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DC HEALTHCARE
HOLDINGS

DC HEALTHCARE HOLDINGS BERHAD

# ANNUAL REPORT
# 2025

# WHAT'S INSIDE THIS REPORT

**4th Annual General Meeting ("AGM")** of DC Healthcare Holdings Berhad

**Tuesday, 16 June 2026 11:00 a.m.**


# VISION, MISSION, AND CORE VALUES

## Our Vision

**The trusted leader in medical aesthetic and wellness healthcare.**

The leading medical aesthetic and wellness healthcare provider in the region and South East Asia.

## Our Mission

**Deliver medical aesthetic and wellness solutions**

To deliver personalized medical aesthetic, wellness health services and to develop high quality skincare products for the people and the community we serve.

## Our Core Values

### Detailed

Provide holistic services with passion and unwavering integrity, ensuring every detail is thoughtfully considered.

### Caring

Provide compassionate patient-centred care and excellent service.

### One-Team

Demonstrate great teamwork and grow together as a team by responding rapidly to opportunities and risks.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**DATUK DR. MOHD NOOR BIN AWANG**
*(INDEPENDENT NON-EXECUTIVE CHAIRMAN)*

**DR. CHONG TZE SHENG**
*(MANAGING DIRECTOR)*

**DR. LAI NGAN CHEE**
*(EXECUTIVE DIRECTOR)*

**DATIN REKHA A/P PALANYSAMY**
*(INDEPENDENT NON-EXECUTIVE DIRECTOR)*

**GOH SIOW CHENG**
*(INDEPENDENT NON-EXECUTIVE DIRECTOR)*
*(Appointed on 01.08.2025)*

**KELVIN KOH JUN XIONG**
*(INDEPENDENT NON-EXECUTIVE DIRECTOR)*
*(Appointed on 01.08.2025)*

## AUDIT AND RISK MANAGEMENT COMMITTEE

**Kelvin Koh Jun Xiong**
*(Chairperson / Independent Non-Executive Director)*

**Goh Siow Cheng**
*(Members / Independent Non-Executive Director)*

**Datin Rekha A/P Palanysamy**
*(Members / Independent Non-Executive Director)*

## REMUNERATION COMMITTEE

**Goh Siow Cheng**
*(Chairperson / Independent Non-Executive Director)*

**Kelvin Koh Jun Xiong**
*(Members / Independent Non-Executive Director)*

**Datin Rekha A/P Palanysamy**
*(Members / Independent Non-Executive Director)*

## NOMINATION COMMITTEE

**Datin Rekha A/P Palanysamy**
*(Chairperson / Independent Non-Executive Director)*

**Goh Siow Cheng**
*(Members / Independent Non-Executive Director)*

**Kelvin Koh Jun Xiong**
*(Members / Independent Non-Executive Director)*

## COMPANY SECRETARIES

**Tan Tong Lang**
(SSM PC No. 202208000250)
(MAICSA7045482)

**Thien Lee Mee**
(SSM PC No. 201908002254)
(LS0010621)

**Nurul Syahidah Binti Mat Tahil**
(SSM PC No. 202308000535)
(LS0010742)

## REGISTERED OFFICE

B-21-1, Level 21, Tower B,
Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara,
59200 Kuala Lumpur.
Tel : +603 9770 2200
Fax : +603 2201 7774
Email
: boardroom@boardroom.com.my

## HEAD AND MANAGEMENT OFFICE

A-11-0, A-11-1, A-11-2,
Jalan BK5A/2D,
Bandar Kinrara,
47180 Puchong, Selangor
Tel : +6011 2150 8088
Email address:
info@dchealthcareholdings.com
Website: dchealthcareholdings.com

## SPONSOR

**M & A Securities Sdn Bhd**
Registration No. 197301001503
(15017-H)
Level 11, 45 & 47, The Boulevard
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : +603 2284 2911

## SHARE REGISTRAR

**Tricor Investor & Issuing House Services Sdn Bhd**
Registration No. 197101000970
(11324-H)

Unit 32-01, Level 32,
Tower A, Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8 Jalan Kerinchi,
59200 Kuala Lumpur.
Tel : +603 2783 9299
Email
: muhammad.ashraff@vistra.com

## AUDITORS

**Moore Stephens Associates PLT**
(LLP0000963-LCA & AF 002096)

Unit 3.3A, 3rd Floor,
Surian Tower,
No.1, Jalan PJU 7/3,
Mutiara Damansara,
47810 Petaling Jaya, Selangor.
Tel : +603 7728 1800

## BANKS

**CIMB Bank Berhad**
Registration No. 197201001799
(13491-P)

**Malayan Banking Berhad**
Registration No. 196001000142
(3813-K)

## STOCK EXCHANGE LISTING

ACE Market
Bursa Malaysia Securities Berhad
Sector : Healthcare
Stock Code: 0283

# CORPORATE STRUCTURE

DC HEALTHCARE HOLDINGS

**DC HEALTHCARE HOLDINGS BERHAD**

- 100% Klinik Dr Chong Sdn Bhd
- 100% Ten Doctors Sdn Bhd
- 100% DC Lasers Sdn Bhd
- 100% DC Lasers (Mid Valley) Sdn Bhd
- 100% DC Wellness Sdn Bhd
- 100% DC Lasers (Puchong) Sdn Bhd
- 100% DC Lasers (Eastern) Sdn Bhd

# KEY CORPORATE MILESTONES

## 2023

- Officially the first medical aesthetic clinic chain listed in the ACE Markert of Bursa Malaysia in July.
- Expanded medical aesthetic outlets to Central and Southern Malaysia with 2 more outlets in Melawati (KL)-12th and IOI City Mall ( Putrajaya)-13th. Incorporation of DC Wellness, under brand name of DrChong Slimming , (rebranding from DC Body), an innovative wellness and weight management centre
- Launched its own range of skincare products, branded under “NewB Premium Ageless” and “NewB Premium Hydration”.

## 2025

**2025 - Opened 3 outlets of Dr Chong Clinic in Kota Kinabalu (19th), Melaka (20th) and Pelangi, JB (21st)**

- Securing our own new 3-storey Headquarters office in Bandar Kinrara, Puchong as a permanent home which represents a defining chapter in DC Healthcare's journey.
- Upgrading and integration of Dr Chong Slimming business to operate alongside with existing medical aesthetic clinics.
- Successfully classified as Shariah-compliant securities by Shariah Advisory Council of the Securities Commission Malaysia

## 2022

- Opened 5 outlets in Seremban 2 (7th), Puchong (8th), Mid Valley (9th), Sri Petaling (10th) and Klang (11th).

## 2024

- Opened 5 outlets of Dr. Chong Clinic in Johor Taman Molek (14th), Ipoh (15th), Penang Autocity (16th), and Publika (17th) Penang George Town (18th)
- Opened 5 outlets of Dr. Chong Slimming and Wellness in Publika, Bukit Indah, Taipan, Autocity and Muar
- Awarded Two Malaysia Book of Records

## 2021

- Opened the 6th outlet in Cheras Sunway Velocity Mall.

## 2020

- Opened the 5th outlet in TTDI, Kuala Lumpur.

## 2018

- Opened the 3rd outlet in Johor Bahru.

## 2019

- Opened the 4th outlet in Bangsar, Kuala Lumpur.
- Awarded the SME100 Fast Moving Companies Award.
- Awarded Star Outstanding Business Award 2019.
- Awarded SMEs Best Brand Award 2018-2019.

## 2017

- Opened the 2nd outlet in Shah Alam, Selangor.

## 2016

- Founded Dr Chong Clinic in Kepong, Kuala Lumpur.

# AWARDS & ACCOLADES

**The 100 – Most Influential Young Entrepreneurs 2019**

**Malaysia Book of Records -** the Largest Market Capitalisation by an Aesthetic Clinic Chain at RM214million

**Malaysia Book of** Records – the First Aesthetic Clinic Chain Listed on Bursa Malaysia's Ace Market

**AMAEA 2018 –** Asia Medical Aesthetic Exchange Association

**SME100 Awards 2019 –** Fast Moving Companies

**SOBA 2019 –** Outstanding Achievement

**SOBA 2020 –** Best In Customer Service *(Silver)*

**SOBA 2020 –** Male Entrepreneur Of The Year

**SOBA 2020 –** Malaysia Business Of The Year *(Grand Winner)*

**SOBA 2020 –** Best Brand *(Gold)*

**SOBA 2020 –** Best Used Of Technology *(Gold)*

**Global Health Awards 2024 -** Innovative Healthcare Entity Group of the Year in Asia-Pacific

**Nanyang Centenary Business Award 2023** *(Klinik Dr. Chong Sdn. Bhd.)*

**Nanyang Centenary Business Award 2023** *(Dr Chong Tze Sheng, Managing Director)*

**Outstanding Branding Award 2023**

**Outstanding Entrepreneur Award 2023**

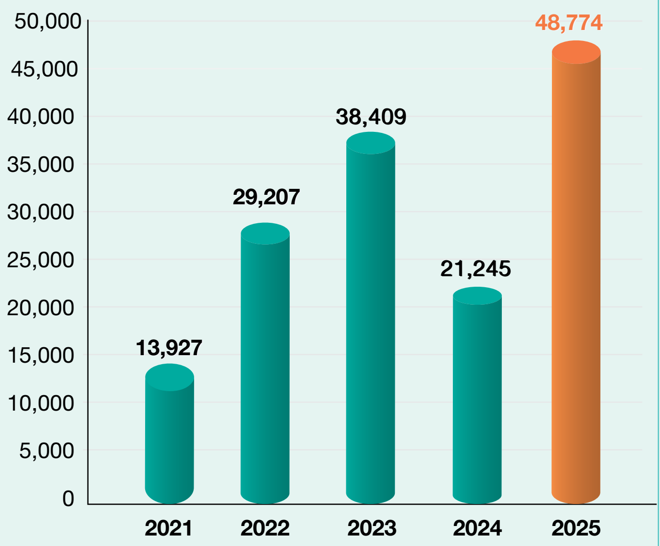
# FINANCIAL HIGHLIGHTS

| YEAR ENDED 31 DECEMBER | | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| **Operating Results** | | | | | | |
| Revenue | RM'000 | 25,479 | 51,964 | 67,701 | 55,791 | 86,995 |
| Gross Profit ("GP") | RM'000 | 13,927 | 29,207 | 38,409 | 21,245 | 48,774 |
| Earnings/(Loss) before Interest,Tax, Depreciation & Amortization [EBITDA/(LBITDA)] | RM'000 | 8,937 | 18,018 | 13,863 | (7,178) | 16,923 |
| Profit/(Loss) Before Tax [PBT/(LBT)] | RM'000 | 6,203 | 12,578 | 4,966 | (20,419) | 1,642 |
| Profit/(Loss) After Tax [PAT/(LAT)] | RM'000 | 4,602 | 9,559 | 2,504 | (19,648) | 206 |
| **Key Financial Position Data** | | | | | | |
| Total Assets | RM'000 | 32,541 | 48,317 | 99,165 | 107,677 | 115,583 |
| Total Equity | RM'000 | 7,997 | 15,047 | 64,384 | 44,736 | 44,942 |
| Total Liabilities | RM'000 | 24,544 | 33,270 | 34,781 | 62,941 | 70,641 |
| **Financial Ratio** | | | | | | |
| GP Margin | % | 54.66 | 56.21 | 56.73 | 38.08 | 56.06 |
| PBT/(LBT) Margin | % | 24.35 | 24.21 | 7.34 | (36.60) | 1.89 |
| PAT/(LAT) Margin | % | 18.06 | 18.40 | 3.70 | (35.22) | 0.24 |
| *Basic/Diluted Earnings(loss) Per Share [EPS/(LPS)] | sen | 0.46 | 0.96 | 0.25 | (1.97) | 0.02 |
| Effective tax rate | % | 25.81 | 24.00 | 49.58 | (3.77) | 87.47 |

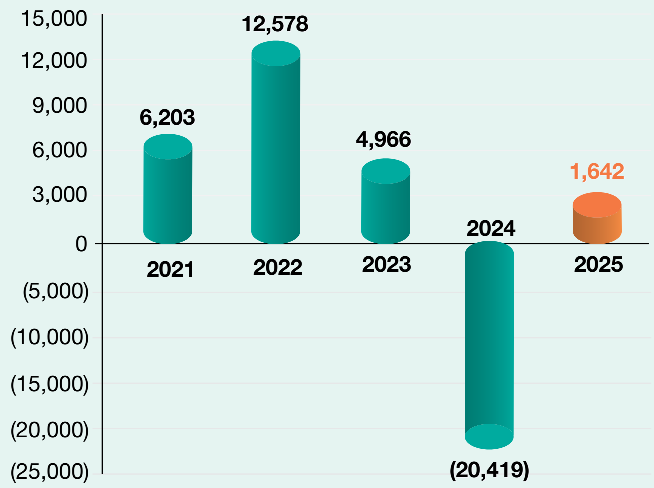
* EPS is based on PAT divided by 996,300,000 enlarged number of Shares in issue on 17 July 2023

# Financial Highlights
## (Cont'd)

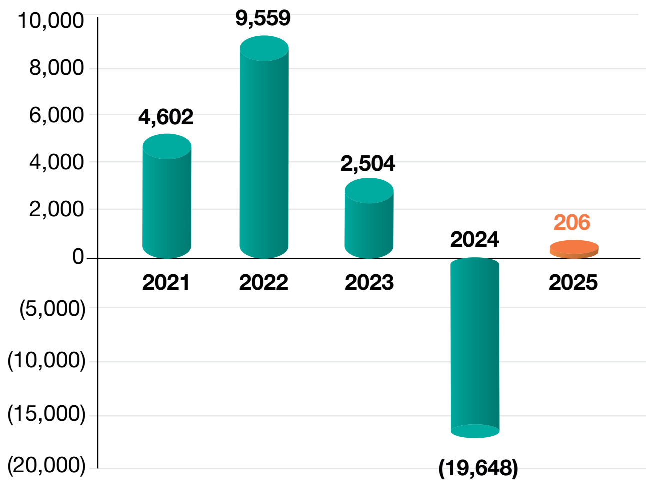
GROSS PROFIT (RM'000)



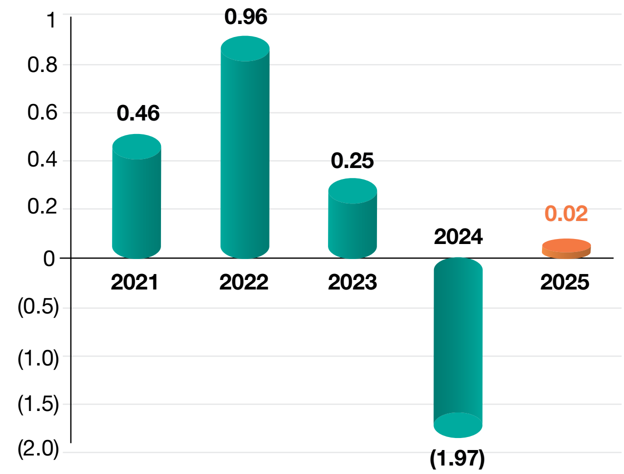

PROFIT/(LOSS) BEFORE TAX (RM'000)



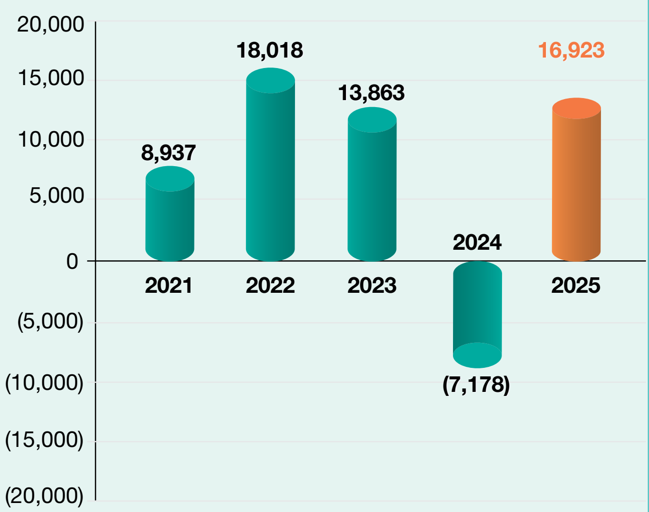

PROFIT/(LOSS) AFTER TAX (RM'000)



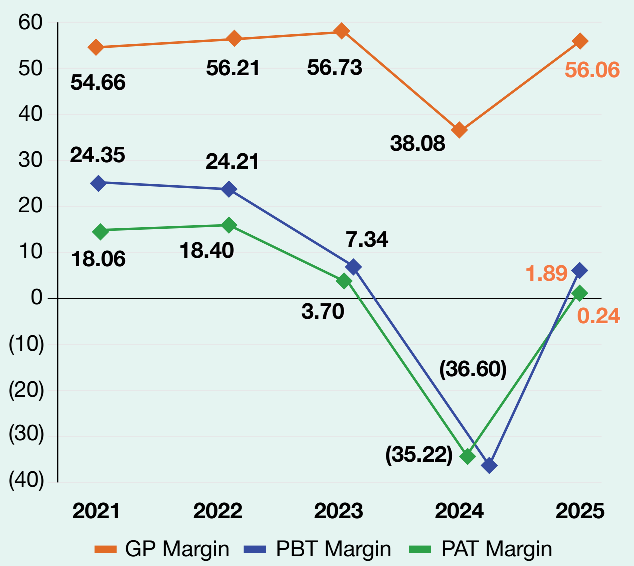

EARNINGS(LOSS) PER SHARE (SEN)




EBITDA/(LBITDA)




GP, PBT, PAT MARGIN (%)



DR CHONG Clinic

*Your Trusted Safe Space for Aesthetic Excellence*


## MEDICAL EXPERTISE. ADVANCED TECHNOLOGY. PERSONALIZED CARE.

At Dr Chong Clinic, aesthetic care is guided by medical professionalism, patient safety, and ethical practice. As a core clinical brand under DC Healthcare Holdings, the clinic operates on structured medical protocols supported by qualified professionals and continuous training.

