

Optimax Holdings Berhad

Registration No: 201801028697 (1290723-T)
(Incorporated in Malaysia)

**Unaudited Condensed Consolidated
Interim Financial Report
for the Fourth Quarter Ended
31 December 2024**

Optimax Holdings Berhad

Registration No: 201801028697 (1290723-T)
(Incorporated in Malaysia)

Unaudited condensed consolidated statement of financial position as at 31 December 2024

	Unaudited As at 31 December 2024 RM'000	Audited As at 31 December 2023 RM'000
Assets		
Property, plant and equipment	96,210	73,489
Right-of-use assets	15,834	15,720
Deferred tax assets	1,061	342
Total non-current assets	<u>113,105</u>	<u>89,551</u>
Inventories	5,667	5,049
Trade and other receivables	5,184	3,184
Prepayments	5,369	1,355
Current tax assets	340	283
Investment in financial assets ⁽¹⁾	282	3,033
Pledged deposits	1,151	1,128
Cash and cash equivalents	17,574	16,156
Total current assets	<u>35,567</u>	<u>30,188</u>
Total assets	<u>148,672</u>	<u>119,739</u>
Equity		
Share capital	41,053	41,053
Reserves	26,708	21,965
Total equity attributable to owners of the Company	<u>67,761</u>	<u>63,018</u>
Non-controlling interests	5,573	4,939
Total equity	<u>73,334</u>	<u>67,957</u>

Unaudited condensed consolidated statement of financial position as at 31 December 2024 (continued)

	Unaudited As at 31 December 2024 RM'000	Audited As at 31 December 2023 RM'000
Liabilities		
Deferred tax liabilities	3,243	2,786
Loans and borrowings	32,031	15,043
Lease liabilities	9,464	12,042
Total non-current liabilities	<u>44,738</u>	<u>29,871</u>
Loans and borrowings	9,695	3,135
Lease liabilities	7,691	2,873
Trade and other payables	12,287	15,409
Current tax liabilities	927	494
Total current liabilities	<u>30,600</u>	<u>21,911</u>
Total liabilities	<u>75,338</u>	<u>51,782</u>
Total equity and liabilities	<u>148,672</u>	<u>119,739</u>
Net assets per share attributable to owners of the Company (RM)	<u>0.13 ⁽²⁾</u>	<u>0.12 ⁽²⁾</u>

⁽¹⁾ Investment in financial assets represents investment in the Affin Hwang Aiiman Money Market Fund with a redemption notice of only one (1) business day.

⁽²⁾ Net assets per share attributable to owners of the Company is calculated based on the share capital of 543,303,750 shares.

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the condensed consolidated interim financial report.

Optimax Holdings Berhad

Registration No: 201801028697 (1290723-T)
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Unaudited condensed consolidated statement of profit or loss and other comprehensive income for the fourth quarter ended 31 December 2024

	← Unaudited →			
	Individual quarter ended 31 December 2024		Cumulative quarter ended 31 December 2024	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue	34,322	31,417	127,685	113,953
Other income	16	(31)	182	163
Inventories and consumables	(4,267)	(6,147)	(26,120)	(24,587)
Staff costs	(15,657)	(13,024)	(50,423)	(45,747)
Depreciation expenses	(4,371)	(2,760)	(14,583)	(9,877)
Other expenses	(4,315)	(3,929)	(14,225)	(12,662)
Results from operating activities	5,728	5,526	22,516	21,243
Finance income	8	130	59	205
Finance costs	(644)	(364)	(2,594)	(1,439)
Profit before tax	5,092	5,292	19,981	20,009
Tax expense	(1,678)	(1,690)	(5,637)	(5,726)
Profit and total comprehensive income for the financial period	3,414	3,602	14,344	14,283
Profit and total comprehensive income attributable to:				
Owners of the Company	3,062	3,177	13,016	12,891
Non-controlling interests	352	425	1328	1,392
Profit and total comprehensive income for the financial period	3,414	3,602	14,344	14,283
Earnings per ordinary share (sen) ⁽¹⁾				
- Basic earnings per ordinary share (sen)	0.56	0.59	2.40	2.39
- Diluted earnings per ordinary share (sen)	0.55	0.47	2.36	1.91

⁽¹⁾ Earnings per ordinary share is calculated based on the weighted average number of ordinary shares referred to in Note B9.

