting) across surgical specialties, including general surgery, colorectal surgery, orthopaedics and spine surgery, neurosurgery, paediatric dental surgery, and plastic and reconstructive surgery; and medical specialties, including neurology, geriatric medicine, ophthalmology, interventional cardiology, psychiatry and medical microbiology.

Expanding Regional Presence and Patient Referral Pipelines

THKD continued to expand its regional presence across key international markets, through initiatives to broaden its stakeholder network and further its referral partner engagement. These initiatives were targeted towards high-potential markets, resulting in a diversified patient portfolio and growth in referrals.

Strengthening Employer Brand and Talent Management

THKD strengthened its talent value proposition through sustained investments in talent development, career progression, employee engagement and workforce capability. Key to this was the nursing workforce sustainability programme, which transformed the workforce pathway to strengthen talent competence, resilience and retention. These efforts were recognised with the hospital being named 2nd Runner-Up in the Healthcare (Hospital) category at Talentbank's 8th Graduates' Choice Awards.

Challenges, Strategies and Solutions

Challenge 1: Navigating Evolving Healthcare Affordability Dynamics

The private healthcare landscape faced increased affordability pressures stemming from rising medical insurance premiums and scrutiny of healthcare costs, reshaping patient spending behaviour and payor expectations.

Strategy and Solution:

THKD strengthened strategic engagement with insurers, third-party administrators ("TPA"), corporate clients, and other healthcare payors to establish greater cost transparency and help address affordability challenges while maintaining high standards of clinical care. Additionally, as part of its commitment to the community, THKD supports the Ministry of Health's Hospital Services Outsourcing Programme ("HSOP"), improving timely access to quality healthcare while helping ease capacity pressures across the public healthcare system.

Management Discussion and Analysis

(Cont'd)

Challenge 2: Balancing Cost Efficiency with Quality Care Delivery

Increasing operating expenses, inflationary pressures, and growing demand for specialised services pose a balancing challenge between resource allocation and delivering high standards in patient care.

Strategy and Solution:

THKD continued to build on the cost optimisation initiatives introduced in FY2025. This involved a disciplined focus on operational efficiency, workflow improvements, and resource productivity across both clinical and non-clinical functions. Investment decisions were guided by a value-based, outcomes-driven approach, prioritising clinically proven technologies over adoption for novelty or market signalling.

Challenge 3: Geopolitical Uncertainty and Cost Pressures

Global geopolitical developments, particularly ongoing tensions in the Middle East, continue to pose risks to operating costs and supply continuity.

Strategy and Solution:

THKD maintained a proactive risk management approach by strengthening supply chain resilience and safeguarding the availability of critical medical supplies. The hospital also implemented prudent cost measures, including vendor negotiations, contract optimisation, outsourcing reviews, and tighter expenditure controls.

Challenge 4: Meeting Demand for Advanced and Specialised Care

Rapid advancements in medical technology and evolving patient expectations continue to drive demand for more sophisticated, precise, and personalised healthcare solutions.

Strategy and Solution:

THKD strives to meet these demands by accelerating the VBC strategy, adopting evidence-based technologies, and expanding specialised procedures across key clinical disciplines. This will increase efficiency in delivering treatments and improve diagnostic accuracy, enabling better utilisation of clinical resources and shorter treatment turnaround times.

Prospects

As demographic shifts, longer life expectancy, and the rising prevalence of chronic diseases continue to reshape healthcare demand, THKD is well-positioned to capture future growth opportunities while reinforcing its role as a leading multidisciplinary tertiary care provider.

The hospital will continue expanding its sub-specialised clinical offerings to meet growing demand for higher-acuity and more complex healthcare services among local and international patients. Concurrently, THKD will advance its VBC model through targeted investments in clinical innovation, digital health technologies, and care pathways designed to improve clinical outcomes, operational efficiency, and patient experience.

Looking beyond existing operations, the hospital is actively evaluating both organic and inorganic growth opportunities to strengthen its market position. Supported by a strong clinical foundation, recognised quality standards, and a growing regional presence, THKD is strongly placed to expand its role in tertiary healthcare, broaden its specialised care capabilities, and create long-term value for patients, stakeholders, and the communities it serves.



Achieved four-year accreditation status for the 6th Edition of Malaysian Society for Quality in Health

Management Discussion and Analysis

(Cont'd)

Thomson Fertility

2025 – 2026 Key Milestones

Thomson Fertility ("TF") strengthened its position as a leading fertility care provider in the region through advancements in reproductive medicine, strategic collaborations, and patient-centred innovation. Guided by its commitment to "Celebrating Life", TF remained focused on expanding access to fertility treatment, enhancing clinical outcomes, benchmarking against quality standards and delivering specialised fertility care for both local and international patients.

Advancing Clinical Excellence and Quality Standards

TF continued to strengthen its position at the forefront of reproductive medicine through ongoing clinical innovation, research-driven care, and the adoption of advanced fertility technologies.

As part of its commitment to addressing complex fertility challenges, TF expanded its treatment capabilities with the introduction of In-Vitro Activation ("IVA"), providing an additional therapeutic option for women with Primary Ovarian Insufficiency ("POI") and Diminished Ovarian Reserve ("DOR").

TF successfully maintained its certification by the Reproductive Technology Accreditation Committee ("RTAC"), the foremost body for reproductive medicine in Australia and New Zealand.



Introduction of In Vitro Activation broadens Thomson Fertility's service capacity

Leveraging Key Partners for Wider Customer Pipelines

TF continued to expand its international market catchment within the region through collaborations with the Malaysia Healthcare Travel Council ("MHTC"), healthcare providers, medical referral agents, and regional healthcare facilitators. These efforts increased cross-border referrals and brand visibility, and diversified its international patient base.

Network-Wide Rebranding Effort

In solidifying TF's new branding, all branches executed a simultaneous brand launch and networking activation on 24 January 2026, collectively making an impactful statement of its new look and renewed commitment to patient experience and quality care.

Optimising Operations for Sustainable Growth

To ensure optimal asset utilisation across our network, TF initiated the orderly closure of its Penang Fertility facility, primarily driven by the operational challenges of securing a dedicated resident doctor for this location. This step will enable TF to streamline its overall cost structure and discontinue underperforming units, which is expected to contribute positively to the Group's financial performance.

Challenges, Strategies and Solutions

Challenge 1: Increased Competition

The fertility and reproductive healthcare landscape continues to become increasingly competitive, driven by new market entrants, evolving patient expectations, and growing demand for accessible, personalised, and comprehensive fertility care.

Strategy and Solution:

To strengthen its competitive position, TF continues to expand its visibility in evidence-based treatment and increase its range of treatment options tailored to individual needs.

Central to TF's approach is its team of senior fertility specialist consultants and experienced embryologists, whose active engagement in research and academic publication reinforces TF's commitment to evidence-based practice and clinical excellence.

TF has further strengthened its offering through dedicated male fertility services, enhancing TF's ability to address both female and male fertility factors within a single coordinated care pathway.

Management Discussion and Analysis

(Cont'd)



Network-wide rebranding of Thomson Fertility

Challenge 2: Rising Cost of Fertility Treatment

Affordability remains a key consideration for patients seeking fertility treatment, particularly amid increasing healthcare costs and economic uncertainties.

Strategy and Solution:

To improve accessibility to fertility care, TF continues to collaborate with financial institutions and medical financing partners to provide flexible and accessible payment solutions, including instalment-based financing options.

Challenge 3: Evolving Regulatory Landscape

The fertility healthcare sector continues to face increasing regulatory scrutiny and evolving compliance requirements, particularly surrounding Assisted Reproductive Technology ("ART") practices and governance standards.

Strategy and Solution:

While stricter regulations may increase operational and administrative requirements, TF remains committed to maintaining the highest standards of clinical governance, which contribute towards strengthening industry standards, transparency, patient safety, and patient confidence within the fertility healthcare sector. The organisation continues to proactively monitor regulatory developments and strengthen internal governance processes to ensure ongoing compliance and operational readiness.

Challenge 4: Talent Retention and Development

The specialised nature of fertility medicine and embryology continues to intensify competition for experienced healthcare professionals and scientific talent across the region.

Strategy and Solution:

TF's fertility specialists, embryologists, and scientific teams continue to participate in leading international conferences, workshops, and research collaborations to remain at the forefront of global reproductive medicine advancements. This includes strengthening research engagement and academic output among embryologists to further build institutional expertise and thought leadership in the field.

Management Discussion and Analysis

(Cont'd)

Prospects



Highly capable embryologists are the foundation of Thomson Fertility's success

Looking ahead, TF remains well-positioned to capture growing demand for fertility and reproductive healthcare services across Malaysia and the wider Southeast Asian region. Declining fertility rates, increasing awareness of fertility preservation, delayed parenthood trends, and growing acceptance of ART continue to drive long-term demand for specialised fertility care.

As part of its next phase of growth, TF will continue strengthening its position as an integrated fertility, women's health, and men's reproductive health centre, supported by advanced scientific capabilities, multidisciplinary expertise, and patient-centred care models. The organisation remains focused on advancing reproductive technologies and precision medicine capabilities, expanding strategic partnerships and international referral networks, and enhancing digital engagement and patient accessibility. In parallel, TF will continue strengthening operational efficiency and broadening its women's and men's health services.

Backed by more than three decades of clinical excellence, scientific advancement, and compassionate care, TF continues to play a leading role in shaping the future of reproductive medicine in the region.

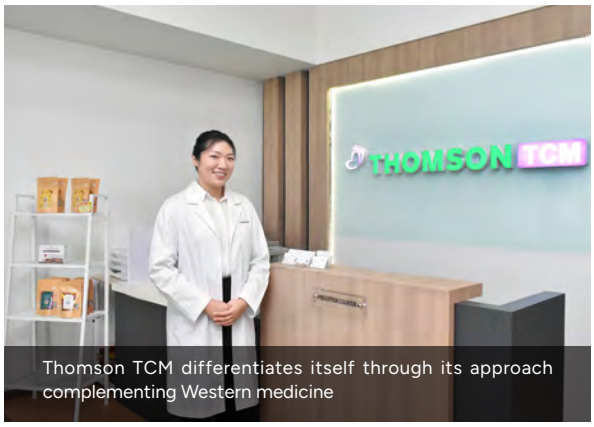


Thomson Traditional Chinese Medicine

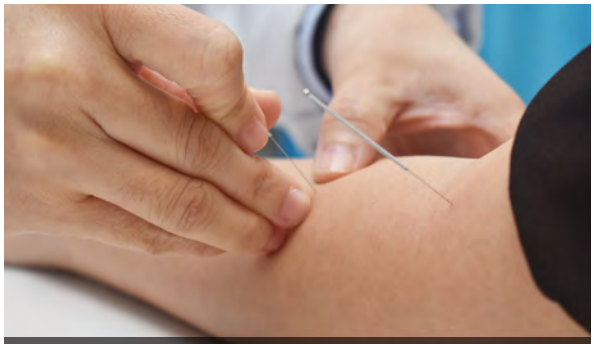
2025 – 2026 Key Milestones

In FY2026, Thomson Traditional Chinese Medicine ("TTCM") achieved a significant financial milestone by recording its second year of positive Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA") since establishment.

The improved performance was driven by growth in package sales, increased outpatient volumes, a strategic change in leadership, and the strengthening of referrals within the Thomson network (Thomson Hospital Kota Damansara ("THKD"), Thomson Fertility ("TF"), and TMC Care Pharmacy ("TMCC")). TTCM also expanded collaboration opportunities and referral pathways with healthcare practitioners and wellness partners, supporting broader patient outreach and long-term service integration.



Thomson TCM differentiates itself through its approach complementing Western medicine



Services offered at Thomson TCM

Additionally, TTCM intensified efforts to increase brand awareness and public engagement through active participation in health, wellness, and community-focused initiatives across the automotive, media, finance, insurance, healthcare, and pharmaceutical industries.

Challenges, Strategies and Solutions

Challenge 1: Increased Market Competition

The growing acceptance of traditional Chinese medicine ("TCM") and integrative healthcare has contributed to a more competitive market environment, with an increasing number of TCM clinics, wellness centres, physiotherapy providers, and alternative healthcare operators expanding their presence.

Management Discussion and Analysis

(Cont'd)

Strategy and Solution:

To strengthen its competitive position, TTCM continues to differentiate itself through an evidence-based, clinically centred approach that complements conventional Western medicine. By integrating TCM into multidisciplinary care pathways, TTCM supports more holistic patient management across key areas, including oncology, fertility, and pain management, where complementary therapies enhance overall treatment experiences and patient outcomes.

Leveraging the broader Thomson network, TTCM works closely with medical specialists and healthcare professionals across THKD and TF to facilitate coordinated referrals, strengthen integrated care pathways and enhance the overall patient journey.

Challenge 2: Talent Acquisition and Retention

TTCM continued to face challenges in attracting and retaining qualified TCM practitioners and support staff amid increasing competition for skilled healthcare professionals.

Strategy and Solution:

TTCM strengthened its talent management framework through improved performance and retention incentives, as well as targeted professional development initiatives, to improve workforce sustainability for future service expansion and operational growth.



Public engagement event by Thomson TCM

Prospects

Looking ahead, TTCM remains optimistic about long-term growth, driven by stronger financial performance, improved efficiency, and growing patient demand as TTCM gains wider acceptance as a complement to conventional healthcare. TTCM remains committed to creating long-term value through integrated healthcare offerings while contributing meaningfully to the Group's long-term growth objectives.



TMC Care Pharmacy

2025 – 2026 Key Milestones

TMC Care Pharmacy ("TMCC") achieved a significant financial milestone during FY2026, recording its first full-year Profit After Tax ("PAT") and tripling Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA"). This was achieved by improving operational effectiveness through optimised pharmacy workflows, and a personalised approach to customer service. TMCC also expanded its product offerings and improved pricing competitiveness through closer collaboration with pharmaceutical suppliers and strategic partners.

Beyond that, TMCC remained actively involved in hospital-wide initiatives, wellness programmes, and patient engagement activities. This strengthened TMCC's visibility within Thomson Hospital Kota Damansara ("THKD") and reinforced its role in supporting multidisciplinary care delivery. Simultaneously, TMCC continued to foster strong collaboration with specialist consultants, clinical teams, and business partners to ensure a coordinated approach to customer service.

Challenges, Strategies and Solutions

Challenge 1: Intensifying Competition from External Pharmacies

TMCC experienced heightened competition from online pharmacy platforms, retail pharmacy chains, and independent operators offering aggressive pricing and promotional campaigns, presenting challenges in attracting and retaining customers.

Strategy and Solution:

TMCC differentiated itself through its integrated role within THKD's system. As a hospital-based pharmacy, it works closely with specialist consultants, healthcare professionals, and multidisciplinary care teams to provide seamless pharmaceutical support throughout the patient care journey. Supported by a team of trained in-house pharmacists, TMCC delivers personalised medication counselling, promotes safe medication use, and enhances continuity of care for both inpatients and outpatients.

Additionally, TMCC maintains a broader inventory of medicines that is aligned with the hospital's clinical specialties and patient needs, procured through established and trusted supply channels in accordance with the hospital's quality assurance and governance standards. This ensures the authenticity, safety, and availability of pharmaceutical products while supporting end-to-end patient care.

Management Discussion and Analysis

(Cont'd)



TMC Care Pharmacy is differentiated through its integrated role with the hospital

Challenge 2: Supply Chain Disruptions and Stock Availability

Ongoing volatility in the pharmaceutical supply chain, driven by global manufacturing constraints and logistical disruptions, has led to intermittent shortages and longer lead times for certain medications.

Strategy and Solution:

TMCC is mitigating these risks by strengthening relationships with key suppliers, diversifying sourcing channels, and enhancing inventory management through improved demand forecasting and proactive replenishment planning. Close coordination with clinical teams is also maintained to manage suitable alternatives where necessary, ensuring continuity of care while minimising the impact of supply disruptions.

Challenge 3: Reduced Consumer Spending Power

Persistent economic pressures and rising living costs have influenced consumer purchasing behaviour, resulting in greater price sensitivity across healthcare-related spending.

Strategy and Solution:

To address heightened price sensitivity, TMCC focused on enhancing value perception and affordability for patients. This included offering competitively priced product ranges, bundled pharmaceutical packages, and periodic promotional pricing on frequently purchased items. Through strategically positioned promotional materials, patient-facing communications, and targeted marketing initiatives, TMCC sought to increase awareness of its products and services among patients, visitors, and caregivers within THKD.

Challenge 4: Pricing Pressure and Margin Compression

Aggressive pricing strategies from external retail chains and online pharmacies have intensified pressure on medication pricing. In addition, TMCC faces limitations through rising procurement costs and an inability to procure products in bulk at the same level as large chain pharmacies.

Management Discussion and Analysis

(Cont'd)

Strategy and Solution:

TMCC addresses this by strengthening vendor negotiations to secure competitive pricing and rebates wherever possible, while leveraging strategic partnerships to access value-driven deals despite lower purchase volumes. Targeted promotional campaigns are implemented to enhance customer value perception, alongside optimising product mix, ensuring that competitiveness is driven by overall value and convenience to patients.

TMCC also continued exploring value-based promotional strategies, including bundled offerings and loyalty-focused initiatives designed to enhance affordability while encouraging repeat customers. These efforts aim to reinforce customer confidence and maintain long-term patient relationships in a more cost-conscious environment.

Prospects

Looking ahead, TMCC remains committed to delivering accessible, affordable, and high-quality pharmaceutical services while supporting the evolving healthcare needs of patients and the wider community. To drive sustainable growth, TMCC will focus on increasing prescription volumes through stronger engagement with specialist consultants, closer collaboration across the Thomson network (Thomson Hospital Kota Damansara ("THKD"), Thomson Fertility ("TF"), and Thomson Traditional Chinese Medicine ("TTCM")), and targeted outreach to self-paying and walk-in patients.

As an integrated hospital-based pharmacy, TMCC will continue to uphold the highest standards of pharmaceutical governance, ensuring the authenticity, safety, and availability of pharmaceutical products. TMCC will also increase brand visibility, customer engagement, and revenue through strategic partnerships and value-driven offerings.



Thomson Specialist Clinic Kepong positioned as a credible, hospital-linked establishment



Thomson Specialist Clinic Kepong

2025 – 2026 Key Milestones

In FY2026, Thomson Specialist Clinic Kepong ("TSCK") strengthened its position within the highly competitive women's healthcare landscape through its value propositions: (1) its team of seasoned consultant obstetricians and gynaecologists with extensive clinical experience across women's health, antenatal care, and fertility, (2) access to the wider Thomson network – Thomson Hospital Kota Damansara ("THKD"), Thomson Fertility ("TF"), and Thomson Traditional Chinese Medicine ("TTCM"), as a feeder clinic; and (3) personalised, integrated, holistic end-to-end care.

This differentiated positioning distinguishes TSCK from standalone clinic practices and supports the Group's longer-term strategic aspiration for sustainable growth.

Challenges, Strategies and Solutions

Challenge 1: Saturated Market Environment

TSCK faces high competition, with approximately 10 clinics located within its vicinity, including established obstetrics and gynaecology specialist clinics.

Management Discussion and Analysis

(Cont'd)

Strategy and Solution:

To remain differentiated within the market, TSCK leverages its team of experienced consultant obstetricians and gynaecologists, whose years of clinical expertise enable the management of both routine and complex women's health conditions. As part of the Thomson network, TSCK is positioned as a credible, hospital-linked establishment that encourages patient trust.

Challenge 2: Limited Viable Market Demographics

The market accessibility for fertility and women's health services remains constrained by demographic trends, particularly within the reproductive age population. This challenge is further amplified by increasing competition for the same patient segment.

Strategy and Solution:

In response, TSCK expanded its efforts to engage younger and more mature patient demographics through preventive and early-stage women's healthcare offerings. This included promoting screening programmes, vaccination packages, and other related services to encourage early healthcare engagement, preventive care, and lifelong women's healthcare.

Challenge 3: Maintaining Competitive Price Positioning

The increasingly price-sensitive healthcare environment demands that outpatient specialist clinics remain competitive while maintaining service quality and operational sustainability.

Strategy and Solution:

TSCK explored more strategic purchasing and cost optimisation initiatives to improve the competitiveness of its healthcare packages and vaccination offerings. TSCK also continued evaluating bundled service offerings and value-added packages aimed at enhancing affordability and accessibility for patients while supporting sustainable business growth.

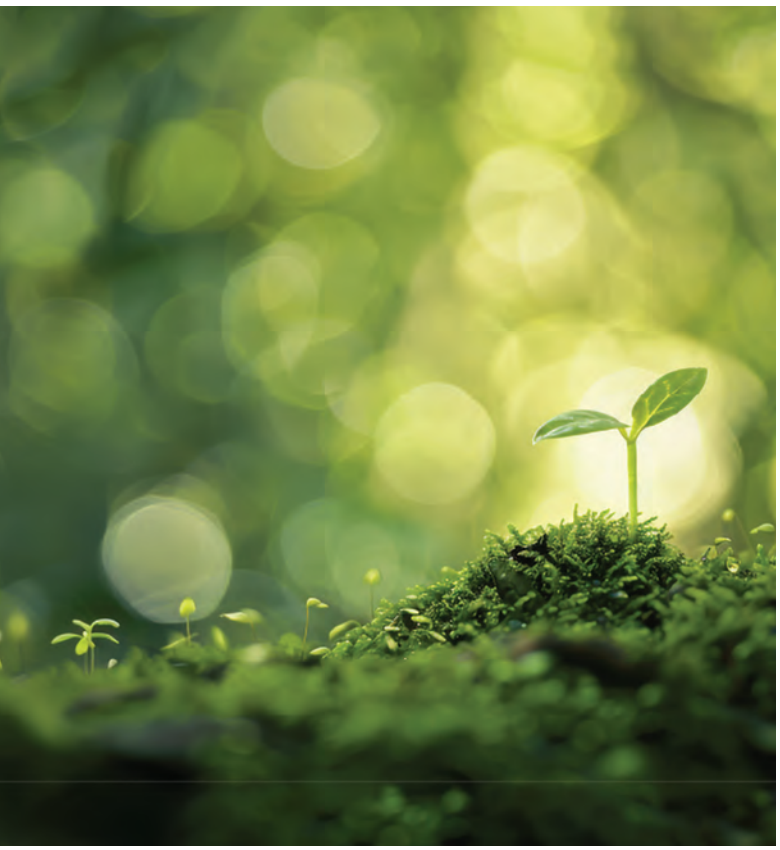
Prospects

Moving forward, TSCK remains focused on its role as a feeder clinic, delivering personalised, integrated and holistic end-to-end care through the wider Thomson network. Through continuous specialist-led, patient-centred care, service differentiation, and targeted growth initiatives, TSCK aims to reinforce its position as a trusted provider of women's healthcare services while driving long-term, sustainable value for the Group.

Sustainability Statement

ABOUT THIS SUSTAINABILITY STATEMENT

This Sustainability Statement presents the sustainability-related disclosures of TMC Life Sciences Berhad ("TMCLS", or "the Company") and its group of companies ("TMCLS Group" or "Our Group" or "the Group") for the financial year ended 30 June 2026 ("FY2026"), covering the Group's key sustainability matters, related risks and opportunities, as well as performance across its operations.



This statement should be read in conjunction with other sections of the Annual Report, including the Chairman's Statement, Management Discussion and Analysis, the Statement on Risk Management and Internal Control, the Corporate Governance Overview Statement, and the Group's consolidated financial statements. Together, these sections provide a comprehensive view of the Group's sustainability-related disclosures, including financially material matters embedded within its strategy, governance, and risk management, consistent with the principles of the IFRS Sustainability Disclosure Standards.