Throughout 2025, Dr Chong Clinic continued to uphold high clinical standards by integrating advanced medical technologies with evidence-based treatment approaches. Each client journey is anchored by thorough consultations and personalized treatment plans, ensuring that individual needs, comfort, and long-term skin health remain the priority.

This commitment to medical integrity and personalized care has remained central as the brand continues to scale across Malaysia.

## STRENGTHENING INFRASTRUCTURE AND NETWORK EXPANSION IN 2025

In 2025, Dr Chong Clinic achieved several key operational milestones that strengthened its foundation for sustainable growth.

The Group completed the **relocation of its headquarters from Mid Valley to Puchong, Bandar Kinrara**, consolidating corporate, operational, and clinical support functions within a purpose-designed facility. This move enhanced internal coordination, operational efficiency, and support capabilities across the clinic network.

During the same year, Dr Chong Clinic expanded its footprint with the successful opening of new outlets in **Melaka**, **Kota Kinabalu**, and **Pelangi, Johor**. These additions further extended the brand's presence across both Peninsular and East Malaysia.

As at the end of 2025, Dr Chong Clinic operated a total of **23 outlets nationwide**, reflecting the Group's disciplined approach to growth while maintaining consistent service standards.


## BUILDING TRUST THROUGH RESULTS

Trust remains the cornerstone of Dr Chong Clinic's relationship with its clients. Throughout 2025, the clinic continued to deliver reliable treatment outcomes supported by strict clinical governance, transparent communication, and patient education.

By focusing on safety, consistency, and results, Dr Chong Clinic has built enduring trust and credibility, ensuring that each procedure not only enhances appearance but also supports confidence and overall well-being.

## OUR COMMITMENT

Dr Chong Clinic remains committed to:

- Upholding high standards of medical safety and ethical practice
- Delivering consistent, patient-centric care across all outlets
- Maintaining rigorous clinical governance and operational discipline
- Building long-term trust through responsible and results-driven care

Guided by these principles, Dr Chong Clinic continues to serve as a trusted pillar within DC Healthcare Holdings, delivering aesthetic excellence with integrity and care.

# PROFILE OF DIRECTORS

## DATUK DR. MOHD NOOR BIN AWANG

*Independent Non-Executive Chairman*

**Malaysian | Male | Aged 72**

***Board Committee Membership:*** *NIL*

Datuk Dr. Mohd Noor Bin Awang ("Datuk Dr. Mohd Noor"), currently serves as the Independent Non-Executive Chairman since his redesignation on 19 April 2023 after he was initially appointed as an Independent Non-Executive Director on 6 October 2022. His appointment enriches our Board with a wealth of experience spanning healthcare, academia, and politics, thereby providing a robust, multifaceted perspective valuable to our governance and appealing to investors appreciating leadership with both depth and breadth in experience.

An accomplished dental surgeon, he graduated with a Bachelor of Dental Surgery ("BDS") from University of Malaya Dental School in 1979 and earned his Master of Science in Oral Surgery from the University of London, United Kingdom, in 1983.

Datuk Dr. Mohd Noor's career narrative intertwines academia, politics, and private healthcare consultancy. With an initial focus on academia at the University of Malaya Dental School, he progressed to Deputy Dean until 1992. His career briefly intersected with politics through community work with UMNO from 1992 until 1994, followed by a pivot into the private healthcare sector in 1995 when he joined Subang Jaya Medical Centre (currently known as Ramsay Sime Darby Care Group of hospitals) as a Consultant in Oral & Maxillofacial Surgery department. At present, he continues to offer his expertise at Subang Jaya Medical Centre, Pantai Hospital Kuala Lumpur and Sunway Medical Centre.

He is presently an Independent Non-Executive Director of Beverly Wilshire Ltd, a public listed company incorporated in Singapore.

He has no family relationship with any Director and/or major shareholder of the Company.

He has no conviction 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. He has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and its subsidiaries. He attended all five (5) Board meetings in the financial year.

# Profile of Directors (Cont'd)

## DR. CHONG TZE SHENG

*Managing Director*

**Malaysian | Male | Aged 42**

***Board Committee Membership:*** *NIL*

Dr. Chong Tze Sheng ("Dr Chong") is the First Director of the Company appointed on 18 April 2022. He then was redesignated as an Executive Chairman on 6 October 2022 and subsequently redesignated as the Managing Director of the Group on 19 April 2023. He is responsible for developing the overall corporate trajectories and oversees the holistic business direction, strategic planning and future growth initiatives. With a blend of clinical, surgical, and entrepreneurial expertise, Dr. Chong significantly influences the company's strategic and operational avenues, propelling it towards future success.

Dr. Chong is an accomplished alumnus of University Sains Malaysia, where he graduated with a Degree of Doctor of Medicine ("MD") in 2009. His pursuit of specialised knowledge led him to the American Academy of Aesthetic Medicine, where he earned a Diploma in Aesthetic Medicine. Dr. Chong's academic achievements continued with a Postgraduate Diploma in Practical Dermatology, attained with Distinction from Cardiff University, Wales. Furthering his expertise, he completed a Master of Science in Practical Dermatology at Cardiff University. Dr. Chong solidified his professional standing by obtaining his License in Credentialing and Privileging ("LCP") for Aesthetic Medical Practice from the Malaysian Ministry of Health in 2017.

Dr. Chong's medical tenure started with a diverse housemanship at Sungai Buloh Hospital from 2009 to 2011. He later worked in surgery and general medicine at Hospital Teluk Intan and Klinik Kesihatan Bukit Kuda until 2013. Moving into aesthetics in 2013, he joined a skin specialist and medical aesthetic company. In 2016, he established Klinik Dr Chong, leading the business and contributing significantly to the medical aesthetic industry.

He does not hold any directorship in other public companies and listed corporations. Dr. Chong is the spouse of Dr. Lai Ngan Chee, who is the Executive Director of the Company.

He has no conviction 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. He has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and its subsidiaries. He attended all five (5) Board meetings in the financial year.

# Profile of Directors
## (Cont'd)

**DR.**
**LAI NGAN CHEE**
*Executive Director*

**Malaysian | Female | Aged 42**

***Board Committee Membership:*** *NIL*

Dr Lai Ngan Chee ("Dr Lai") is the First Director of the Company appointed on 18 April 2022. Dr. Lai was redesignated as the Executive Director of the Group on 19 April 2023. She plays a pivotal role in managing and implementing the Group's strategies into daily operations while also overseeing business development and marketing functions. She holds a Doctor of Medicine degree from Universiti Sains Malaysia, obtained in 2009.

Dr. Lai embarked on her professional journey with a comprehensive medical practice at Sungai Buloh Hospital from 2009 to 2011. During this period, she gained valuable experience in various medical disciplines, including intensive patient management in anesthesiology at Hospital Teluk Intan, and outpatient services at Klinik Kesihatan Bukit Kuda from 2012 to 2017. In April 2017, she transitioned to her current position within the Group, bringing with her a wealth of medical and operational expertise.

She does not hold any directorship in other public companies and listed corporations. Dr. Lai is spouse of Dr. Chong Tze Sheng, who is Managing Director of the Company.

She has no conviction 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 has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and its subsidiaries. She attended all five (5) Board meetings in the financial year.

# Profile of Directors (Cont'd)

## DATIN REKHA A/P PALANYSAMY

*Independent Non-Executive Director*

**Malaysian | Female | Aged 43**

***Board Committee Membership:***

- *Chairperson of the Nomination Committee*
- *Member of the Audit & Risk Management Committee*
- *Member of the Remuneration Committee*

Datin Rekha A/P Palanysamy ("Datin Rekha") was appointed to the Board as an Independent Non-Executive Director on 6 October 2022. She brings her wealth of experience and lends her meticulous financial and analytical expertise to the Board.

Datin Rekha graduated with a Bachelor of Accounting from Multimedia University Malaysia in 2006 and achieved her Chartered Accountant status from the Malaysian Institute of Accountants in 2018.

Her career, starting in 2006 at Iswara & Company, spans audit, tax advisory, and corporate secretarial services, with an initial role in preparing audit working papers and management reports. Datin Rekha further honed her auditing skills at Deloitte Kassim Chan from 2007 to 2010, working on financial statements of varied businesses and ensuring compliance with statutory requirements. A stint as a Manager at Sylvester Anthony & Co and a Financial Analyst role at Hewlett-Packard Multimedia Sdn. Bhd. between 2010 and 2015 allowed her to manage comprehensive internal audits and perform intricate financial analysis respectively. Since 2015, Datin Rekha has been associated with VR Advisory, initially as a Manager and later becoming a partner in 2019. Presently the sole partner, she specialises in ensuring clients are audit-ready and in compliance with pertinent guidelines.

She does not hold any directorship in other public companies and listed corporations.

She has no family relationship with any Director and/or major shareholder of the Company.

She has no conviction 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 has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and its subsidiaries. She attended all five (5) Board meetings in the financial year.

# Profile of Directors
## (Cont'd)

**KELVIN KOH JUN XIONG**
*Independent Non-Executive Director*

**Malaysian | Male | Aged 31**

***Board Committee Membership:***

- *Chairman of the Audit and Risk Management Committee*
- *Member of the Nomination Committee*
- *Member of the Remuneration Committee*

Mr Kelvin Koh Jun Xiong ("Mr. Kelvin") was appointed to the Board as an Independent Non-Executive Director on 1 August 2025. Mr Kelvin is an accountant at Ecomate Sdn. Bhd. Upon completing his studies in Deakin University, he joined PWC Melaka as an intern to assist its' audit team to carry out audit tasks for a short brief of 3 months' internship in December 2015. In October 2016, he graduated from Deakin University, Australia with Bachelor of Commerce with Distinction, majoring in Accounting and Finance. He has been a member of Malaysian Institute of Accountants (MIA) and is a member of CPA Australia since 2022.

He has several years of experience in accounting and finance, he began his career at Platinum Accounting in Australia as Intern Assistant Accountant in August 2016. He then left Platinum Accounting in December 2016 and joined Crowe Malaysia PLT, an audit firm in January 2017 as an Audit Associate, and was subsequently promoted as a Senior Audit Associate in 2018. He then resigned from this position in March 2019 and joined RSM Malaysia PLT as a Senior Associate in June 2019. During his tenure with Crowe Malaysia PLT and RSM Malaysia PLT, he handled audit assignments for private and subsidiaries of public companies in Malaysia.

In November 2020, he left RSM Malaysia PLT and moved on to become Accounts Executive at Ecomate Sdn. Bhd. In December 2021, he was promoted to become Senior Accounts Executive and subsequently promoted to Accountant in December 2023. He is responsible for planning, implementation and management of accounting and finance functions of the Company, including financial reporting and financial planning.

He does not hold any directorship in other public companies and listed corporations.

He has no family relationship with any Director and/or major shareholder of the Company.

He has no conviction 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. He has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and its subsidiaries. Since his appointment as an Independent Non-Executive Director of the Company, he attended all two (2) Board meetings in the financial year.

# Profile of Directors (Cont'd)

## GOH SIOW CHENG

*Independent Non-Executive Director*

**Malaysian | Female | Aged 44**

***Board Committee Membership:***

- *Chairperson of the Remuneration Committee*
- *Member of the Audit and Risk Management Committee*
- *Member of the Nomination Committee*

Ms. Goh Siow Cheng ("Ms. Siow Cheng") was appointed to the Board as an Independent Non-Executive Director on 1 August 2025. Ms. Siow Cheng graduated with a Bachelor of Business (Accounting & Finance) from University of Technology Sydney, Australia. She is member of Certified Practising Accountant, Australia.

She has more than 20 years of experience in audit and assurance and also in public listed company.

She is presently an Independent Non-Executive Director of BTM Resources Berhad and Ecomate Holdings Berhad.

She holds directorship in one private company.

She has no family relationship with any Director and/or major shareholder of the Company.

She has no conviction 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 has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and its subsidiaries. Since her appointment as an Independent Non-Executive Director of the Company, she attended all two (2) Board meetings in the financial year.

# PROFILE OF KEY SENIOR MANAGEMENT

## YONG YEW SUN

*Chief Operating Officer*

**Malaysian | Male | Aged 56**

Yong Yew Sun currently serves as the Chief Financial Officer, managing the overarching elements of the Group's accounting, financial and treasury functions since joining on 25 April 2022. He also involved in preparing financial budgets, providing financial advice, monitoring the compliance of financial processes with statutory and regulatory requirements as well as company's policies. With a professional accounting qualification from the Malaysian Institute of Certified Public Accountants (MICPA) obtained in 1997 and has been a member of Malaysian Institute of Accountant (MIA) since 1998, he embarked on a career spanning three decades, contributing significantly to audit and financial management in various establishments.

Initiating his career journey in 1990 with Kassim Chan & Co, and progressing through various audit roles, he became a vital asset in managing statutory audits and leading audit assignments for myriad companies. This foundation in audit provided a stable platform for his subsequent roles in financial management across sectors, including securities, hospitality, property, trading and the food and beverage industry.

He does not hold any directorship in other public companies and listed corporations.

He holds directorship in one private company.

He has no family relationship with any Director and/or major shareholder of the Company.

He has no conviction 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. He has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and its subsidiaries.

# Profile of Key Senior Management (Cont'd)

## DR LEONG CHEE YONG

*Medical Director*

**Malaysian | Male | Aged 40**

Dr. Leong Chee Yong ("Dr Leong") brings a diverse medical and managerial background to his role as Medical Director, where he oversees the daily operations of clinics and doctor training.

Initiating his medical journey, Dr. Leong earned his, Doctor of Medicine ("MD") from Universiti Kebangsaan Malaysia in 2009, enriching his qualifications with a Certificate in Primary Care Dermatology in 2016, an LCP for Aesthetic Medical Practice from MOH in 2017, and subsequently, obtained a Master of Business Administration (Health Management) from The University of Adelaine in 2024.

His early career, rooted in Hospital Teluk Intan in 2009, subsequent positions at Hospital Taiping and Hospital Tengku Ampuan Rahimah, was characterised by managing various medical sub-departments and supervising medical teams, mainly within the obstetrics and gynaecology specialisation. Transitioning into medical aesthetic in 2013 with Klinik Pakar Kulit Ko Sdn. Bhd., he provided aesthetic consultations and procedures under licensed practitioners. He left Klinik Pakar Kulit Ko Sdn. Bhd. in 2015. His career then evolved into pivotal managerial roles as a founding Medical Director at both Klinik Setia Taipan in 2016 and Skinfinity Sdn. Bhd. in 2017. He left both companies in 2019 respectively.

In these capacities, he was not only a practising general practitioner but also managed various aspects of clinic operations and doctor training programs, revealing his adept capability in medical administration.

Joining the current Group in January 2020, Dr. Leong has integrated his rich experience in medical practice and administration to proficiently manage clinic operations and ensure meticulous training for new doctors. His career is not only highlighted by his practical medical proficiency across varied specializations but also his strategic and administrative acumen in a clinic's operational context.

He does not hold any directorship in other public companies and listed corporations. He has no family relationship with any Director and/or major shareholder of the Company.

He has no conviction 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. He has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and its subsidiaries

*Building Brand Presence Through Market Engagement*

## FROM MARKET ENTRY TO BRAND RECOGNITION

By 2025, newB Skincare has progressed beyond its initial market entry phase to establish a growing presence within Malaysia's competitive beauty landscape. Over the year, the brand focused on strengthening consumer awareness, expanding engagement channels, and reinforcing credibility through consistent brand-building initiatives.

Rather than introducing the brand, 2025 marked a period of **active market participation** — connecting with consumers through physical events, digital platforms, and strategic collaborations that brought the brand closer to its audience.

## STRENGTHENING BRAND VISIBILITY THROUGH CONSUMER TOUCHPOINTS

Throughout 2025, newB actively participated in major beauty and lifestyle platforms to increase brand exposure and consumer interaction. These included appearances at **KL Beauty Week** and **KL Beauty Expo**, where the brand engaged directly with skincare consumers through product showcases, education, and sampling initiatives.

The brand also gained wider visibility through **television appearances and giveaway collaborations**, including participation in the **TVB award-related campaigns**, further expanding its reach beyond traditional beauty channels.

In addition, newB collaborated with **HWC Coffee** on nationwide giveaway and sampling initiatives, allowing the brand to reach consumers in everyday lifestyle settings and encouraging trial among new audiences.

## DIGITAL MARKETING AND LIVE COMMERCE EXECUTION

Digital engagement remained a key focus area for newB in 2025. The brand expanded its digital footprint through a combination of influencer marketing, content creation, and live commerce initiatives.

During the year, newB:

- Collaborated with local influencers and content creators to drive authentic product awareness
- Achieved steady **follower growth across social media platforms**, strengthening its online community
- Executed **live selling roadshows across Malaysia**, working with experienced live sellers to connect with consumers in real time
- Expanded its live commerce reach through **cross-border live selling collaborations**, including sessions with a well-known Hong Kong live seller, introducing the brand to a broader regional audience

These initiatives enabled newB to test, refine, and scale its digital commerce capabilities while gaining insights into consumer behaviour and content performance.

