

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of financial performance

(a) Highlight on Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

Current financial quarter against corresponding financial quarter

	Unaudited Individual quarter ended 31 December		Variance %
	2023	2022	
	RM'000	RM'000	
Revenue	31,417	28,413	10.57
Profit before tax ("PBT")	<u>5,292</u>	<u>5,698</u>	(7.13)

The Group reported revenue of RM31.42 million for the current financial quarter under review. This represents an increase in revenue of approximately 10.57% against the corresponding financial quarter where revenue amounted to approximately RM28.41 million.

The increase in revenue is mainly due to the effective marketing effort from ongoing promotions through online platforms and contribution from newly set up satellite clinics/centre.

The decrease in profit before tax comparing to previous quarter is mainly due to increase in operating cost where additional staffs (ie doctors, nurse, optometrist and supporting staff) hired in advance for the upcoming expansion of new ambulatory care centres and satellite clinics/centres at the new location. Hence, staffs will be well trained in our existing centres before transferring them to the upcoming new ambulatory care centres and satellite clinics/centres.

Besides, the Group has incurred pre-operation costs (i.e., consultancy and professional costs) in the Cambodia ambulatory care centre.

B1. Review of financial performance (continued)**(a) Highlight on Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)****Current financial quarter against corresponding financial quarter (continued)**

In terms of geographical segmentation (as tabulated below), the Group recorded increase in all geographical segments except East Malaysia.

	Unaudited Individual quarter ended 31 December		Variance %
	2023 RM'000	2022 RM'000	
Revenue			
North Malaysia	5,389	4,658	15.69
Central Malaysia	18,513	17,048	8.59
South Malaysia	6,510	5,674	14.73
East Malaysia	1,005	1,033	(2.71)
	<u>31,417</u>	<u>28,413</u>	

The increase in revenue is mainly due to the effective marketing effort from ongoing promotions through online platforms and contribution from newly set up satellite clinics/centre.

B1. Review of financial performance (continued)**(a) Highlight on Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)****Current financial period against corresponding financial period**

	Unaudited		Variance
	Cumulative quarter		
	ended 31 December		
	2023	2022	%
	RM'000	RM'000	
Revenue	113,953	108,041	5.47
PBT	20,009	23,505	(14.87)

The Group reported revenue of RM113.95 million for the current financial period, as compared to RM108.04 million in the corresponding financial period, representing an increase of RM5.91 million or 5.47%.

The decrease in PBT is mainly due to the below reasons:

- a. An increase in operating cost where additional staffs (ie doctors, nurse, optometrist and supporting staff) hired in advance for the upcoming expansion of new ambulatory care centres and satellite clinics/centres at the new location. Hence, staffs will be well trained in the existing centres before transferring them to the upcoming new ambulatory care centres and satellite clinics/centres.
- b. The Group hired an operations team and plastic surgery surgeons in preparation to apply for a plastic surgery license, which was successfully obtained in August 2023.
- c. Pre-operation costs (i.e., consultancy and professional costs) were incurred at the Cambodia ambulatory care centre.

All the above costs are expected to be normalised once the new ambulatory care centres/satellite clinics commence in FY2024.

B1. Review of financial performance (continued)**(a) Highlight on Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)****Current financial period against corresponding financial period (continued)**

In terms of geographical segmentation (as tabulated below), the Group recorded increase in revenue for all geographical segments:

	Unaudited		Variance
	Cumulative quarter		
	ended 31 December		
	2023	2022	
	RM'000	RM'000	%
Revenue			
North Malaysia	19,320	19,083	1.24
Central Malaysia	67,020	62,202	7.75
South Malaysia	23,805	23,280	2.26
East Malaysia	3,808	3,476	9.55
	<u>113,953</u>	<u>108,041</u>	

The increase in revenue is mainly due to the effective marketing effort from ongoing promotions through online platforms and contribution from newly set up satellite clinics/centre.