GUIDELINES AND FRAMEWORK

This Sustainability Statement has been prepared in accordance with the key principles of Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and guided by the following standards, frameworks and guidelines:

- 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")

REPORTING SCOPE, BOUNDARY AND TIME HORIZONS

This statement covers TMC Life Sciences Berhad's sustainability activities for the financial period of 1 July 2025 to 30 June 2026 ("FY2026"). 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 sustainability statement follow the operational control approach including Greenhouse Gas ("GHG") emissions. Where relevant, comparative information from prior financial years is included to provide context for performance trends.

The Group defines its time horizons based on when sustainability-related risks and opportunities are expected to impact its operations, financial performance, or strategic positioning.

These time horizons serve as a general reference for assessing how such risks and opportunities may evolve and are considered, where relevant, in the Group's disclosures.

Sustainability Statement

(Cont'd)

Aligned with the Group's planning and decision-making cycles, the time horizons are defined as follows:

- Short-term: Present to 2030, aligned with business planning cycles and near-term operational priorities
- Medium-term: 2031 to 2035, reflecting the period over which changes in healthcare demand, infrastructure requirements, technology adoption and regulatory developments may influence the Group's operations and performance
- Long-term: 2036 to beyond 2050, reflecting broader structural changes in healthcare delivery, demographic trends, climate-related developments and evolving regulatory expectations that may affect the Group's long-term resilience and growth

EXTERNAL ASSURANCE

Selected sustainability-related information presented in this Sustainability Statement has been subject to independent external assurance. The specific information and reporting boundaries covered by the assurance engagement are available at the end of this Sustainability Statement.

OUR SUSTAINABILITY JOURNEY

Since FY2018, TMCLS has progressively strengthened its approach to sustainability, expanding from sustainability reporting and environmental initiatives to broader considerations relating to healthcare quality, operational resilience, responsible business practices and accountability for sustainability performance.

OUR SUSTAINABILITY JOURNEY

FY2018-2019
- Inaugural Sustainability Report in FY2018

FY2020
- Declared commitment to UNSDGs

FY2021
- Established Sustainability Management Committee
- Established Materiality Matrix

FY2022
- Conducted gap analysis to improve reporting
- Awarded GreenRE Certification
- Solar Panels and Water Harvesting

FY2023
- Committed to **Net Zero by 2050**
- Initiated GHG Scope 1 & 2 accounting
- Aligning Organisation Vision & Mission

FY2024
- 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

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

FY2026
- Thomson Hospital Kota Damansara awarded four-year accreditation under the 6th Edition of the Malaysian Society for Quality in Health ("MSQH") Standards
- Thomson Hospital Kota Damansara met the WHO/ UNICEF Baby-Friendly Hospital Initiative ("BFHI") Global Criteria
- TMC Life Sciences Berhad won National Corporate Governance & Sustainability Awards 2025 - Overall Excellence Award, Top 50

LOOKING AHEAD

We remain committed to advancing our sustainability agenda through continuous improvement, innovation, and collaboration, as we work towards a healthier, more sustainable future for all

In FY2026, TMCLS received the Overall Excellence Award and was recognised among the Top 50 Malaysian public listed companies at the National Corporate Governance & Sustainability Awards 2025, organised by the Minority Shareholders Watch Group, Malaysia's minority shareholder and corporate governance watchdog.





Overall Excellence Award 2025

Top 50 Malaysian public listed companies

Independent assessment of corporate governance and sustainability practices and outcomes

Sustainability Statement

(Cont'd)

SUSTAINABILITY GOVERNANCE

The Board of Directors has ultimate responsibility for overseeing sustainability-related matters within the Group, including key risks and opportunities relevant to the Group's operations, as part of the Group's overall strategy and risk management framework.

These sustainability-related matters include climate change, human rights, occupational safety and health, environmental management, anti-corruption, and supply chain conduct.

To support the Board in fulfilling its responsibilities, sustainability-related matters are managed through the Group's existing governance structure, as summarised below.

ROLE & COMPOSITION	KEY 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 risk matters, including climate risks and opportunities on an annual basis, or more frequently if needed
Audit and 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 related 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

Sustainability Statement

(Cont'd)

STAKEHOLDER ENGAGEMENT

We engage our stakeholders to understand their expectations, address key concerns, and support effective project delivery and business performance.

Stakeholder engagement also supports the identification of sustainability risks and opportunities relevant to TMCLS. The table below outlines our key stakeholders, engagement methods, and key topics discussed.

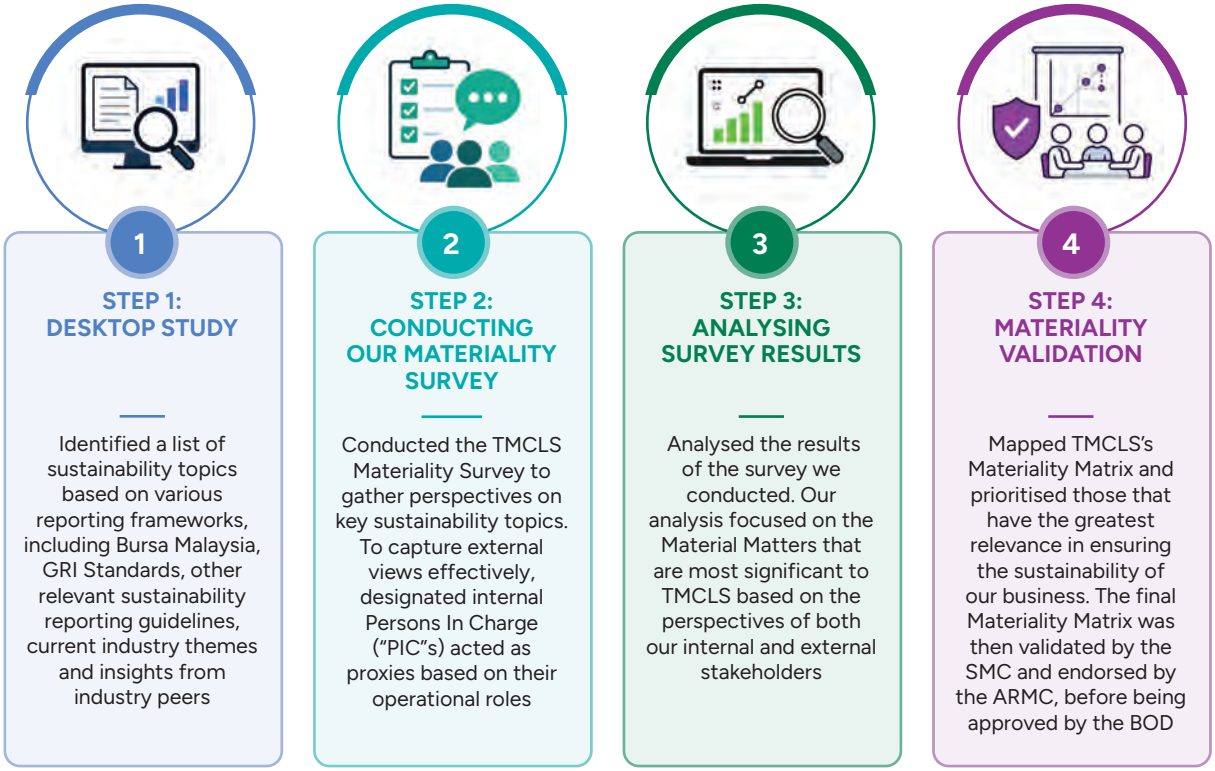
Groups	Key Areas of Interest	How We Engage
Patients / Customers	• Quality and accessibility of healthcare services • Patient safety and experience • Privacy and confidentiality	• Patient surveys and feedback channels • Face-to-face interactions • Digital and social media channels
Employees / Doctors	• Health, safety and well-being • Training and career development • Remuneration, benefits and working environment	• Town halls and management engagement • Internal communication channels • Performance appraisals • Training and development programmes
Shareholders / Investors	• Financial performance and business growth • Corporate governance and risk management • Material sustainability risks and opportunities	• Annual General Meeting • Quarterly financial results and corporate disclosures • Investor and analyst engagement
Government / Regulators / Accreditation Bodies	• Regulatory and statutory compliance • Patient safety and clinical governance • Healthcare sector developments	• Regulatory reporting and disclosures • Meetings and consultations • Inspections and compliance reviews
Suppliers / Contractors	• Product and service quality • Business integrity and regulatory compliance • Supplier performance and continuity of supply	• Supplier engagement • Supplier evaluations and performance reviews • Procurement and due diligence processes
Local Communities	• Health awareness and access • Community well-being • Emergency preparedness	• Community health and outreach programmes • Public health education and engagement • Board of Visitors and local stakeholder engagement
Intermediaries (Insurance providers and Third Party Administrators ("TPA")	• High-quality healthcare services • Competitive and transparent pricing	• Insurance/ TPA engagement activities • Regular health talks and forums

Sustainability Statement

(Cont'd)

MATERIALITY ASSESSMENT

Our materiality assessment was conducted in FY2026 through a structured process involving surveys with internal stakeholders across key functions and operations, discussions with management, and consideration of stakeholder expectations, industry developments and the Group's key risks and business priorities. The materiality assessment process is detailed below:



1

STEP 1: DESKTOP STUDY

Identified a list of sustainability topics based on various reporting frameworks, including Bursa Malaysia, GRI Standards, other relevant sustainability reporting guidelines, current industry themes and insights from industry peers

2

STEP 2: CONDUCTING OUR MATERIALITY SURVEY

Conducted the TMCLS Materiality Survey to gather perspectives on key sustainability topics. To capture external views effectively, designated internal Persons In Charge ("PIC"s) acted as proxies based on their operational roles

3

STEP 3: ANALYSING SURVEY RESULTS

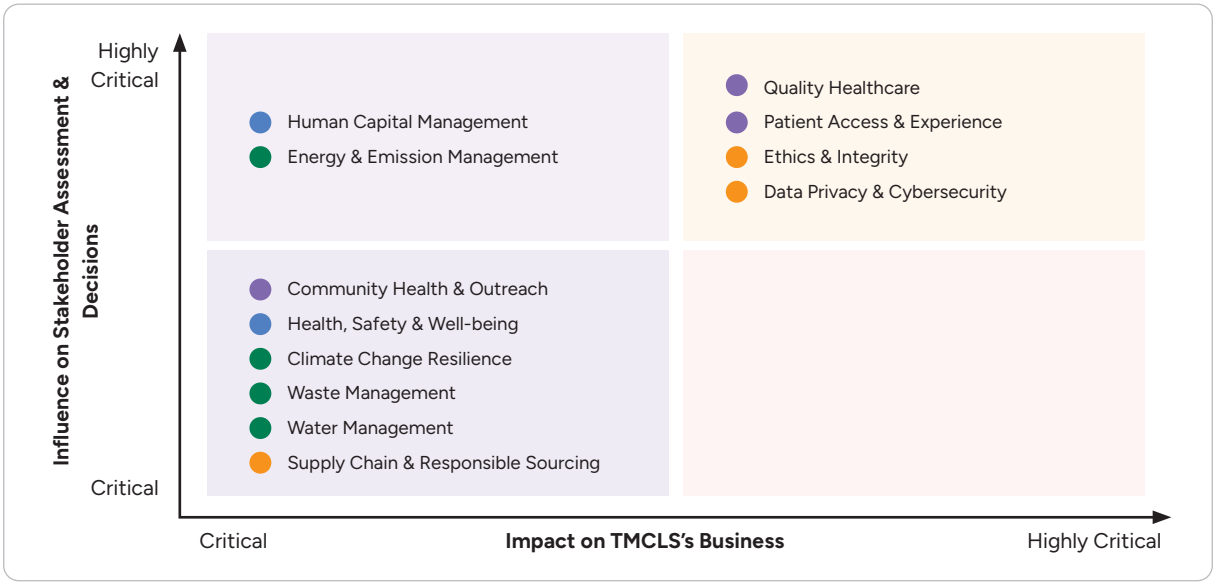
Analysed the results of the survey we conducted. Our analysis focused on the Material Matters that are most significant to TMCLS based on the perspectives of both our internal and external stakeholders

4

STEP 4: MATERIALITY VALIDATION

Mapped TMCLS's Materiality Matrix and prioritised those that have the greatest relevance in ensuring the sustainability of our business. The final Materiality Matrix was then validated by the SMC and endorsed by the ARMC, before being approved by the BOD

The materiality matrix below presents the sustainability matters most relevant to our stakeholders and their potential impact on TMCLS's business.



Sustainability Statement

(Cont'd)

TMCLS' SUSTAINABILITY FOCUS AREAS

PATIENT CARE AND COMMUNITY OUTREACH

- Quality Healthcare
- Patient Access & Experience
- Community Health & Outreach

ORGANISATIONAL MANAGEMENT

- Ethics & Integrity
- Data Privacy & Cybersecurity
- Supply Chain & Responsible Sourcing

ENVIRONMENTAL MANAGEMENT

- Climate Change Resilience
- Energy & Emissions Management
- Waste Management
- Water Management

TALENT EXCELLENCE

- Human Capital Management
- Health, Safety & Well-being

UNSDGs



FY2026 SUSTAINABILITY HIGHLIGHTS

PATIENT CARE AND COMMUNITY OUTREACH

Delivering trusted, high-quality care

- 4-year MSQH accreditation
- Baby-Friendly Hospital Initiative certified
- MS ISO/IEC 15189 accredited Laboratory Services
- Recognised among Asia's Top Private Hospitals and Clinics 2026

NET PROMOTER SCORE

Delivering trusted, high-quality care

74

Target: ≥ 60

OVERALL CUSTOMER SATISFACTION

Score:

4.6/5

Target: ≥ 4.4

ORGANISATIONAL MANAGEMENT

Upholding integrity and accountability

- **0** corruption incidents
- **100%** employees attended anti-corruption training
- **NACGSA 2025** Overall Excellence Award Top 50 Malaysian public listed companies

ENVIRONMENTAL MANAGEMENT

Managing our environmental footprint

- GreenRE Certified: THKD Block A & Block C, renewed until 2028
- **650,917 kWh** solar energy generated
- **481.7 tonnes of CO_2e ("tCO_2e")** estimated grid emissions avoided through on-site solar generation[1]
- **36.4%** reduction in Scope 1 GHG emissions from 888 tCO_2e in FY2025 to 565 tCO_2e in FY2026
- **52.67 tonnes** waste diverted from disposal through recycling and reuse

TALENT EXCELLENCE

Developing our people and maintaining a safe workplace

OUR PEOPLE

- **52%** women in senior management
- **43 hours** average training per employee
- **0** substantiated human rights violations

HEALTH AND SAFETY

- **0** fatalities
- **0.12** lost time injury rate across 3,469,976 total man-hours worked
- MBPJ High-Performance Building recognition

[1] Calculated using an emission factor of 0.740 $kgCO_2e/kWh$.

PATIENT CARE AND COMMUNITY OUTREACH

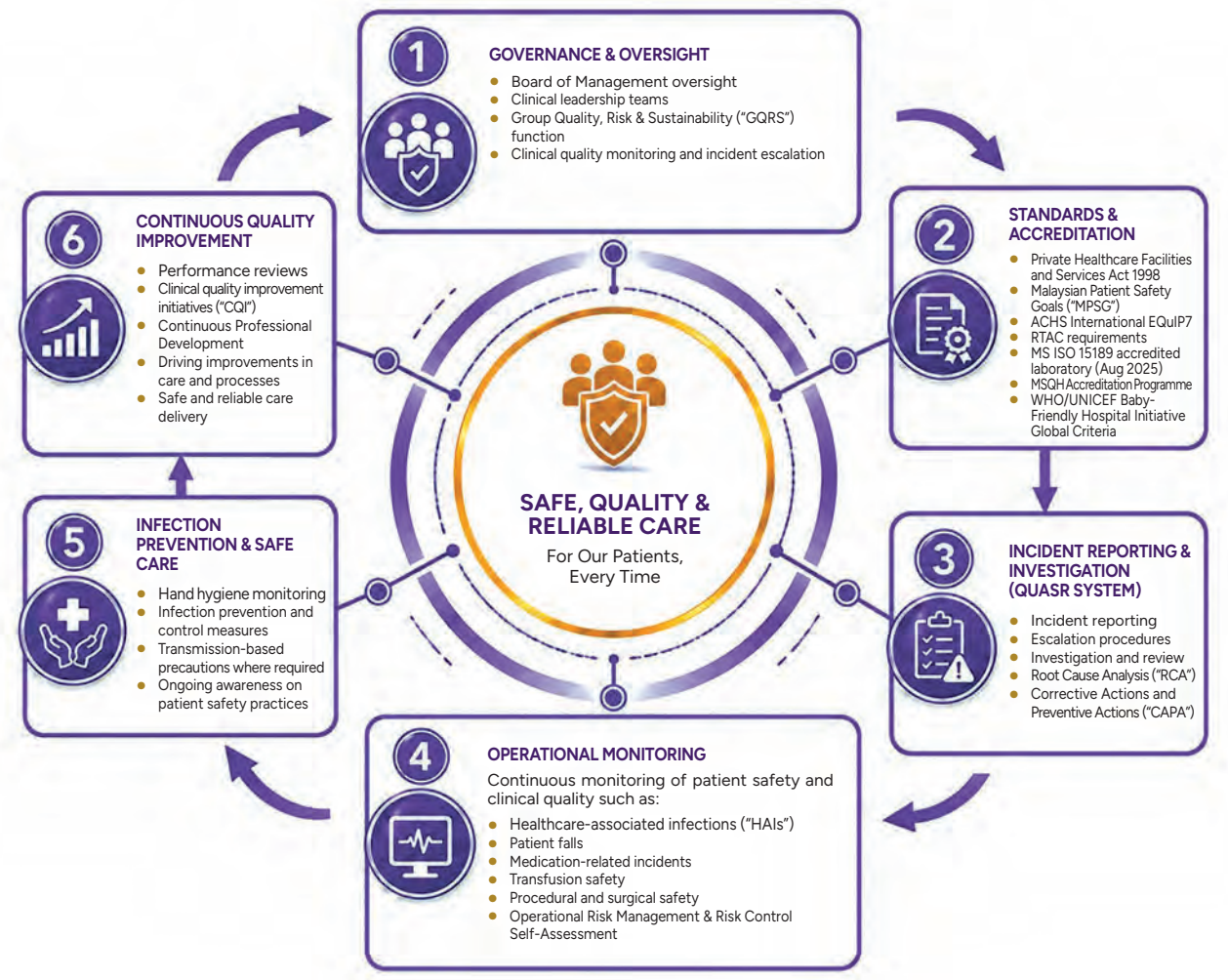
QUALITY HEALTHCARE

Why Is It Important

Quality healthcare is fundamental to patient safety, continuity of care and maintaining trust in our healthcare services. It also supports regulatory compliance, accreditation requirements and the long-term sustainability of our healthcare operations.

Our Approach

We maintain an integrated approach to healthcare quality that combines strong governance, recognised standards, patient safety practices and continuous quality improvement across our hospital, fertility and related healthcare operations.



Sustainability Statement

(Cont'd)

Advancing Clinical Care through Technology

We continued to invest in clinical technology that strengthens our diagnostic and treatment capabilities and supports our medical professionals in delivering safe, effective and patient-centred care. These investments span key areas of our healthcare services, from advanced diagnostics and reproductive medicine to precision imaging and minimally invasive surgery.



ADVANCED DIAGNOSTICS

3T MRI

High-resolution 3T MRI provides enhanced image detail and clarity, supporting earlier detection and greater diagnostic confidence across a wide range of conditions, strengthening clinical decision-making and patient care



FERTILITY & REPRODUCTIVE MEDICINE

Intelligent Embryo Assessment

Bringing together AI-powered image analysis and embryologist expertise, our approach transforms embryo development data into meaningful insights—supporting more objective assessment, informed decision-making and personalised reproductive care

Precision Across the Fertility Journey

Advanced reproductive technologies, including Intracytoplasmic Sperm Injection ("ICSI"), Preimplantation Genetic Testing ("PGT"), cryopreservation and fertility preservation, are integrated to provide a more personalised and evidence-based approach to fertility treatment



NUCLEAR MEDICINE / PRECISION DIAGNOSTICS

Tri-modal Nuclear Medicine Imaging (SPECT/PET/CT)

Combines functional and anatomical imaging to assist in accurate diagnosis, staging and treatment monitoring across a range of conditions including cancer

Emergency Preparedness and Continuity of Care

The ability to maintain healthcare services during emergencies and operational disruptions is fundamental to patient safety and continuity of care. As climate-related events and other operational risks continue to evolve, the Group remains focused on strengthening emergency preparedness and operational resilience to support the uninterrupted delivery of critical healthcare services. The following provides an overview of our approach and please refer to Climate Change Resilience section for further details on our climate-related risk and opportunity.

Sustainability Statement

(Cont'd)



Health Promotion and Wellness

As part of our commitment to quality healthcare, we continue to promote healthier lifestyles, preventive healthcare and health literacy through initiatives that encourage informed health decisions across our hospital community.

Healthcare Advocacy

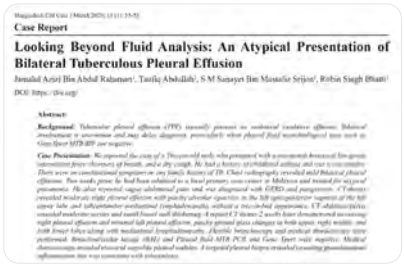
Our medical professionals extend their expertise beyond clinical care through public health education, expert commentary and medical knowledge-sharing. These engagements support greater awareness of important health issues while strengthening THKD's position as a trusted healthcare provider and a credible source of medical expertise.

Women's Health & Fertility



Dr. Uma Mariappen, O&G Consultant and Fertility Specialist, was invited to be a guest speaker on Bernama Radio to discuss an important women's health topic – Polycystic Ovary Syndrome ("PCOS").

Clinical Excellence & Knowledge Sharing


Case Report

Looking Beyond Fluid Analysis: An Atypical Presentation of Bilateral Tuberculous Pleural Effusion

Dr. Jamalul Azizi Abdul Rahman, Consultant Respiratory Physician, shared a recent case report on an uncommon presentation of pleural tuberculosis and importance of medical thoracoscopy in achieving an accurate diagnosis.

Metabolic & Bariatric Health



Dr. Reynu Rajan, Consultant Upper Gastrointestinal and Bariatric Surgeon, in an article, talked about Bariatric surgery for metabolic health: prevention, disease control and improved quality of life.



Dr. Tan Gie Hooi, Consultant Breast and Oncoplastic Surgeon, in an article, talked about the physiological and emotional aspects of recovery after breast cancer treatment and the importance of holistic care.

Sustainability Statement

(Cont'd)

World Immunisation Week 2026

During the reporting period, the Group implemented a range of health promotion initiatives, including World Immunisation Week 2026, under the theme "For every generation, vaccines work".