## A DISCIPLINED APPROACH TO BRAND BUILDING

Throughout 2025, newB Skincare remained focused on building its brand responsibly and sustainably. Efforts were centred on:

- Increasing brand awareness through credible platforms
- Encouraging product trial and consumer education
- Strengthening digital engagement and live commerce capabilities
- Aligning brand activities with DC Healthcare's broader standards of governance and discipline

By prioritising consistent execution over short-term hype, newB continued to strengthen its foundation as a consumer skincare brand within DC Healthcare's portfolio.

# CHAIRMAN STATEMENT

*Dear Valued Shareholders,*

On behalf of the Board of Directors ("Board"), I am pleased to present the Annual Report and Audited Financial Statements of DC Healthcare Holdings Berhad ("DC Healthcare" or "the Group") for the financial year ended 31 December 2025 ("FYE2025").

FYE2025 marked a defining year for the Group, characterised by a strong financial turnaround, disciplined execution, and continued strategic expansion. Building on the foundations laid in prior years, DC Healthcare delivered a resilient performance and demonstrated its ability to translate growth initiatives into sustainable profitability.

During the financial year, DC Healthcare was classified as Shariah-compliant securities by the Shariah Advisory Council of the Securities Commission Malaysia. This recognition reflects the Group's commitment to maintaining high standards of ethical business conduct, governance, and financial discipline in line with Shariah principles.

## FINANCIAL PERFORMANCE

I am pleased to report that the Group recorded a significant improvement in its financial results in FYE2025. Group revenue increased by 56% year-on-year from RM55.8 million in FYE2024, to RM87.0 million in FYE2025 reflecting stronger clinic performance, improved operational efficiency, and contributions from newly opened outlets.

More importantly, the Group returned to profitability, achieving a profit after tax of RM0.2 million, compared to a loss after tax of RM19.0 million in FYE2024. This turnaround underscores the effectiveness of management's cost optimisation measures, enhanced revenue mix, and disciplined financial management, and marks an important milestone in the Group's journey towards sustainable earnings growth.

## STRATEGIC EXPANSION AND OPERATIONAL DEVELOPMENTS

In line with our long-term growth strategy, the Group continued to expand its footprint in key locations. During the year, three new outlets were successfully opened in Melaka, Kota Kinabalu and Pelangi, Johor Bahru, further strengthening our nationwide presence and improving accessibility to our aesthetic medical services.

To support the Group's growing scale and operations, we also relocated our headquarters to a newly purchased three-storey corner shoplot in Bandar Kinrara, Puchong. This strategic move provides a more conducive and centralised environment for collaboration, operational efficiency, and future growth, while also reflecting the Group's confidence in its long-term prospects.

# Chairman Statement
## (Cont'd)

### RESILIENCE AND GOVERNANCE

Despite operating in a dynamic and competitive environment, the Group remained resilient throughout FYE2025. The Board continues to place strong emphasis on sound corporate governance, prudent risk management, and ethical business conduct. These principles remain central to ensuring the Group's long-term sustainability and protecting the interests of our shareholders and stakeholders.

### FUTURE OUTLOOK

Looking ahead, the Board remains optimistic and confident in the Group's future growth trajectory. With a stronger financial position, an expanded network of outlets, and a solid operational foundation, DC Healthcare is well-positioned to capitalise on opportunities within the aesthetic medical services industry.

We will continue to pursue measured expansion, operational excellence, and innovation, with the aim of elevating the Group to deliver sustainable and long-term value to our shareholders.

### ACKNOWLEDGEMENTS

On behalf of the Board, I would like to extend my sincere appreciation to our management team and employees for their dedication, commitment, and unwavering efforts throughout the year.

I also wish to thank our shareholders, clients, and business partners for their continued trust and support. Together, we remain confident in DC Healthcare's ability to achieve sustained growth and success.

Thank you.

**Datuk Dr. Mohd Noor Bin Awang**
Independent Non-Executive Chairman
DC Healthcare Holdings Berhad

# MANAGEMENT DISCUSSION & ANALYSIS
## For The Financial Year Ended 31 December 2025

### OVERVIEW OF THE GROUP

DC Healthcare Holdings Berhad ("DC Healthcare" or the "Group") is an established provider of medical aesthetic, general medical and wellness services in Malaysia. The Group operates primarily through its flagship **Dr. Chong Clinic** brand and has developed a strong reputation for delivering medically driven aesthetic treatments supported by qualified doctors and advanced technologies. In FYE2025, the Group was classified as Shariah-compliant securities by the Shariah Advisory Council of the Securities Commission Malaysia.

The Group's business model integrates medical aesthetic services, wellness programmes and skincare products to provide a holistic ecosystem of healthcare and beauty solutions.

The Group's services are supported by a multidisciplinary workforce including doctors, medical assistants, consultants and operational personnel, enabling DC Healthcare to deliver professional medical aesthetic treatments within a structured clinical framework.

### INDUSTRY OVERVIEW

The medical aesthetic industry in Malaysia has experienced steady growth in recent years, supported by increasing consumer awareness of aesthetic treatments and the rising acceptance of non-invasive cosmetic procedures. Improvements in aesthetic medical technologies have enabled treatments to be delivered with greater safety, shorter recovery times and improved treatment outcomes, thereby attracting a broader customer base. In addition, the growing emphasis on personal wellness and appearance among consumers, coupled with rising disposable incomes, has contributed to sustained demand for aesthetic services.

Industry research indicates that the Malaysian aesthetic medical services market is expected to grow at a compound annual growth rate of approximately 18.8% between 2021 and 2027. This strong growth trajectory reflects increasing demand for aesthetic medical treatments across both younger and more mature demographics. Against this favourable industry backdrop, DC Healthcare believes it is well positioned to capture further market opportunities through its expanding clinic network, strong brand recognition and continued investment in medical technology and service innovation.

### CORE BUSINESS SEGMENTS

#### Aesthetic Medical Services

The Group's primary source of revenue is derived from medical aesthetic services, which form the cornerstone of its business model. These services encompass a wide range of non-invasive and minimally invasive aesthetic treatments designed to address skin conditions, facial rejuvenation and body contouring. Such treatments include laser skin rejuvenation, pigmentation and acne treatments, anti-ageing procedures, facial contouring solutions and non-invasive body sculpting. These services are delivered by qualified doctors who possess the necessary professional credentials and clinical training to perform aesthetic procedures in accordance with regulatory standards.

#### General Medical Services

General medical services complement the Group's aesthetic offerings and provide additional healthcare solutions to patients. The segment also supports cross-referrals within the Group's clinic network.

#### Slimming and Wellness Services

In line with the Group's emphasis on operational efficiency and service synergy, 2025 also saw the integration of skin and slimming services to operate alongside with selected medical aesthetic clinics. This integration enabled more seamless patient journeys, improved resource utilisation, and closer collaboration across clinical teams.

# Management Discussion & Analysis
## (Cont'd)

### CORE BUSINESS SEGMENTS (CONT'D)

#### Skincare Products

Complementing its clinical services, the Group has also ventured into the skincare retail segment through the development of its NewB Premium Skincare product line. These products are developed by the Group's subsidiary, Ten Doctors Sdn Bhd, and are designed to support patients' post-treatment skincare regimes while extending the Group's brand presence beyond clinical services. The introduction of these products reflects the Group's strategic effort to diversify its revenue streams and strengthen its position in the broader aesthetic and wellness ecosystem.

#### Geographic Presence and Operational Footprint

DC Healthcare's operational presence spans across key regions in Peninsular Malaysia, including Negeri Sembilan, Selangor, Johor, and Kuala Lumpur. The company's strategic location in these areas provides accessibility and convenience to a broad customer base.

#### Market Positioning and Competitive Strengths

DC Healthcare's strong market positioning is bolstered by its commitment to excellence and innovation. Our competitive strengths lie at the core of our identity, driving our mission to deliver unparalleled aesthetic and general medical services. As we navigate through the complexities of the healthcare industry, it is our unique blend of expert personnel, cutting-edge technology, and a profound commitment to patient-centric care that positions us as leaders in our field. These pillars not only define our approach to healthcare but also serve as the foundation upon which we build our reputation, foster patient trust, and achieve outstanding clinical outcomes.

**1) LCP-Certified Doctors: A Foundation of Excellence**

At DC Healthcare, the cornerstone of our clinical excellence lies in our team of LCP certified doctors. This prestigious accreditation is more than just a credential; it is a testament to our commitment to the highest standards of care and patient safety. LCP certification, awarded only to physicians who meet rigorous criteria for education, training, and professional experience, underscores the depth of expertise our team brings to the healthcare landscape.

The significance of having LCP-certified professionals cannot be overstated. It assures our patients that they are in capable hands and capable of delivering quality care that meets the stringent standards set by healthcare authorities. For DC Healthcare, this translates into a powerful differentiator in a competitive market, elevating our brand as a trusted provider of aesthetic medical services. By prioritizing this level of qualification among our staff, DC Healthcare not only advances the field of aesthetic medicine but also fortifies its reputation for excellence and safety.

**2) Advanced Medical Technology: Pioneering Patient Care**

Innovation is at the heart of DC Healthcare's approach to aesthetic medicine. Our clinics are equipped with state-of-the-art medical technology, setting a benchmark for advanced care in the industry. From the latest in laser therapy devices to cutting-edge software for patient management and diagnostics, our technological arsenal is both broad and bespoke.

These innovations not only offer superior results and reduced recovery times but also underscore our commitment to pioneering patient care. For example, our use of minimally invasive laser treatments has revolutionized skin rejuvenation and scar treatment, offering patients effective outcomes with minimal downtime. The impact of these technologies on the patient experience is profound. By reducing recovery times, we not only enhance the comfort and convenience of treatments but also empower our patients to return to their daily lives sooner, with confidence.

# Management Discussion & Analysis (Cont'd)

## CORE BUSINESS SEGMENTS (CONT'D)

### 3) Patient-Centric Approach: Elevating the Healthcare Experience

At DC Healthcare, the patient experience is our priority. Our model is built on the understanding that exceptional care extends beyond the treatment room. From the initial consultation to post-treatment care, every touchpoint with our patients is designed to be informative, supportive, and personalized.

Our personalized treatment plans, tailored to meet the individual needs and goals of each patient, ensure that care is not only effective but also aligned with the expectations and comfort levels of our clients. We have also introduced feedback mechanisms, including patient surveys and follow-up calls, which play a crucial role in our continuous improvement process. These insights allow us to refine our services, address any concerns, and enhance the overall patient experience. Highlighted by positive testimonials and high satisfaction rates, the success of our patient-centric approach is a driving force behind our reputation as a leader in aesthetic and general medical services.

## FINANCIAL PERFORMANCE REVIEW

### Revenue Performance

For the financial year ended 31 December 2025 ("FYE 2025"), the Group recorded revenue of RM87.0 million, representing a significant increase of approximately 56.0% compared with revenue of RM55.8 million recorded in the preceding financial year ended 31 December 2024 ("FYE 2024"). The increase in revenue was mainly attributable to the continued expansion of the Group's clinic network, stronger patient demand for aesthetic treatments and improved marketing effectiveness which enhanced customer acquisition and service utilisation rates.

### Revenue by Segment

| Segment | FYE 2025 (RM'000) | Contribution | FYE 2024 (RM'000) | Contribution |
|---|---|---|---|---|
| Aesthetic Services | 75,775 | 87% | 46,391 | 83% |
| General Medical Services | 7,254 | 8% | 6,841 | 12% |
| Skincare Products | 3,966 | 5% | 2,559 | 5% |
| **Total Revenue** | **86,995** | **100%** | **55,791** | **100%** |

The aesthetic services segment remained the Group's largest revenue contributor during the financial year. Revenue generated from aesthetic medical services amounted to RM75.8 million, accounting for approximately 87% of the Group's total revenue. This represented a substantial increase from RM46.3 million recorded in the previous financial year. The growth in this segment was largely driven by higher treatment redemption rates as well as increased patient traffic following the opening of additional clinics.

Revenue generated from general medical services amounted to RM7.3 million in FYE 2025 constituting approximately 8% of the Group's total revenue. Although this segment constitutes a smaller proportion of the Group's overall revenue, it continues to provide complementary services that enhance patient engagement and contribute to recurring customer visits.

Revenue from the sale of skincare products increased during the year, rising to approximately RM4.0 million from RM2.6 million recorded in FYE 2024. The improvement reflects the growing acceptance of the Group's proprietary skincare products among patients as well as the increasing integration of these products into post-treatment care programmes.

# Management Discussion & Analysis
## (Cont'd)

### FINANCIAL PERFORMANCE REVIEW (CONT'D)

#### Profitability Analysis

The Group recorded a profit before tax of RM1.6 million for FYE 2025 compared with a loss before tax of RM20.4 million recorded in FYE 2024. This improvement represents a significant turnaround in the Group's financial performance following the implementation of a series of operational and strategic initiatives aimed at restoring profitability and strengthening operational efficiency.

The return to profitability was primarily supported by strong revenue growth generated from the expansion of the Group's clinic network and improved treatment utilisation rates. The Group also benefited from improved operational discipline and tighter cost management measures implemented as part of its turnaround strategy.

The Group's financial performance also demonstrated improving momentum during the latter part of the financial year. This positive quarterly performance reflects the gradual stabilisation of the Group's operations and the early benefits arising from its operational restructuring and cost optimisation initiatives.

#### Cost Structure Analysis

- Cost of sales for the financial year primarily comprised purchases of medical consumables, staff costs and depreciation of medical equipment. Staff costs represented the largest component of the Group's operating expenses, reflecting the labour-intensive nature of healthcare service delivery, while purchases of medical consumables also formed a significant portion of overall costs.

- Administrative expenses increased during the financial year compared with the previous financial year. The increase was mainly attributable to higher depreciation expenses arising from newly opened clinics and the acquisition of additional medical equipment, as well as increased marketing expenditures incurred to support the Group's expansion and brand-building initiatives.

- Marketing expenditure for the financial year recorded an increase compared with the preceding year. A substantial portion of this expenditure was allocated to advertising activities, primarily focused on digital campaigns, promotional events and brand awareness programmes aimed at strengthening the Group's market presence and driving patient acquisition. The Group continues to leverage data-driven digital marketing strategies to optimise marketing return on investment and support its ongoing business expansion.

#### Statement of Financial Position

The Group's financial position remained stable during the financial year. Property, plant and equipment increased primarily due to purchase of office building, investments in clinic expansion, medical equipment procurement and renovation works required for newly opened outlets. These investments are consistent with the Group's strategy of expanding its clinic network and enhancing service capacity.

The Group's cash and cash equivalents stood at approximately RM24.99 million as at 31 December 2025. The reduction in cash balances compared with the previous financial year was largely due to capital expenditure incurred for new clinic openings, medical equipment purchases and operational investments that support the Group's long-term growth strategy.

Contract liabilities decreased slightly by 8.4% during the year, mainly due to higher redemption of aesthetic services from the prepaid treatment packages. These balances represent payments received from customers for services that have yet to be rendered. Revenue from these packages will be recognised progressively as and when the treatments are redeemed. As such, the contract liabilities provides visibility for future revenue recognition and supports the Group's forward revenue pipeline.

# Management Discussion & Analysis (Cont'd)

## FINANCIAL PERFORMANCE REVIEW (CONT'D)

### Turnaround Strategy Implementation

During the financial year, the Group continued executing its structured turnaround strategy which focused on strengthening revenue generation, improving operational efficiency and reinforcing the Group's organisational foundation.

From a revenue growth perspective, the Group focused on strengthening brand synergy across its clinic network and product lines. Marketing initiatives were enhanced through the adoption of data-driven marketing strategies that enabled the Group to better target potential customers and improve conversion rates. In addition, the Group expanded its geographical footprint through the opening of three new outlets located in Melaka, Kota Kinabalu and Pelangi in Johor Bahru. These new clinics were strategically located to capture demand in growing urban markets and broaden the Group's customer base.

Operational optimisation also formed a key component of the turnaround strategy. The Group implemented a comprehensive efficiency programme aimed at improving clinic productivity and reducing operational wastage. This involved streamlining underperforming services, prioritising higher-margin treatments and strengthening inventory management practices. The Group also improved manpower planning and introduced tighter cost control measures across its operations.

As part of its long-term operational transformation, the Group has also commenced the implementation of an Enterprise Resource Planning (ERP) system. The ERP system is expected to enhance operational integration across the Group's clinic network while improving financial reporting accuracy and management decision-making capabilities. The full rollout of the system is currently targeted for completion by the second half of 2026.

### Strengthening Organisational Foundations

During the year, the Group relocated its corporate headquarters to a newly acquired three-storey corner shoplot located in Bandar Kinrara, Puchong. This relocation provides the Group with improved operational coordination, enhanced corporate visibility and greater long-term cost efficiency compared with leasing commercial office space.

The Group also undertook internal restructuring initiatives aimed at strengthening accountability and improving operational efficiency across its organisation. Continuous workforce upskilling programmes were implemented to enhance staff competencies and service standards. In addition, the Group standardised clinical protocols across its clinics to ensure consistent service delivery while optimising appointment scheduling to improve patient flow and clinic productivity.