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the condensed consolidated interim financial report.

Optimax Holdings Berhad

Registration No: 201801028697 (1290723-T)
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Unaudited condensed consolidated statement of changes in equity for the fourth quarter ended 31 December 2024

	← Attributable to owners of the Company →				Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Translation reserve RM'000	Other reserves RM'000 ⁽¹⁾	Retained earnings RM'000			
Unaudited							
At 1 January 2023	39,072	-	(17,486)	36,534	58,120	3,867	61,987
Conversion of bonus warrant	1,981	-	-	-	1,981	-	1,981
Dividends to owners of the Company	-	-	-	(9,740)	(9,740)	-	(9,740)
Dividends to non-controlling interests	-	-	-	-	-	(510)	(510)
Changes in ownership interests in a subsidiary	-	-	-	(232)	(232)	190	(42)
Foreign currency translation differences for foreign operations	-	(2)	-	-	(2)	-	(2)
Profit and total comprehensive income for the financial period	-	-	-	12,891	12,891	1,392	14,283
At 31 December 2023	41,053	(2)	(17,486)	39,453	63,018	4,939	67,957
At 1 January 2024	41,053	(2)	(17,486)	39,453	63,018	4,939	67,957
Dividends to owners of the Company	-	-	-	(7,585)	(7,585)	-	(7,585)
Dividends to non-controlling interests	-	-	-	-	-	(670)	(670)
Changes in ownership interests in a subsidiary	-	-	-	(47)	(47)	(24)	(71)
Foreign currency translation differences for foreign operations	-	(641)	-	-	(641)	-	(641)
Profit and total comprehensive income for the financial period	-	-	-	13,016	13,016	1,328	14,344
At 31 December 2024	41,053	(643)	(17,486)	44,837	67,761	5,573	73,334

⁽¹⁾ This consists of business combination reserve of RM686,000 and restructuring reserve of RM16,800,000 arose from the restructuring exercise.

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the condensed consolidated interim financial report.

Optimax Holdings Berhad

Registration No: 201801028697 (1290723-T)
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Unaudited condensed consolidated statement of cash flows for the fourth quarter ended 31 December 2024

	Unaudited Cumulative quarter ended 31 December	
	2024	2023
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	19,981	20,009
<i>Adjustments for:</i>		
Finance income	(59)	(205)
Finance costs	2,594	1,439
Property, plant and equipment written off	-	15
Depreciation of property, plant and equipment	10,975	7,342
Depreciation of right-of-use assets	3,608	2,535
Fair value gain on investment in financial assets	(21)	(94)
	<u>37,078</u>	<u>31,041</u>
Operating profit before working capital changes		
Changes in working capital:		
Inventories	(618)	(758)
Trade and other receivables	(4,014)	(635)
Prepayments	(2,000)	255
Trade and other payables	(181)	2,137
	<u>30,265</u>	<u>32,040</u>
Cash generated from operations		
Interest received	54	185
Interest paid	(939)	(626)
Tax refund	98	135
Tax paid	(5,621)	(6,433)
	<u>23,857</u>	<u>25,301</u>
Net cash from operating activities		
Cash flows from investing activities		
Acquisition of property, plant and equipment	(24,170)	(11,325)
Acquisition of non-controlling interests	(71)	(42)
Net redemption from investment in financial assets	2,777	2,000
Changes in pledged deposits	(23)	(21)
	<u>(21,487)</u>	<u>(9,388)</u>
Net cash used in investing activities		

Unaudited condensed consolidated statement of cash flows for the fourth quarter ended 31 December 2024 (continued)