Immunisation Awareness Booth
An interactive booth featuring educational materials, quizzes and sharing on the importance of vaccines

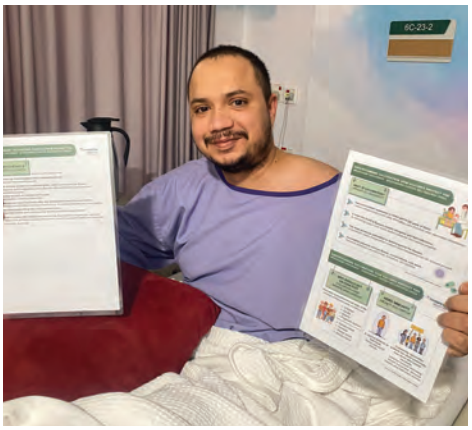








Poster Competition
Creative posters that highlight the value of immunisation across all generations



Ward Engagements
Patients and caretakers education by pharmacist and ward team through sharing session and interactive quizzes



Staff Engagement Session
Experts talk on adult and children immunisation, vaccine truths and myths, followed by a Q&A session and quiz

Sustainability Statement

(Cont'd)

World Antimicrobial Resistance Awareness Week 2025

Antimicrobial resistance ("AMR") occurs when microorganisms no longer respond effectively to medicines, making infections harder to treat and increasing the risks of severe illness, prolonged hospitalisation and complications from medical procedures. Appropriate antimicrobial use and effective infection prevention are therefore important components of patient safety and quality care.







Hospital-wide engagement

Daily A&Es tips and updates involving clinical and non-clinical teams

Knowledge sharing

Expert-led sessions on best practices, protocols and the latest evidence-based practices

Patient safety relevance

Supports informed antimicrobial decisions and helps preserve treatment effectiveness

During World Antimicrobial Resistance Awareness Week 2025, THKD conducted hospital-wide activities to strengthen awareness of AMR and antimicrobial stewardship among clinical and non-clinical employees.

Supporting Healthier Food Choices

The Group introduced calorie labelling across all cafeteria menus to support informed food choices among our hospital community. By making nutritional information readily available at the point of purchase, the initiative encourages greater nutritional awareness and mindful food choices.

Sustainability Statement

(Cont'd)

Our Performance

In FY2026, THKD achieved and renewed key external accreditations covering hospital-wide quality and patient safety, mother-and-baby care, and laboratory quality and competence, as highlighted below.



MSQH Accreditation

Four-year accreditation under the 6th Edition, reflecting the hospital's quality and patient safety systems and commitment to continuous improvement



Baby-Friendly Hospital Initiative

Recognition against the WHO/UNICEF Global Criteria, supporting evidence-based maternity and newborn care and breastfeeding practices



MS ISO 15189 Laboratory Accreditation

Accreditation of laboratory services for quality and technical competence, supporting reliable laboratory testing and informed clinical decisions

These external accreditations are supported by the Group's continued monitoring of key clinical quality and patient safety indicators, with its FY2026 performance presented below.

HEALTHCARE-ASSOCIATED INFECTIONS (HAIs)

<5% HAIs rate

ACHIEVED
FY2026

FALL PREVENTION

<5 patient falls per 1,000 patient days

ACHIEVED
FY2026

HAND HYGIENE

90% hand hygiene compliance rate

ACHIEVED
FY2026

Sustainability Statement

(Cont'd)

PATIENT ACCESS & EXPERIENCE

Why Is It Important

Patient access and experience are important to ensuring timely, affordable and coordinated care throughout the patient journey. They also support patient trust, continuity of care and long-term relationships with our patients and their families.

Our Approach

Supporting Access Across the Patient Journey

We seek to improve access and experience across the patient journey through transparent billing, accessible communication channels, patient navigation and coordinated support. We also monitor affordability and insurance coverage developments that may affect access to selected healthcare services and treatment pathways.

Our Performance

We track patient satisfaction through independent benchmarks, patient feedback, and internal reviews against established targets:

Performance Indicator	Unit	FY2026	FY2025	FY2024	Target
Net Promoter Score ("NPS")[1]	No.	74	72	72	≥ 60
Overall Customer Satisfaction Score ("CSAT")[2]	Score (out of 5)	4.6	4.6	4.4	≥ 4.4

1. NPS measures customer advocacy and the likelihood of patients recommending our healthcare services to others.
2. CSAT measures overall patient satisfaction relating to healthcare services and patient experience across healthcare operations.



Listening and Responding to Patients

Alongside measures to facilitate access and coordinated support, we listen to patients and monitor customer experience ("CX") to identify service concerns and opportunities for improvement. We supplement direct patient feedback with external benchmarking and internal service assessments to evaluate service delivery and track areas for improvement, as presented below.

Sustainability Statement

(Cont'd)

INTERNATIONAL PATIENT SUPPORT

State of CX in Malaysia

THKD participated in the study conducted by CX Malaysia and Twimbit, covering 100 organisations and four areas of customer experience:



THKD CX INDEX

3.15 (2024) → **3.61** (2025)

INTERNAL SERVICE ASSESSMENTS

Service delivery standards are monitored through mystery calls, outpatient experience observations and mystery purchases.

MYSTERY CALL SCORE

68% (2024) → **81%** (2025)

OUTPATIENT OBSERVATIONS

5% IMPROVEMENT
in customer service and grooming standards between evaluations.

Building a Patient-Centred Service Culture

Insights from patient feedback inform how we strengthen the delivery of care and support across clinical and non-clinical touchpoints. Recognising that patient experience is shaped by every interaction, THKD implemented its Customer Centric Culture initiative during the year to establish common service expectations and reinforce patient-centred behaviours.



The Thomson Service Influencers are trained and equipped to deliver high standards in patient experience

Beyond improving access and communication, we continue to emphasise patient comfort and personal connection by creating supportive and welcoming experiences for patients and visitors, particularly children and those receiving inpatient care.

Sustainability Statement

(Cont'd)



Patient birthday celebration





Child-friendly activities in paediatrics wards





"I AM BRAVE" recognition



Reading corner

COMMUNITY HEALTH AND OUTREACH

Why Is It Important

Community health and outreach initiatives help improve health awareness, accessibility and overall well-being across the communities where we operate. They also strengthen community resilience and provide opportunities to contribute positively beyond our healthcare operations.

Our Approach

We continue to engage communities through healthcare outreach, preventive healthcare initiatives, public health education and selected community support programmes across the areas where we operate.

Our community outreach activities primarily focus on:

- preventive healthcare and community health screenings;
- health awareness and public health education;
- women's and children's health awareness initiatives;
- fertility and reproductive health awareness;
- community healthcare accessibility initiatives; and
- collaboration with NGOs, schools, healthcare organisations and local communities across selected outreach programmes.

During the reporting period, outreach activities included blood donation drives, complimentary health screenings, basic life support and hand hygiene awareness programmes, as well as selected initiatives supporting underserved and vulnerable communities.

As our healthcare operations continue to expand, we aim to progressively deepen community outreach initiatives aligned with health priorities affecting women, children and families in Malaysia.

Sustainability Statement

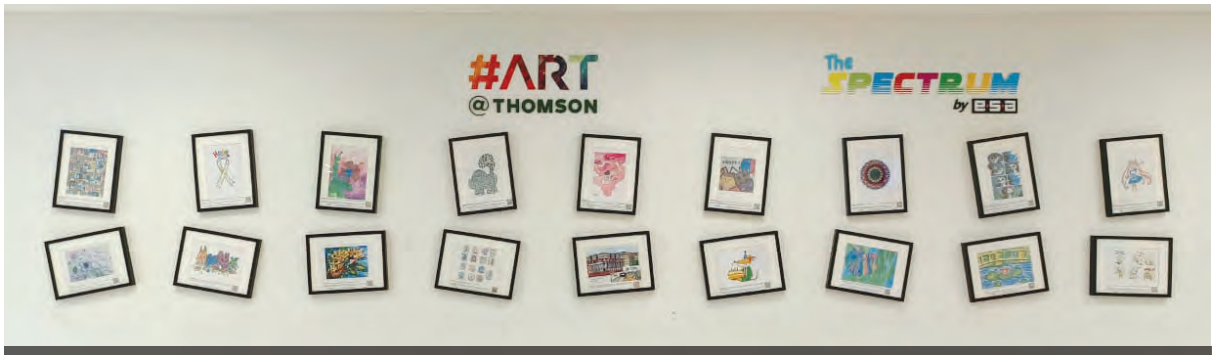
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Ramadan Iftar Gathering & Solat Tarawih with Employee and orphanage children from Pusat Jagaan Darul Sakinah



Bubur Lambuk distribution in conjunction with Ramadan



Displaying art pieces by autistic artists under The Spectrum by English Speaking Asians ("E.S.A.")

Our Performance

Performance Indicator	Unit	FY2026	FY2025	FY2024	Target
Community health and outreach investment	RM	36,271[2]	66,920	89,549	Continue supporting community health and outreach activities
Estimated beneficiaries supported[1]	Number	2,501	4,232	2,943	

1. The data for estimated beneficiaries supported is based on our best estimate, given the difficulty in tracking the exact number of beneficiaries for our initiatives.
2. Lower amount spent compared to previous years due to the strategic shift in focus towards internal programme such as employee engagement.

ORGANISATIONAL MANAGEMENT

ETHICS AND INTEGRITY

Why Is It Important

Trust is fundamental in healthcare. Unethical conduct, corruption, conflicts of interest, weak governance or regulatory non-compliance may undermine stakeholder confidence, regulatory standing and long-term relationships across the healthcare sector.

Our Approach

TMCLS maintains a zero-tolerance stance against bribery, corruption and unethical conduct across its operations and business dealings. This commitment was reaffirmed by the Board and Senior Management through an integrity pledge ceremony held on 21 April 2026 witnessed by the Malaysian Anti-Corruption Commission's ("MACC") senior officials. This is further supported by the Group's Code of Conduct, Anti-Bribery and Anti-Corruption ("ABAC") Policy and Whistleblowing Policy, all of which are publicly available on the Group's website.

Corruption risk assessments are conducted annually, with identified risks incorporated into the Group's risk management and internal control processes. Integrity considerations are also embedded within procurement, operational and approval processes, with due diligence performed proportionate to the nature of the engagement and identified risk exposure.

We also undertake ongoing communication and training initiatives to reinforce awareness of anti-corruption requirements, ethical conduct and whistleblowing obligations across the Group. During the reporting period, the MACC conducted an anti-corruption workshop for employees.

Percentage of operations and entities assessed for corruption-related risks	FY2026 (%)	FY2025 (%)	FY2024 (%)
	100	100	90

Percentage of employees who attended anti-corruption training[1]	FY2026 (%)	FY2025 (%)	FY2024 (%)
Senior Management	100	100	97
Middle Management	100	100	100
Executives	100	100	100
Non-Executives	100	100	99
Total	**100**	**100**	**98**

1. Employee training percentage includes employees within the reporting period who were required to complete anti-corruption training.

Sustainability Statement

(Cont'd)







STRENGTHENING INTEGRITY AND ANTI-CORRUPTION AWARENESS

INTEGRITY PLEDGE

Board members and Senior Management reaffirmed their commitment to upholding integrity at all times

KNOWLEDGE-SHARING WITH MACC

Strengthening organisational governance and anti-corruption awareness

Our Performance

As a result of our monitoring initiatives, no confirmed incidents of corruption have been reported over the past three consecutive reporting periods.

Number of confirmed incidents of corruption	FY2026	FY2025	FY2024
	Nil	Nil	Nil

DATA PRIVACY & CYBERSECURITY

Why Is It Important

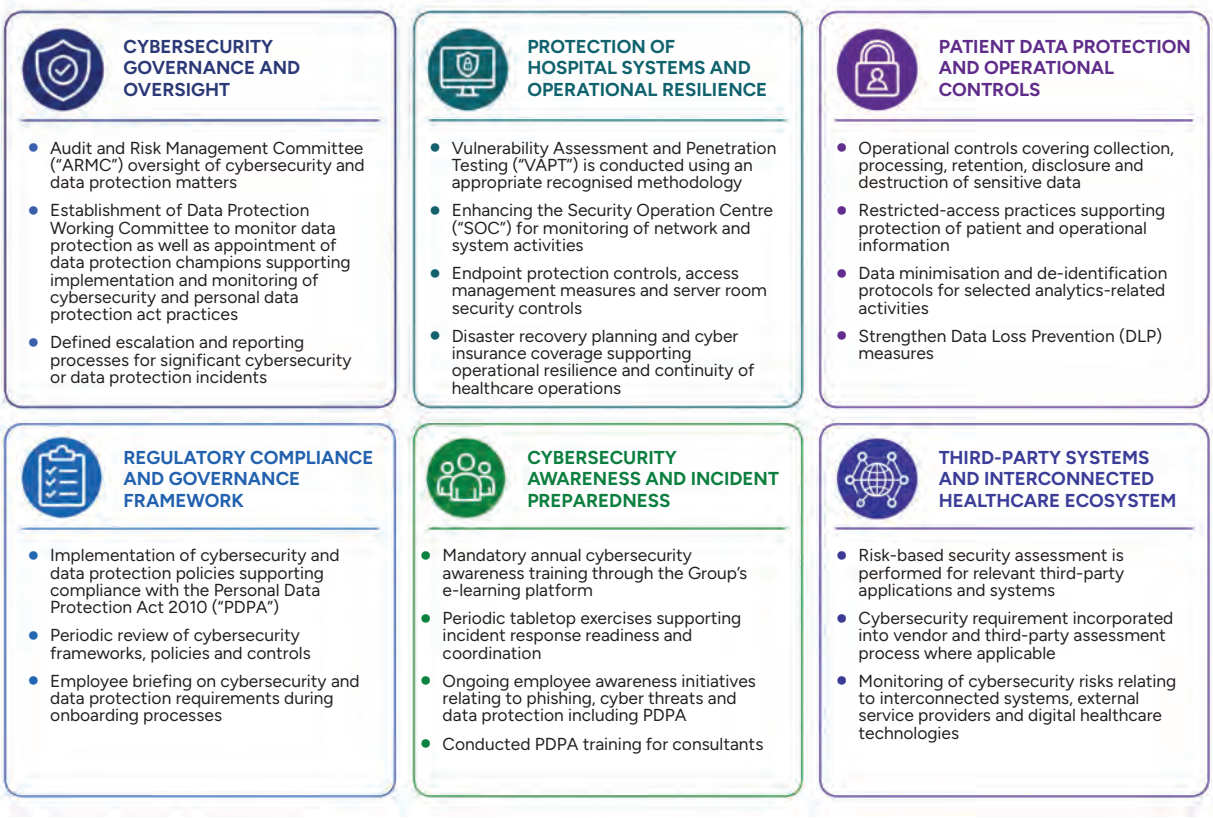
Reliable digital systems and secure patient information are essential to modern healthcare operations. Cybersecurity incidents, data breaches or disruptions to critical systems may affect patient trust, hospital operations and the Group's ability to provide timely and uninterrupted healthcare services.

Our Approach

As healthcare operations become increasingly digitalised, we continue to strengthen cybersecurity and data protection measures to support operational resilience, continuity of care and the protection of patient and operational information. Key measures are summarised below.

Sustainability Statement

(Cont'd)



Our Performance

The Group recorded three substantiated privacy incidents: one arising from a technical issue involving a digital healthcare platform and two from human error during manual document handling.

The Group takes all privacy incidents seriously. Each incident was investigated, contained and reported to the relevant regulatory authorities within the prescribed timelines. Corrective and preventive measures were implemented to reduce the risk of recurrence. None of the incidents resulted in material disruption to healthcare operations or patient care.

Statistics	FY2026	FY2025	FY2024	Target
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data[1]	3	0	0	Maintain zero substantiated complaints
Percentage of employees who completed cybersecurity awareness training	92%	89%	Not applicable	Continue improving employee participation in cybersecurity awareness training

1. Refers to substantiated complaints received from patients, customers, or regulatory authorities.

Sustainability Statement

(Cont'd)

SUPPLY CHAIN AND RESPONSIBLE SOURCING

Why Is It Important

Maintaining a resilient and reliable healthcare supply chain is important to continuity of care, healthcare affordability and operating margins. Medicines, medical consumables, laboratory-related supplies and healthcare support services represent significant operating costs for the Group.

Geopolitical developments, supply disruptions, healthcare inflation and broader market volatility may affect treatment availability, costs and patient affordability across our healthcare operations.

Our Approach

We seek to maintain the availability of critical medicines, medical consumables, laboratory-related supplies and healthcare support services through effective inventory management, responsible sourcing, supplier governance and operational resilience across our healthcare operations.

Responsible sourcing is guided by the Group's Procurement Responsible Sourcing Policy, which applies to all vendors conducting work for the Group, including their employees, subsidiaries, affiliates and other parties appointed to perform work on the Group's behalf. The policy is publicly available on the Group's website. Key measures implemented by the Group are summarised below.



Sustainability Statement

(Cont'd)

Our Performance

The table below summarises the key supply chain indicators monitored by the Group during the reporting period. FY2025 and FY2024 figures for percentage of spending on local suppliers and contractors have been restated due to changes in data consolidation methodology.

Performance Indicator	FY2026	FY2025	FY2024	Target
Percentage of spending on local suppliers and contractors	99.8%	99.6%	99.7%	Prioritise local supplier and contractor participation
Material supply disruptions involving medicines, medical consumables, laboratory-related supplies or healthcare services that materially affected the Group's operations or patient services[1]	Nil	Nil	Nil	Maintain no material disruptions
Material regulatory, environmental, labour, safety or integrity-related breaches involving appointed suppliers or contractors that materially affected the Group[2]	Nil	Nil	Nil	Maintain no material breaches

1. Refer to material supply or service disruptions involving critical medicines, medical consumables, laboratory-related supplies or healthcare-related services that materially affected hospital operations, patient services or continuity of care during the reporting period.
2. Refer to incidents or confirmed non-compliance involving suppliers or contractors that materially affected the Group's operations, regulatory compliance, patient services or reputation during the reporting period.

Sustainability Statement

(Cont'd)

ENVIRONMENTAL MANAGEMENT

CLIMATE CHANGE RESILIENCE

Why Is It Important

Climate change may affect patient access, healthcare facilities, utilities and the availability of essential supplies. These developments may increase operating costs, disrupt healthcare services and affect the Group's ability to deliver uninterrupted patient care.

Our Approach

Climate-related risks and opportunities are managed through the Group's sustainability governance framework and integrated into its broader risk management processes, as further described in the Statement on Risk Management and Internal Control.

To support our assessment, we considered a higher-emissions pathway, including SSP5-8.5, for physical climate risks and the IEA Net Zero Emissions by 2050 ("NZE2050") scenario for transition risks.

Based on our current assessment, physical climate risks are more relevant to the Group, particularly where severe weather and related disruptions could affect access to our facilities, continuity of healthcare services and the availability of essential supplies. Transition risks are currently considered less significant, although we continue to monitor changes in energy costs and regulatory requirements.

The principal climate-related risks identified, together with their potential financial effects and our responses, are summarised below.

Risk/ Opportunity	Description	Potential Financial Effects	Our Response
Severe Weather and Facility Disruption	Flooding, extreme rainfall and other severe weather events may affect access to our facilities, disrupt utilities or damage facilities and equipment	• Lower revenue from reduced patient volumes or deferred procedures • Repair or replacement costs • Higher contingency and business continuity costs	• Maintain business continuity and emergency response arrangements • Maintain backup power and monitor critical utilities
Rising Energy and Cooling Costs	Higher temperatures and electricity costs may increase cooling and energy requirements across our hospitals, laboratories and fertility operations	• Higher electricity and operating costs • Higher maintenance and replacement/ enhancements costs	• Implement energy efficiency and preventive maintenance initiatives • Monitor energy consumption and cooling system performance • Consider energy efficiency when upgrading facilities and equipment
Supply Chain Disruption	Climate-related events may disrupt the production or transportation of medicines, laboratory materials, consumables and other critical supplies	• Higher procurement, logistics and inventory costs • Alternative sourcing costs • Potential revenue impact where treatments or procedures are delayed	• Monitor critical inventory and supply dependencies • Engage suppliers on continuity arrangements • Consider alternative sources for critical supplies where appropriate
Resilient Healthcare Services	Growing demand for healthcare services reinforces the importance of resilient healthcare operations, enabling the Group to continue delivering critical healthcare services during climate-related disruptions	• Reduced business interruption and recovery costs • Support long-term revenue growth through sustained patient access and service availability	• Continue investing in resilient healthcare infrastructure and critical utilities • Strengthen emergency preparedness and business continuity arrangements

Our Performance

Climate-related risks are monitored as part of the Group's operational and risk management processes. During the reporting period, no material disruptions or financial impacts directly attributable to climate-related risks were recorded.

Performance Indicator	FY2026	FY2025	FY2024	Target
Material operational disruptions directly attributable to climate-related severe weather events[1]	Nil	Nil	Nil	Maintain operational continuity across healthcare operations
Material direct financial impacts identified from climate-related physical or transition risks based on management's current assessment[2]	Nil	Nil	Nil	Continue climate-related monitoring and operational resilience assessment

1. Refers to severe weather-related events, including flooding, extreme rainfall or heat-related operational disruptions, that materially affected healthcare operations, facility access or continuity of care during the reporting period, based on management's operational assessment.
2. Refers to climate-related impacts that materially affected the Group's financial performance, operational continuity or healthcare operations during the reporting period, based on management's current assessment.

Anticipated Financial Impact

Based on current operating conditions and our current understanding, we do not currently expect climate-related physical or transition risks to have a material effect on our existing financial performance or position over the short term.

Over the medium to long-term, severe weather events could disrupt access to our facilities, damage infrastructure or interrupt utilities and essential supplies. If these risks materialise, the principal financial effects could include lower revenue during periods of disruption, higher operating and repair costs, and additional capital expenditure to strengthen operational resilience.

We are currently unable to reliably quantify these longer-term effects, as their scale and timing will depend on the severity and location of future climate events, the resilience of public infrastructure and utilities, and how climate-related policies develop.

ENERGY AND EMISSION MANAGEMENT

Why Is It Important

Reliable energy supply is essential to how we deliver care. Our facilities rely on electricity to support critical patient-care infrastructure, medical equipment and day-to-day operations. As energy costs continue to rise, effective energy management also remains important in supporting operational resilience and managing operating costs.

Our Approach

We continue to monitor energy consumption and strengthen energy resilience across our healthcare facilities, recognising the importance of reliable energy supply to support critical patient-care infrastructure and broader hospital operations.

Given the energy-intensive nature of healthcare services, the Group also monitors rising electricity-related costs and continues to implement selected energy efficiency and operational optimisation initiatives. Key measures implemented by the Group are summarised below.

Sustainability Statement

(Cont'd)



Renewable Energy and Sustainable Infrastructure

In addition to operational energy efficiency initiatives, THKD also benefits from investments and infrastructure already embedded within our facilities. Key features are summarised below.



Sustainability Statement

(Cont'd)

Our Performance

Energy Consumption

Energy consumption is closely linked to patient care and the continuous operation of our healthcare facilities. Accordingly, we have not established a quantified absolute reduction target. Instead, we focus on optimising energy use without compromising healthcare delivery through consumption monitoring, preventive maintenance and operational efficiency, while maintaining our solar installations to support optimal energy generation.