### Other Strategic Initiatives

In addition to the turnaround initiatives undertaken during the financial year, the Group continues to focus on several long-term strategic priorities. These include pursuing organic growth through enhanced customer retention strategies and digital engagement platforms that strengthen patient relationships. The Group is also implementing performance benchmarking and clinical protocol standardisation across its clinic network to ensure consistent service qualit

The acquisition of the new headquarters property further strengthens the Group's asset base and reflects management's confidence in the long-term sustainability and growth potential of the business.

# Management Discussion & Analysis
## (Cont'd)

### OUTLOOK AND PROSPECTS

The Board remains cautiously optimistic about the Group's future prospects. The turnaround initiatives implemented during the financial year have begun to deliver measurable improvements in operational performance and financial results.

Several positive indicators support the Group's growth outlook, including sustained profitability achieved from the third quarter of 2025 onwards, improving clinic utilisation rates and strong customer engagement with the Group's services. In addition, the healthy balance of unutilised prepaid treatment packages provides visibility for future revenue recognition.

Looking ahead, the Group expects continued contributions from newly opened clinics as well as improved operational efficiency resulting from its cost discipline measures and ongoing system improvements. Barring any unforeseen circumstances, the Board believes the Group is well positioned to achieve sustainable growth while creating long-term value for its shareholders

### APPRECIATION

The Board of Directors extends its appreciation to the Group's employees for their dedication and commitment throughout the year.

The Board would also like to thank shareholders, customers and business partners for their continued trust and support.

DC Healthcare remains committed to delivering high-quality medical aesthetic services while pursuing sustainable growth and operational excellence.

DC ACADEMY

## TRAINING DEPARTMENT & DC ACADEMY

Building Professionalism, Competency & Strong Culture Across the Group

At DC Healthcare, we strongly believe that our people are our biggest strength. Professional service, patient safety, and consistent quality do not happen by chance, they are built through structured training, strict standards, and continuous development.

Through our Training Department and DC Academy, we place very high emphasis on grooming, retraining, onboarding, and upskilling every staff member. Our goal is simple but strict: every staff must be competent, confident, professional, and aligned with our company values before serving our patients.

Structured Onboarding: Strong Foundation from Day One

Every new staff member joining DC Healthcare must go through a mandatory two-week onboarding program, designed to ensure they are well-prepared before stepping into real clinic operations.

## WEEK ONE – THEORY & STANDARDS

The first week focuses on building a strong theoretical foundation. New staff are trained on:

- Treatment theory and understanding of procedures
- Occupational standards and clinic protocols
- Professional conduct and service expectations
- Safety awareness and compliance requirements

This ensures every staff understands what we do, how we do it, and why safety and professionalism come first.

## WEEK TWO – PRACTICAL SKILLS & REAL-WORLD EXPOSURE

The second week focuses on hands-on skills and early exposure to real working scenarios, including:

- Practical treatment skills under supervision
- Occupational safe handling and correct techniques
- Real clinic workflow exposure
- Understanding patient interaction in real situations

This early exposure helps staff adapt faster and reduces errors, while ensuring safe handling and professional behavior are already embedded from the start.

Continuous Upskilling: No Compromise on Training Quality

Training at DC Healthcare does not stop after onboarding. We practice continuous upskilling and retraining to maintain high standards across all clinics.

- Minimum six in-house training sessions every year, conducted by experienced internal trainers
- Regular refresher courses to update staff on latest techniques, standards, and improvements
- Strict monitoring to ensure training quality and effectiveness

For our managerial and leadership team, we go one step further by engaging external professional trainers. This helps our leaders strengthen skills in:

- People management
- Leadership mindset
- Communication and operational excellence

By combining in-house expertise with external professional input, we ensure both technical and leadership competencies remain strong within the group.

Grooming & Retraining: Maintaining Professional Standards

We maintain a strict approach when it comes to professionalism. Staff performance is continuously observed, and retraining is conducted whenever needed to ensure:

- Service quality remains consistent
- Professional conduct is upheld
- Skills are aligned with company standards

This grooming and retraining culture helps us maintain a high level of professionalism across all clinics, regardless of experience level or role.

Staff Well-Being: Taking Care of Our People

We believe that well-trained staff must also be well-taken care of. Staff well-being is an important part of our long-term sustainability and service quality.

Through the year, we focus on:

- Creating a supportive and respectful work environment
- Encouraging open communication between teams and management
- Promoting work-life balance where possible

When staff feel valued and supported, they perform better, stay motivated, and grow together with the company.

Culture & Teamwork: Growing Together as One Team

Beyond technical training, we actively invest in company culture and teamwork. Cultural activities are organized to:

- Strengthen teamwork spirit
- Encourage collaboration across departments
- Maintain a positive and healthy workplace culture

In addition, team-building activities are conducted to:

- Boost morale
- Improve communication
- Strengthen trust and unity among staff

These initiatives help ensure that while we grow as a business, we continue to grow together as one strong team.

Our Commitment Going Forward

The Training Department and DC Academy remain committed to:

- Maintaining strict training standards
- Ensuring professionalism and competency at every level
- Supporting staff growth, well-being, and teamwork

By continuously investing in our people, DC Healthcare ensures that professional service, patient safety, and strong company culture remain at the heart of everything we do.

# SUSTAINABILITY STATEMENT

## Fye 2025

# Sustainability Statement (Cont'd)

## OUR COMMITMENT TO SUSTAINABLE HEALTHCARE

At DC Healthcare Holdings Berhad ("DC Healthcare" or "the Group"), sustainability is inseparable from patient trust. Every treatment we provide, from non-invasive and minimally invasive procedures to our skincare solutions, carries a responsibility to uphold patient safety, clinical quality and responsible care. Protecting personal data, maintaining patient confidentiality and acting with integrity are fundamental to how we operate in a regulated healthcare environment.

In FYE2025, we strengthened our commitment to patient safety, service quality and responsible care through a defined sustainability strategy, formalised governance structures and the adoption of a Sustainability Policy. A refreshed materiality assessment further clarified the sustainability matters most relevant to patients, employees, regulators, investors and other stakeholders, ensuring continued focus on long-term value creation.

These priorities centre on service quality and innovation, responsible growth, strong governance and business ethics, cybersecurity and data privacy and environmental management across energy, emissions, water, waste and procurement. This Sustainability Statement ("the Statement") outlines how these matters are governed and managed and summarises key engagements and initiatives undertaken during the financial year ended 31 December 2025.

### Scope and Boundary of Reporting

The Statement covers DC Healthcare's business operations for the financial year ended 31 December 2025 ("FYE2025").

Our reporting scope focuses on the Group's principal operations in Malaysia, primarily within our medical aesthetics segment, as well as trading activities involving dermatological and aesthetic products. The reporting boundary includes the following subsidiaries under DC Healthcare.

| Medical Aesthetic Services | Trading |
|---|---|
| *Provision of non-invasive and minimally invasive treatments, including skin, facial and body contouring services.* | *Development and marketing of dermatologically engineered skincare and wellness products.* |
| 1) Klinik Dr Chong Sdn. Bhd.<br>2) DC Lasers Sdn. Bhd.<br>3) DC Lasers (Mid Valley) Sdn. Bhd.<br>4) DC Lasers (Puchong) Sdn. Bhd.<br>5) DC Lasers (Eastern) Sdn. Bhd.<br>6) DC Wellness Sdn. Bhd. | 1) Ten Doctors Sdn. Bhd. |

### Reporting Standards and Guidelines

Our Statement has been prepared in accordance with the sustainability reporting requirements under Bursa Malaysia's Ace Market Listing Requirements ("AMLR"). Where relevant, the Group references selected Global Reporting Initiative ("GRI") Standards to support comparability of disclosures.

In addition, the Group has mapped our sustainability priorities and initiatives against selected United Nations Sustainable Development Goals ("UN SDGs") to demonstrate our broader contribution to global sustainable development objectives.

### Assurance Statement

The data and information disclosed in this Statement were sourced and reviewed by the respective data owners. The management also reviewed the disclosures to ensure accuracy and consistency.

# Sustainability Statement
(Cont'd)

## OUR COMMITMENT TO SUSTAINABLE HEALTHCARE (CONT'D)

### Feedback

DC Healthcare welcomes stakeholder feedback as part of our commitment to continuously strengthen our sustainability practices and reporting. Input from stakeholders helps the Group understand expectations and identify areas for improvement.

Enquiries or feedback may be directed to:

**DC Healthcare Holdings Berhad**
Email: info@dchealthcareholdings.com
Website: www.dchealthcareholdings.com

## OUR APPROACH TO SUSTAINABILITY

### Developing Our Sustainability Strategy

DC Healthcare's sustainability approach is guided by our sustainability principles, which shape the Group's focus on responsible business practices, environmental management and people development. Priority areas reflect matters most relevant to the Group's operations, stakeholder expectations and long-term business direction.

Sustainability considerations are integrated into business strategy and operational practices to strengthen governance, support service quality and enable sustainable business growth, while contributing to long-term value creation for patients, employees and stakeholders.

| Vision | Mission |
|---|---|
| To be the leading medical aesthetic and wellness healthcare provider in the region and Southeast Asia. | To deliver personalised medical aesthetic, wellness health services and to develop high quality skincare products for the people and the community we serve. |

| Core Values | | |
|---|---|---|
| Detailed | Caring | One-Team |

| Strategic Thrusts | | | |
|---|---|---|---|
| Drive sustainable growth in aesthetic and wellness services through service quality and a diverse client base. | Uphold ethical healthcare practices and strong corporate governance while safeguarding customer data and cybersecurity. | Promote responsible environmentalstewardship and operational resilience across business operations and the value chain. | Deliver trusted healthcare services while supporting employee well-being and professional development. |

| Focus Areas & Material Sustainability Matters | | | |
|---|---|---|---|
| **Business Excellence and Innovation** | **Ethical and Responsible Business** | **Environmental Care and Responsibility** | **People and Customer Well-being** |
| 1) Quality of Services, Products and Innovation<br>2) Market Presence and Expansion | 1) Corporate Governance and Business Ethics<br>2) Customer Data Privacy and Security | 1) Environmental Impact Management and Climate Resilience<br>2) Sustainable Supply Chain Management | 1) Customer Satisfaction, Trust and Safety<br>2) Employee Welfare and Well-being<br>3) Employee Training and Development |

# Sustainability Statement
(Cont'd)

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Developing Our Sustainability Strategy (Cont'd)

| Key Sustainability Outcomes | | | |
|---|---|---|---|
| 1) Consistent delivery of high-quality services and innovative products<br>2) Sustainable economic performance | 1) Transparent and accountable governance<br>2) Compliance with healthcare regulations and best practices<br>3) Maintain customer data and privacy | 1) Minimise environmental footprint and optimise energy consumption across operations<br>2) Resilient and reliable supply chain | 1) Sustain customer safety and trust<br>2) Ensure employee engagement and retention |

| Alignment with UN SDGs | | | | |
|---|---|---|---|---|
| 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 16 PEACE AND JUSTICE STRONG INSTITUTIONS |

### Principles Guiding Our Sustainability Practices

DC Healthcare's sustainability practices are guided by our Sustainability Policy, which establishes the principles for integrating sustainability considerations across corporate activities and healthcare operations. The policy reinforces the Group's commitment to responsible business conduct, high standards of clinical governance and long-term value creation for stakeholders.

Clear principles provide management and employees with a consistent reference when addressing sustainability matters in daily operations, strategic planning and decision-making processes.

**Business Excellence and Innovation**

i. Advance innovative technologies through consistent research and development to improve service quality and clinical outcomes.
ii. Strategically plan business operations to support sustainable growth, enhance market resilience and serve a diverse client base.

**Ethical and Responsible Business**

i. Uphold accountability and ethical healthcare practices in compliance with relevant legal and regulatory obligations.
ii. Maintain compliance with applicable laws and regulations through regular reviews of policies, procedures and governance mechanisms.
iii. Ensure patient and customer data protection through the implementation of cybersecurity measures.
iv. Conduct periodic reviews of the Group's risk management framework to ensure internal controls remain effective and fit for purpose.

**Environmental Care and Responsibility**

i. Ensure compliance with applicable laws and regulations in the jurisdictions where DC Healthcare operates;
ii. Monitor energy consumption and greenhouse gas ("GHG") emissions to identify opportunities for energy efficiency and climate resilience;
iii. Implement responsible waste and water management practices; and
iv. Integrate sustainable practices into the Group's supply chain through responsible sourcing and local supplier engagement.

**People and Customer Well-being**

i. Uphold fair and ethical labour practices in compliance with applicable employment laws and regulations;
ii. Provide ongoing clinical training and professional development for employees on treatment techniques, safety procedures and patient care standards;
iii. Continuously improve patient safety, customer satisfaction and service quality across our services.

# Sustainability Statement
(Cont'd)

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Alignment with UN SDGs

The Group aligns our sustainability efforts with selected UN SDGs to support global economic, social and environmental priorities relevant to our healthcare operations. These goals provide a recognised reference point for identifying areas where the Group can create positive impact while advancing its sustainability priorities.

The selected UN SDGs reflect areas where DC Healthcare's activities, services and operational practices contribute most meaningfully to sustainable development.

**SDG 8 – Decent Work and Economic Growth**

**Target: 8.5 | 8.8**

We employ 337 employees across our operations and support workforce development through training programmes, professional development opportunities and performance evaluations aimed at strengthening competencies and supporting career progression. Alongside these efforts, the Group maintains a safe and supportive working environment to safeguard employee well-being and productivity. Employee engagement and recognition initiatives further contribute to a positive workplace culture.

**SDG 9 – Industry, Innovation and Infrastructure**

**Target: 9.5**

Continuous improvements in treatment protocols, clinically supported skincare solutions and operational processes strengthen service quality and patient outcomes. DC Healthcare continues to enhance operational efficiency through research and development activities, supported by technology-enabled inventory systems and Just-in-Time ("JIT") sourcing practices.

**SDG 12 – Responsible Consumption and Production**

**Target: 12.2 | 12.6**

The Group applies responsible resource management practices across our clinic operations, including the implementation of Reduce, Reuse and Recycle ("3R") practices. Monitoring of energy and water consumption helps identify opportunities to improve efficiency, while local sourcing practices where practicable support responsible procurement.

**SDG 13 – Climate Action**

**Target: 13.3**

Energy consumption and greenhouse gas ("GHG") emissions are monitored across clinic operations to strengthen understanding of environmental impacts. We track emissions across Scope 1, Scope 2 and selected Scope 3 categories while encouraging energy conservation practices across facilities.

**SDG 16 – Peace, Justice and Strong Institutions**

**Target: 16.5**

Ethical business conduct remains a core priority at DC Healthcare. The Group implements the Anti-Bribery and Corruption ("ABAC") Policy alongside internal reporting channels and a structured risk management framework. Strong governance oversight and compliance practices support transparency and accountability.

# Sustainability Statement (Cont'd)

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Sustainability Governance and Oversight

Strong governance underpins DC Healthcare's ability to manage sustainability and climate-related matters while maintaining alignment with our sustainability objectives and regulatory responsibilities. Clear oversight also supports accountability in managing risks and opportunities relevant to the Group's healthcare operations.

To reinforce this approach, a sustainability governance structure has been established to define the roles and responsibilities of each governing body. This structure strengthens accountability and enables effective monitoring, implementation and reporting of sustainability initiatives across the Group.

**Sustainability Governance Structure**

**Board of Directors ("the Board")**

**Management Team ("MT")**

**Operational Teams ("OT")**

**Key Roles and Responsibilities of the Board** — Oversight

i. Set the strategic direction for sustainability governance and ensure sustainability principles are embedded within the Group's long-term strategy and business operations;
ii. Provide strategic oversight of the integration of sustainability- and climate-related risks into business strategies and enterprise risk management framework, ensuring compliance with relevant local and international regulations;
iii. Review the Group's sustainability performance and progress against established initiatives and targets;
iv. Ensure transparent and credible sustainability disclosures, including the completeness, consistency and reliability of information in the annual Sustainability Statement; and
v. Maintain overall accountability for material sustainability matters and ensure alignment with industry practices and stakeholder expectations.

**Key Roles and Responsibilities of the MT** — Management

i. Oversee the implementation of sustainability initiatives and monitor progress against established targets;
ii. Assess and manage sustainability- and climate-related risks and opportunities, integrating these considerations into management decision-making;
iii. Develop, review and monitor sustainability-related KPIs, with progress reported to the Board periodically;
iv. Recommend sustainability strategies, policies and procedures and oversee their implementation; and
v. Review material sustainability matters and consolidate relevant data for the preparation of the annual Sustainability Statement.

**Key Roles and Responsibilities of the OT** — Implementation

i. Support the MT in identifying and managing sustainability- and climate-related risks through mitigation and adaptation measures;
ii. Implement sustainability policies, strategies, targets and initiatives, and report progress to the MT;
iii. Collect and track sustainability-related data and consolidate information for monitoring and reporting ; and
iv. Engage with patients, clients, suppliers and local communities to support the Group's sustainability efforts.

# Sustainability Statement
(Cont'd)

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Stakeholder Engagement

DC Healthcare engages regularly with our stakeholders to understand expectations, address concerns and strengthen business practices. As a provider of medical aesthetic and wellness services, maintaining open and transparent communication remains important in sustaining trust and supporting responsible operations.

Ongoing engagement across stakeholder groups provides feedback on emerging risks, service quality and business conduct. These insights support the Group's approach to managing sustainability matters and aligning operational practices with stakeholder expectations.