	Unaudited Cumulative quarter ended 31 December	
	2024 RM'000	2023 RM'000
Cash flows from financing activities		
Proceeds from conversion of bonus warrant	-	1,981
Drawdown of term loan	20,440	134
Dividends paid to owners of the Company	(7,585)	(9,740)
Dividends paid to non-controlling interests	(670)	(510)
Interest paid	(1,655)	(813)
Repayment of hire purchase liabilities	(4,266)	(6,216)
Repayment of term loans	(2,870)	(477)
Payment of lease liabilities	(3,705)	(2,316)
Net cash used in financing activities	(311)	(17,957)
Net (decrease)/increase in cash and cash equivalents	2,059	(2,044)
Effect of exchange rate fluctuations on translation reserve	(641)	(2)
Cash and cash equivalents at the beginning of financial period	16,156	18,202
Cash and cash equivalents at the end of financial period	17,574	16,156

(i) Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following consolidated statement of financial position amounts:

	Unaudited Cumulative quarter ended 31 December	
	2024 RM'000	2023 RM'000
Cash and cash equivalents	18,725	17,284
Pledged deposits	(1,151)	(1,128)
	<u>17,574</u>	<u>16,156</u>

Unaudited condensed consolidated statement of cash flows for the fourth quarter ended 31 December 2024 (continued)

(ii) Acquisition of property, plant and equipment

During the financial period, the Group acquired property, plant and equipment as follows:

	Unaudited Cumulative quarter ended 31 December	
	2024 RM'000	2023 RM'000
Paid in cash	3,730	10,589
Property, plant and equipment purchased using hire purchase arrangement/loan	29,966	7,525
Balances remained unpaid at financial period end	-	4,686
	<u>33,696</u>	<u>22,800</u>

During the financial period, the Group paid the remaining outstanding amounts in relation to property, plant and equipment acquired in the previous financial year of RM Nil (2023: RM736,000).

Unaudited condensed consolidated statement of cash flows for the fourth quarter ended 31 December 2024 (continued)

(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities

	←	Unaudited			→
	At 1.1.2023 RM'000	Payments RM'000	Acquisition of new lease RM'000	Remeasure- ment	At 31.12.2023 RM'000
Term loans	7,726	(477)	134	-	7,383
Hire purchase liabilities	9,485	(6,216)	7,525	-	10,795
Lease liabilities	8,925	(2,316)	7,990	316	14,915
	<u>26,136</u>	<u>(9,009)</u>	<u>15,649</u>	<u>316</u>	<u>33,093</u>
	←	Unaudited			→
	At 1.1.2024 RM'000	Payments RM'000	Acquisition of new lease RM'000	Remeasure- ment	At 31.12.2024 RM'000
Term loans	7,383	(2,870)	20,440	-	24,593
Hire purchase liabilities	10,795	(4,266)	9,526	-	16,055
Lease liabilities	14,915	(3,705)	5,945	-	17,155
	<u>33,093</u>	<u>(22,252)</u>	<u>35,911</u>	<u>-</u>	<u>57,803</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the condensed consolidated interim financial report.

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PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of preparation

The condensed consolidated interim financial report is unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting and Rule 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The condensed consolidated interim financial report should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the condensed consolidated interim financial report. The explanatory notes attached to the condensed consolidated interim financial report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

A2. Significant accounting policies

Except as described below, the same accounting policies and methods of computation are followed in this condensed consolidated interim financial report as compared with the audited financial statements for the financial year ended 31 December 2023.

As of 1 January 2024, the Group has adopted the following amendments to MFRSs which are effective for annual periods beginning on or after 1 January 2024.

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements*

The adoption of the above pronouncements did not have any material impact to the condensed consolidated interim financial report of the Group.

A3. Auditors' report

There was no qualified audit report issued by the auditors in the audited financial statements for the financial year ended 31 December 2023.