TMCLS Electricity Consumption	FY2026 (kWh)	FY2025 (kWh)	FY2024 (kWh)
Electricity Consumption from the Grid	17,777,190	17,372,622	16,499,086
Renewable Energy Consumption	650,917	599,586	483,217
Total Electricity Consumption	**18,428,107**	**17,972,208**	**16,982,303**

TMCLS Fuel Consumption	FY2026 (GJ)	FY2025 (GJ)	FY2024 (GJ)
Generator Set	65	63	57
Company-Owned Vehicles	328	261	213
Cooking Fuel	136	99	65
Total Fuel Consumption	**529**	**423**	**335**

1. Electricity consumption is calculated using actual utility bill data. Where billing cycles do not align with the reporting cutoff date, reasonable estimations based on historical averages are applied.
2. Diesel consumption for the generator set is estimated using the diesel volume purchased over two consecutive purchase periods and apportioned using an average daily consumption rate derived from the number of days between purchases.
3. Fuel consumption for company-owned vehicles includes company-owned motorcycle fuel consumption. The motorcycle fuel consumption amount is estimated based on reported fuel efficiency of Honda Wave 125i (2017).
4. Fuel consumption of company-owned vehicle increased in FY2026 compared to previous year, driven by higher trip demands from internal staff as well as external requests, specifically from international patients.
5. Cooking fuel consumption increased in FY2026 due to higher demands at the internal café and a higher volume of internal events catered by the kitchen.

For FY2026, Thomson Hospitals Sdn Bhd total energy consumption – calculated by combining non-renewable fuel consumed by company-owned cars, motorcycles, generators, kitchens, purchased grid electricity and renewable energy generated from solar, totaling 63,400 GJ - along with the energy consumption of IVF Technologies Sdn Bhd (1,359 GJ) and Thomson Specialist Clinic (Kepong) Sdn Bhd (75 GJ) from grid electricity, has undergone independent external assurance. Additional details are available in the Independent Assurance Statement.

Emissions

The Group has set a target to reduce its Scope 1 and Scope 2 GHG emissions by 5% within five years from FY2025 (revised from the initial three-year timeline to align with the sustainability targets of its parent company). In FY2026, Scope 1 emissions decreased by 36.4% to 565 tCO_2e, from 888 tCO_2e in FY2025, surpassing the level required under the target ahead of schedule. The decreased was mainly attributable to the reduction of desflurane used as per our commitment to reduce the use of anaesthetic gases with high Global Warming Potentials ("GWP").

Scope 2 emissions decreased by 2.2% despite higher grid electricity consumption, primarily due to the lower grid emission factor applied in FY2026.

The Group's Scope 3 disclosures meet applicable regulatory requirements while providing greater visibility into the emissions implications of its procurement and operational decisions. Its ability to reduce these emissions is, however, constrained by the nature of healthcare operations. Patient safety, quality of care, infection control and sterility requirements limit the substitution of certain medicines and consumables, as well as opportunities for reuse and recycling. Within these constraints, the Group focuses on areas where it can meaningfully influence outcomes by monitoring clinically appropriate and environmentally preferable alternatives, segregating waste and recycling suitable non-clinical and uncontaminated materials.

Sustainability Statement

(Cont'd)

GHG Emissions	FY2026 (tCO_2e)	FY2025 (tCO_2e)	FY2024 (tCO_2e)
Scope 1			
Inhaled anaesthetic gases	513	745	690
Other Scope 1 emissions	52	143	
Total Scope 1 emissions	**565**	**888**	**690**
Scope 2			
Electricity from the grid	13,155	13,446	12,506
Total Scope 2 emissions	**13,155**	**13,446**	**12,506**
Scope 3			
Purchased goods and services	11,239	8,393	6,355
Capital goods	694	2,092	524
Fuel and energy-related activities	1,160	1,146	1,087
Waste generated in operations	440	420	502
Business travel	14	21	16
Employee commuting	1,703	1,683	2,037
Upstream leased assets	27	28	9
Total Scope 3 emissions	**15,277**	**13,783**	**10,530**
Total GHG emissions	**28,997**	**28,117**	**23,726**

1. **Scope 1** emissions are calculated using the 2025 UK Government GHG Conversion Factors for Company Reporting and the Sixth Assessment Report (AR6) of the United Nations (UN) Intergovernmental Panel on Climate Change ("IPCC").
2. **Inhaled anaesthetic gases** include Nitrous Oxide, Entonox, Desflurane and Sevoflurane. The accounting approach is from the annual usage of inhaled anaesthetic gases for the reporting period.
3. **Other Scope 1 emissions** comprise mobile combustion from diesel and fuel consumption of company-owned vehicles (car and motorcycle); stationary combustion from Liquefied Petroleum Gas ("LPG") as cooking fuel and diesel consumption from generators; fugitive emissions from refrigerant refill for air conditioner/refrigerator and carbon dioxide leakages from fire extinguishers; and carbon dioxide used in incubator operations. The accounting approach for stationary combustion is based on annual cooking fuel consumption for the reporting period, while generator fuel consumption is estimated using the diesel volume purchased over two consecutive purchase periods and apportioned using an average daily consumption rate derived from the number of days between purchases. For mobile combustion, emissions are calculated using annual fuel consumption for company cars, whereas motorcycle fuel consumption is estimated based on the reported fuel efficiency of a Honda Wave 125i (2017). Fugitive emission accounting relies on total annual refrigerant refills, carbon dioxide fire extinguisher refills, and carbon dioxide usage for incubators at the fertility branches.
4. **Scope 2 emissions** are calculated using the applicable Grid Emission Factor ("GEF") in Malaysia, 2022-2024 (Provisional) for the Peninsular Malaysia electricity grid. Scope 2 emissions decreased despite higher grid electricity consumption, primarily due to the lower emission factor applied in FY2026 of 0.740 $kgCO_2e/kWh$, compared with 0.774 $kgCO_2e/kWh$ in FY2025.
5. **Emissions from purchased goods and services and capital goods** are calculated using the spend-based method and emission factors from the U.S. EPA Supply Chain Greenhouse Gas Emission Factors for U.S. Industries and Commodities. The FY2025 and FY2024 disclosures for Purchased Goods and Services have been restated to reflect improvements in data capture methodologies. Additionally, purchased good and services increased in FY2026 due to enhanced operational capacity to meet patient care demand, combined with external pressures arising from wider global uncertainties. Meanwhile, capital goods figures for FY2026 decreased compared to the previous year due to lower capital expenditure.
6. **Emissions from waste generated in operations** are calculated using the UK Government GHG Conversion Factors for Company Reporting 2025, except for incinerated clinical and other waste, for which emission factors from the IPCC Sixth Assessment Report, Chapter 7 Supplementary Material, are applied.
7. **FY2025 business travel** figures have been restated following improvements to data processes. The year-on-year reduction in FY2026 emissions is attributable to lower overall travel volume.
8. **Employee commuting emissions** are estimated based on the Group's FY2025 employee commuting survey and its FY2026 employee population. The FY2025 survey remains applicable as there were no material changes to the Group's operations or the calculation methodology.

For FY2026, total of Scope 1 (562.96 tCO_2e) and total of Scope 2 (12,736.68 tCO_2e) emissions Thomson Hospitals Sdn Bhd, IVF Technologies Sdn Bhd and Thomson Specialist Clinics (Kepong) Sdn Bhd have undergone independent external assurance. Refer to the Independent Assurance Statement appended to this Annual Report.

Sustainability Statement

(Cont'd)

Energy Intensity

While the Group has not established an energy intensity reduction target, it monitors energy and carbon intensity trends to identify potential inefficiencies and wastage, while ensuring that patient care and operational requirements are not compromised. The Group's intensity performance for the past three financial years is presented below.

	FY2026	FY2025	FY2024
Electricity Intensity			
TMCLS Electricity Intensity (kWh/m²)	176.73	172.36	162.90
TMCLS Electricity Intensity (kWh/RM)	0.05	0.05	0.05
Energy Intensity			
TMCLS Energy Consumption Intensity (GJ/m²)	0.64	0.62	0.59
TMCLS Energy Consumption Intensity (GJ/RM'000)	0.17	0.19	0.18
TMCLS Carbon Intensity (Scope 1 & 2)			
TMCLS Carbon Intensity (tCO_2e/m^2)	0.13	0.14	0.13
TMCLS Carbon Intensity (tCO_2e/RM'million)	35	41	38

1. Intensity measurements are based on the Gross Floor Area ("GFA") of all TMCLS-owned operations and revenue

WASTE MANAGEMENT

Why Is It Important

Effective waste management is fundamental to safe healthcare operations. Clinical, pharmaceutical and other healthcare-related waste require careful handling, treatment and disposal due to potential impacts on patient safety, public health and the environment.

Our Approach

We manage scheduled, clinical and general waste across our healthcare operations in line with applicable environmental, healthcare and occupational safety requirements. Our current approach focuses on:



Sustainability Statement

(Cont'd)



Our Performance

Our waste management efforts focus on increasing the recycling and reuse of suitable materials, while ensuring that clinical and other regulated waste is handled and disposed of safely. In FY2026, we diverted 52.67 tonnes of waste from disposal, compared with 43.81 tonnes in FY2025, while 618.21 tonnes were directed to appropriate disposal channels.

Category	Waste types	FY2026 (Tonne)	FY2025 (Tonne)	FY2024 (Tonne)
Waste directed to disposal, which includes:				
Hazardous Waste	SW 404 – Clinical Waste	308.49	288.77	266.09
	SW 403 – Pharmaceutical Waste	0.12	0.19	0.13
	Subtotal	**308.61**	**288.96**	**266.22**
Non-Hazardous Waste	General Waste	280.17	278.43	435.26
	Food Waste	29.43	32.27	17.13
	Subtotal	**309.60**	**310.70**	**452.39**
Total Waste Directed to Disposal		**618.21**	**599.66**	**718.61**
Waste diverted from disposal, which includes:				
Recyclables	Paper	46.51	41.80	**28.44**[1]
	Plastic	2.09	0.90	
	Metal	1.31	0.69	
	Electronic	1.92	0.18	
	Clothing	0.84	0.24	
Total Recyclable Waste Diverted from Disposal		**52.67**	**43.81**	**28.44**
Total Waste Generated		**670.88**	**643.47**	**747.05**

1. FY2024 recyclable waste was tracked in total only; breakdown by recyclable type was not available

Sustainability Statement

(Cont'd)

Beyond managing waste from our operations, we encourage our wider hospital community to participate in recycling. During Recycling Week 2026, our employees and members of the public collectively contributed 5,148.72 kg of recyclable materials.



RECYCLING WEEK 2026 | 5,148.72 kg

WATER MANAGEMENT

Why Is It Important

Water is essential to healthcare operations. Reliable water supply and effective wastewater management support patient care, infection control, laboratory functions and continuity of healthcare services.

Our Approach

We continue to monitor water usage and operational water dependency across our healthcare operations, with a focus on operational continuity, infrastructure reliability, responsible water use and wastewater management.

While Malaysia is generally not considered highly water-stressed, periodic supply disruptions and increasing demand within the Klang Valley reinforce the importance of water resilience for healthcare operations.

During the reporting period, non-domestic water tariffs in Selangor increased, and further tariff revisions may increase the Group's operating costs over time. Although the financial impact is not currently material, we continue to promote responsible water use and implement water efficiency measures to minimise unnecessary water consumption and avoid wastage

Area	Key Measures
Water supply continuity	• Water disruption scenarios incorporated into emergency response and business continuity planning processes • Contingency arrangements with water tanker or third-party suppliers during supply disruptions • Monitoring of water storage capacity and operational water requirements at key operating locations, particularly THKD
Water use and cost management	• Monitoring of water consumption through monthly water bills • Use of water-efficient fixtures across selected facilities • Preventive maintenance and leak repair practices across healthcare operations • Use of a 17m^3 metered rainwater harvesting system supporting selected non-potable applications

Wastewater and Discharge Management

Wastewater generated from our healthcare operations is discharged through municipal sewerage and wastewater systems in accordance with applicable requirements. We maintain wastewater and drainage infrastructure and implement controls to support responsible discharge practices and prevent accidental leakage, contamination or improper discharge.

Our Performance

Water is essential to patient care, hygiene and hospital operations. Rather than pursuing reductions that could compromise these requirements, we focus on responsible water use through employee awareness, preventive maintenance and regular monitoring to identify unusual consumption, water efficient fixtures, and avoidable wastage. The table below summarises our water consumption by source:

Sustainability Statement

(Cont'd)

TMCLS Water Consumed	Unit	FY2026	FY2025	FY2024
Treated water from local authorities	ML	124.81	132.96	128.25
Harvested rainwater	ML	0.26	0.20	0.16
Total Water Consumed	**ML**	**125.07**	**133.16**	**128.41**

Measurement unit is megalitre (ML)

Water Consumption Intensity

We monitor municipal potable water consumption intensity relative to gross floor area and Group revenue, as presented below.

TMCLS Water Consumption Intensity	Unit	FY2026	FY2025	FY2024
Per Gross Floor Area	(m^3 /m^2)	1.20	1.28	1.23
Per Group Revenue	(m^3 /RM'000)	0.32	0.38	0.37

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

For FY2026, total water consumption of 124.32 ML from Thomson Hospitals Sdn Bhd, IVF Technologies Sdn Bhd and Thomson Specialists Clinic (Kepong) Sdn Bhd out of the total water consumption of 125.07 ML, has undergone independent external assurance. Refer to the Independent Assurance Statement appended to this Annual Report.

TALENT EXCELLENCE

HUMAN CAPITAL MANAGEMENT

Why Is It Important

The quality of care we provide depends on the capability, well-being and engagement of our healthcare professionals and employees, making human capital fundamental to patient safety, continuity of care and the long-term sustainability of our healthcare operations.

Our Approach

We seek to maintain a diverse, inclusive and respectful workplace through equal opportunity practices across recruitment, career development, training and workforce progression. This is supported by internal policies and a zero-tolerance approach towards discrimination, harassment and workplace misconduct. Employees and stakeholders may raise concerns through established grievance and whistleblowing channels, including anonymous reporting mechanisms where appropriate.

We also support workforce diversity across gender, age, ethnicity and abilities by promoting equal employment opportunities and an inclusive workplace. While persons with disabilities currently represent 0.7% of our support service workforce, we continue to strengthen inclusive recruitment and workplace accessibility where appropriate, with a target of achieving 1% representation by 2028.

Gender Diversity by Employee Category	FY2026 (%)		FY2025 (%)		FY2024 (%)	
	Male	Female	Male	Female	Male	Female
Senior Management	48	52	52	48	48	52
Management	31	69	29	71	28	72
Executive	22	78	24	76	23	77
Non-Executive	25	75	22	78	21	79

Age Diversity by Employee Category	FY2026 (%)			FY2025 (%)			FY2024 (%)		
	<30	30–50	>50	<30	30–50	>50	<30	30–50	>50
Senior Management	0	60	40	0	55	45	0	52	48
Management	3	84	13	1	82	17	3	84	13
Executive	42	56	2	21	76	3	19	77	4
Non-Executive	48	49	3	50	48	2	51	46	3

For FY2026, The Group's Gender and Age Diversity by Employee Category have undergone independent external assurance. Additional details are available in the Independent Assurance Statement.

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 an inclusive and diverse Board that brings a broad range of perspectives to decision-making. In line with the Malaysian Code on Corporate Governance ("MCCG") Practice 5.9, we aim to maintain at least 30% women representation on our Board of Directors.

Sustainability Statement

(Cont'd)

A summary of the gender and age composition of our Board is presented below.

Gender Diversity of the Board of Directors ("BOD")	FY2026 (%)		FY2025 (%)		FY2024 (%)	
	Male	Female	Male	Female	Male	Female
	67	33	67	33	62	38

Age Diversity of the BOD	FY2026 (%)			FY2025 (%)			FY2024 (%)		
	<30	30–50	>50	<30	30–50	>50	<30	30–50	>50
	0	17	83	0	17	83	0	25	75

Labour standards

TMCLS emphasises ethical labour practices grounded in local employment legislation such as Malaysia's Employment Act 1955 and Minimum Wage Order 2024, internal policies and recognised employment principles, including reference to the International Labour Organisation's ("ILO") fundamental labour conventions.

To reinforce this commitment, TMCLS has established a dedicated Child and Forced Labour Policy, which outlines our strict zero-tolerance approach and is publicly accessible on our website.

Although our workforce primarily comprises healthcare professionals and employees, certain support functions such as cleaning and security services are outsourced. We expect all suppliers, contractors and service providers engaged by the Group to comply with applicable Malaysian labour laws and uphold ethical employment practices consistent with our values.

Key labour practices maintained across our healthcare operations include:

- prohibition of forced labour, child labour, debt bondage and other forms of exploitative labour practices;
- respect for employees' rights relating to lawful association and collective bargaining in accordance with applicable laws; and
- requirement for suppliers, contractors and service providers to comply with applicable Malaysian labour laws and uphold ethical employment practices.

Workforce Composition

The Group's workforce is predominantly made up of permanent employees, with non-permanent employees engaged where appropriate to support specialised operational requirements and workforce flexibility. The workforce composition during the reporting period is summarised below.

Employment Type	FY2026		FY2025		FY2024	
	No.	%	No.	%	No.	%
Permanent	1,333	98	1,326	98	1,330	99
Contract	31	2	22	2	18	1
Total Workforce	**1,364**	**100**	**1,348**	**100**	**1,348**	**100**

Sustainability Statement

(Cont'd)

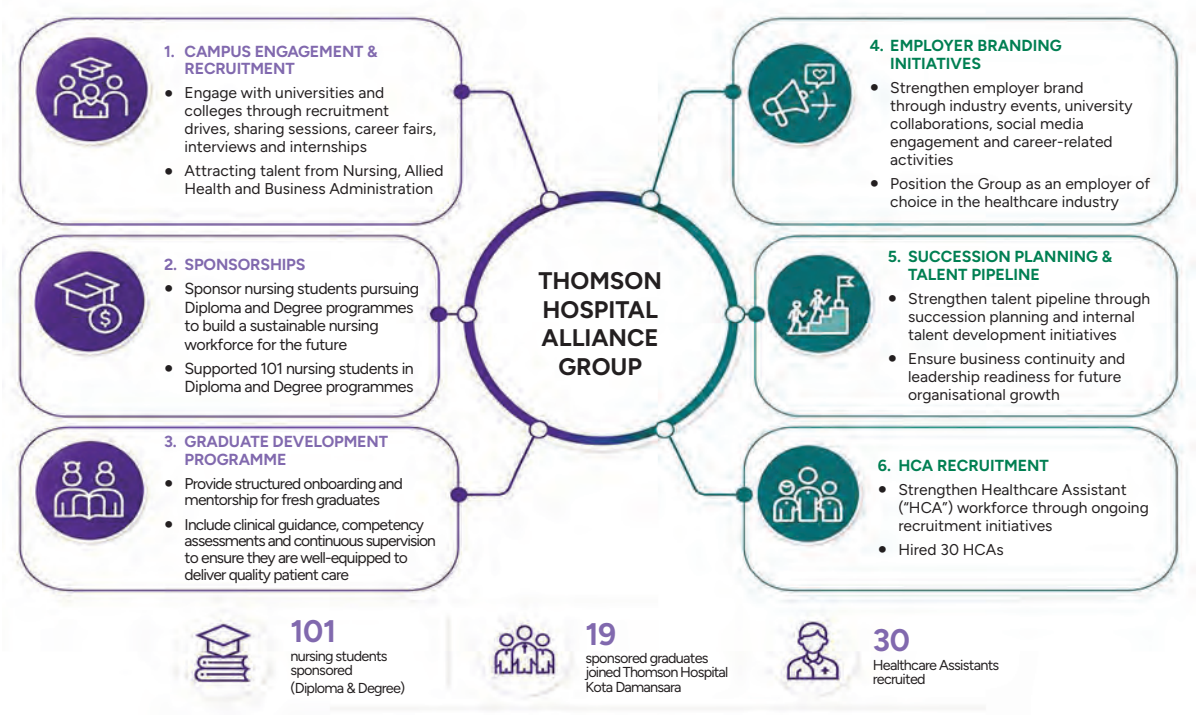
Talent Development

Our talent development approach focuses on building the capabilities required to support quality healthcare delivery and the Group's longer-term workforce needs. This includes structured workforce planning, professional and clinical development, career progression and initiatives to strengthen our future talent pipeline.

Given the importance of nursing to patient care and service continuity, nursing capability development remains a key focus. We support nurses through structured transition and orientation programmes, competency development, mentorship, Post Basic qualifications and specialised clinical training. These initiatives support nurses as they transition into practice, strengthen clinical competencies and provide pathways for progression into specialist, mentorship and leadership roles.

Our broader professional development programmes include technical and specialised clinical training such as Paediatric Advanced Life Support ("PALS"), Advanced Cardiovascular Life Support ("ACLS") and Neonatal Resuscitation Programme ("NRP") certifications, alongside programmes covering cybersecurity, Code of Conduct, data protection, anti-corruption, legal compliance and risk management.

Separately, the Thomson Hospital Alliance Group ("TAG") supports our longer-term workforce pipeline. Through university and college engagement, sponsorships, graduate development and targeted recruitment, TAG provides pathways for students and graduates to enter the healthcare workforce and develop their careers with the Group.





CURRENT PERFORMANCE

3 employees are persons with disabilities within our support service workforce

0.7% of our support service workforce FY2026

TARGET

1% representation of persons with disabilities within our support service workforce by 2028

Fatihah | Contact Centre

Fatihah is part of our Contact Centre team at **Thomson Hospital Kota Damansara**, supporting patients as part of our day-to-day operations. At Thomson Hospital, we are dedicated to fostering an inclusive and supportive workplace environment where all persons with disabilities are empowered to thrive and excel in their roles. Fatihah's daily resilience and dedication are a true reflection of this commitment, making her a valued asset to our team.

Sustainability Statement

(Cont'd)

Complementing these initiatives, we continue to invest in learning and professional development across our workforce. In FY2026, employees completed 58,780 training hours, with average training hours increasing to 43 hours per employee. These improvements and capacity building were driven by a strategic shift toward diverse in-house training initiatives. These programmes featured targeted sessions on leadership development, building a performance-driven organisation, problem-solving skills, and essential soft skills, including presentation and communication skills. The programmes were designed to strengthen leadership capabilities, enhance critical thinking and workplace effectiveness, keep employees engaged and motivated, and foster a stronger performance-driven culture across all levels within TMCLS.

Training Hours by Employee Category	FY2026	FY2025	FY2024
Senior Management	1,769	898	1,709
Management	8,964	6,520	8,182
Executive[1]	38,066	6,996	8,199
Non-Executive	9,981	41,250	38,693
Total Training Hours	**58,780**	**55,664**	**56,783**
Average Training Hours per employee	**43**	**41**	**42**
Total Training Spend (RM)	**930,193**	**1,000,070**	**866,839**

1. The significant difference in Executive and Non-Executive training hours in FY2026 compared to previous years is due to a change in the employee categorisation methodology.

In FY2026, TMCLS achieved a total training spend of RM930,193, reflecting a reduction compared to RM1,000,070 in FY2025. Despite this lower financial investment, the Group successfully increased its total training hours from 55,664 hours to 58,780 hours, alongside an increase in average training hours per employee from 41 to 43 hours. This improved efficiency and capacity building were driven by a strategic shift toward diverse in-house training initiatives. These programmes featured targeted sessions on leadership development and essential soft skills, such as presentation and communication skills, which were designed to accommodate and benefit staff across all levels within TMCLS.

Talent Retention

TMCLS provides competitive compensation packages supplemented with financial aid, insurance, and housing benefits. Leave policies cover a broad spectrum including annual, medical, parental, compassionate, sabbatical, natural disaster, and Haj leave. Additional employee support comprises:

- Financial assistance for home loans, education, and childcare;
- Comprehensive medical coverage for employees and their dependents, including outpatient and mental health services;
- Benefits such as hostels, shuttle services, subsidies, and allowances; and
- Mental health initiatives featuring counselling, stress management, and mindfulness training.