**Investors and Shareholders**

**Why They Matter?** | Investors and shareholders provide the capital necessary to support DC Healthcare's expansion, service development and long-term growth. Transparent communication and sound governance practices remain essential to maintaining investor confidence and supporting informed investment decisions.

| Key Areas of Interest | Our Response | Engagement Channels |
|---|---|---|
| • Financial performance and business growth<br>• Corporate governance practices<br>• Strategic direction and risk management | • Provide timely and transparent disclosures through annual reports and corporate announcements<br>• Maintain strong governance oversight through the Board and management<br>• Communicate business performance, developments and strategic priorities to investors | • Annual General Meeting<br>• Annual reports and announcements<br>• Investor briefings |

**Engagement Frequency :** Quarterly / Annually

**Regulatory Bodies**

**Why They Matter?** | DC Healthcare operates in a highly regulated healthcare environment where compliance with licensing requirements, patient safety standards and clinical regulations is essential to responsible service delivery and operational continuity.

| Key Areas of Interest | Our Response | Engagement Channels |
|---|---|---|
| • Regulatory compliance and licensing requirements<br>• Healthcare safety standards<br>• Industry guidelines and regulatory updates | • Monitor regulatory developments and emerging compliance risks and incorporate requirements into operational procedures<br>• Maintain regular communication with relevant authorities on compliance matters<br>• Facilitate regulatory inspections and ensure timely submission of required documentation | • Regulatory submissions<br>• Regulatory meetings and briefings<br>• Site inspections |

**Engagement Frequency :** Periodically / As required

# Sustainability Statement (Cont'd)

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Stakeholder Engagement (Cont'd)

**Patients and Clients**

**Why They Matter?** | Patients and clients rely on DC Healthcare to deliver safe, effective and clinically appropriate treatments. Maintaining patient trust and satisfaction remains essential to service quality, reputation and long-term business sustainability.

| Key Areas of Interest | Our Response | Engagement Channels |
|---|---|---|
| • Quality and safety of treatments<br>• Patient's experience and satisfaction<br>• Pricing transparency<br>• Patient confidentiality and data protection | • Adhere to established medical standards, ensure practitioners are properly qualified and comply with clinical safety protocols<br>• Provide professional care, efficient service delivery and responsive customer support<br>• Maintain a transparent communication on treatment options and pricing to support informed decision-making.<br>• Safeguard patient confidentiality and protect personal data. | • Clinic consultations<br>• Customer service channels<br>• Social media platforms<br>• Company's website |

**Engagement Frequency :** Continuous / As required

**Employees**

**Why They Matter?** | Employees and medical professionals are essential to the safe delivery of healthcare services and the effective operation of DC Healthcare's clinics and corporate functions. Their expertise, professionalism and well-being directly support service quality and patient trust.

| Key Areas of Interest | Our Response | Engagement Channels |
|---|---|---|
| • Employee benefits<br>• Career development<br>• Employee health, safety and well-being<br>• Workplace culture and job satisfaction | • Provide statutory and additional employee benefits and allowances to support employee well-being and talent retention<br>• Provide continuous training and structured career development programmes to strengthen employee capabilities and support talent development and succession planning<br>• Implement employee wellness initiatives, including mental health support to foster a healthy and productive workplace.<br>• Conduct regular performance evaluations and feedback sessions to support performance management and employee development | • Town halls<br>• Employee engagement surveys<br>• Engagement events (development programmes, training sessions and social events)<br>• Emails/ newsletter<br>• Informal periodic departmental meetings |

**Engagement Frequency :** Continuous / Quarterly / Half-yearly

# Sustainability Statement
## (Cont'd)

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Stakeholder Engagement (Cont'd)

#### Financial Institutions

**Definition** | Banks and financial institutions provide financing and banking services while assessing the Company's financial performance, risk profile and governance practices, including sustainability considerations.

| Key Areas of Interest | Our Response | Engagement Channels |
|---|---|---|
| • Financial stability and performance<br>• Creditworthiness<br>• Risk management<br>• Compliance with loan covenants<br>• Transparency and reporting | • Maintain regular engagement with banks and financial institutions on financial performance and cash flow management to support long-term relationships<br>• Ensure timely servicing of borrowings and compliance with financing terns and loan covenants<br>• Maintain prudent financial management and transparent financial disclosures in accordance with financing agreements and regulatory requirements<br>• Engage in discussions on funding requirements, refinancing and financial risk management | • Meetings<br>• Financial briefings<br>• Financial report submissions<br>• Corporate communications<br>• Credit assessment |

**Engagement Frequency :** Periodically / As required

#### Suppliers and Partners

**Why They Matter?** | Suppliers and partners support DC Healthcare's operations through the provision of medical products, treatment consumables and business services. Reliable suppliers are important in maintaining service quality, operational continuity and patient safety standards.

| Key Areas of Interest | Our Response | Engagement Channels |
|---|---|---|
| • Future collaboration and business opportunities<br>• Fair contract terms<br>• Business integrity and ethical conduct<br>• Product quality, safety and reliability | • Maintain ongoing supplier engagement and conduct performance reviews to support operational efficiency and accountability.<br>• Monitor supplier compliance with regulatory, ethical and quality standards, ensuring products and devices used are of high quality and medical grade.<br>• Maintain transparent procurement practices and clear contractual agreements with timely payments to foster mutually beneficial partnerships. | • Supplier evaluations/audits<br>• Regular briefings<br>• Supplier meetings and engagement sessions |

**Engagement Frequency :** Continuous / Periodically / As required

# Sustainability Statement (Cont'd)

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Stakeholder Engagement (Cont'd)

**Analysts / Media**

**Why They Matter?** | Analysts and media play an important role in communicating corporate developments and market performance to investors and the public, influencing market perception and investor confidence

| Key Areas of Interest | Our Response | Engagement Channels |
|---|---|---|
| • Corporate developments and business performance<br>• Market outlook and company strategy<br>• Transparency of information | • Provide accurate, consistent and timely disclosures on corporate performance, strategic developments and business updates to support informed reporting.<br>• Maintain transparent and proactive communication with analysts and media to support responsible reporting and a clear understanding of the Company's operations and market positioning | • Social media engagement<br>• Press releases<br>• Media briefings<br>• Corporate website announcements |

**Engagement Frequency :** Continuous / As required

**Local Community**

**Why They Matter?** | DC Healthcare operates within the communities where our clinics and offices are located. Maintaining positive relationships with these communities supports the Group's social licence to operate and strengthens public trust in our services.

| Key Areas of Interest | Our Response | Engagement Channels |
|---|---|---|
| • Community investments, development and impact<br>• Social contributions<br>• Responsible business practices | • Support community well-being through outreach programmes, partnerships and social initiatives.<br>• Promote responsible business practices while contributing to local economic and social development within the communities where we operate<br>• Maintain timely and responsive communications with community stakeholders to address concerns and feedback. | • Community outreach programmes<br>• Corporate Social Responsibility activities<br>• Community engagement initiatives |

# Sustainability Statement
## (Cont'd)

### MATERIALITY MATRIX

The Materiality Matrix presents the sustainability matters most relevant to DC Healthcare and our stakeholders. These matters reflect key environmental, social and governance considerations, including the impacts, risks and opportunities that may influence the Group's long-term performance and resilience.

The matrix reflects the outcome of the Group's materiality assessment, which prioritises sustainability matters based on their relevance to DC Healthcare's operations and their importance to stakeholders. Insights gathered through stakeholder engagement support the identification of priority areas that guide the Group's sustainability focus.

**Methodology**

**Identification of Material Sustainability Matters**

Nine potential sustainability matters were identified based on their relevance to DC Healthcare's business operations, stakeholder expectations and industry practices.

**Stakeholder Assessment and Prioritisation**

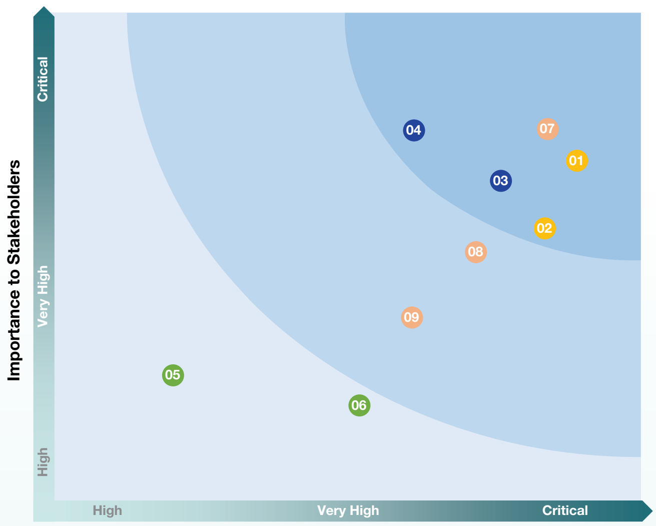
Following the identification stage, stakeholder surveys were conducted to evaluate and prioritise the identified matters based on their importance to stakeholders and their potential impact on DC Healthcare's business.

**Consolidation and Matrix Development**

Survey responses were consolidated and analysed to determine the relative importance of each matter, forming the basis of the materiality matrix.

**Validation and Approval**

The materiality matrix was reviewed and validated by senior management and approved by the Board of Directors.




| No. | Material Sustainability Matters | Level of Importance |
|---|---|---|
| 01 | Quality of Services, Products and Innovation | Critical |
| 02 | Market Presence and Expansion | |
| 03 | Corporate Governance and Business Ethics | |
| 04 | Customer Data Privacy and Security | |
| 07 | Customer Satisfaction, Trust and Safety | |
| 08 | Employee Welfare and Well-being | Very High |
| 09 | Employee Training and Development | |
| 05 | Environmental Impact Management and Climate Resilience | High |
| 06 | Sustainable Supply Chain Management | |

**Legend:**
- Business Excellence and Innovation
- Environmental Care and Responsibility
- Ethical and Responsible Business
- People and Customer and Well-being

## Sustainability Statement
(Cont'd)

# BUSINESS EXCELLENCE AND INNOVATION

Sustained business performance underpins the long-term growth of DC Healthcare and the continued delivery of high-quality medical aesthetic, wellness and healthcare services to our clients.

As demand for these services evolves, we remain focused on strengthening our service capabilities, enhancing operational efficiency and pursuing opportunities for innovation across our clinic network.

**Material Sustainability Matters**

- Market Presence and Expansion
- Quality of Services, Products and Innovation

**Key Stakeholder Groups**

- Investors and Shareholders
- Regulatory Bodies
- Patients and Clients
- Suppliers and Partners
- Financial Institutions

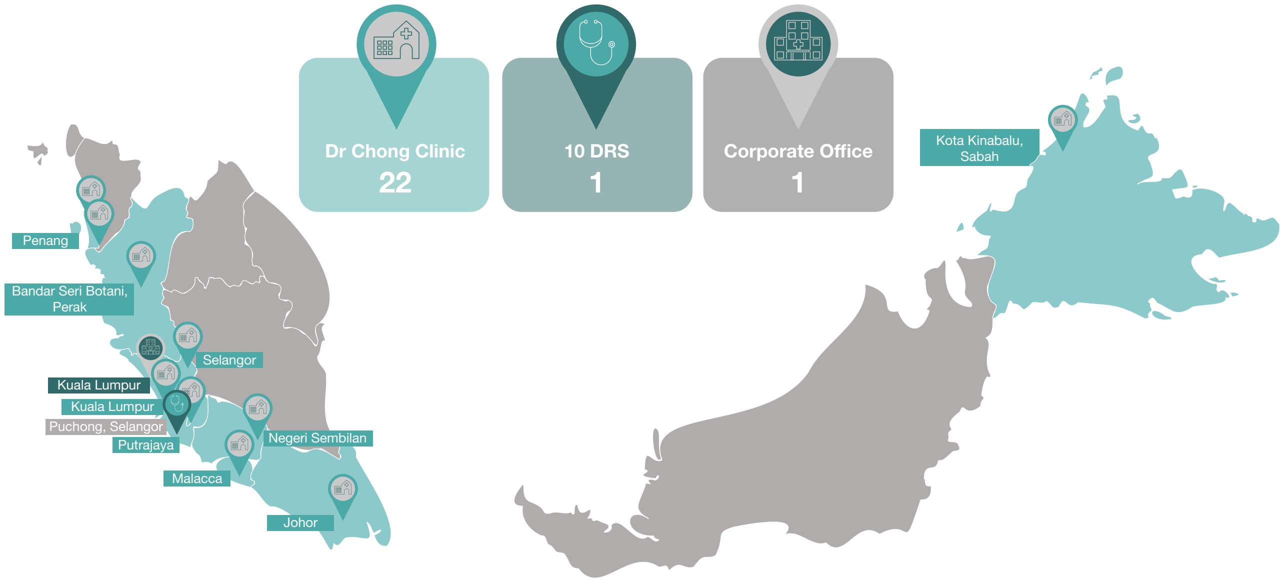
**Alignment with UN SDGs**

# Sustainability Statement
(Cont'd)

## BUSINESS EXCELLENCE AND INNOVATION (CONT'D)

### Market Presence and Expansion

The demand for aesthetic treatments continues to grow in Malaysia's medical aesthetics sector. To meet this demand, we monitor industry trends and explore opportunities to expand our clinic network and services, while ensuring consistent service quality and operational discipline across our 23 clinics.




Strategic site selection serves as the basis of our expansion strategy. We prioritise key urban locations with high population density and strong demand for medical aesthetic services. This approach enables the Group to broaden client reach, strengthen regional recognition and expand our clinic network in line with demand.

As we enter the next phase of growth, we continue to prioritise expanding our presence and introducing innovative services, while assessing opportunities to diversify offerings, enhance client experiences, and maintain operational excellence to ensure sustainable growth and competitiveness.

# Sustainability Statement (Cont'd)

## BUSINESS EXCELLENCE AND INNOVATION (CONT'D)

### Quality of Services, Products and Innovation

High-quality treatments and innovative products enable DC Healthcare to provide clients with safe and reliable medical aesthetic services. These efforts support the consistent delivery of professional and responsible care to clients, reinforced through strong clinical governance, regulatory compliance, continuous professional development, treatment innovation and structured client feedback mechanisms.

**Clinical Validation and Professional Standards**

The Group maintains strong clinical governance to ensure safe and reliable treatments across our clinics. Standardised treatment protocols and internal quality assurance processes promote consistency in service delivery.

To maintain professional standards, we provide continuous training and professional development opportunities for our practitioners. In FYE2025, compulsory training was implemented for doctors to reinforce treatment protocols and strengthen clinical competencies.

**Regulatory Compliance**

We maintain compliance with applicable laws and regulatory requirements across our clinic operations. These practices support consistent service delivery and help reinforce trust among our clients.

**Capacity Building and Knowledge Sharing**

Our clinic staff participate in professional education and training programmes that reinforce industry protocols and clinical standards.

The Group also shares selected research and development ("R&D") findings at industry conferences, scientific meetings and educational workshops, contributing to knowledge exchange within the aesthetic medicine field.

**Innovation in Treatments and Products**

We actively monitor industry trends and explore improvements in our aesthetic treatments and skincare products.

In FYE2025, combination treatment protocols were introduced to address multiple aesthetic concerns within a single treatment plan and support improved treatment outcomes for clients.

**Continuous Improvement Through Feedback**

Continuous improvements to our services and products, supported by client feedback, help the Group maintain operational consistency and respond to evolving client needs.

## Sustainability Statement
(Cont'd)

# ETHICAL AND RESPONSIBLE BUSINESS

Strong governance practices support how the Group manages operations and relationships with stakeholders. The Group emphasises ethical conduct, regulatory compliance and responsible decision-making to maintain accountability across our clinics and corporate functions.

Established governance policies and internal controls support the conduct of business activities with integrity while safeguarding stakeholder interests.

**Material Sustainability Matters**

- Corporate Governance and Business Ethics
- Customer Data Privacy and Cybersecurity

**Key Stakeholder Groups**

- Investors and Shareholders
- Regulatory Bodies
- Patients and Clients
- Employees
- Suppliers and Partners
- Local Community

**Alignment with UN SDGs**

# Sustainability Statement
(Cont'd)

## ETHICAL AND RESPONSIBLE BUSINESS (CONT'D)

### Corporate Governance and Business Ethics

Accountability, integrity and ethical conduct are central to DC Healthcare's operations, supporting responsible management and long-term business resilience.

Guided by an established framework of policies and procedures, our governance approach ensures ethical conduct and regulatory compliance across our clinics and corporate functions by the Board, management and employees.

| DC Healthcare's Corporate Policies | | |
|---|---|---|
| Anti-Bribery and Corruption Policy | Board Charter | Code of Conduct and Ethics |
| Directors' Fit and Proper Policy | Remuneration Policy | Whistleblowing Policy |

For more information on our corporate policies, please visit our website:
Corporate Governance - DC Healthcare Holdings Berhad

**Regulatory Compliance**

DC Healthcare operates within a regulated healthcare environment and ensures full compliance with applicable laws and regulatory requirements. These include the Private Healthcare Facilities and Services Act 1998, the Control of Drugs and Cosmetics Regulations 1984 and the Medicine (Advertisement and Sale) Act 1956.