A4. Seasonal or cyclical factors

The nature of the Group's business was not subject to any significant seasonal and cyclical factors.

A5. Exceptional items

There were no material exceptional items during the current financial quarter under review.

A6. Material changes in accounting estimates

There were no material changes in accounting estimates for the current financial quarter under review.

A7. Material events subsequent to the statement of financial position date

There were no material events subsequent to the end of the current financial quarter under review that have not been reflected in the condensed consolidated interim financial report.

A8. Material changes in the composition of the Group

There were no material changes in the composition of the Group for the current financial quarter under review.

A9. Capital commitments

Outstanding capital commitments in respect of capital expenditure at financial position date not provided for at the end of each reporting period are as follows:

	Unaudited As at 31 December 2024 RM'000	Audited As at 31 December 2023 RM'000
Capital expenditure commitments		
Property, plant and equipment		
<i>Authorised and contracted for</i>	<u>4,772</u>	<u>3,774</u>

A10. Debt and equity securities

There were no other issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial quarter under review, except as disclosed in Note B6.

A11. Dividends paid

On 1 April 2024, the Group paid a second interim tax-exempted dividend of 0.60 sen per ordinary share totalling to RM3,262,000 in respect of the financial year ended 31 December 2023.

On 30 December 2024, the Group paid a first interim tax-exempted dividend of 0.80 sen per ordinary share totalling to RM4,346,000 in respect of the financial year ended 31 December 2024.

There were no dividends paid during the current financial quarter under review.

A12. Operating segments

The Group does not have the reportable segments, as the services are managed indistinctly because they require the similar technology and marketing strategies. The internal management reports consist of performance from respective entities and classified as North, Central, South and East Malaysia. The Group's Chief Executive Officer reviews internal management reports at least on a quarterly basis. The following summary describes the geographical segments results:

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers.

	← Unaudited →			
	Individual quarter ended 31 December		Cumulative quarter ended 31 December	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue				
North Malaysia	6,259	5,389	21,403	19,320
Central Malaysia	19,514	18,513	76,553	67,020
South Malaysia	6,060	6,510	23,256	23,805
East Malaysia	1,826	1,005	4,717	3,808
Cambodia	627	-	1,756	-
	34,322	31,417	127,685	113,953

A13. Valuations of property, plant and equipment

Property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is stated at cost less accumulated impairment losses, if any.

A14. Contingencies

There were no contingent assets and contingent liabilities as at the date of this condensed consolidated interim financial report.

A15. Investment in financial assets

The investment in financial assets relates to the investment in short-term money market instruments.

A16. Related party transactions

Identity of related parties

For the purposes of this condensed consolidated interim financial report, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the parties are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. The key management personnel include all the Directors and certain members of senior management of the Group.

The Group has related party relationship with a Director and companies in which a Director has financial interest.

Significant related party transactions

Significant related party transactions of the Group are as follows:

	← Unaudited →			
	Individual quarter ended 31 December		Cumulative quarter ended 31 December	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Transactions				
A. Directors				
Lease payments	30	30	118	118
B. Companies in which Directors have financial interests				
Lease payments	225	232	907	884
Sales of inventories	(1)	(4)	(8)	(16)
Service fees receivable	(42)	-	(213)	(6)
Service fees payable	-	-	-	16

A17. Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The table below analyses other financial instruments at fair value.

	Fair value of financial instruments carried at fair value Level 1 RM'000	Fair value of financial instruments not carried at fair value Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
Unaudited 31.12.2024				
Financial assets				
Investment in financial assets	282	-	282	282
Financial liabilities				
Term loans	-	(23,674)	(23,674)	(24,593)
Hire purchase liabilities	-	(14,100)	(14,100)	(16,055)
Bank overdrafts	-	(1,037)	(1,037)	(1,078)
	-	(38,811)	(38,811)	(41,726)
Audited 31.12.2023				
Financial assets				
Investment in financial assets	3,033	-	3,033	3,033
Financial liabilities				
Term loans	-	(7,107)	(7,107)	(7,383)
Hire purchase liabilities	-	(9,481)	(9,481)	(10,795)
	-	(16,588)	(16,588)	(18,178)

A17. Fair value information (continued)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Type	Description of valuation technique and inputs used
Term loans and hire purchase liabilities	Discounted cash flows using a rate based on the current market rate of borrowing of the respective entities at the reporting date.