Complementing these benefits, the Thomson SHINE programme serves as the Group's employee engagement platform, fostering a sense of belonging, promoting diversity and strengthening workplace culture through initiatives that recognise employee contributions, encourage open communication and celebrate the Group's diverse workforce.

Sustainability Statement

(Cont'd)



Inclusive celebrations for cultural and religious events such as Hari Raya, Chinese New Year, Deepavali, and Christmas, strengthening workplace camaraderie



Health awareness initiatives such as Free Pads Day and Introduction to Mental Health Awareness Talk to support holistic employee well-being



Regular town hall sessions conducted for transparent leadership communication



Long Service Award Ceremonies recognising staff milestones such as 15- and 20-year tenures, underscoring the organisation's commitment to retention and loyalty





Employee recognition initiatives such as the Sparkling Star Programme, which recognises employees who demonstrate exceptional service and professional standards. During the reporting period, 349 employees were recognised through the programme. A dedicated Backliner category was also introduced to acknowledge employees working behind the scenes through Head of Department nominations

Our Performance

Employee Turnover

Employee turnover is monitored as part of workforce planning to support operational continuity across our healthcare operations. While workforce mobility is expected across certain employee categories within the healthcare sector, we continue to maintain adequate staffing levels to support the delivery of quality healthcare services and patient experience. The table below presents the Group's employee turnover by employee category.

Employment Type	FY2026		FY2025		FY2024	
	Number	%	Number	%	Number	%
Senior Management	3	1	6	2	5	2
Management	26	8	32	10	30	11
Executive	194	59	31	9	43	15
Non-Executive	103	32	263	79	198	72
Total Employee Turnover	**326**	**100**	**332**	**100**	**276**	**100**
Employee Turnover Rate	**24%**		**25%**		**23%**	

1. Employee turnover rate is calculated based on total resignations during the year divided by total headcount in the previous year.
2. FY2025 figures have been restated due to changes in data collection methodology during the process in alignment with our parent company.
3. Increase in Executive turnover was due to changes in employee categorisation methodology.

Sustainability Statement

(Cont'd)

Respectful and Responsible Workplace

Beyond workforce retention, we monitor workplace conduct and compliance with labour and human rights requirements. During the reporting period, the Group recorded zero substantiated discrimination incidents and zero substantiated labour rights or human rights-related violations.

Performance Indicator	Unit	FY2026	FY2025	FY2024	Target
Substantiated labour rights or human rights-related violations	Number	0	0	0	Maintain zero substantiated incidents

External Recognition

Thomson Hospital Kota Damansara was named 2nd Runner-Up in the Healthcare - Hospital category at the Graduates' Choice Awards 2026, recognising its efforts in supporting employee experience and workforce development.



Recognised as 2nd Runner-Up in the Healthcare (Hospital) category at Talentbank's 8th Graduates' Choice Awards

HEALTH, SAFETY & WELL-BEING

Why Is It Important

Protecting the health, safety and well-being of patients, employees and healthcare professionals is fundamental to quality healthcare. Strong health and safety practices support patient trust, employee well-being, continuity of care and operational resilience across our healthcare operations.

Our Approach

We manage workplace health, safety and well-being across our healthcare operations to protect employees, contractors and relevant personnel and support a safe working environment.

Our approach is based on applicable Malaysian occupational safety and health requirements, including the Occupational Safety and Health Act 1994 (as amended in 2024), which requires workplace risk assessments, implementation of risk controls and emergency preparedness measures.

Sustainability Statement

(Cont'd)

Area	Key Measures
Occupational Safety, Health and Environment ("OSHE") governance and oversight	• Committee oversight of occupational safety, health and environment matters across healthcare operations, as well as OSHE related legal compliance • Safety and Health Officer and OSHE Coordinators support • Monitoring through regular meetings, incident reporting and escalation process under OSHE management
Healthcare safety and risk management	• Identification and assessment of infection exposure, sharps injuries, radiation and laser safety, slips and falls, workplace violence, fatigue and psychosocial risks • Risk controls implemented through procedures, inspections, incident reviews and corrective actions • Infection exposure controls, PPE requirements, sharps safety and radiation and laser safety procedures • Integration of OSHE risks into operational monitoring and Enterprise Risk Management ("ERM") reporting where relevant
Emergency preparedness and training	• Emergency response procedures and escalation protocols for workplace incidents and operational emergencies • Drills covering fire, emergency response and selected disruption scenarios • OSHE induction, emergency response and workplace safety awareness programmes supported by formal procedures and training records
Employee mental health and well-being	• Mental health awareness and well-being initiatives to identify stress, fatigue and burnout-related concerns • Conducted Mental Health Awareness Survey 2026 with 91% completion rate • Follow-up actions and awareness initiatives supporting a safe and supportive working environment

In FY2026, no work-related fatalities were recorded. The Group recorded two lost-time injuries across an estimated 3,469,976 total hours worked, resulting in a Lost Time Injury Rate ("LTIR") of 0.12. None of the injuries resulted in permanent disability, and all affected employees subsequently returned to work. Each incident was investigated, with appropriate corrective measures implemented to reduce the risk of recurrence.

Our Performance

Performance Indicator	Unit	FY2026	FY2025	FY2024
Employees trained on health and safety standards	Number	1,352	1,236	1,161
Employees assessed through mental health awareness initiatives[1]	Number	1,243	1,202	Not Applicable

1. Includes employees who participated in mental health awareness programmes, screenings, workshops and other mental well-being initiatives.

Performance Indicator	Unit	FY2026	FY2025	FY2024	Target
Number of fatalities	Number	0	0	0	Maintain zero work-related fatalities
LTIR[1]	Rate	0.12	0.30	0.37	Maintain a low LTIR through effective workplace safety practices.

1. LTIR = (Number of lost time injuries / Total Hours Worked) x 200,000. During FY2026, the Group recorded 2 lost time injuries and 3,469,976 total hours worked.

Sustainability Statement

(Cont'd)

MBPJ HIGH-PERFORMANCE BUILDING

Recently, Thomson Hospital Kota Damansara received MBPJ's High-Performance Building recognition for its building inspection, compliance and routine maintenance practices. The recognition reflects our continued efforts to maintain safe and well-managed premises for patients, visitors and employees.



Sustainability Statement

(Cont'd)

IFRS S1 AND S2 CONTENT INDEX

Standard	Core Disclosure	IFRS Clause	Requirement Description	Page Number
IFRS S1	Governance	26, 27(a)–(b)	Oversight of sustainability risks and opportunities, including governance body responsibilities, skills, integration into strategy, and management controls.	86 - 99
IFRS S1	Strategy	28–33	Strategy for managing sustainability risks/opportunities, business model and value chain impacts, time horizons, and response plans.	46
IFRS S1	Strategy	34–40	Financial effects of sustainability risks/opportunities on position, performance, and cash flows (current and anticipated), including resilience.	46 - 47
IFRS S1	Risk Management	43–44	Processes to identify, assess, prioritize, monitor, and integrate sustainability-related risks and opportunities into overall risk management.	104 - 109
IFRS S1	Metrics & Targets	45–53	Metrics used to measure risks/opportunities, industry-based metrics, entity-developed metric methodologies, and performance against targets.	30, 36 - 38, 41 - 43, 45, 47, 49 - 52, 54 - 61
IFRS S1	General Requirements	11–24, 54–86	General presentation, materiality, connected information, comparative data, statement of compliance, significant judgements, and error corrections.	25
IFRS S2	Governance	5–6	Governance oversight and management's role regarding climate-related risks and opportunities, including targets and remuneration links.	27
IFRS S2	Strategy	9–14	Climate-related physical and transition risks/opportunities, business model/value chain effects, adaptation/mitigation plans, and transition strategies.	46
IFRS S2	Strategy	15–21	Financial effects of climate-related risks and opportunities on financial position, performance, and cash flows over relevant time horizons.	46 - 47
IFRS S2	Strategy	22	Climate resilience assessment using scenario analysis, including assumptions, inputs, data sources, and strategic implications.	46 - 47
IFRS S2	Risk Management	25	Processes to identify, assess, prioritize, and monitor climate-related risks and opportunities and integrate them into overall risk management.	104 - 109
IFRS S2	Metrics & Targets	28–32	Scope 1, 2 and 3 greenhouse gas (GHG) emissions, vulnerable assets, internal carbon pricing, executive remuneration, and industry metrics.	49 - 51
IFRS S2	Metrics & Targets	33–37	Climate-related targets, baseline periods, milestones, validation, GHG coverage, and performance trends against targets.	49 - 51

TMC LIFE SCIENCES BHD
BMLR Transition Period

Date & Time: 2026-09-07 16:55:39
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Quality Healthcare	Certification and accreditation	—	—	1) 4-year MSQH accreditation 2) Baby-Friendly Hospital Initiative certified 3) MS ISO/IEC 15189 accredited Laboratory Services	Maintain the certification and accreditation	No assurance	
Patient Access & Experience	NPS	Number	72	74	More than 60	No assurance	
Patient Access & Experience	CSAT	Score (out of 5)	4.6	4.6	More than 4.4	No assurance	
Ethics & Integrity	Confirmed incidents of corruption	Number	Nil	Nil	Maintain zero incidents	No assurance	
Ethics & Integrity	Anti-corruption training	Percentage	100	100	—	No assurance	
Human Capital Management	Women in senior management	Percentage	48	52	—	External (Limited)	For FY2026, The Group Gender and Age Diversity by Employee Category have undergone independent external assurance. Additional details are available in the Independent Assurance Statement.
Human Capital Management	Average training per employee	Hours	41	43	—	No assurance	
Human Capital Management	Substantiated labour rights or human rights-related violations	Number	0	0	Maintain zero substantiated incidents	No assurance	
Health, Safety & Well-being	Work related fatalities	Number	0	0	Maintain zero work related fatalities	No assurance	

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Health, Safety & Well-being	Lost Time Injury Rate (LTIR)	Rate	0.30	0.12	—	No assurance	
Waste Management	Total Recyclable Waste Diverted from Disposal	Tonne	43.81	52.67	—	No assurance	
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	888	565	—	No assurance	For FY2026, Scope 1 emissions from Thomson Hospitals Sdn Bhd, IVF Technologies Sdn Bhd and Thomson Specialist Clinic (Kepong) Sdn Bhd have undergone independent external assurance. Refer to the Independent Limited Assurance Statement appended to this Annual Report.
GHG emissions	Scope 2	Metric tonnes of carbon dioxide equivalents (tCO2e)	13,446	13,155	—	No assurance	For FY2026, Scope 2 emissions from Thomson Hospitals Sdn Bhd, IVF Technologies Sdn Bhd and Thomson Specialist Clinic (Kepong) Sdn Bhd have undergone independent external assurance. Refer to the Independent Limited Assurance Statement appended to this Annual Report.

Sustainability Statement

(Cont'd)

Shape the future with confidence

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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 TMC's selected subject matters (the "Subject Matter") contained in TMC's (the "Company's") Annual Report as of 4 September 2026 for the year ended 30 June 2026 (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	Reported value	Scope
Total energy consumption	C4(a)	64,834.68 GJ	• Thomson Hospitals Sdn Bhd • IVF Technologies Sdn Bhd • Thomson Specialist Clinic (Kepong) Sdn Bhd
Total water consumption	C9(a)	124.32 megalitre	
Scope 1 Greenhouse gas ("GHG") emissions	C11(a)	562.96 tonnes of CO_2e	
Scope 2 GHG emissions	C11(b)	12,736.68 tonnes of CO_2e	

Shape the future with confidence

<table>
<tr><th>Subject Matter</th><th>Criteria</th><th>Reported value</th><th>Scope</th></tr>
<tr>
<td>Percentage of employees by gender and age group</td>
<td>C3(a)</td>
<td>
<table>
<tr><th>Gender Diversity by Employee Category</th><th>%</th></tr>
<tr><td>Senior Management - Male</td><td>48</td></tr>
<tr><td>Senior Management - Female</td><td>52</td></tr>
<tr><td>Management - Male</td><td>31</td></tr>
<tr><td>Management - Female</td><td>69</td></tr>
<tr><td>Executive - Male</td><td>22</td></tr>
<tr><td>Executive - Female</td><td>78</td></tr>
<tr><td>Non-Executive – Male</td><td>25</td></tr>
<tr><td>Non-Executive - Female</td><td>75</td></tr>
</table>
<table>
<tr><th>Age Diversity by Employee Category</th><th>%</th></tr>
<tr><td>Senior Management - <30</td><td>0</td></tr>
<tr><td>Senior Management – 30 -50</td><td>60</td></tr>
<tr><td>Senior Management – >50</td><td>40</td></tr>
<tr><td>Management - <30</td><td>3</td></tr>
<tr><td>Management – 30 -50</td><td>84</td></tr>
<tr><td>Management – >50</td><td>13</td></tr>
<tr><td>Executive - <30</td><td>42</td></tr>
<tr><td>Executive - 30 -50</td><td>56</td></tr>
<tr><td>Executive – >50</td><td>2</td></tr>
<tr><td>Non-Executive – <30</td><td>48</td></tr>
<tr><td>Non-Executive - 30 -50</td><td>49</td></tr>
<tr><td>Non-Executive - >50</td><td>3</td></tr>
</table>
</td>
<td>• TMC Life Sciences Berhad</td>
</tr>
</table>

Criteria applied by TMC

In preparing the Subject Matter, TMC applied the Bursa Sustainability Reporting Guide (3rd edition) and TMC's relevant policies and procedures (the "Criteria").

Sustainability Statement

(Cont'd)

Shape the future with confidence

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'), and the terms of reference for this engagement as agreed with TMC on 26 June 2026. 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.

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 the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of 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.

Shape the future with confidence

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
- Reviewed appropriateness of assumptions used in preparation of the Subject Matter
- Tested, on a sample basis, underlying source information to check the accuracy of the 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.

Sustainability Statement

(Cont'd)

Shape the future
with confidence

Conclusion
Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as of 4 September 2026 for the year ended 30 June 2026, 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 PLT
4 September 2026
Kuala Lumpur, Malaysia

Board of Directors

Dato' Sri Mohd Mokhtar Bin Mohd Shariff

POSITION

- **Independent Non-Executive Chairman**

Kan Kheong Ng

POSITION

- **Executive Vice Chairman**

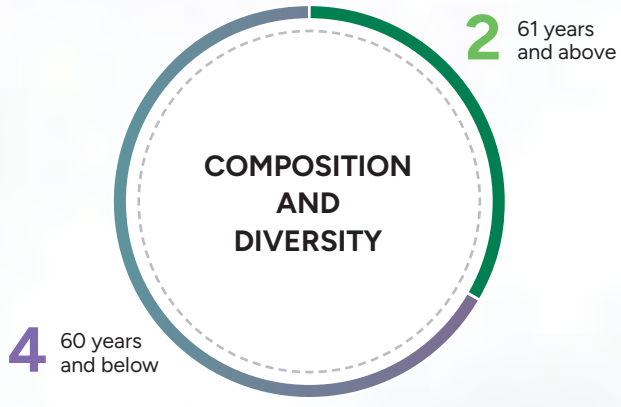
Dr. Heng Jun Li Melvin

POSITION

- **Non-Independent Non-Executive Director**



Board at A Glance



Board of Directors

(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**

Mazrina Binti Arifin

POSITION

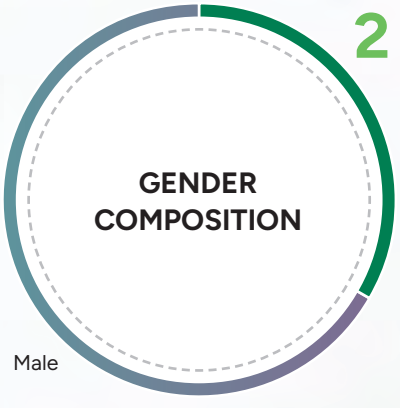
- **Independent Non-Executive Director**
- **Chairman of Remuneration Committee**
- **Member of Audit and Risk Management Committee**
- **Member of Nominating Committee**

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**







Directors' Profile

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 South Malaysia Industries Berhad and Pacific & Orient Bhd.

DATO' SRI MOHD MOKHTAR BIN MOHD SHARIFF

POSITION

- **Independent Non-Executive Chairman**

DATE OF APPOINTMENT

25 January 2019

NATIONALITY

Malaysian

GENDER

Male

AGE

69



Directors' Profile

(Cont'd)

Mr. 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. 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. 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.

Mr. Kan has been involved in a number of strategic automotive and real estate development initiatives in Malaysia, through his capacity as the Director of Fastrack Autosports (Iskandar) Pte. Ltd., and its subsidiary Fastrack Iskandar Sdn. Bhd. (a joint venture with UEM Sunrise Berhad). His experience spans project conceptualisation, stakeholder engagement and the development of premium lifestyle and automotive-related ventures. He also serves as the Chief Executive Officer and Executive Director of Secura Group Limited (Singapore Listed).

Mr. Kan is a director of Wellington College Education Singapore Group Pte. Ltd., the master license holder for the establishment of K-12 Wellington College International schools in Singapore, Indonesia, and Malaysia.

Mr. 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.

KAN KHEONG NG

POSITION
- **Executive Vice Chairman**

DATE OF APPOINTMENT
2 June 2015

NATIONALITY
Malaysian

GENDER
Male

AGE
71



Directors' Profile

(Cont'd)

Dr. Heng Jun Li Melvin was appointed to the Board on 26 January 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.

DR. HENG JUN LI MELVIN

POSITION

- **Non-Independent Non-Executive Director**

DATE OF APPOINTMENT

26 January 2023

NATIONALITY

Singaporean

GENDER

Male

AGE

43



Directors' Profile

(Cont'd)

Ms. June Leong Lai Ling was appointed to the Board on 1 July 2022.

Currently, Ms. Leong serves as an Independent Director of Thomson Medical Group Limited ("TMGL"), Singapore. She is currently the Chairman of the Audit and Risk Committee and a member of the Nominating and Remuneration Committee of TMGL.

Ms. Leong has over 20 years of experience in banking and finance. She is currently the CEO of Alpha Goal International, a dedicated single-family office that invests in a variety of asset classes around the world. Ms. Leong embarked on her career in 1995 as an Analyst in Morgan Stanley's investment banking division in Singapore. She has held senior positions at China International Capital Corporation in both Singapore and Hong Kong. She was also previously served as a Director at Standard Chartered Bank and as an Executive Director at Goldman Sachs.

Ms. Leong graduated with a Master of Business Administration from Peking University and a Bachelor of Science in Engineering with Management from King's College London.

Ms. 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.

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

AGE

52



Directors' Profile

(Cont'd)

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 organisation and a 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 organisations.

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 a 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 non-profit organisations make 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.

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

AGE

58



Directors' Profile

(Cont'd)

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.

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

AGE

52



Profile of Key Senior Management Team

1

Dato' Dr. Ahmad Adzuan Bin Abdul Rahman

POSITION

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

2

Wong Yu Chee

POSITION

- Group Chief Financial Officer, TMC Life Sciences Berhad

3

Dr. Savitha Dharan A/P Raviendrun

POSITION

- Chief Executive Officer, Thomson Hospitals Sdn. Bhd.

4

Ng Yee Voon

POSITION

- Senior General Manager, TMC Fertility Holdings 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**

NATIONALITY

Malaysian

GENDER

Male

AGE

49

Dato' Dr. Ahmad Adzuan Bin 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.



Profile of Key Senior Management Team

(Cont'd)

WONG YU CHEE

POSITION

- **Group Chief Financial Officer, TMC Life Sciences Berhad**

NATIONALITY

Malaysian

GENDER

Male

AGE

53

Mr. Wong Yu Chee brings over 30 years of extensive experience in finance, audit, accounting, and tax compliance services in Malaysia and Shanghai.

Mr. Wong began his career in 1996 as auditor at a local audit firm. In 1997, he joined Coopers & Lybrand, now known as PricewaterhouseCoopers PLT ("PwC"), where he spent eight years specialising 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 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 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)

Dr. Savitha Dharan A/P Raviendrun was appointed as the Chief Executive Officer of Thomson Hospitals Sdn. Bhd. on 1 July 2026.

Dr. Savitha is an accomplished healthcare leader with over 20 years of experience spanning clinical practice, hospital operations, strategic partnerships, business development, and executive leadership. She has built a distinguished career driving organisational transformation, operational excellence, and sustainable growth across leading private healthcare institutions in Malaysia.

Following a decade in clinical practice across both the public and private healthcare sectors, Dr. Savitha transitioned into healthcare management. She held a series of progressive leadership positions within Ramsay Sime Darby Health Care, including Head of Department and Medical Officer of the Health Screening Centre, Senior Manager of Patient Administration, Head of Strategic Partnerships, and Group Head of Business Development. She subsequently served as Chief Executive Officer of TAGS Chiropractic & Rehabilitation, ALTY Orthopaedic Hospital, and most recently, ParkCity Medical Centre, where she led strategic transformation, service innovation, and operational performance.

Dr. Savitha holds a Bachelor of Medicine, Bachelor of Surgery and Bachelor in the Art of Obstetrics (MB BCh BAO) from the Royal College of Surgeons in Ireland (RCSI) and has completed executive education in Managing Health Care Delivery at Harvard Business School.

Dr. Savitha does not hold any directorship in other public companies and listed issuers in Malaysia. She 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. She also has no conflict of interest with the Company.

DR. SAVITHA DHARAN A/P RAVIENDRUN

POSITION

- **Chief Executive Officer, Thomson Hospitals Sdn. Bhd.**

NATIONALITY

Malaysian

GENDER

Female

AGE

44



Profile of Key Senior Management Team

(Cont'd)

NG YEE VOON

POSITION

- **Senior General Manager, TMC Fertility Holdings Sdn. Bhd.**

NATIONALITY

Malaysian

GENDER

Female

AGE

47

Ms. Ng Yee Voon is the Senior General Manager of TMC Fertility Holdings Sdn. Bhd. She brings with her over 20 years of experience in the Malaysian healthcare sector, including in starting and developing home healthcare and oncology services for hospitals and managing the multidisciplinary allied health division. She was appointed to her current role in May 2026, where she leads the fertility business of the Group with a clear focus on strategic growth, clinical quality, and patient-centric care.

Known for her ability to lead multidisciplinary teams and deliver sustainable organisational transformation, Ms. Ng has successfully launched new healthcare service lines, established strategic referral networks, led accreditation initiatives, and driven business expansion across multiple healthcare settings. Her leadership approach combines strategic thinking, commercial acumen, and a commitment to clinical quality, enabling her to navigate complex healthcare environments and achieve meaningful outcomes.

Ms. Ng holds a Master of Business Administration from Lancaster University and Sunway University, and a Master of Science in Nutrition from Texas A&M University, USA. Her combination of healthcare expertise and business leadership experience has enabled her to successfully lead complex healthcare operations, develop new service lines, and drive sustainable organisational growth across the healthcare continuum.