Compliance is supported through internal policies, operational procedures and ongoing monitoring of regulatory developments with clinic operations conducted in accordance with applicable legal and industry requirements.

| DC Healthcare's Regulatory Compliance Initiatives | |
|---|---|
| **Compliance Reviews and Audits**<br>Internal and external reviews and audits were conducted to support compliance with applicable laws, internal policies and established clinical and ethical practices. | **Regulatory Updates and Communication**<br>Updates on changes to applicable laws and regulations are communicated internally, supporting awareness and operational compliance. |

These measures provide critical insights into our adherence to healthcare regulations and ethical standards, helping maintain current practices and prepare for evolving legal and regulatory requirements.

# Sustainability Statement
(Cont'd)

## ETHICAL AND RESPONSIBLE BUSINESS (CONT'D)

### Corporate Governance and Business Ethics (Cont'd)

**Anti-Bribery and Corruption Policy**

The Group maintains an Anti-Bribery and Corruption Policy ("ABAC") that outlines expectations for ethical behaviour and applies to employees, directors and relevant business partners. The ABAC Policy aligns with Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009 (Amendment 2018) and addresses applicable statutory requirements. Internal measures reinforce this framework, including the No-Gift Policy and the Anti-Bribery and Corruption Declaration Form, which new employees complete upon joining the Group.

**Conflict of Interest Management**

Employees and directors are expected to disclose potential conflicts of interest that may arise in the course of business activities. These disclosures promote transparency in decision-making, particularly in matters involving procurement, partnerships and other business engagements.

**Gifts and Hospitality Management**

Internal guidelines govern the offering or acceptance of gifts and hospitality in business interactions. These guidelines guide employees in managing situations that may give rise to perceived or actual conflicts of interest.

**Internal Reporting and Whistleblowing**

DC Healthcare provides employees as well as external parties, with designated channels to raise concerns regarding unethical conduct, including suspected bribery or corruption. Reports are submitted via a whistleblowing form addressed to the Chairman of the Audit Committee. Upon receipt, each report is reviewed, assessed, and, where necessary, referred for further investigation. The findings and recommended actions are subsequently presented to the Audit Committee for deliberation, ensuring timely resolution and appropriate oversight.

**Employee Awareness and Training**

Training initiatives reinforce employee awareness of anti-bribery and corruption requirements. These programmes promote understanding of ethical expectations and responsible conduct in daily business activities. In FYE2025, anti-bribery and corruption training programmes were provided to our employees, comprising 21.65% management and 78.35% non-management personnel.

**Corruption Risk Assessment**

Periodic assessments help identify potential corruption risks across the organisation, strengthening awareness of the Group's anti-bribery and corruption requirements.

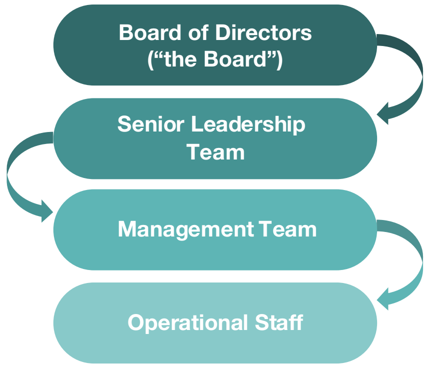
# Sustainability Statement (Cont'd)

## ETHICAL AND RESPONSIBLE BUSINESS (CONT'D)

### Corporate Governance and Business Ethics (Cont'd)

**Risk Management**

Managing risks enables responsible operations and supports business stability. Our risk management approach focuses on identifying, assessing and addressing risks that may affect business objectives across the Group.




Oversight begins at the Board level, supported by the Senior Leadership and Management Teams. Strategic risks are reviewed and reported to the Board and Audit Committee, while operational teams monitor and escalate relevant risks through established internal reporting channels.

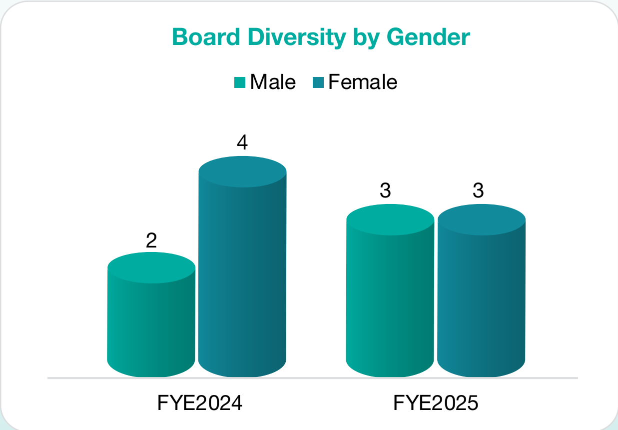
To promote consistency in risk management practices, the Group applies the Objectives, Risks, Control and Alignment ("ORCA") approach. This framework aligns business objectives with risk identification and control measures across operations.

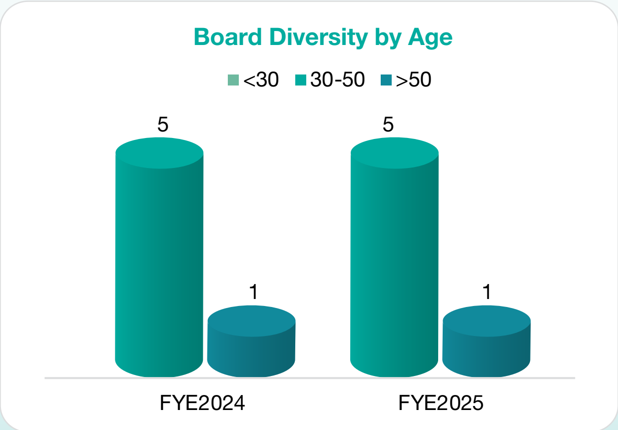
For more detailed information on Risk Management, please refer to the 'Statement on Risk Management and Internal Control' section of the Annual Report.

| O | R | C | A |
|---|---|---|---|
| **Objectives** | **Risks** | **Control** | **Alignment** |
| Goals and outcomes the Group aims to achieve. | Potential events that may affect the achievement of these objectives. | Measures implemented by management to manage and mitigate identified risks. | Alignment of objectives, risks and controls across the Group based on risk tolerance. |

**Board Diversity**

In line with the Malaysian Code on Corporate Governance ("MCCG") 2021, women comprise 50% of DC Healthcare's Board, exceeding the recommended threshold. This composition reflects a diverse leadership structure and enables the Board to bring the experience and perspectives required for effective governance.



# Sustainability Statement
(Cont'd)

## ETHICAL AND RESPONSIBLE BUSINESS (CONT'D)

### Customer Data Privacy and Cybersecurity

Protecting client and employee information is essential to maintaining service trust and data integrity. DC Healthcare safeguards personal data through robust internal procedures and system controls to protect sensitive data and mitigate risks associated with data breaches or unauthorised access.

These measures include the implementation of IT Management Standard Operating Procedures ("SOPs"), which provide guidance on data protection, system access controls and information security management.

**ZERO**

substantiated complaints relating to customer privacy breaches or data loss were recorded in FYE2025.

In FYE2025, cybersecurity practices were strengthened through the introduction of Universal Serial Bus ("USB") port access restrictions on external file transfers to reduce risks associated with unauthorised data transfers and malware. Email filtering systems were also implemented to reduce exposure to phishing and other cybersecurity threats.

Sustainability Statement (Cont'd)

# ENVIRONMENTAL CARE AND RESPONSIBILITY

Environmental considerations are relevant to medical aesthetics providers, as clinic operations involve the responsible use of resources and the management of environmental impacts.

For DC Healthcare, environmental practices focus on efficient resource management within clinic operations while maintaining safe and reliable treatment environments for patients.

**Material Sustainability Matters**

- Environmental Impact Management and Climate Resilience
- Sustainable Supply Chain Management

Key Stakeholder Groups

- Investors and Shareholders
- Regulatory Bodies
- Employees
- Suppliers and Partners

**Alignment with UN SDGs**

# Sustainability Statement
(Cont'd)

## ENVIRONMENTAL CARE AND RESPONSIBILITY (CONT'D)

### Environmental Impact Management and Climate Resilience

Environmental considerations within DC Healthcare's clinic operations focus on the responsible management of energy, water, waste and procurement practices. The Group managed these areas with a focus on operational efficiency, regulatory compliance and the maintenance of safe and reliable treatment environments for patients and staff. As the Group continues to strengthen our environmental practices, our ongoing efforts also support greater resilience to evolving operational and climate-related considerations.

**Our Energy Efficiency Initiatives**

1. Optimise the use of natural lighting within facilities
2. Encourage employees to switch off lights when not in use
3. Set air conditioning thermostats at no lower than 24°C

**Energy Consumption**

Total energy consumption for the reporting year amounted to 4,161.68 GJ, reflecting higher operational activity across the Group's clinics. Purchased electricity remains the Group's primary energy source, while diesel consumption was attributed to the use of company vans and lorries.

Note:
1. Energy consumption for diesel was calculated using the conversion factors from UK Government's GHG Conversion Factor 2025.

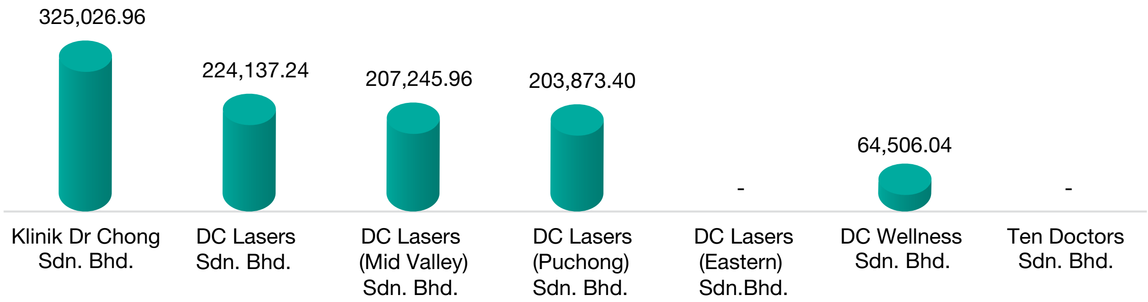
**Energy Consumption (GJ) in FYE2025**

Total Energy Consumption: **4,161.68 GJ**
Energy Intensity: **48.36 GJ/RM million revenue**


**Electricity Consumption**

In FYE2025, the Group recorded total purchased electricity consumption of 1,024,789.60 kWh. Electricity usage varied across clinic locations depending on operational scale, medical equipment requirements and facility operating hours.

**Electricity Consumption (kWh) Across Subsidiaries**




Note:
1. DC Lasers (Eastern) Sdn. Bhd. is a newly incorporated entity that has not commenced operations, while Ten Doctors Sdn. Bhd. conducts all business through its headquarters without offices or branches; accordingly, neither reports electricity consumption.

# Sustainability Statement (Cont'd)

## ENVIRONMENTAL CARE AND RESPONSIBILITY (CONT'D)

### Environmental Impact Management and Climate Resilience (Cont'd)

**GHG Emissions**

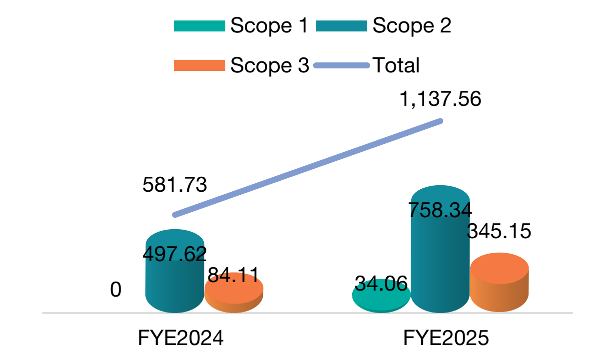
Total GHG emissions across DC Healthcare's operations amounted to 1,137.56 $tCO_2e$ in FYE2025, covering Scope 1, Scope 2 and selected Scope 3 emission categories. The Group's emissions profile reflects the operational nature of our clinic network, where electricity consumption remains the primary source of carbon emissions.

Scope 1 emissions accounted for 3% of total GHG emissions and arose mainly from diesel consumption for company vehicles such as vans and lorries.

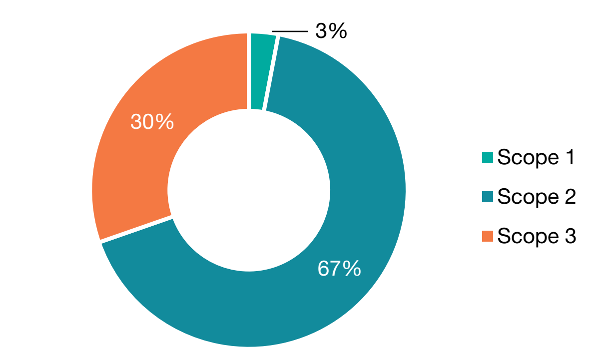
Scope 2 emissions represented the largest contributor at 67% of total emissions, primarily driven by purchased electricity required to support daily clinic operations, including medical equipment and treatment rooms.

Scope 3 emissions accounted for 30% of total emissions and comprise indirect emissions from activities within our value chain, particularly employee commuting and business travel. We continue to progressively enhance Scope 3 data coverage as part of our ongoing efforts to strengthen emissions tracking and climate-related disclosures.

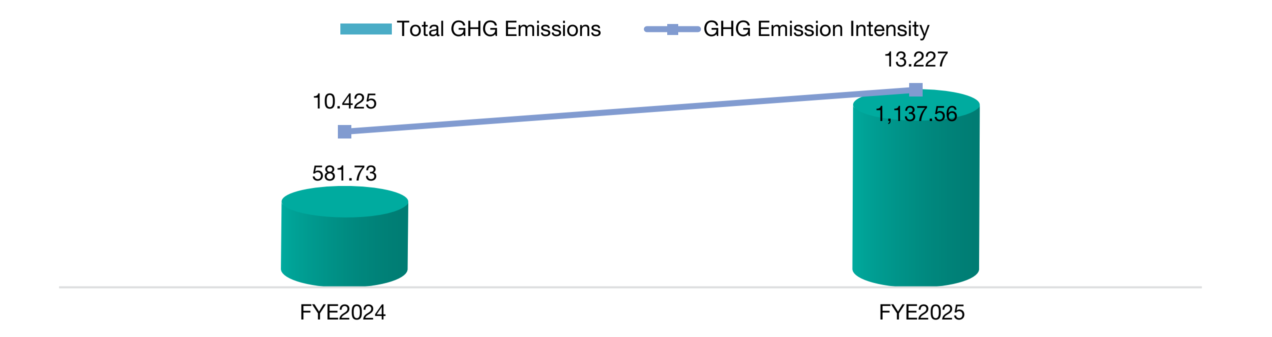
**Total GHG Emissions ($tCO_2e$)**




**GHG Emissions Breakown by Scopes (%)**




**Total GHG Emissions ($tCO_2e$) and Emission Intensity ($tCO_2e$/RM million revenue)**



# Sustainability Statement
(Cont'd)

## ENVIRONMENTAL CARE AND RESPONSIBILITY (CONT'D)

### Environmental Impact Management and Climate Resilience (Cont'd)

**GHG Emissions (Cont'd)**

| Scope 3 Categories | GHG Emissions in FYE2025 (tCO2e) |
|---|---|
| Business Travel (Air) | 10.90 |
| Business Travel (Land) | 3.97 |
| Employee Commute | 330.28 |
| **Total** | 345.15 |

Note:
1. Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards.
2. Scope 1 and 3 emissions factors were sourced from the UK Government's GHG Conversion Factor 2025.
3. Scope 2 emission factors for purchased electricity were sourced from the National Energy Commission's Grid Emissions Factor ("GEF") Malaysia (2022-2024).

### Waste Management

Managing waste generated from clinic operations forms part of the Group's environmental management approach. DC Healthcare applies the 3R principles: Reduce, Reuse and Recycle to minimise waste generation and promote responsible resource utilisation.

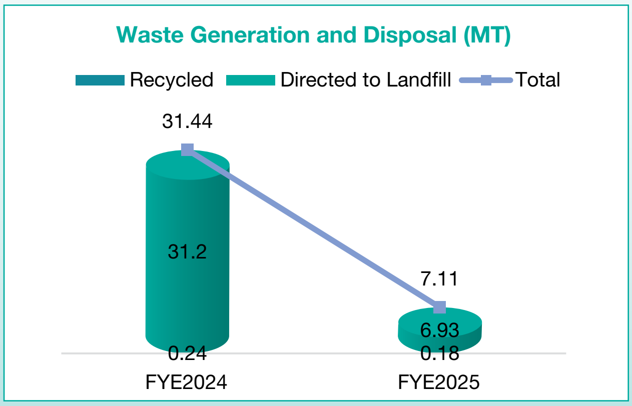
During the reporting year, the Group implemented initiatives to reduce paper consumption, including double-sided printing, the use of electronic signatures for internal documentation and increased adoption of digital records.

Waste generated from clinic activities is categorised into hazardous and non-hazardous waste streams. Hazardous waste, primarily clinical waste classified as scheduled waste, is handled by licensed contractors and disposed of in accordance with the requirements of the Department of Environment ("DOE") and the Environmental Quality Act 1974.

Non-hazardous waste mainly comprises general office waste from administrative operations, which is collected by local municipal councils and disposed of at approved sanitary landfills.

| Hazardous Waste | Hazardous Waste | |
|---|---|---|
| Clinical and pharmaceutical waste, including used syringes, clinical waste from medical treatments and used gauze or sutures. | General or domestic waste | Paper, cardboard and paper boxes |
| Collected by Prescribed Contractor | Directed to Landfill | Recycled |

In FYE2025, the Group generated a total of 7.11 metric tonnes ("MT") of waste, of which 6.93 MT was directed to landfill and 0.18 MT was recycled. This represents a 77.39% reduction compared with FYE2024, mainly attributable to improved waste segregation practices and optimisation of waste disposal processes.