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 %
	2024	2023	
	RM'000	RM'000	
Revenue	34,322	31,417	9.25
Profit before tax ("PBT")	<u>5,092</u>	<u>5,292</u>	(3.78)

The Group reported revenue of RM34.32 million for the current financial quarter under review. This represents an increase in revenue of approximately 9.25% against the corresponding financial quarter where revenue amounted to approximately RM31.42 million.

The increase in revenue is primarily driven by contributions from newly established satellite clinics/centres that obtained their operating licenses in the fourth quarter.

However, the decrease in profit before tax compared to the previous quarter is mainly due to higher operating costs. Additional marketing cost incurred during the current quarter to promote the newly opened ACC and Aesthetic Clinic, aimed at creating brand awareness in the new location.

In terms of geographical segmentation (as tabulated below), the Group recorded increase in revenue for all region except South Malaysia.

	Unaudited Individual quarter ended 31 December		Variance %
	2024	2023	
	RM'000	RM'000	
Revenue			
North Malaysia	6,295	5,389	16.81
Central Malaysia	19,514	18,513	5.41
South Malaysia	6,060	6,510	(6.91)
East Malaysia	1,826	1,005	81.69
Cambodia	<u>627</u>	<u>-</u>	-
	<u>34,322</u>	<u>31,417</u>	9.25

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 Cumulative quarter ended 31 December		Variance %
	2024 RM'000	2023 RM'000	
Revenue	127,685	113,953	12.05
PBT	<u>19,981</u>	<u>20,009</u>	(0.14)

The Group reported revenue of RM127.69 million for the current financial period, as compared to RM113.95 million in the corresponding financial period, representing an increase of RM13.74 million or 12.05%.

However, the slight decrease in PBT is due to the following reasons:

- Pre-operation costs (i.e., consultancy and professional costs) were incurred at the Cambodia ambulatory care centre. Costs have already been accounted for in the first half of the year.
- 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. Most of the costs have already been accounted for in the first half of the year.
- An increase in depreciation expenses (related to property, plant, equipment, and right-of-use assets) contributed to the decline in profit before tax for the current quarter compared to the corresponding quarter. This increase is primarily due to the addition of new ACCs (Atria, Kota Kinabalu, and Cambodia), Neumax, and the aesthetic clinic at Atria, along with associated rental costs.
- Additional marketing expenses to promote the newly opened ACC and Aesthetic Clinic, aimed at creating brand awareness in the new location.

All of the above costs related to pre-operation, amounting to around RM3 million, are expected to normalise once the new ambulatory care centres and satellite clinics commence operations in the fourth quarter of 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 except South Malaysia:

	Unaudited Cumulative quarter ended 31 December		Variance %
	2024	2023	
	RM'000	RM'000	
Revenue			
North Malaysia	21,403	19,320	10.78
Central Malaysia	76,553	67,020	14.22
South Malaysia	23,256	23,805	(2.31)
East Malaysia	4,717	3,808	23.87
Cambodia	1,756	-	-
	<u>127,685</u>	<u>113,953</u>	12.05

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 in Central Malaysia (Atria ACC and Neumax), East Malaysia (Kota Kinabalu ACC) and Cambodia.

B2. Variation of results against immediate preceding financial quarter

	Unaudited Individual quarter ended		Variance %
	31 December 2024	30 September 2024	
	RM'000	RM'000	
Revenue	34,322	33,101	3.69
PBT	<u>5,092</u>	<u>4,579</u>	11.20

The Group's revenue increased from RM33.10 million to RM34.32 million, which was an increase of 3.69%.