Ms. Ng does not hold any directorship in other public companies and listed issuers 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 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

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, 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

RETAIL PHARMACY

TMC Care Sdn. Bhd.
N3, Ground Floor, New Wing, No. 11, Jalan Teknologi
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WELLNESS CENTRE

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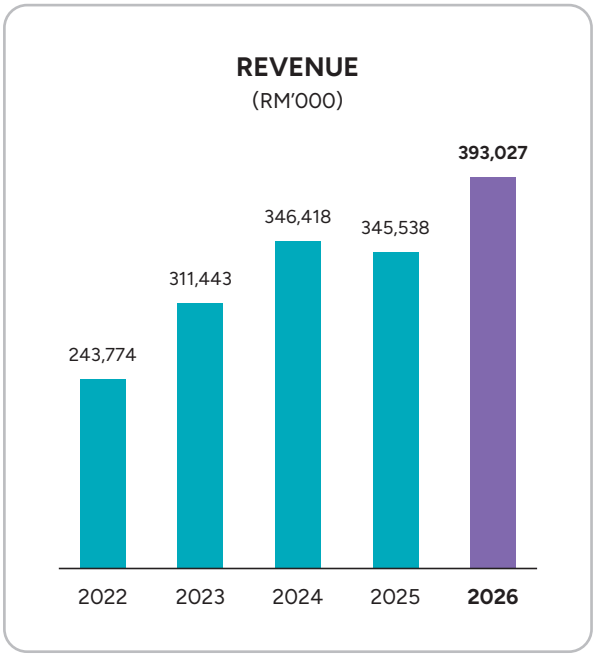
www.thomson-tcm.com

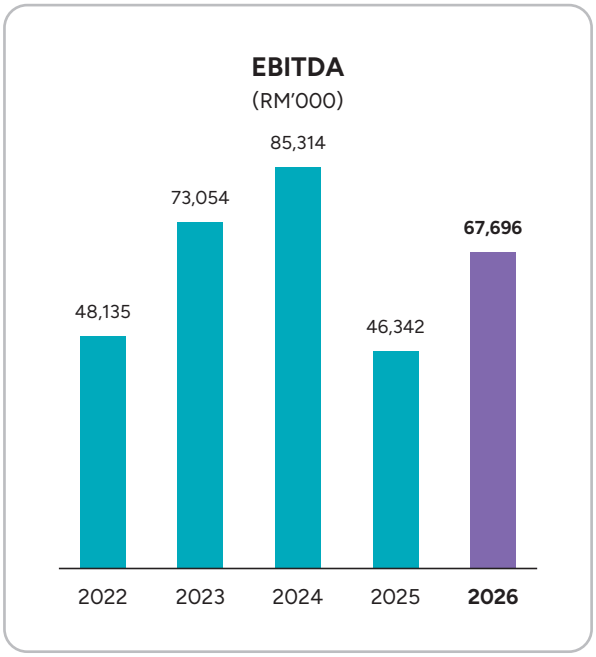
O&G CLINICS

Thomson Specialist Clinics (Kepong) Sdn. Bhd.
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Financial Highlights





RM'000	2022 (Audited)	2023 (Audited)	2024 (Audited)	2025 (Audited)	2026 (Audited)
FINANCIAL PERFORMANCE					
Revenue	243,774	311,443	346,418	345,538	393,027
EBITDA	48,135	73,054	85,314	46,342	67,696
Profit before tax	32,180	40,890	52,621	7,072	25,735
Profit after tax	41,389	39,257	40,648	3,606	17,380
FINANCIAL POSITION					
Cash and bank balances	141,135	166,544	188,572	109,564	111,640
Debts and borrowings	206,859	215,692	202,758	179,473	141,650
Total assets	1,132,850	1,176,795	1,189,723	1,132,190	1,115,035
Shareholders' equity	827,388	861,959	888,034	853,043	867,178

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 to which the Group has applied and complied with the three (3) principles that are set out in the MCCG throughout the financial year under review:

(a) Principle A: Board leadership and effectiveness;
(b) Principle B: Effective audit and risk management; and
(c) 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.tmclife.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 Limits 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.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1. BOARD RESPONSIBILITIES (CONT'D)

Clear Functions of the Board and Management (Cont'd)

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.

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.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1. BOARD RESPONSIBILITIES (CONT'D)

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.

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) is consistently applied throughout the Group by the employees and business operations within the Group and to adhere strictly to the ABAC Policy.

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 and 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 39 to 40 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.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1. BOARD RESPONSIBILITIES (CONT'D)

Strategies to Promote Sustainability

The Company's sustainability strategies, priorities and targets as well as 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. As part of its broader climate transition and Net Zero commitment, the Group has set a target to reduce its Scope 1 and Scope 2 GHG emissions by 5% within 5 years from FY2025 (revised from the initial three-year timeline to align with the sustainability target of its parent company). Progress against this target will be monitored through the Group's sustainability governance and performance management processes.

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 Group has progressively embedded sustainability objectives into its corporate performance management framework. Sustainability-related key performance indicators ("KPIs") have been cascaded to senior management to strengthen accountability for sustainability culture and practices, ESG performance, greenhouse gas ("GHG") emissions management and other material sustainability priorities. Sustainability and ESG-related risks are also monitored through the Group's enterprise risk management processes and key risk indicators, supporting greater integration between sustainability performance, risk oversight and management decision-making.

In preparation for IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, the Group continues to enhance its sustainability disclosures in line with Bursa Malaysia's applicable implementation timeline. Identified disclosure gaps will be progressively addressed towards mandatory adoption.

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 MCCG.

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 73 to 78 of this Annual Report.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2. BOARD COMPOSITION (CONT'D)

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 or 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)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2. BOARD COMPOSITION (CONT'D)

Nominating Committee ("NC")

During the financial year ended 30 June 2026, the NC conducted four (4) 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, the Board Committees and each Director for the financial year ended 30 June 2025;
- 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-Third Annual General Meeting ("AGM") of the Company held on 27 October 2025, taking into consideration the Fit and Proper Policy;
- Assessed the training needs of each Director;
- Reviewed and assessed the performance of the Executive Vice Chairman, Group Chief Executive Officer and senior management for the financial year ended 30 June 2025;
- Reviewed and recommended to the Board for approval the appointment of Chief Executive Officer of Thomson Hospitals Sdn. Bhd.;
- Received updates on establishing a new Employee Share Option Scheme; and
- Received updates on succession planning for critical roles.

(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, all Directors shall retire from office and shall be eligible to offer themselves 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 supports the NC's recommendations to re-elect the eligible Directors standing for re-election at the forthcoming Twenty-Fourth AGM of the Company.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2. BOARD COMPOSITION (CONT'D)

(b) Re-election of Directors (Cont'd)

For the purpose of determining the eligibility of the Directors to stand for re-election at the AGM of the Company, the Board, through the NC, undertakes a formal evaluation 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.

Retiring Directors 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 in the 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.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

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 attention and decisions.

During the financial year ended 30 June 2026, eleven (11) 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.

Attendance of the Directors at the Board meetings held during the financial year ended 30 June 2026 was as follows:

Director	Attendance
Dato' Sri Mohd Mokhtar Bin Mohd Shariff	11/11
Kan Kheong Ng	11/11
June Leong Lai Ling	11/11
Dr. Heng Jun Li Melvin	10/11
Mazrina Binti Arifin	11/11
Dato' Mohd Sheridan Bin Ramli	11/11

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

3. FOSTER COMMITMENT (CONT'D)

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	• Navigating National Sustainability Reporting Framework: IFRS S1 and S2 • Director Duty to Exercise Due Care Skill and Diligence • Briefing on Section 17A of the MACC Act 2009 - In house
Kan Kheong Ng	• Integrity Insight for Directors: Tracking CBT, Conflict of Interest, RPT & Corruption • Navigating National Sustainability Reporting Framework: IFRS S1 and S2 • Director Duty to Exercise Due Care Skill and Diligence • MIA Webinar Series: Fundamental of Corporate Finance • Briefing on Section 17A of the MACC Act 2009 - In house
Dr. Heng Jun Li Melvin	• Briefing on Section 17A of the MACC Act 2009 - In house • Navigating National Sustainability Reporting Framework: IFRS S1 and S2
June Leong Lai Ling	• Navigating National Sustainability Reporting Framework: IFRS S1 and S2 • MIA Webinar Series: Fundamental of Corporate Finance • Briefing on Section 17A of the MACC Act 2009 - In house
Mazrina Binti Arifin	• Seminar Percukaian Kebangsaan 2025 • Navigating National Sustainability Reporting Framework: IFRS S1 and S2 • MIA Webinar Series: Fundamental of Corporate Finance • Briefing on Section 17A of the MACC Act 2009 - In house • Audit Oversight Board session at SC with Audit Committee
Dato' Mohd Sheridan Bin Ramli	• Navigating National Sustainability Reporting Framework: IFRS S1 and S2 • MIA Webinar Series: Fundamental of Corporate Finance • Audit Oversight Board session at SC with Audit Committee

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.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

4. REMUNERATION (CONT'D)

Remuneration Policy (Cont'd)

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 2026, the RC conducted seven (7) 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, the 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 bonus and salary increment for Executive Vice Chairman;

(c) Received an update on Directors' medical benefits;

(d) Discussed and recommended to the Board for approval, the payment of Directors' fees and any benefits for the financial year ending 30 June 2027;

(e) Discussed and recommended to the Board for approval, the performance bonus scheme for the financial year ended 30 June 2025;

(f) Discussed and recommended to the Board for approval, the remuneration package of the Chief Executive Officer for Thomson Hospitals Sdn. Bhd.;

(g) Discussed and recommended to the Board for approval, the proposed fee adjustment for the Medical Director; and

(h) Discussed and recommended to the Board for approval, the remuneration realignment for the Chief Operating Officer of Thomson Hospitals Sdn. Bhd..

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.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

4. REMUNERATION (CONT'D)

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.

The Directors' remuneration paid or payable to all the Directors of the Company for the financial year ended 30 June 2026 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	–	168,000	27,500	5,000	200,500
June Leong Lai Ling	–	131,065	44,000	5,000	180,065
Mazrina Binti Arifin	–	120,935	44,000	174	165,109
Dato' Mohd Sheridan Bin Ramli	–	120,935	41,500	4,489	166,924
Non-Independent Non-Executive Director					
Dr. Heng Jun Li Melvin	–	102,000	15,000	–	117,000
Total	**–**	**642,935**	**172,000**	**14,663**	**829,598**

(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	1,036,672	–	41,470	–	1,078,142
Non-Executive Directors					
Dato' Sri Mohd Mokhtar Bin Mohd Shariff	–	168,000	27,500	5,000	200,500
June Leong Lai Ling	–	131,065	44,000	5,000	180,065
Mazrina Binti Arifin	–	120,935	44,000	174	165,109
Dato' Mohd Sheridan Bin Ramli	–	120,935	41,500	4,489	166,924
Non-Independent Non-Executive Director					
Dr. Heng Jun Li Melvin	–	102,000	15,000	–	117,000
Total	**1,036,672**	**642,935**	**213,470**	**14,663**	**1,907,740**

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

4. REMUNERATION (CONT'D)

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 2026 stated below:

	Number of Executives	Salaries and bonus	Other remuneration	Total
Above RM500,000	3	89%	11%	100%
Between RM250,000 and RM500,000	2	89%	11%	100%

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 100 to 103 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-off 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.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

5. AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

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 2026, the ARMC 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 104 to 109 of this Annual Report.

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 Governance Overview Statement

(Cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

7. COMMUNICATION WITH STAKEHOLDERS (CONT'D)

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 set 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-Third AGM of the Company held on 27 October 2025 were 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 is 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 14 October 2026.

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 four (4) meetings held during the financial year ended 30 June 2026 were as follows:

Director	Designation	Attendance
June Leong Lai Ling (Chairman)	Independent Non-Executive Director	4/4
Mazrina Binti Arifin (Member)	Independent Non-Executive Director	4/4
Dato' Mohd Sheridan Bin Ramli (Member)	Independent Non-Executive Director	4/4

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 2026 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 the Bursa Securities MMLR and applicable accounting standards in Malaysia;

(ii) Reviewed and recommended to the Board for approval the annual audited financial statements of the Company and the Group for the financial year ended 30 June 2025; and

(iii) Reviewed the proposed final dividend for the financial year ended 30 June 2025 after reviewing and considering the solvency test presented.

Audit and Risk Management Committee Report

(Cont'd)

SUMMARY OF THE ACTIVITIES OF ARMC (CONT'D)

The main activities carried out by the ARMC during the financial year ended 30 June 2026 were as follows: (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 2025 and their audit report;

(ii) Reviewed and recommended to the Board for approval, the fees for the audit and non-audit services for the financial year ended 30 June 2026;

(iii) Reviewed and recommended to the Board for approval of the re-appointment of External Auditors, Ernst & Young PLT for the financial year ended 30 June 2026; and

(iv) Reviewed with the External Auditors, the Audit Plan for the financial year ended 30 June 2026 on both the audit strategy and audit approach, and 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) Received and reviewed the Internal Audit Report for the financial year ended 30 June 2025 and the follow-up report, including the internal audit issues raised, 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) Reviewed and recommended to the Board for approval the proposed change of Internal Auditors.

Enterprise Risk Management

(i) Reviewed the Enterprise Risk Management Framework and Top Risk.

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 2026, the ARMC regularly reviewed any COIs or potential COIs that have arisen, are ongoing, or may arise, as reported by the Board members. Where there was a COI situation, the affected Director declared their interest and abstained from all relevant deliberations and decision-making on the matter. Measures have also 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)

SUMMARY OF THE ACTIVITIES OF ARMC (CONT'D)

The main activities carried out by the ARMC during the financial year ended 30 June 2026 were as follows: (Cont'd)

Other activities

(i) Received updates on sustainability matters;

(ii) Reviewed the quarterly Malaysian Anti-Corruption Commission Act Compliance Report;

(iii) Reviewed and recommended to the Board for approval, the ARMC Report and Statement on Risk Management and Internal Control for inclusion in the 2025 Annual Report;

(iv) Reviewed and received the updates on the Whistleblowing Report;

(v) Received updates on the Insurance Panel;

(vi) Received updates on Donation and Sponsorship Reports;

(vii) Received updates on the proposed sale of the freehold building;

(viii) Received updates on operational efficiency and cost management initiatives, including electricity cost-saving measures and medical cost optimisation;

(ix) Received updates on the progress of Debt Collection Agencies;

(x) Discussed the proposed commission structure of Debt Collection Agencies and reviewed the effectiveness of the initial plan;

(xi) Received updates on legal cases;

(xii) 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;

(xiii) Reviewed and recommended to the Board for approval the renewal of the Australian Council on Healthcare Standards accreditation;

(xiv) Reviewed and recommended to the Board for approval the proposed bad debts written off;

(xv) Reviewed and recommended to the Board for approval the appointment of Sustainability Limited Assurance and Sustainability Statement Copy Writer service providers;

(xvi) Received updates on the corruption risk assessment; and

(xvii) Received updates on the Group Information Technology matters.

Audit and Risk Management Committee Report

(Cont'd)

INTERNAL AUDIT FUNCTION

The Group's Internal Audit function is outsourced to a professional services firm tasked with 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. During the financial year ended 30 June 2026, the Internal Audit function carried out reviews covering the following areas:

No.	Audit Areas
Thomson Hospital Kota Damansara	
1	Revenue and Accounts Receivable
2	Human Resource Management and Payroll
3	Fixed Asset Management
4	Procurement and Accounts Payable
5	Controls over Personal Data Protection Act

Branches (TMC Fertility Penang, TMC Fertility Ipoh, Thomson Specialist Clinics Kepong & TMC Care Pharmacy - Kota Damansara)	
1	Revenue and Accounts Receivable
2	Human Resource Management and Payroll
3	Fixed Asset and Inventory Management
4	Procurement and Accounts Payable

The cost incurred in relation to the Internal Audit function during the financial year ended 30 June 2026 was RM144,428 (financial year ended 30 June 2025: RM121,600).

The Statement on Risk Management and Internal Control can be found on pages 104 to 109 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 Companies 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 Audit and Risk Management Committee ("ARMC") 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 acknowledges that effective risk management supports both the mitigation of threats and the creation of strategic opportunities. The Group is committed to fostering a strong risk-aware culture by embedding risk management into business planning, decision-making and day-to-day operations to enhance organisational resilience, protect stakeholder value and support the achievement of its strategic objectives.

The Board, supported by the ARMC, management and the outsourced internal auditors, is responsible for ensuring that an effective risk management framework and internal control system are maintained across the Group. Risk management is integrated into the Group's governance, strategic planning and operational processes to facilitate timely identification, assessment, monitoring and reporting of material risks and opportunities.

The Group has established a Strategic Enterprise Risk Management ("ERM") Framework, aligned with ISO 31000 Risk Management Principles and Guidelines. The framework provides a structured and consistent approach for identifying, assessing, evaluating, treating, monitoring and reporting governance, cybersecurity, sustainability and other emerging risks across the Group.

Risk assessments are performed using the Group's established risk assessment methodology, which considers the nature, likelihood and magnitude of potential impacts on operations, patient safety, financial performance, regulatory compliance, reputation and strategic objectives before determining the residual risk rating. Significant risks are prioritised using the Group's risk rating matrix and are incorporated into the Group Enterprise Risk Register. Risks assessed as having higher residual ratings are subject to enhanced monitoring and are escalated through the Group's governance structure, including the Risk Management Working Committee ("RMWC"), the ARMC and ultimately the Board of Directors for oversight and strategic direction.

Statement on Risk Management and Internal Control

(Cont'd)

THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

Risk Management Framework (Cont'd)

Recognising the increasing significance of sustainability and climate-related matters, the Group has progressively integrated sustainability-related and climate-related risks into its ERM Framework. These risks are evaluated using the same governance, assessment and reporting processes as other enterprise risks to ensure consistent prioritisation, monitoring and decision-making across the organisation.

In addition to managing risks, the Group also considers sustainability-related and climate-related opportunities through its annual materiality assessment, strategic planning process and ERM Framework. Opportunities are evaluated based on their potential operational, financial, environmental and strategic benefits before being prioritised and monitored by the Sustainability Management Committee ("SMC") as part of the Group's broader sustainability governance framework.

During the year under review, the Group continued to strengthen its risk governance and oversight capabilities through the following enhancements:

(a) **Aligned the Group ERM Framework** with the expectations and standards of the major shareholder, ensuring greater consistency and strategic alignment across entities;

(b) **Strengthened the oversight role of RMWC**, which monitors, reviews, and escalates significant risks regularly to enhance operational governance;

(c) **Continued to apply Risk and Control Self-Assessment ("RCSA")** across key departments to improve risk ownership, enable closer risk monitoring, and identify control gaps proactively;

(d) **Enhanced quarterly enterprise risk reporting** through periodic reviews of the Group's principal and emerging risks, including sustainability and climate-related risks where applicable, enabling timely management intervention and Board oversight; and

(e) **Strengthened integration between sustainability and enterprise risk management**, ensuring sustainability-related and climate-related risks are incorporated into the Group's Enterprise Risk Register and considered as part of strategic and operational decision-making.

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.

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 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.

Statement on Risk Management and Internal Control

(Cont'd)

THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

The key elements of the Group's Internal Control System

The key elements of the Group's internal control system, that are regularly reviewed by the Board, are as follows (Cont'd):

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 at SMM and finally approved by the Board of Directors.

vi. significant corporate matters and their 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 is 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 continues, to improve on areas of high vulnerability of cyber attack identified.

Statement on Risk Management and Internal Control

(Cont'd)

MANAGEMENT OF RISKS (CONT'D)

The key operational risks of the Group include corruption risk, financial reporting risk and clinical risks.

(i) The Group continued to strengthen its anti-corruption framework in alignment with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, via its Anti-Bribery and Anti-Corruption ("ABAC") Policy 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.

Statement on Risk Management and Internal Control

(Cont'd)

MANAGEMENT OF RISKS (CONT'D)

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 2026, 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 plan on internal audit findings;

c) Performed business processes review of procurement and accounts payable, revenue and accounts receivable, fixed asset management, control over personal data protection act, human resource management and payroll of Thomson Hospital Kota Damansara; and

d) Performed business process review of procurement and accounts payable, revenue and accounts receivable, human resource management and payroll, fixed assets and inventory management of TMC Fertility Centre (Ipoh and Penang branches), Thomson Specialist Clinic (Kepong), and TMC Care Pharmacy.

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 effectiveness 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 plans 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.

THE BOARD'S COMMITMENT

As the Group operates in a dynamic business environment, 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 2026, 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.

Statement on Risk Management and Internal Control

(Cont'd)

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 Section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, nor is factually inaccurate.

Other Corporate Disclosure

1. 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 2026 were set out below:

	COMPANY (RM)	GROUP (RM)
Statutory Audits	86,900	371,200
Other services	81,800	81,800
Total	168,700	453,000

2. MATERIAL CONTRACTS

During the financial year ended 30 June 2026, there were no material contracts entered into by the Company and its subsidiaries involving Directors', chief executive's and/or major shareholders' interests.

3. UTILISATION OF PROCEEDS

The Company did not raise funds through any corporate proposal during the financial year under review.

4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

Group	2026 (RM'000)	2025 (RM'000)
Revenue	393,027	345,538
Other income	6,031	4,601
Interest income	2,864	4,167
Total Income	**401,922**	**354,306**
Total Assets	**1,115,035**	**1,132,190**

(b) Business Activities

Shariah Non-Compliant Activities	2026 (RM'000)	2025 (RM'000)
Interest income	1,406	1,486
Total	1,406	1,486

4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

(c) Component of Financial Position

(i) Cash component

Islamic Account/Instruments	2026 (RM'000)	2025 (RM'000)
Cash and bank balances	660	764
Deposits with licensed banks	45,063	59,313
Total	**45,723**	**60,077**

Conventional Account/Instruments	2026 (RM'000)	2025 (RM'000)
Cash and bank balances	50,914	42,791
Deposits with licensed banks	15,003	6,696
Total	**65,917**	**49,487**

(ii) Debt Component

Conventional Borrowing	2026 (RM'000)	2025 (RM'000)
Current		
Term loans	45,110	37,605
Hire Purchase Payables	–	442
Non-Current		
Term loans	96,540	141,426
Total	**141,650**	**179,473**



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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 2026.

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	17,380	14,184

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

The amount of dividend paid by the Company since 30 June 2025 was as follows:

	RM'000
In respect of the financial year ended 30 June 2025 as reported in the Directors' report of that financial year:	
First and final single-tier dividend of 0.1863 sen per ordinary share, declared on 26 August 2025 and paid on 6 January 2026	3,245

A first and final single-tier dividend of 0.5763 sen per ordinary share in respect of the financial year ended 30 June 2026 had been declared on 14 August 2026. 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 2027.

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

* 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	
Chong Kuoh Ren	
Savitha Dharan A/P Raviendrun	(Appointed on 1 August 2026)
Ng Yee Voon	(Appointed on 1 August 2026)
Lakshmi Devi A/P K.V Ramachandra Menon	(Appointed on 14 July 2025 and resigned on 8 May 2026)
Siva Kumaran A/L P.Jayaraman	(Resigned on 1 August 2026)

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.

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	1,893	815
Estimated monetary value of benefits-in-kind	15	15
	1,908	830

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 RM32,410.

Directors' Report

(Cont'd)

DIRECTORS' INTERESTS IN SHARE OPTIONS

According to the register of Directors' shareholdings, none of the Directors who held office at the end of the financial year held any shares in the Company or its subsidiaries or its holding company during the financial year except for the following:

	Number of shares granted for the Share Grant Plan 2015			
	1.7.2025	Vested	Lapsed	30.6.2026
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)	–

	Number of ordinary shares			
	1.7.2025	Addition	Disposal	30.6.2026
Interests in the ultimate holding company, Thomson Medical Group Limited				
Direct interest:				
Dr. Heng Jun Li Melvin	–	1,468,400	–	1,468,400

ISSUES OF SHARES

The Company has not issued any new shares or debentures during the financial year.