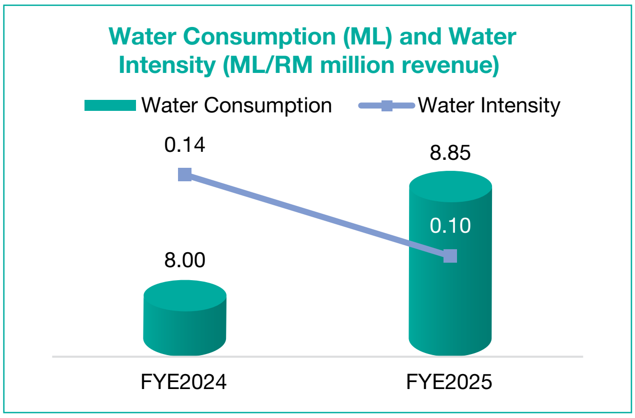


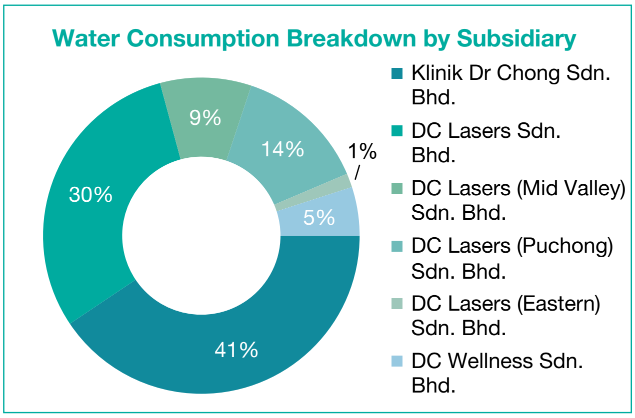
# Sustainability Statement (Cont'd)

## ENVIRONMENTAL CARE AND RESPONSIBILITY (CONT'D)

### Water Management

Water is primarily used in DC Healthcare's clinic operations for sanitation and general operational needs. Conservation measures, such as turning off taps when not in use and the use of half-flush systems, are implemented across clinics to minimise unnecessary consumption. In FYE2025, total water consumption across the Group's operations amounted to 8.85 ML.




Note:
1. Ten Doctors Sdn. Bhd. conducts all business through its headquarters without offices or branches hence no water consumption is reported.

### Sustainable Supply Chain Management

DC Healthcare continues to integrate sustainability considerations into our supply chain, focusing on building a resilient, efficient and environmentally responsible procurement approach, including the responsible sourcing of medical consumables, equipment and clinic supplies.

The Group is exploring Just-in-Time ("JIT") delivery practices to optimise inventory, reduce excess stock and minimise material waste. Implementation will be phased based on operational suitability across clinics.

Local sourcing remains a key priority to reduce transportation-related emissions and support local businesses. As of FYE2025, Klinik Dr Chong Sdn. Bhd. and DC Wellness Sdn. Bhd. source primarily from local suppliers, while Ten Doctors Sdn. Bhd. maintains a high proportion of local supplier engagement.

Looking ahead, DC Healthcare plans to introduce supplier sustainability assessments to strengthen responsible practices and accountability across our supply chain.

## Sustainability Statement
(Cont'd)

# PEOPLE AND CUSTOMER WELL-BEING

People remain central to the Group's operations, from the employees who support our clinics to the patients who rely on our services. Our approach focuses on maintaining safe and responsible clinical practices while supporting employee development, workplace well-being and high standards of patient care across our operations.

**Material Sustainability Matters**

- Customer Satisfaction, Trust and Safety
- Employee Training and Development
- Employee Welfare and Well-Being
- Community Engagement

**Key Stakeholder Groups**

- Regulatory Bodies
- Employees
- Local Community

**Alignment with UN SDGs**

8 DECENT WORK AND ECONOMIC GROWTH

# Sustainability Statement (Cont'd)

## PEOPLE AND CUSTOMER WELL-BEING (CONT'D)

### Customer Satisfaction, Trust and Safety

DC Healthcare's provision of medical aesthetic and dermatological treatments requires high standards of patient safety, treatment quality and service delivery to maintain patient trust and satisfaction. Maintaining this trust requires consistent service standards, responsible treatment practices and clear communication throughout the treatment journey.

In FYE2025, DC Healthcare conducted a patient satisfaction survey, achieving an average Net Promoter Score ("NPS") of 71 out of 100. Patient feedback provides insight into treatment quality and service standards while supporting continuous improvements to the overall care experience.

**Patient Safety and Care Practices**

**Consultation and Post-Treatment Care**

Patients undergo consultation prior to treatment, followed by guidance and monitoring during the post-treatment stage.

**Personalised Treatment Planning**

Treatment plans are developed based on individual patient needs to support appropriate aesthetic outcomes.

**Patient Feedback and Service Review**

Patient feedback is collected and reviewed to support continuous improvement in service quality.

**Clinical Training and Safety Protocols**

Medical teams undergo training on treatment techniques, safety protocols and patient care standards.

**Medical Technology and Equipment**

Investment in medical technology and equipment to support the delivery of aesthetic treatments.

**Professional Knowledge Sharing**

Internal doctors and external partners contribute to training sessions to support continuous professional development across the Group.

**Grievance Mechanisms**

Accessible grievance mechanisms allow concerns relating to services or treatments received at our clinics to be raised through established channels. Information on these channels are provided prior to treatment, with complaints reviewed and investigated by the Management Team and addressed within 14 working days.

**Grievance Channel**
Email Address:
enquiry@drchongclinic.com

# Sustainability Statement
(Cont'd)

## PEOPLE AND CUSTOMER WELL-BEING (CONT'D)

### Employee Welfare and Well-Being

Employee-related priorities within DC Healthcare's clinic operations focus on workplace safety, workforce development, employee well-being and performance management. These areas are managed through structured policies, training programmes and employee support initiatives to maintain a safe, capable and stable workforce. As the Group continues to expand our clinic network, ongoing workforce initiatives also support operational continuity and long-term organisational growth.

**Occupational Health and Safety ("OHS")**

OHS practices support daily operations across DC Healthcare's clinics, enabling employees to perform their duties safely while minimising exposure to workplace health and safety risks.

The Group complies with OHS requirements under the Department of Occupational Safety and Health ("DOSH") in Malaysia. Established safety procedures and training programmes guide employees in adhering to appropriate safety practices during clinical and operational activities. In FYE2025, 89 newcomers participated in our OHS training session during their orientation. The session was conducted by our in-house trainer.

**Mental Health and Well-Being**

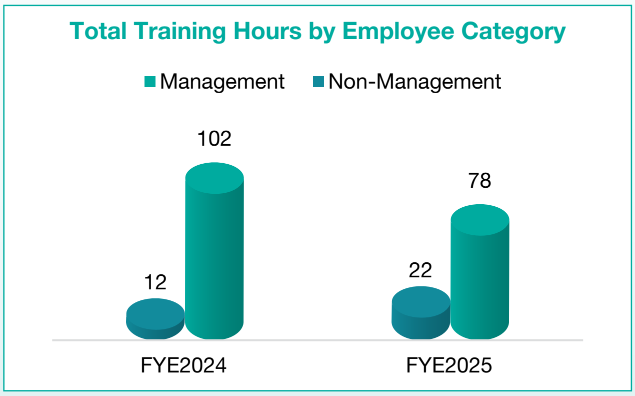
DC Healthcare provides employees with access to counselling services and designated Mental Health Days where additional support may be required, enabling employees to seek support and manage their well-being while continuing to perform their professional responsibilities.

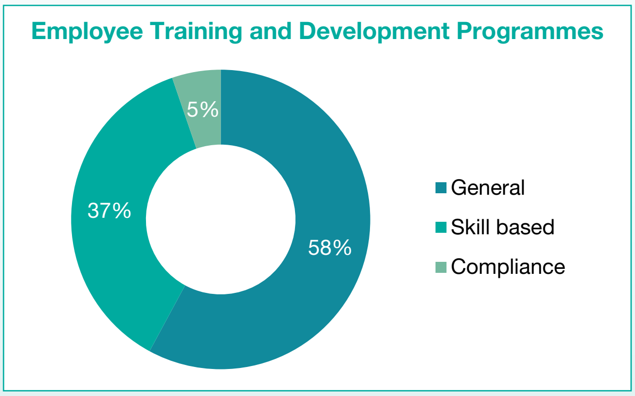
### Employee Training and Development

The delivery of medical aesthetic treatments requires appropriately trained personnel with the necessary clinical knowledge and technical competencies. Within DC Healthcare's clinic network, training focuses on developing resident doctors, clinic consultants and operational staff involved in patient care and treatment services.

In FYE2025, training covered general skills, role-specific development and compliance-related programmes aligned with the operational requirements of our clinics. Management-level employees completed an average of 22 training hours, representing an 83% increase compared with FYE2024.

Training initiatives also support the professional progression of medical personnel. Resident doctors within the Group undergo supervised clinical training under LCP Certified Aesthetic Physicians, forming part of the pathway towards certification in medical aesthetic practice.



# Sustainability Statement
(Cont'd)

## PEOPLE AND CUSTOMER WELL-BEING (CONT'D)

### Employee Training and Development (Cont'd)

**Capacity Building Programmes in FYE2025**

**Patient Experience & Customer Service**

- Client Experience Programme
- Customer Ambassador Camp

➢ Focused on improving patient engagement, service quality and overall customer experience.

**Sales & Team Performance**

- Super Team Work & Sales
- Sales Samurai Programme
- Treatment & Sales Pitch

➢ Aimed at strengthening teamwork, communication and client engagement techniques, particularly in understanding patient needs.

**Technical & Medical Knowledge**

- Continuous Medical Education

➢ Focused on enhancing and refreshing knowledge of treatments to ensure high standards of service delivery.

**Safety & Compliance**

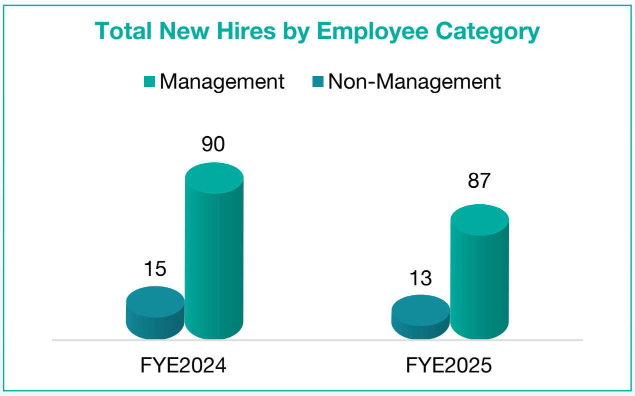
- *Keselamatan Jalan Raya*

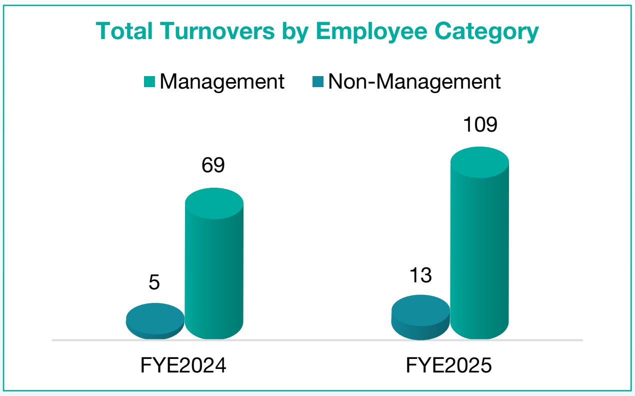
➢ Designed to promote safe driving practices and enhance employee safety awareness.

**Fostering an Inclusive and Capable Workforce**

The Group operates a network of medical aesthetic clinics across Malaysia, with operations driven by teams of doctors, clinic consultants and operational personnel. Recruitment focuses on attracting individuals with the relevant qualifications, experience, and professional competencies to meet clinical and operational needs.

In FYE2025, DC Healthcare welcomed 100 new employees, strengthening clinical, customer service and operational capabilities in line with the continued expansion of our clinic network.




**Performance Management and Recognition**

Periodic performance evaluations provide our employees with structured feedback on their work and professional development. Appraisals are conducted based on established Key Performance Indicators ("KPIs") and supervisor assessments. Recognition and reward initiatives acknowledge contributions to clinic operations and organisational performance. In FYE2025, 216 employees received performance appraisals.

# Sustainability Statement
(Cont'd)

## PEOPLE AND CUSTOMER WELL-BEING (CONT'D)

### Employee Training and Development (Cont'd)

**Employee Benefits**

Employee benefits contribute to workforce well-being and a positive working environment across DC Healthcare's clinics. The Group provides additional benefits to enhance employee welfare, workplace flexibility and the ability to manage personal commitments while maintaining work effectiveness.

**Additional Leave Entitlements**

- Marriage Leave
- Compassionate Leave
- Examination Leave

**Healthcare Provision**

- Medical Benefits

**Allowances and Compensation**

- Travelling Allowance
- Outstation Meal Allowance
- Transport Allowance
- Food Allowance
- Shift Allowance
- Mileage Claim
- Entertainment Claim
- Accommodation Claim

**Memberships and Certifications**

- Malaysia Institute of Accounts ("MIA") Annual Subscription Claim
- Malaysian Institute of Certified Public Accountants ("MICPA") Annual Subscription Claim
- Annual Practising Certificate ("APC") Claim

Note:
1. The MIA and MICPA annual subscriptions apply to accounting staff, whereas the APC applies to medical practitioners conducting procedures.

### Community Engagement

The Group contributes to local communities through initiatives that deliver meaningful social impact.

In FYE2025, the Group donated furniture valued at RM28,942 to Persatuan Kebajikan Ahsana Kuala Lumpur ("PKAKL"), supporting the organisation's activities and operational needs.

Donation to PKAKL

### Moving Towards a Sustainable Future

As DC Healthcare continues to expand our clinic network, sustainability considerations guide the Group's long-term development. Strengthened governance practices, responsible clinical operations and workforce initiatives contribute to responsible operations within the medical aesthetics industry.

Looking ahead, we will continue strengthening our sustainability approach in line with evolving regulatory expectations and operational priorities, reinforcing responsible business practices while delivering long-term value to stakeholders.

# Sustainability Statement
(Cont'd)

## PERFORMANCE DATA TABLE

### Governance

| Indicator | Unit | FYE2023 | FYE2024 | FYE2025 |
|---|---|---|---|---|
| **Anti-Corruption** | | | | |
| Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category | | | | |
| • Management | % | - | 21.65 | 21.65 |
| • Non-Management | % | - | 78.35 | 78.35 |
| Bursa C1(b) Percentage of operations assessed for corruption-related risks | % | - | 100 | 100 |
| Bursa C1(c) Confirmed incidents of corruption and actions taken | Number | - | 0 | 0 |
| **Data Privacy and Security** | | | | |
| Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data | Number | - | 0 | 0 |

### Environment

| Indicator | Unit | FYE2023 | FYE2024 | FYE2025 |
|---|---|---|---|---|
| **Energy Management** | | | | |
| Bursa C4(a) Total energy consumption | MWh | - | 0.108 | 1,156.02 |
| **Emissions Management** | | | | |
| Bursa C11(a) Scope 1 emissions in tonnes of CO2e | $tCO_2e$ | - | - | 34.06 |
| Bursa C11(b) Scope 2 emissions in tonnes of CO2e | $tCO_2e$ | - | 497.62 | 758.34 |
| Bursa C11(c) Scope 3 emissions in tonnes of CO2e (business travel and employee commuting) | $tCO_2e$ | - | 84.11 | 345.15 |
| **Waste Management** | | | | |
| Bursa C10(a) Total waste generated | Metric tonnes | - | 31.44 | 7.11 |
| Bursa C10(a)(i) Total waste diverted from disposal | Metric tonnes | - | 0.24 | 0.18 |
| Bursa C10(a)(ii) Total waste directed to disposal | Metric tonnes | - | 31.2 | 6.93 |
| **Water Consumption** | | | | |
| Bursa C9(a) Total volume of water used | ML | - | 8.00 | 8.85 |
| **Supply Chain Management** | | | | |
| Bursa C7(a) Proportion of spending on local suppliers | % | - | 99.63 | 99.58 |

### Social

| Indicator | Unit | FYE2023 | FYE2024 | FYE2025 |
|---|---|---|---|---|
| **Occupational Health and Safety** | | | | |
| Bursa C5(a) Number of work-related fatalities | Number | - | 0 | 0 |
| Bursa C5(b) Lost time incident rate ("LTIR") | Rate | - | 0 | 0 |
| Bursa C5(c) Number of employees trained on health and safety standards | Number | - | 0 | 89 |