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

The slight increase in Group's PBT increased by RM0.51 million, primarily due to the increase in revenue.

B3. Commentary on prospects

The outlook for the healthcare industry remains robust, aligning with the Government's agenda. This is driven by the increasing demand and awareness from both local and foreign patients who are more health-conscious. Optimax is well-positioned to capitalise on this trend as it continues to optimise operational costs and seeks strategic locations across Malaysia to establish more ambulatory care centres and satellite clinics to support its growth. The Group is cognisant that such strategic locations must be supported by high foot traffic.

The Group is actively engaging with stakeholders to bring the best healthcare services and technology to the public in both Malaysia and Cambodia. Additionally, Optimax has launched an intensive marketing programme through online channels (social media, websites, and forums) and offline initiatives (roadshows across Malaysia and Cambodia) to enhance brand awareness. With these marketing efforts, the Group is witnessing growth momentum from its newly established ACCs (Atria, Kota Kinabalu, and Cambodia) as well as Neumax (Aesthetic Clinic).

Furthermore, the Group remains committed to expand its child eye care services, recognizing the increasing awareness and need for early intervention in paediatric eye health. By offering specialized services for children, Optimax aims to be a trusted provider for families, ensuring comprehensive eye care from a young age through adulthood. In addition, the Group actively participates in corporate social responsibility (CSR) initiatives, partnering with Ministry of Health and Ministry of Education to provide eye examinations for primary school students within the Putrajaya area.

Neumax serves as the Group's flagship aesthetic centre, featuring the latest technology and equipment to deliver safe and effective treatments. With the rising demand for aesthetic services, Neumax is well-positioned to meet patients' needs while also enhancing Optimax's service portfolio and expanding our client base.

Accordingly, the Board of Directors is cautiously optimistic that the Group's prospects for the financial year ending 31 December 2025 will remain favourable, supported by strategic expansions, innovative service offerings, and a strong commitment to meeting the diverse needs of its patients.

B4. Profit forecast

Not applicable as the Group does not publish any profit forecast.

B5. Tax expense

Tax expense comprises the following:

	← Unaudited →			
	Individual quarter ended 31 December 2024		Cumulative quarter ended 31 December 2023	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Recognised in profit or loss				
Current tax expense				
Current financial period	1,624	1,685	5,577	5,751
Deferred tax expense				
Current financial period	54	5	60	(25)
	<u>1,678</u>	<u>1,690</u>	<u>5,637</u>	<u>5,726</u>
Effective tax rate	32.95	31.93	28.21	28.62

The overall effective tax rates of 32.95% for individual quarter were higher than statutory tax rate due to under provision in previous quarter and 28.21% for cumulative quarter ended 31 December 2024 were higher than the statutory tax rate of 24% due to the non-deductible expenses incurred.

Income tax expense in the form of provision is recognised based on management's estimate.

B6. Loans and borrowings

Particulars of the Group's loans and borrowings are as follows:

	Note	Unaudited As at 31 December 2024 RM'000	Audited As at 31 December 2023 RM'000
Non-current			
Term loans – secured		20,212	6,813
Hire purchase liabilities	B6.1	<u>11,819</u>	<u>8,230</u>
		<u>32,031</u>	<u>15,043</u>
Current			
Term loans – secured		4,381	570
Hire purchase liabilities	B6.1	4,236	2,565
Bank overdrafts		<u>1,078</u>	<u>-</u>
		<u>9,695</u>	<u>3,135</u>
		<u>41,726</u>	<u>18,178</u>

B6. Loans and borrowings (continued)**B6.1 Hire purchase liabilities**

Hire purchase liabilities are payable as follows:

	Future minimum lease payments RM'000	Interest RM'000	Present value of minimum lease payments RM'000
Unaudited			
31.12.2024			
Less than one year	5,136	900	4,236
Between one to five years	13,022	1,203	11,819
	<u>18,158</u>	<u>2,103</u>	<u>16,055</u>
Audited			
31.12.2023			
Less than one year	3,110	545	2,565
Between one to five years	9,068	838	8,230
	<u>12,178</u>	<u>1,383</u>	<u>10,795</u>

B7. Material litigation

There are no material litigations as at the date of this report.