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.

Directors' Report

(Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

(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.

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	371	87
Other services	82	82
	453	169

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 2026.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 14 August 2026.

Dato' Sri Mohd Mokhtar Bin Mohd Shariff **Dr. Heng Jun Li Melvin**

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Dato' Sri Mohd Mokhtar Bin Mohd Shariff and Dr. Heng Jun Li Melvin, 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 123 to 179 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 2026 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 14 August 2026.

Dato' Sri Mohd Mokhtar Bin Mohd Shariff **Dr. Heng Jun Li Melvin**

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 123 to 179 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 14 August 2026

Wong Yu Chee
MIA 16689

Before me,

Wong Kok Ken
(No: B726)
Commissioner for Oaths

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 2026 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 123 to 179.

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 2026, 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 2026, the Group had recognised a total revenue of RM362 million from the hospital division, which represents about 92% 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 (CONT'D)

Key audit matters (Cont'd)

(A) Revenue recognition - hospital division (Cont'd)

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 2026, 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 (CONT'D)

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, 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, and the annual report, which is expected to be made available to us after 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 and will 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 identified above 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate action.

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.

Independent Auditors' Report

to the members of TMC Life Sciences Berhad
(Incorporated in Malaysia)

(Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' responsibilities for the audit of the financial statements (Cont'd)

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;

- 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.

Independent Auditors' Report

to the members of TMC Life Sciences Berhad
(Incorporated in Malaysia)

(Cont'd)

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

Tseu Tet Khong @ Tsau Tet Khong
03374/06/2028 J
Chartered Accountant

Kuala Lumpur, Malaysia
14 August 2026

Statements of Comprehensive Income

For the financial year ended 30 June 2026

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue	4	393,027	345,538	16,960	33,650
Other income	5	6,031	4,601	–	–
Inventories and consumables		(142,358)	(118,019)	–	–
Staff costs	8	(115,245)	(117,946)	–	–
Other operating expenses		(73,759)	(67,832)	(3,539)	(3,485)
Depreciation and amortisation		(37,325)	(34,101)	–	–
Interest income		2,864	4,167	954	1,361
Finance costs	6	(7,500)	(9,336)	–	–
Profit before tax	7	25,735	7,072	14,375	31,526
Income tax expense	10	(8,355)	(3,466)	(191)	(297)
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year		17,380	3,606	14,184	31,229
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year attributable to owners of the parent		17,380	3,606	14,184	31,229
Earnings per share attributable to owners of the parent (sen):					
Basic/diluted	11	1.00	0.21		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Financial Position

As at 30 June 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Assets					
Non-current assets					
Property, plant and equipment	13	715,217	725,778	–	–
Intangible assets	14	195,851	201,192	–	–
Investment property	15	1,979	2,039	–	–
Investment in subsidiaries	16	–	–	665,865	660,175
Other receivable	18	3,999	–	–	–
Deferred tax assets	24	692	700	–	–
		917,738	929,709	665,865	660,175
Current assets					
Inventories	17	20,547	15,908	–	–
Trade and other receivables	18	64,600	65,600	13,306	788
Tax recoverable		510	11,409	21	–
Cash and bank balances	19	111,640	109,564	25,449	32,722
		197,297	202,481	38,776	33,510
Total assets		1,115,035	1,132,190	704,641	693,685
Current liabilities					
Contract liabilities	4	595	519	–	–
Trade and other payables	20	68,139	69,286	708	642
Borrowings	21	47,077	39,948	–	–
Income tax payable		1,122	559	–	49
		116,933	110,312	708	691
Net current assets		80,364	92,169	38,068	32,819
Non-current liabilities					
Contract liabilities	4	378	357	–	–
Borrowings	21	98,140	143,024	–	–
Provision	22	671	739	–	–
Deferred tax liabilities	24	31,735	24,715	–	–
		130,924	168,835	–	–
Total liabilities		247,857	279,147	708	691
Net assets		867,178	853,043	703,933	692,994
Represented by:					
Equity attributable to owners of the parent					
Share capital	25	625,986	625,986	625,986	625,986
Retained profits	26	241,192	227,057	77,947	67,008
Total equity		867,178	853,043	703,933	692,994

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 2026

	Note	<—— Attributable to owners of the parent ——> Share capital RM'000	Distributable Retained profits RM'000	Total RM'000
Group				
At 1 July 2025		625,986	227,057	853,043
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year		–	17,380	17,380
Transaction with owners				
Dividend on ordinary shares, representing total transaction with owners	12	–	(3,245)	(3,245)
At 30 June 2026		625,986	241,192	867,178

	Note	<———— Attributable to owners of the parent ————> Share capital RM'000	Non-distributable Share options reserve RM'000	Distributable Retained profits RM'000	Total 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 Employees' Share Option Scheme ("ESOS")		–	19	–	19
Transfer within reserve for ESOS forfeited		–	(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

Statements of Changes in Equity

(Cont'd)

	Note	<—— Attributable to owners of the parent ——> Share capital RM'000	Distributable Retained profits RM'000	Total RM'000
Company				
At 1 July 2025		625,986	67,008	692,994
Profit for the financial year, representing total comprehensive income (net of tax) for the financial year		–	14,184	14,184
Transaction with owners				
Dividend on ordinary shares, representing total transaction with owners	12	–	(3,245)	(3,245)
At 30 June 2026		625,986	77,947	703,933

	Note	<———— Attributable to owners of the parent ————> Share capital RM'000	Non-distributable Share options reserve RM'000	Distributable Retained profits 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		–	(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**

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 2026

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Operating activities				
Profit before tax	25,735	7,072	14,375	31,526
Adjustments for:				
Allowance for expected credit losses:				
- trade receivables	663	646	–	–
Amortisation of intangible assets	6,468	5,852	–	–
Property, plant and equipment:				
- depreciation	30,797	28,189	–	–
- written off	51	36	–	–
- gain on disposal	(1)	(12)	–	–
Depreciation of investment property	60	60	–	–
Gain on termination of leases	(8)	(2)	–	–
Reversal of provision for restoration	(19)	–	–	–
Inventory written off	132	143	–	–
Unwinding of discount on provision for restoration	7	14	–	–
Interest expense	7,493	9,322	–	–
Interest income	(2,864)	(4,167)	(954)	(1,361)
Dividend income	–	–	(16,960)	(33,650)
Fair value charges on share options granted under ESOS	–	19	–	6
Operating profit/(loss) before changes in working capital	68,514	47,172	(3,539)	(3,479)
Changes in working capital:				
Inventories	(4,771)	(4,429)	–	–
Receivables	(3,662)	(14,654)	(18,208)	(2,556)
Contract liabilities	97	94	–	–
Payables	(5,354)	5,715	66	(40)
Cash flows from/(used in) operations	54,824	33,898	(21,681)	(6,075)
Interest paid	(7,271)	(9,126)	–	–
Income taxes refunded/(paid)	10,135	(2,266)	(261)	(366)
Net cash flows from/(used in) operating activities	57,688	22,506	(21,942)	(6,441)

Statements of Cash Flows

(Cont'd)

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Investing activities				
Uplift of deposits placed with:				
- financial institutions with original maturity of more than three months	29,722	32,225	2,839	11,003
- deposits pledged	472	94	–	–
Interest received	2,864	4,167	954	1,361
Proceeds from disposals of property, plant and equipment	22	12	–	–
Purchase of property, plant and equipment	(13,728)	(40,707)	–	–
Purchase of intangible assets	(1,019)	(432)	–	–
Dividend received from subsidiaries	–	–	16,960	33,650
Net cash flows from/(used in) investing activities	18,333	(4,641)	20,753	46,014
Financing activities				
Dividends paid	(3,245)	(38,616)	(3,245)	(38,616)
Repayments of:				
- lease liabilities	(2,465)	(2,461)	–	–
- finance lease obligation				
- industrial hire purchase	(438)	(882)	–	–
- term loans	(37,603)	(22,595)	–	–
Net cash flows used in financing activities	(43,751)	(64,554)	(3,245)	(38,616)
Net changes in cash and cash equivalents	32,270	(46,689)	(4,434)	957
Cash and cash equivalents at the beginning of financial year	60,822	107,511	15,661	14,704
Cash and cash equivalents at the end of financial year (Note 19)	93,092	60,822	11,227	15,661

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

30 June 2026

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 14 August 2026.

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 2025 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 2025, the Group and the Company adopted the following Amendments to MFRSs which are effective for annual financial periods beginning on or after 1 January 2025.

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 121: *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*	1 January 2025

The adoption of the above standard did not have any significant impact on the financial statements of the Group and of the Company.

Notes to the Financial Statements

30 June 2026 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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
• Annual Improvements to MFRS 1, 7, 9, 10, 107 and 141: *Accounting Standards - Volume 11*	1 January 2026
• Amendments to MFRS 9 Financial Instruments and MFRS 7 *Financial Instruments: Contracts Referencing Nature-dependent Electricity*	1 January 2026
• Amendments to MFRS 9 Financial Instruments and MFRS 7 *Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
• Amendments to MFRS 121: *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
• MFRS 18: *Presentation and Disclosure in Financial Statements*	1 January 2027
• MFRS 19: *Subsidiaries without Public Accountability: Disclosure*	1 January 2027
• Amendments to MFRS 10 and MFRS 128: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

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 comprehensive income, while the net profit or loss remains unchanged.

Statement of comprehensive income 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Standards issued but not yet effective (Cont'd)

MFRS 18: *Presentation and Disclosure in Financial Statements (Cont'd)*

(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.

(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 comprehensive income, 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 comprehensive income, 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.

Notes to the Financial Statements

30 June 2026 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of consolidation (Cont'd)

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.

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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of consolidation (Cont'd)

Business combinations (Cont'd)

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.

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%

Notes to the Financial Statements

30 June 2026 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Property, plant and equipment (Cont'd)

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.

(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.

Notes to the Financial Statements

30 June 2026 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Intangible assets (Cont'd)

(b) Other intangible assets (Cont'd)

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 at annual rates of 10% - 25% and assessed for impairment whenever there is an indication that it may be impaired. The amortisation period and the amortisation method for computer software with finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and is treated as changes in accounting estimates. 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.

Notes to the Financial Statements

30 June 2026 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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.

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. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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 2026 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

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.

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.

Notes to the Financial Statements

30 June 2026 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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.

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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.14 Leases (Cont'd)

(a) Group as a lessee (Cont'd)

(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.

(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.

Notes to the Financial Statements

30 June 2026 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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.

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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 Taxes (Cont'd)

(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.

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.

Notes to the Financial Statements

30 June 2026 (Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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.

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. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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.

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.

Notes to the Financial Statements

30 June 2026 (Cont'd)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

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 2026 was RM193,045,000 (2025: 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.

4. REVENUE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contracts with customers				
Hospital and ancillary services	361,958	312,384	–	–
Clinic services	19,546	23,105	–	–
Clinic rental income	2,752	2,671	–	–
Hospital administration fee	2,544	2,639	–	–
Others	6,227	4,739	–	–
	393,027	345,538	–	–
Revenue from other sources				
Dividend income from subsidiaries	–	–	16,960	33,650
Total revenue	393,027	345,538	16,960	33,650

Timing of revenue recognition

The following tables represent revenue from contracts with customers by timing of revenue recognition:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
At a point in time	389,051	341,500	–	–
Over time	3,976	4,038	–	–
	393,027	345,538	–	–

Information about contract liabilities from contracts with customers is disclosed as follows:

	Group	
	2026 RM'000	2025 RM'000
Contract liabilities	973	876

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	
	2026 RM'000	2025 RM'000
Amounts included in contract liabilities at the beginning of the financial year	519	525

Notes to the Financial Statements

30 June 2026 (Cont'd)

4. REVENUE (CONT'D)

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	
	2026 RM'000	2025 RM'000
At beginning of financial year	876	782
Billings and advances received during the financial year	1,139	1,306
Revenue recognised during the financial year	(1,042)	(1,212)
At end of financial year	973	876

The transaction price allocated to the remaining performance obligations as at the reporting date is as follows:

	Group	
	2026 RM'000	2025 RM'000
Within one year	595	519
More than one year	378	357
	973	876

5. OTHER INCOME

	Group	
	2026 RM'000	2025 RM'000
Rental income	2,801	2,353
Bad debt recovered	64	17
Gain on disposal of plant and equipment	1	12
Gain on termination of leases (Note 23(b))	8	2
Car park collection income	1,572	1,369
Sponsorship income	–	96
Reversal of provision for restoration (Note 22)	19	–
Others	1,566	752
	6,031	4,601

6. FINANCE COSTS

	Group	
	2026 RM'000	2025 RM'000
Interest expense on:		
- lease liabilities (Note 23(b))	164	137
- term loans	7,103	8,948
- amortisation of finance fees on borrowings	222	196
- finance lease obligation - industrial hire purchase	4	41
- unwinding of discount on provision for restoration (Note 22)	7	14
	7,500	9,336

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	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Auditors' remuneration:				
- statutory audit (EY Malaysia)	371	358	87	85
- other services (EY Malaysia)	82	92	82	92
Director's remuneration, excluding benefits-in-kind (Note 9):				
- Executive Directors	1,078	1,523	–	–
- Non-Executive Directors	815	884	815	884
Inventory written off	132	143	–	–
Property, plant and equipment (Note 13):				
- depreciation	30,797	28,189	–	–
- written off	51	36	–	–
Amortisation of intangible assets (Note 14)	6,468	5,852	–	–
Depreciation of investment property (Note 15)	60	60	–	–
Expenses related to short-term leases and low-value assets (Note 23(b)):				
- equipment	155	161	–	–
Allowance for expected credit losses:				
- trade receivables (Note 18(a))	663	646	–	–
Realised loss on foreign exchange	–	3	–	–

Notes to the Financial Statements

30 June 2026 (Cont'd)

8. STAFF COSTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Salaries, wages and bonuses	85,328	86,884	–	–
Social security contributions	1,316	1,313	–	–
Contributions to defined contribution plans	10,673	10,859	–	–
Fair value charges on share options granted under ESOS	–	13	–	–
Allowances	8,795	8,838	–	–
Other benefits	9,133	10,039	–	–
	115,245	117,946	–	–

Included in staff costs of the Group are Executive Directors' remuneration amounting to RM1,078,000 (2025: RM1,529,000). The directors' remuneration of the Group and of the Company are disclosed in Note 9.

9. DIRECTORS' REMUNERATION

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Executive Directors' remuneration:				
Salaries and bonuses (Note 7)	1,037	1,435	–	–
Director fees (Note 7)	–	–	–	–
Other emoluments (Note 7)	–	–	–	–
Contributions to defined contribution plans (Note 7)	41	88	–	–
Benefits-in-kind	–	6	–	–
	1,078	1,529	–	–
Non-Executive Directors'remuneration:				
Director fees (Note 7)	643	558	643	558
Other emoluments (Note 7)	172	326	172	326
Benefits-in-kind	15	49	15	49
	830	933	830	933
Total Directors' remuneration including benefits-in-kind	1,908	2,462	830	933

9. DIRECTORS' REMUNERATION (CONT'D)

The number of Directors of the Company whose total remuneration during the financial year fell within the following bands (excluding other benefits-in-kind) are analysed below:

	Number of Directors	
	2026	2025
Executive Directors:		
RM100,001 - RM150,000	–	–
RM400,001 - RM450,000	–	1
RM650,001 - RM700,000	–	–
RM900,001 - RM950,000	–	–
RM1,050,001 - RM1,100,000	1	1
Non-Executive Directors:		
RM50,001 - RM100,000	–	1
RM100,001 - RM150,000	1	1
RM150,001 - RM200,000	3	3
RM200,001 - RM250,000	1	1

10. INCOME TAX EXPENSE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Statements of comprehensive income:				
Current income tax:				
Malaysian income tax	1,337	1,870	193	301
Over provision in prior financial years	(10)	(76)	(2)	(4)
	1,327	1,794	191	297
Deferred income tax (Note 24):				
Relating to origination and reversal of temporary differences	6,708	1,798	–	–
Under/(over) provision in prior financial years	320	(126)	–	–
	7,028	1,672	–	–
Income tax expense recognised in profit or loss	8,355	3,466	191	297

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2025: 24%) of the estimated assessable profit for the financial year.

Notes to the Financial Statements

30 June 2026 (Cont'd)

10. INCOME TAX EXPENSE (CONT'D)

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	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit before tax	25,735	7,072	14,375	31,526
Taxation at Malaysian statutory tax rate of 24% (2025: 24%)	6,176	1,697	3,450	7,566
Effect of expenses not deductible for tax purposes	1,885	1,476	813	811
Income not subject to tax	–	–	(4,070)	(8,076)
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(204)	–	–	–
Deferred tax assets not recognised during the financial year	188	495	–	–
Overprovision of income tax in prior financial years	(10)	(76)	(2)	(4)
Under/(over)provision of deferred tax prior financial years	320	(126)	–	–
	8,355	3,466	191	297

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	
	2026	2025
Profit attributable to owners of the parent (RM'000)	17,380	3,606
Weighted average number of ordinary shares in issue ('000)	1,741,882	1,741,882
Basic earnings per share (sen)	1.00	0.21

(b) Diluted

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

Notes to the Financial Statements

30 June 2026 (Cont'd)

12. DIVIDENDS

	Group/Company	
	2026 RM'000	2025 RM'000
Recognised during the 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 in respect of financial year ended 30 June 2024 paid on 3 January 2025	–	38,616
First and final single-tier dividend of 0.1863 sen per ordinary share in respect of financial year ended 30 June 2025 paid on 6 January 2026	3,245	–

A first and final single-tier dividend of 0.5763 sen per ordinary share in respect of the financial year ended 30 June 2026 had been declared on 14 August 2026. 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 2027.

13. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Right-of-use asset-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												
2026												
Cost												
At 1 July 2025	180,000	19,668	357,942	9,909	3,848	350	165,070	8,240	42,837	22,673	101,906	912,443
Additions	–	–	–	3,247	3	–	9,849	438	847	1,090	5,648	21,122
Termination	–	–	–	(847)	–	–	–	–	–	–	–	(847)
Disposal	–	–	–	–	–	–	(62)	–	–	–	–	(62)
Written off	–	–	–	–	–	–	(64)	(44)	(117)	(876)	–	(1,101)
Reclassification	–	–	–	–	–	248	–	–	533	1,618	(2,399)	–
Transfer to intangible assets	–	–	–	–	–	–	–	–	–	–	(108)	(108)
At 30 June 2026	180,000	19,668	357,942	12,309	3,851	598	174,793	8,634	44,100	24,505	105,047	931,447
Accumulated depreciation												
At 1 July 2025	–	3,777	39,695	6,491	2,948	350	88,630	5,806	23,112	15,856	–	186,665
Depreciation charge for the financial year (Note 7)	–	204	7,156	2,540	157	50	12,900	968	3,700	3,122	–	30,797
Termination	–	–	–	(141)	–	–	–	–	–	–	–	(141)
Disposal	–	–	–	–	–	–	(41)	–	–	–	–	(41)
Written off	–	–	–	–	–	–	(46)	(20)	(113)	(871)	–	(1,050)
At 30 June 2026	–	3,981	46,851	8,890	3,105	400	101,443	6,754	26,699	18,107	–	216,230
Net carrying amount	180,000	15,687	311,091	3,419	746	198	73,350	1,880	17,401	6,398	105,047	715,217

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM'000	Right-of-use asset-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

(a) As at the end of the financial year, a long term leasehold land and building with total carrying amount of RM326,778,000 (2025: RM334,138,000) 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 previous financial year, a medical equipment held under industrial hire purchase arrangement was at net carrying amount of RM2,164,000.

(c) Further details of right-of-use assets are disclosed at Note 23(a).

Notes to the Financial Statements

30 June 2026 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	Group	
	2026 RM'000	2025 RM'000
Additions to property, plant and equipment	21,122	35,873
Right-of-use assets	(3,247)	(3,512)
Provision for restoration costs (Note 22)	(16)	(122)
Movement of property, plant and equipment purchased but were unsettled and remained as other payables	(4,131)	8,468
Cash payments on purchase of property, plant and equipment	13,728	40,707

14. INTANGIBLE ASSETS

Intangible assets represent goodwill arising from acquisition of a subsidiary and computer software.

	Goodwill RM'000 (a)	Computer software RM'000 (b)	Total RM'000
Group			
2026			
Cost			
At 1 July 2025	193,045	24,515	217,560
Additions	–	1,019	1,019
Transfer from property, plant and equipment	–	108	108
At 30 June 2026	193,045	25,642	218,687
Accumulated amortisation and impairment			
At 1 July 2025	–	16,368	16,368
Amortisation charge for the financial year (Note 7)	–	6,468	6,468
At 30 June 2026	–	22,836	22,836
Net carrying amount	193,045	2,806	195,851

14. INTANGIBLE ASSETS (CONT'D)

	Goodwill RM'000 (a)	Computer software RM'000 (b)	Total RM'000
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

(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	
	2026 RM'000	2025 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:

	2026 %	2025 %
Terminal growth rate	3.0	3.0
Pre-tax discount rate	12.5	10.1

Notes to the Financial Statements

30 June 2026 (Cont'd)

14. INTANGIBLE ASSETS (CONT'D)

(a) Goodwill (Cont'd)

(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.

(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 2026.

(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	
	2026 RM'000	2025 RM'000
Cost	2,978	2,978
Accumulated depreciation		
At the beginning of financial year	939	879
Depreciation charge for the financial year (Note 7)	60	60
At the end of financial year	999	939
Net carrying amount	1,979	2,039
Rental income derived from investment property	181	173
Direct operating expenses of income generating property	(12)	(17)
Estimated fair value at the end of financial year		
Freehold building	4,600	4,600

15. INVESTMENT PROPERTY (CONT'D)

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.

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

	Note	Company 2026 RM'000	Company 2025 RM'000
Unquoted shares at cost			
- ordinary shares		386,843	386,843
- redeemable preference shares	**(a)**	277,825	272,135
		664,668	658,978
Add: Equity contribution to subsidiaries pursuant to ESOS		1,197	1,197
		665,865	660,175

(a) Redeemable preference shares ("RPS")

During the financial year, amount due from subsidiaries of RM5,690,000 (2025: RM10,275,000) 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.

Notes to the Financial Statements

30 June 2026 (Cont'd)

16. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business	Principal activities	Proportion of ownership interest 2026 %	2025 %
Thomson Hospitals Sdn. Bhd. ("THSB")	Malaysia	Multi-disciplinary tertiary care services	100	100
TMC Properties Sdn. Bhd. ("TMCP")	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) Subsidiary 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

17. INVENTORIES

	Group	
	2026 RM'000	2025 RM'000
At cost:		
Pharmaceutical products	12,503	9,156
Medical and consumable supplies	8,044	6,752
	20,547	15,908

During the financial year, the amount of inventories and consumables recognised as an expense in the statement of comprehensive income of the Group was RM142,358,000 (2025: RM118,019,000).

18. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current					
Trade receivables					
Third parties		43,816	45,581	–	–
Less: Allowance for expected credit losses		(1,658)	(2,907)	–	–
Trade receivables, net	**(a)**	42,158	42,674	–	–
Other receivables					
Other receivables	**(b)(i)**	16,547	17,704	163	293
Amounts due from subsidiaries	**(b)(ii)**	–	–	12,768	106
Deposits		3,424	2,074	1	1
Prepayments		2,673	3,350	374	388
		22,644	23,128	13,306	788
Less: Allowance for expected credit losses:					
- other receivables		(202)	(202)	–	–
Other receivables, net	**(b)**	22,442	22,926	13,306	788
		64,600	65,600	13,306	788

Notes to the Financial Statements

30 June 2026 (Cont'd)

18. TRADE AND OTHER RECEIVABLES (CONT'D)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Non-current					
Other receivable					
Advance	**(b)(iii)**	3,999	–	–	–
Total trade and other receivables (current and non-current)		68,599	65,600	13,306	788
Less: Prepayments		(2,673)	(3,350)	(374)	(388)
Less: Advance		(3,999)	–	–	–
Add: Cash and bank balances (Note 19)		111,640	109,564	25,449	32,722
Total financial assets carried at amortised cost		173,567	171,814	38,381	33,122

(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			
2026			
Current	6,267	–	6,267
Less than 30 days	16,637	–	16,637
30 days to 60 days	11,404	38	11,366
61 days to 90 days	3,201	44	3,157
91 days to 120 days	1,813	73	1,740
More than 121 days	4,494	1,503	2,991
Total	43,816	1,658	42,158

18. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

Ageing analysis of trade receivables (Cont'd)

The ageing analysis of the Group's total trade receivables is as follows: (Cont'd)

	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

The Group's trade receivables are non-interest bearing and are subject to normal trade credit terms ranging from 30 to 60 days (2025: 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 RM4,731,000 (2025: RM3,492,000) that are aged more than 90 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 2026 (Cont'd)

18. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

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	
	2026 RM'000	2025 RM'000
At the beginning of financial year	2,907	2,626
Allowance for expected credit losses (Note 7)	663	646
Written off	(1,912)	(365)
At the end of financial year	1,658	2,907

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 RM14,549,000 (2025: RM16,192,000). Other receivables are unsecured and non-interest bearing.

(ii) The amounts due from subsidiaries are unsecured, non-interest bearing and are repayable upon demand.

(iii) The advance comprises an amount of RM3,999,000 paid by a subsidiary during the financial year towards a proposed strategic collaboration arrangement. As at the reporting date, the terms and structure of the arrangement remain under negotiation.

18. TRADE AND OTHER RECEIVABLES (CONT'D)

(b) Other receivables (Cont'd)

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	
	2026 RM'000	2025 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 (2025: 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 27.

19. CASH AND BANK BALANCES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash at banks and on hand	51,573	43,555	2,633	2,655
Deposits with licensed banks	60,067	66,009	22,816	30,067
	111,640	109,564	25,449	32,722

(a) Included in deposits with licensed banks of the Group is an amount of RM1,174,000 (2025: RM1,646,000) which is pledged as securities for facilities granted to the Group.

(b) Cash restricted in use of the Group amounting to RM2,460,000 (2025: RM2,460,000) are assigned and charged as security for a Debt Service Reserve Account.

Notes to the Financial Statements

30 June 2026 (Cont'd)

19. CASH AND BANK BALANCES (CONT'D)

(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	
	2026	2025	2026	2025
Weighted average effective interest rates (%)	2.41	3.07	3.17	3.54
Range of maturities (months)	1-12	1-12	1-6	1-6

For the purpose of statements of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash at banks and on hand	51,573	43,555	2,633	2,655
Deposits with licensed banks	60,067	66,009	22,816	30,067
	111,640	109,564	25,449	32,722
Less:				
Deposits with licensed banks (for more than 3 months)	(14,914)	(44,636)	(14,222)	(17,061)
Deposit pledged to a licensed bank	(1,174)	(1,646)	–	–
Cash restricted in use	(2,460)	(2,460)	–	–
Total cash and cash equivalents	93,092	60,822	11,227	15,661

20. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Trade payables					
Third parties	**(a)**	24,754	26,875	–	–
Other payables					
Amounts due to subsidiaries	**(b)(i)**	–	–	101	135
Other payables	**(b)(ii)**	24,880	28,349	47	220
Deposits received		1,877	779	–	–
Accruals		16,628	13,283	560	287
		43,385	42,411	708	642
Total trade and other payables		68,139	69,286	708	642
Add: Borrowings (Note 21)		145,217	182,972	–	–
Total financial liabilities carried at amortised cost		213,356	252,258	708	642

20. TRADE AND OTHER PAYABLES (CONT'D)

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranged from 30 to 90 (2025: 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 RM18,577,000 (2025: RM21,568,000). 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 (2025: average term of two months).

21. BORROWINGS

		Group	
	Maturity	2026 RM'000	2025 RM'000
Current			
Lease liabilities	2027	1,967	1,901
Secured:			
Term loans	2027	45,110	37,605
Finance lease obligation			
- Industrial hire purchase	2027	–	442
		47,077	39,948
Non-current			
Lease liabilities	2028 - 2029	1,600	1,598
Secured:			
Term loans	2028 - 2030	96,540	141,426
		98,140	143,024
Total borrowings			
Lease liabilities (Note 23(b))		3,567	3,499
Secured:			
Term loans		141,650	179,031
Finance lease obligation			
- Industrial hire purchase		–	442
		145,217	182,972

Notes to the Financial Statements

30 June 2026 (Cont'd)

21. BORROWINGS (CONT'D)

As at reporting date, the weighted average EIR for the borrowings were as follows:

	Group	
	2026 %	2025 %
Floating rate		
Term loans	4.31	4.60
Finance lease obligation		
- Industrial hire purchase	–	4.79
Fixed rate		
Lease liabilities	4.70	4.80

The remaining maturities of the borrowings as at 30 June 2026 and 30 June 2025 are as follows:

	Group	
	2026 RM'000	2025 RM'000
On demand	47,077	39,948
1 to 2 years	46,433	46,085
3 to 5 years	51,707	96,939
	145,217	182,972

On 8 April 2010, a wholly-owned subsidiary, 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 commenced 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 29(a).

On 14 January 2020, a wholly-owned subsidiary, 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 29(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.

21. BORROWINGS (CONT'D)

Reconciliation of liabilities arising from financing activities

	At 1 July 2025 RM'000	Cash flows RM'000	Other changes RM'000	At 30 June 2026 RM'000
Group				
Lease liabilities	3,499	(2,465)	2,533	3,567
Term loans	179,031	(37,603)	222	141,650
Finance lease obligation				
- Industrial hire purchase	442	(438)	(4)	–
Total	182,972	(40,506)	2,751	145,217

	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

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.

22. PROVISION

	Restoration costs of right-of-use assets- building	
	2026 RM'000	2025 RM'000
Group		
At beginning of financial year	739	603
Arising during the financial year (Note 13)	16	122
Reversal during the financial year (Note 5)	(19)	–
Utilisation during the financial year	(72)	–
Unwinding discount (Note 6)	7	14
At the end of financial year	671	739
Non-current:		
- More than 2 years and less than 3 years	671	739

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.

Notes to the Financial Statements

30 June 2026 (Cont'd)

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	
	2026 RM'000	2025 RM'000
At the beginning of financial year	3,499	2,476
Additions (Note 13)	3,247	3,512
Termination	(714)	(28)
Interest expense on lease liabilities (Note 6)	164	137
Payments	(2,629)	(2,598)
At the end of financial year (Note 21)	3,567	3,499

The maturity analysis of lease liabilities are disclosed in Note 30(c).

The following are the amounts recognised in profit or loss:

	Group	
	2026 RM'000	2025 RM'000
Depreciation expense of right-of-use assets:		
- long term leasehold land (Note 13)	204	204
- building (Note 13)	2,540	2,448
Interest expense on lease liabilities (Note 6)	164	137
Expenses related to short-term leases and low-value assets (Note 7):		
- equipment	155	161
Gain on termination of leases (Note 5)	(8)	(2)
Total amount recognised in profit or loss	3,055	2,948

During the financial year, the Group had total cash outflows for leases of RM2,784,000 (2025: RM2,759,000). The Group also had non-cash additions to right-of-use assets and lease liabilities of RM3,247,000 (2025: RM3,512,000).

24. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2026 RM'000	2025 RM'000
At the beginning of financial year	(24,015)	(22,343)
Recognised in profit or loss (Note 10)	(7,028)	(1,672)
At the end of financial year	(31,043)	(24,015)

Presented after appropriate offsettings as follows:

Deferred tax assets	692	700
Deferred tax liabilities	(31,735)	(24,715)
	(31,043)	(24,015)

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

	Accruals and provisions RM'000	Investment tax allowances RM'000	Offsetting RM'000	Total RM'000
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
At 1 July 2025	2,683	17,253	(19,236)	700
Recognised in profit or loss	(245)	(6,219)	6,456	(8)
At 30 June 2026	2,438	11,034	(12,780)	692

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 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)
At 1 July 2025	(16,261)	(27,690)	19,236	(24,715)
Recognised in profit or loss	25	(589)	(6,456)	(7,020)
At 30 June 2026	(16,236)	(28,279)	12,780	(31,735)

Notes to the Financial Statements

30 June 2026 (Cont'd)

24. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

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.

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	
	2026 RM'000	2025 RM'000
Unused tax losses	2,285	2,209
Unabsorbed capital allowances	488	634
	2,773	2,843
Deferred tax benefit at 24% (2025: 24%), if recognised	666	682

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	
	2026 RM'000	2025 RM'000
Year of assessment:		
2034	368	556
2035	1,164	1,653
2036	753	–
	2,285	2,209

25. SHARE CAPITAL

	Group/Company			
	Number of shares		Amount	
	2026 '000	2025 '000	2026 RM'000	2025 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.

26. RETAINED PROFITS

The Company may distribute dividends out of its entire retained profits under the single-tier system.

27. 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	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Administration service charges payable to:				
- subsidiaries	–	–	1,599	1,573
Dividend income from subsidiaries	–	–	16,960	33,650

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 2026 and 30 June 2025 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	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Short term employee benefits	5,142	3,623	–	–
Share options granted under ESOS	–	6	–	–
	5,142	3,629	–	–

Notes to the Financial Statements

30 June 2026 (Cont'd)

28. COMMITMENTS

(a) Capital commitments

Capital expenditure as at 30 June 2026 and 30 June 2025 are as follows:

	Group	
	2026 RM'000	2025 RM'000
Capital expenditure in respect of construction and purchase of property, plant and equipment:		
- approved and contracted for	33,662	29,581

(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.

Future minimum rentals receivable under non-cancellable operating leases at the reporting date are as follows:

	Group	
	2026 RM'000	2025 RM'000
Not later than 1 year	2,733	2,107
Later than 1 year and not later than 5 years	3,408	1,549
	6,141	3,656

29. GUARANTEES AND CONTINGENCIES

(a) Financial guarantees

	Group	
	2026 RM'000	2025 RM'000
Unsecured		
Corporate guarantees given to licensed banks for banking facility granted to wholly-owned subsidiaries	141,650	179,473
Letter of guarantee given to suppliers	5,230	9,225
	146,880	188,698

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.

29. GUARANTEES AND CONTINGENCIES (CONT'D)

(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.

30. 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.

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	
		2026 RM'000	2025 RM'000
Group			
Borrowing - floating rate	25	(354)	(449)
	(25)	354	449

Notes to the Financial Statements

30 June 2026 (Cont'd)

30. FINANCIAL INSTRUMENTS (CONT'D)

(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 32.4% (2025: 21.8%) 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	Total RM'000
2026			
Group			
Financial liabilities:			
Trade and other payables	68,139	–	68,139
Lease liabilities	2,084	1,640	3,724
Term loan	50,333	101,234	151,567
Total undiscounted financial liabilities	120,556	102,874	223,430
Company			
Financial liabilities:			
Trade and other payables, representing total undiscounted financial liabilities	708	–	708

30. FINANCIAL INSTRUMENTS (CONT'D)

(c) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

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. (Cont'd)

	On demand RM'000	1 to 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
Company			
Financial liabilities:			
Trade and other payables, representing total undiscounted financial liabilities	642	–	642

(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 2026 (Cont'd)

30. FINANCIAL INSTRUMENTS (CONT'D)

(d) Credit risk (Cont'd)

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 (2025: 10) customers, which constituted approximately 67% (2025: 64%) 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.

31. 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 2026.

32. 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 Accounting Standards and IFRS Accounting Standards. 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 30.06.2026 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	18.75	261,380	677,890	Leasehold for 99 years expiring 17 April 2108	343,259
Shoplot at No. 5, Jalan Merbah 3 Bandar Puchong Jaya 47170 Puchong Selangor Darul Ehsan	Ground Floor - Rented 1st Floor - Rented 2nd Floor - Rented 3rd Floor - Rented	17.75	1,873	6,625	Freehold	1,979
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 15 September 2026

NUMBER OF ISSUED SHARES	:	1,741,882,393 ORDINARY SHARES
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER ORDINARY SHARE
NUMBER OF SHAREHOLDERS	:	4,423

DISTRIBUTION OF SHAREHOLDINGS

Size of Holding	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
LESS THAN 100	284	6.42	7,566	0.00
100 TO 1,000	626	14.15	304,853	0.02
1,001 TO 10,000	1,689	38.19	10,344,379	0.59
10,001 TO 100,000	1,502	33.96	54,144,309	3.11
100,001 TO LESS THAN 5% OF ISSUED SHARES	319	7.21	207,827,398	11.93
5% AND ABOVE OF ISSUED SHARES	3	0.07	1,469,253,888	84.35
TOTAL	4,423	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)]	114,615,733	6.58
4.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: CIMB FOR SIOW WONG YEN @ SIOW 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.	KONG GOON KHING	7,700,000	0.44
8.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR SIOW WONG YEN @ SIOW KWANG HWA (7003958)]	6,500,000	0.37
9.	MERCSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR SIOW WONG YEN @ SIOW KWANG HWA]	4,662,100	0.27
10.	MERCSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR WONG FUEI BOON]	4,005,000	0.23

Analysis of Shareholdings

(Cont'd)

THIRTY LARGEST SHAREHOLDERS (CONT'D)
(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER)

No.	Name	No. of Shares	% of Issued Share Capital
11.	TENG KING HUAT	3,925,000	0.23
12.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: CIMB FOR SIOW WEI SHENG (PB)]	3,450,000	0.20
13.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: CIMB FOR SIOW YUEN SENG (PB)]	3,450,000	0.20
14.	ALEXANDER CHIN KAI YUEH	3,119,500	0.18
15.	KOAY HOW SEANG	3,000,000	0.17
16.	NG KOK CHEONG	3,000,000	0.17
17.	OOI SIN HENG	2,588,000	0.15
18.	LEMBAGA TABUNG AMANAH WARISAN NEGERI TERENGGANU	2,450,000	0.14
19.	LIM GAIK BWAY @ LIM CHIEW AH	2,402,900	0.14
20.	CHIEW POH CHENG	2,300,000	0.13
21.	RICHARD TEH LIP HEONG	2,056,800	0.12
22.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR YONG MEW SENG (E-KUG)]	1,997,600	0.11
23.	LIM KIAN SENG	1,850,000	0.11
24.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR YEW BOON HEAN (YEW0048C)]	1,835,200	0.11
25.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR WFM ASSETS MANAGEMENT SDN. BHD. (ET)]	1,815,900	0.10
26.	YEELY COPIER SDN. BHD.	1,600,000	0.09
27.	HLB NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: PLEDGED SECURITIES ACCOUNT FOR WONG TAK KEONG]	1,543,000	0.09
28.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. [QUALIFIER: CHIEW LIK ING]	1,479,498	0.08
29.	CHAI KOK KUM	1,454,500	0.08
30.	MOHD SALLEH BIN HJ HARUN	1,438,600	0.08
		1,587,977,836	**91.16**

Analysis of Shareholdings

(Cont'd)

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Direct		Indirect	
Name	**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-Fourth Annual General Meeting of the Company will be held at Amber Junior Ballroom, Level G, M World Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 24 November 2026 at 10:00 a.m. for the following purposes:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2026 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 0.5763 sen per ordinary share in respect of the financial year ended 30 June 2026. *(Resolution 1)*

3. To approve the payment of Directors' fees amounting to RM810,000 for the financial year ending 30 June 2028. *(Resolution 2)*

4. To approve the payment of Directors' benefits amounting to RM560,000 for the financial year ending 30 June 2028. *(Resolution 3)*

5. To re-elect the following Directors who are due to retire pursuant to Clause 97 of the Company's Constitution and being eligible, have offered themselves for re-election:

   (a) Dato' Sri Mohd Mokhtar Bin Mohd Shariff; *(Resolution 4)*

   (b) Mr. Kan Kheong Ng; *(Resolution 5)*

   (c) Dr. Heng Jun Li Melvin; *(Resolution 6)*

   (d) Ms. June Leong Lai Ling; *(Resolution 7)*

   (e) Puan Mazrina Binti Arifin; and *(Resolution 8)*

   (f) Dato' Mohd Sheridan Bin Ramli. *(Resolution 9)*

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 10)*

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without any modification, to pass the following ordinary resolution:

7. **ORDINARY RESOLUTION - AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS** *(Resolution 11)*

   "**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;

Notice of Annual General Meeting

(Cont'd)

7. **ORDINARY RESOLUTION**
- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS (CONT'D)

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."

8. 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 0.5763 sen per ordinary share in respect of the financial year ended 30 June 2026, if approved by shareholders, will be payable on 6 January 2027 to shareholders whose names appear in the Record of Depositors on 9 December 2026.

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 2026 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
23 October 2026

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.

Notice of Annual General Meeting

(Cont'd)

Notes: (Cont'd)

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, Vistra Investor & Issuing House Services Sdn. Bhd. (formerly known as 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 Sunday, 22 November 2026 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 16 November 2026 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend this Meeting.

Notice of Annual General Meeting

(Cont'd)

Explanatory Notes to Ordinary and Special Businesses:

1. Audited Financial Statements for the financial year ended 30 June 2026

   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 2028.

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 2028. 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 2028.

   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-Fourth 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 to 9 – Re-election of Directors who retire pursuant to Clause 97 of the Company's Constitution

   Pursuant to Clause 97 of the Company's Constitution, 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.

   For the purpose of determining the eligibility of the Directors to stand for re-election at the Twenty-Fourth 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 Dato' Sri Mohd Mokhtar Bin Mohd Shariff, Mr. Kan Kheong Ng, Dr. Heng Jun Li Melvin, Ms. June Leong Lai Ling, Puan Mazrina Binti Arifin 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/her 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, where applicable.

   The details of the retiring Directors are available in the Directors' Profile of the Annual Report 2026.

Notice of Annual General Meeting

(Cont'd)

Explanatory Notes to Ordinary and Special Businesses: (Cont'd)

5. Resolution 11 – Authority to issue and allot shares and waiver of pre-emptive rights

The proposed Resolution 11 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-Third Annual General Meeting of the Company held on 27 October 2025, which will lapse at the conclusion of the Twenty-Fourth Annual General Meeting of the Company.

Pursuant to Section 85(1) of the Companies Act 2016 to 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.

TMC LIFE SCIENCES BERHAD

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

PROXY FORM

*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-FOURTH ANNUAL GENERAL MEETING** of the Company to be held at Amber Junior Ballroom, Level G, M World Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 24 November 2026 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 2026 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 0.5763 sen per ordinary share in respect of the financial year ended 30 June 2026.	1		
3.	To approve the payment of Directors' fees amounting to RM810,000 for the financial year ending 30 June 2028.	2		
4.	To approve the payment of Directors' benefits amounting to RM560,000 for the financial year ending 30 June 2028.	3		
5(a).	To re-elect Dato' Sri Mohd Mokhtar Bin Mohd Shariff who is due to retire as a Director pursuant to Clause 97 of the Company's Constitution.	4		
5(b).	To re-elect Mr. Kan Kheong Ng who is due to retire as a Director pursuant to Clause 97 of the Company's Constitution.	5		
5(c).	To re-elect Dr. Heng Jun Li Melvin who is due to retire as a Director pursuant to Clause 97 of the Company's Constitution.	6		
5(d).	To re-elect Ms. June Leong Lai Ling who is due to retire as a Director pursuant to Clause 97 of the Company's Constitution.	7		
5(e).	To re-elect Puan Mazrina Binti Arifin who is due to retire as a Director pursuant to Clause 97 of the Company's Constitution.	8		
5(f).	To re-elect Dato' Mohd Sheridan Bin Ramli who is due to retire as a Director pursuant to Clause 97 of the Company's Constitution.	9		
6.	To re-appoint Ernst & Young PLT as the Company's Auditors and to authorise the Directors to fix their remuneration.	10		
	As Special Business:			
7.	Ordinary Resolution - Authority to issue shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights.	11		

* Delete if not applicable

Number of shares held:	
CDS account no.:	
Telephone no.:	
Email address:	

Dated this ..... day of 2026

.....

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, Vistra Investor & Issuing House Services Sdn. Bhd. (formerly known as 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 Sunday, 22 November 2026 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 16 November 2026 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
Vistra Investor & Issuing House Services Sdn. Bhd.
(formerly known as 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

ADMINISTRATIVE GUIDE FOR THE TWENTY FOURTH ANNUAL GENERAL MEETING ("24TH AGM")

Day and Date	:	**Tuesday, 24 November 2026**
Time	:	**10:00 a.m.**
Venue	:	**Amber 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 24TH AGM

1. The registration counter will open at 8:30 a.m. on Tuesday, 24 November 2026 and will remain open until the conclusion of the 24th 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 clarifications or queries, you may proceed to the Help Desk.

HELP DESK

The Help Desk will handle all clarifications and queries on matters relating to the 24th 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 Vistra Investor & Issuing House Services Sdn. Bhd. (formerly known as Tricor Investor & Issuing House Services Sdn. Bhd.) on or before the 24th AGM.

APPOINTMENT OF PROXY OR ATTORNEY

1. Only members whose names appear on the Record of Depositors as at 16 November 2026 shall be eligible to attend, speak and vote at the 24th 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 24th AGM yourself, please do not submit any proxy form for the 24th AGM. You will not be allowed to participate in the 24th AGM together with a proxy appointed by you.

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, Vistra Investor & Issuing House Services Sdn. Bhd. (formerly known as 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 Sunday, 22 November 2026 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. *If you are an existing user with The Portal or our TIIH Online portal previously, you are not required to register again.*

APPOINTMENT OF PROXY OR ATTORNEY (CONT'D)

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: (Cont'd)

   (iii) Online (Cont'd)

   The procedures to submit your proxy form electronically via Vistra Share Registry and IPO (MY) portal ("The Portal") are summarised below:- (Cont'd)

Procedure	Action
i. Steps for Individual Shareholders (Cont'd)	
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 24TH 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(ies) 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.
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. *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 Vistra if you need clarifications on the user registration.*
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 24TH 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.

Administrative Guide

(Cont'd)

VOTING AT MEETING

1. The voting at the 24th 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 Vistra Investor & Issuing House Services Sdn. Bhd. (formerly known as 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 24th 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 24th AGM and the results of the voting will be announced at the 24th AGM and subsequently via an announcement made by the Company through Bursa Securities at www.bursamalaysia.com.

NO RECORDING OR PHOTOGRAPHY

No recording or photography of the 24th 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).

Vistra Investor & Issuing House Services Sdn. Bhd. (formerly known as Tricor Investor & Issuing House Services Sdn. Bhd.)		
Telephone Number	General Line	603-2783 9299
Contact Person	Muhammad Ashraff Bin Mohd Khaizan	603-2783 9276 muhammad.ashraff@vistra.com
	Low Cheng Chuan	603-2783 9278 cheng.chuan.low@vistra.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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