B8. Dividends

The Board of Directors of the Company proposed second interim tax-exempt dividend of 0.50 sen per ordinary share in respect of the financial year ended 31 December 2024. The entitlement date is fixed on 13 March 2025 and payment will be made on 28 March 2025. The total dividends declared to date for the current financial year ended 31 December 2024 is 1.30 sen per ordinary share (31.12.2023: 1.20 sen).

B9. Earnings per ordinary share

The calculation of earnings per ordinary share at 31 December 2024 and 2023, was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding calculated as follows:

	Unaudited Individual quarter ended 31 December		Unaudited Cumulative quarter ended 31 December	
	2024	2023	2024	2023
Profit for the financial period attributable to owners of the Company (RM'000)	3,062	3,182	13,016	12,891
Basic earnings per ordinary share attributable to owners of the Company				
Based on weighted average number of ordinary shares ('000)	540,000	540,000	540,000	540,000
Effect on conversion of the bonus warrants ('000)	3,304	4	3,304	4
Adjusted weighted average number of ordinary shares ('000) ⁽¹⁾	543,304	540,004	543,304	540,004
Basic earnings per ordinary share (sen) ('000) ⁽²⁾	0.56	0.59	2.40	2.39
Diluted earnings per ordinary share attributable to owners of the Company				
Based on weighted average number of ordinary shares ('000)	540,000	540,000	540,000	540,000
Effect on conversion of the bonus warrants ('000)	3,304	4	3,304	4
Effect of dilution arising from conversion of all bonus warrants ('000)	8,109	134,997	8,109	134,997
Adjusted weighted average number of ordinary shares ('000) ⁽³⁾	551,413	675,001	551,413	675,001
Diluted earnings per ordinary share (sen) ('000) ⁽²⁾	0.55	0.47	2.36	1.91

B10. Trade and other receivables

	Unaudited As at 31 December 2024 RM'000	Audited As at 31 December 2023 RM'000
Current		
Trade		
Trade receivables	1,551	1,471
Non-trade		
Other receivables	2,155	236
Deposits	1,478	1,477
	3,633	1,713
	5,184	3,184

(a) Ageing analysis of trade receivables

	Unaudited As at 31 December 2024 RM'000	Audited As at 31 December 2023 RM'000
Current (not past due)	1,059	1,043
1 – 30 days past due	7	8
31 – 120 days past due	38	-
More than 120 days past due	447	420
	1,551	1,471

Trade receivables that are past due have not been impaired as payments have been substantially received from these debtors subsequent to period end.

B11. Profit before tax

	← Unaudited →				
	Individual quarter ended 31 December		Cumulative quarter ended 31 December		
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Material expenses/ (income)					
Depreciation expenses					
- property, plant and equipment		3,439	2,003	10,975	7,342
- right-of-use assets		932	757	3,608	2,535
Property, plant and equipment written off		-	15	-	15
Fair value gain on investment in financial assets		-	(25)	(21)	(94)
Finance income		(8)	(130)	(59)	(205)
Finance costs					
- Overdraft		26	4	67	6
- term loans		259	89	806	348
- hire purchase liabilities		259	102	849	465
- lease liabilities		100	169	872	620
Expenses arising from leases					
Expenses relating to short-term leases	(i)	34	154	65	184
Expenses relating to leases of low-value assets	(ii)	9	4	37	25

- (i) The Group leases operation equipment with contract terms of less than 1 year. These leases are short-term in nature and the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.
- (ii) The Group leases various office equipment with contract terms of 3 years. These leases are low-value in nature and the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

The Group did not report any other income including investment income, provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, foreign exchange gain or loss and gain or loss on derivatives.