# Sustainability Statement
(Cont'd)

## PERFORMANCE DATA TABLE (CONT'D)

### Social (Cont'd)

| Indicator | Unit | FYE2023 | FYE2024 | FYE2025 |
|---|---|---|---|---|
| **Labour Practices and Standards** | | | | |
| Bursa C6(d) Number of substantiated complaints concerning human rights violations | Number | - | 0 | 0 |
| Bursa C6(a) Total hours of training by employee category | | | | |
| • Management | Hours | - | 12 | 22 |
| • Non-Management | Hours | - | 102 | 78 |
| Bursa C6(c) Total number of employee turnover by employee category | | | | |
| • Management | Number | - | 5 | 13 |
| • Non-Management | Number | - | 69 | 109 |
| **Diversity and Inclusion** | | | | |
| Bursa C3(a) Percentage of employees by gender and age group, for each employee category | | | | |
| Gender group by employee category | | | | |
| • Management (Male) | % | - | 11.90 | 14.63 |
| • Management (Female) | % | - | 88.10 | 85.37 |
| • Non-Management (Male) | % | - | 19.90 | 19.78 |
| • Non-Management (Female) | % | - | 80.10 | 80.22 |
| Age group by employee category | | | | |
| • Management (<30) | % | - | 7.14 | 9.76 |
| • Management (30-50) | % | - | 85.72 | 87.80 |
| • Management (>50) | % | - | 7.14 | 2.44 |
| • Non-Management (<30) | % | - | 39.80 | 34.07 |
| • Non-Management (30-50) | % | - | 57.71 | 64.29 |
| • Non-Management (>50) | % | - | 2.49 | 1.65 |
| Bursa C3(b) Percentage of directors by gender and age | | | | |
| Male | % | - | 33.33 | 50.00 |
| Female | % | - | 66.67 | 50.00 |
| <30 | % | - | - | - |
| 30-50 | % | - | 83.33 | 83.33 |
| >50 | % | - | 16.67 | 16.67 |
| Bursa C6(b) Percentage of employees that are contractors or temporary staff | % | - | - | 0.44 |
| **Local Community** | | | | |
| Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer | RM | 31,131 | 239,016 | 28,942 |
| Bursa C2(b) Total number of beneficiaries of the investment in communities | Number | - | 1,825 | 60 |

# Sustainability Statement
(Cont'd)

## GRI CONTENT INDEX

| | |
|---|---|
| **Statement of use** | DC Healthcare Holdings Berhad has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards |
| **GRI 1 used** | GRI 1: Foundation 2021 |

| GRI STANDARD | DISCLOSURE | LOCATION (PAGE) |
|---|---|---|
| **GRI 2: General Disclosures 2021** | 2-1 Organisational details | 4 |
| | 2-2 Entities included in the organisation's sustainability reporting | 4 |
| | 2-3 Reporting period, frequency and contact point | 4 |
| | 2-6 Activities, value chain and other business relationships | 4 |
| | 2-7 Employees | 30 |
| | 2-9 Governance structure and composition | 8 |
| | 2-10 Nomination and selection of the highest governance body | 8 |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 8 |
| | 2-13 Delegation of responsibility for managing impacts | 8 |
| | 2-14 Role of the highest governance body in sustainability reporting | 8 |
| | 2-16 Communication of critical concerns | 27 |
| | 2-22 Statement on sustainable development strategy | 5 |
| | 2-23 Policy commitments | 6 |
| | 2-24 Embedding policy commitments | 6 |
| | 2-26 Mechanisms for seeking advice and raising concerns | 27 |
| | 2-27 Compliance with laws and regulations | 17 |
| | 2-29 Approach to stakeholder engagement | 9-11 |
| **GRI 3: Material Topics 2021** | 3-1 Process to determine material topics | 12 |
| | 3-2 List of material topics | 12 |
| | 3-3 Management of material topics | Throughout |
| **GRI 204: Procurement Practices 2016** | 204-1 Proportion of spending on local suppliers | 32 |
| **GRI 205: Anti-corruption 2016** | 205-1 Operations assessed for risks related to corruption | 32 |
| | 205-2 Communication and training about anti-corruption policies and procedures | 18 |
| | 205-3 Confirmed incidents of corruption and actions taken | 32 |
| **GRI 302: Energy 2016** | 302-1 Energy consumption within the organisation | 22 |
| | 302-2 Energy consumption outside of the organisation | 23 |
| | 302-3 Energy intensity | 22 |
| | 302-4 Reduction of energy consumption | 22 |
| **GRI 303: Water and Effluents 2018** | 303-1 Interactions with water as a shared resource | 25 |
| | 303-5 Water consumption | 25 |
| **GRI 305: Emissions 2016** | 305-1 Direct (Scope 1) GHG emissions | 23 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 23 |
| | 305-3 Other indirect (Scope 3) GHG emissions | 23 |

# Sustainability Statement
(Cont'd)

## GRI CONTENT INDEX (CONT'D)

| GRI STANDARD | DISCLOSURE | LOCATION (PAGE) |
|---|---|---|
| **GRI 306: Waste 2020** | 306-1 Waste generation and significant waste-related impacts | 24 |
| | 306-2 Management of significant waste-related impacts | 24 |
| | 306-3 Waste generated | 24 |
| **GRI 401: Employment 2016** | 401-1 New employee hires and employee turnover | 30 |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 30 |
| **GRI 403: Occupational Health and Safety 2018** | 403-1 Occupational health and safety management system | 28 |
| | 403-5 Worker training on occupational health and safety | 29 |
| | 403-9 Work-related injuries | 32 |
| **GRI 404: Training and Education 2016** | 404-2 Programmes for upgrading employee skills and transition assistance programs | 29 |
| **GRI 413: Local Communities 2016** | 413-1 Operations with local community engagement, impact assessments, and development programmes | 31 |
| **GRI 418: Customer Privacy 2016** | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | 20 |

# Sustainability Statement
(Cont'd)

**Prescribed Table**

## DC Healthcare Holdings Berhad
BMLR Transition Period

Date & Time: 2026-04-24_23:35:10
FYE 31/12/2025

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|---|---|---|---|---|---|
| GOVERNANCE<br>Corporate Governance, Risk Management and Anti-Corruption | Bursa C1(a)<br>Percentage of employees who have received training on anti-corruption by employee category<br>- Management | % | 21.65 | - | No assurance |
| GOVERNANCE<br>Corporate Governance, Risk Management and Anti-Corruption | Bursa C1(a)<br>Percentage of employees who have received training on anti-corruption by employee category<br>- Non-Management | % | 78.35 | - | No assurance |
| GOVERNANCE<br>Corporate Governance, Risk Management and Anti-Corruption | Bursa C1(b)<br>Percentage of operations assessed for corruption related risks | % | 100 | - | No assurance |
| GOVERNANCE<br>Corporate Governance, Risk Management and Anti-Corruption | Bursa C1(c) Confirmed incidents of corruption and actions taken | Number | 0 | - | No assurance |
| GOVERNANCE<br>Data Privacy and Security | Bursa C8(a)<br>Number of substantiated complaints concerning breaches of customer privacy or losses of customer data | Number | 0 | - | No assurance |
| ENVIRONMENT<br>Energy, Emissions and Climate Resilience | Bursa C4(a)<br>Total energy consumption | MWh | 1,156.02 | - | No assurance |
| ENVIRONMENT<br>Energy, Emissions and Climate Resilience | Bursa C11(a)<br>Scope 1 emissions in tonnes of CO2e | tCO2e | 34.06 | - | No assurance |
| ENVIRONMENT<br>Energy, Emissions and Climate Resilience | Bursa C11(a)<br>Scope 2 emissions in tonnes of CO2e | tCO2e | 758.34 | - | No assurance |
| ENVIRONMENT<br>Energy, Emissions and Climate Resilience | Bursa C11(c)<br>Scope 3 emissions in tonnes (business travel and employee commuting) | tCO2e | 345.15 | - | No assurance |

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# Sustainability Statement
## (Cont'd)

## DC Healthcare Holdings Berhad
BMLR Transition Period

Date & Time: 2026-04-24_23:35:10
FYE 31/12/2025

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|---|---|---|---|---|---|
| ENVIRONMENT<br>Waste and Pollution Management | Bursa C10(a)<br>Total waste generated | Metric tonnes | 7.11 | - | No assurance |
| ENVIRONMENT<br>Waste and Pollution Management | Bursa C10(a)<br>Total waste diverted from disposal | Metric tonnes | 0.18 | - | No assurance |
| ENVIRONMENT<br>Waste and Pollution Management | Bursa C10(a)<br>Total waste directed to disposal | Metric tonnes | 6.93 | - | No assurance |
| ENVIRONMENT<br>Water Management | Bursa C9(a)<br>Total volume of water used | ML | 8.85 | - | No assurance |
| ENVIRONMENT<br>Supply Chain Management | Bursa C7(a)<br>Proportion of spending on local suppliers | % | 99.58 | - | No assurance |
| SOCIAL<br>Occupational Health and Safety | Bursa C5(a)<br>Number of work-related fatalities | Number | 0 | - | No assurance |
| SOCIAL<br>Occupational Health and Safety | Bursa C5(b)<br>Lost time incident rate ("LTIR") | Rate | 0 | - | No assurance |
| SOCIAL<br>Occupational Health and Safety | Bursa C5(c)<br>Number of employees trained on health and safety standards | Number | 89 | - | No assurance |
| SOCIAL<br>Labour Practices and Standards | Bursa C6(d)<br>Number of substantiated complaints concerning human rights violation | Number | 0 | - | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C6(a)<br>Total hours of training by employee category<br>- Management | Hours | 22 | - | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C6(a)<br>Total hours of training by employee category<br>- Non-Management | Hours | 78 | - | No assurance |

## DC Healthcare Holdings Berhad

BMLR Transition Period

Date & Time: 2026-04-24_23:35:10

FYE 31/12/2025

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|---|---|---|---|---|---|
| SOCIAL<br>Diversity and Talent Management | Bursa C6(c)<br>Total number of employee turnover by employee category<br>- Management | Number | 13 | - | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C6(c)<br>Total number of employee turnover by employee category<br>- Non-Management | Number | 109 | - | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by gender for each employee category<br>-Management (Male) | % | 14.63 | - | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by gender for each employee category<br>-Management (Female) | % | 85.37 | - | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by gender for each employee category<br>-Non-Management (Male) | % | 19.78 | - | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by gender for each employee category<br>-Non-Management (Female) | % | 80.22 | - | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by age group, for each employee category<br>-Management (<30) | % | 9.76 | - | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by age group, for each employee category<br>-Management (30-50) | % | 87.8 | - | No assurance |

# Sustainability Statement
## (Cont'd)

**DC Healthcare Holdings Berhad**
BMLR Transition Period

Date & Time: 2026-04-24_23:35:10
FYE 31/12/2025

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|---|---|---|---|---|---|
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by age group, for each employee category<br>-Management (>50) | % | 2.44 | – | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by age group, for each employee category<br>-Non-Management (<30) | % | 34.07 | – | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by age group, for each employee category<br>-Non-Management (30-50) | % | 64.29 | – | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(a)<br>Percentage of employees by age group, for each employee category<br>-Non-Management (>50) | % | 1.65 | – | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(b) Percentage of directors by gender<br>- Male | % | 50 | – | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(b) Percentage of directors by gender<br>- Female | % | 50 | – | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(b) Percentage of directors by age<br>- 30-50 years | % | 83.33 | – | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C3(b) Percentage of directors by age<br>- >50 years | % | 16.67 | – | No assurance |
| SOCIAL<br>Diversity and Talent Management | Bursa C6(b)<br>Percentage of employees that are contractors or temporary staff | % | 044 | – | No assurance |

# Sustainability Statement (Cont'd)

## DC Healthcare Holdings Berhad

BMLR Transition Period

Date & Time: 2026-04-24_23:35:10

FYE 31/12/2025

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|---|---|---|---|---|---|
| SOCIAL<br>Community Engagement and Contribution | Bursa C2(a)<br>Total amount invested in the community where the target beneficiaries are external to the listed issuer | RM | 28,942 | - | No assurance |
| SOCIAL<br>Community Engagement and Contribution | Bursa C2(b) Total number of beneficiaries of the investment in communities<br>- Organisation/community | Number | 60 | - | No assurance |

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## INTRODUCTION

The Board of Directors ("the Board") presents the Audit and Risk Management Committee ("ARMC") Report to provide perspectives on the ARMC's performance in executing its duties for the Financial Year Ended 31 December 2025 ("FYE 2025"), adhering to Rule 15.15(1) of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Malaysian Code on Corporate Governance 2021 ("MCCG 2021").

The ARMC was established with the main goal of aiding the Board in upholding the principles of accountability, integrity, and sound corporate governance in assisting the Board in fulfilling its fiduciary responsibilities relating corporate accounting, financial reporting practices, system of risk management and internal control, the audit process and adherence to laws and regulatory requirements. The terms of reference for the ARMC can be accessed on the Company's website, www.dchealthcareholdings.com.

## COMPOSITION AND MEETINGS

The present ARMC members comprise of three (3) Independent Non-Executive Directors, which is in accordance with Rule 15.09 (1) (a) and (b) of the AMLR of Bursa Securities. The present members of the ARMC are as follows:-

| Directors | Directorship | Designation |
|---|---|---|
| Kelvin Koh Jun Xiong<br>(appointed as ARMC Chairman on 1 August 2025) | Independent<br>Non-Executive Director | Chairman |
| Datin Rekha A/P Palanysamy | Independent<br>Non-Executive Director | Member |
| Goh Siow Cheng<br>(appointed as ARMC Member on 1 August 2025) | Independent<br>Non-Executive Director | Member |
| Sim Lee San<br>(ceased as ARMC Chairperson on 17 June 2025) | Independent<br>Non-Executive Director | Chairperson |
| Yap Ee Ling<br>(ceased as ARMC Member on 17 June 2025) | Independent<br>Non-Executive Director | Member |

The ARMC Chairman, Mr. Kelvin Koh Jun Xiong is a member of Malaysian Institute of Accountants ("MIA") and Certified Practicing Accountant ("CPA") Australia. Meanwhile, Datin Rekha A/P Palanysamy is a member of MIA and Ms. Goh Siow Cheng is a member of the CPA Australia. Accordingly, the ARMC is in compliance with the Rule 15.09(1)(c) of the AMLR of Bursa Securities. The ARMC shall elect a Chairman from among its member and the elected Chairman shall be an Independent Director. All members of ARMC are not alternate directors and financially literate in discharging their duties and responsibilities as members of ARMC.

The ARMC members possess pertinent experience and expertise in finance and accounting and have diligently fulfilled their responsibilities in alignment with the ARMC's terms of reference.

The Company acknowledged the importance of preserving the independence of its external auditors, ensuring the absence of any potential conflicts of interest. None of the ARMC members had previously served as audit partners for External Auditors of the Group. The Company will comply with a cooling-off period of at least three (3) years if a prospective ARMC member was formerly an audit partner for the Group's external auditors. This practice has been formalised and incorporated into the ARMC's Terms of Reference.

# Audit and Risk Management Committee (Cont'd)

## COMPOSITION AND MEETINGS (CONT'D)

During the FYE 2025, a total of five (5) ARMC meetings were held and the record of the attendance by each member is as follows:

| Directors | Number of ARMC meetings attended | % |
|---|---|---|
| Datin Rekha A/P Palanysamy | 5/5 | 100% |
| Kelvin Koh Jun Xiong (appointed as ARMC Chairman on 1 August 2025) | 2/2 | 100% |
| Goh Siow Cheng (appointed as ARMC Member on 1 August 2025) | 2/2 | 100% |
| Sim Lee San (ceased as ARMC Chairperson on 17 June 2025) | 3/3 | 100% |
| Yap Ee Ling (ceased as ARMC Member on 17 June 2025) | 3/3 | 100% |

Before each ARMC meeting is held, the Company Secretary will distribute the meeting agendas along with the relevant meeting materials to the ARMC members no later than seven (7) days from the date of the ARMC meeting. This process allows the Committee members to thoroughly review the agenda items, including the supporting documents, and if necessary, request additional information or clarification from Management.

## SUMMARY OF ACTIVITIES

The Chairman of ARMC reports to the Board at each Board meeting on the activities carried out by the ARMC in discharge of its duties and responsibilities. The major work undertaken by the ARMC during the financial year was as follows:

### 1. FINANCIAL REPORTING

(i) Reviewed the quarterly unaudited financial results of the Group and the Company including the announcements pertaining thereto, before recommending to the Board for approval and release the results to Bursa Securities;

(ii) Reviewed the annual audited financial statements of the Company and the Group, together with the external auditors, before recommending the same to the Board for approval;

(iii) Reviewed the impact of changes in accounting policies and adoption of new accounting standards, together with significant matters highlighted in the financial statements;

(iv) Reviewed related party transactions and conflict of interest situation that may arise within the Group and/ or Company, to ensure that transactions entered into were on arm's length basis and on normal commercial terms; and

(v) Report to the Board on its activities and significant findings and results.

### 2. EXTERNAL AUDIT

(i) Reviewed the External Auditors' reports regarding audit and accounting issues stemming from the audit, as well as updates on new developments in accounting standards issued by the Malaysia Accounting Standard Board prior to submission to the Board for approval. The review was to ensure the financial reporting and disclosures requirements are in compliance with:

- Provision of Companies Act 2016;
- AMLR of Bursa Securities;
- Applicable approved accounting standards in Malaysia; and
- Other legal and regulatory requirements.

# Audit and Risk Management Committee
(Cont'd)

## SUMMARY OF ACTIVITIES (CONT'D)

### 2. EXTERNAL AUDIT (CONT'D)

(ii) Reviewed the Audit Planning Memorandum for FYE 2025 and thereafter recommended the same to the Board for notation and approval;

(iii) Reviewed and discussed with the external auditors of their audit findings inclusive of system evaluation, audit fees, issues raised, audit recommendations and management's response to these recommendations;

(iv) Evaluated the performance of the external auditors for FYE 2025 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence and considered and recommended the re-appointment of the external auditors;

(v) Reviewed and approved the non-audit services provided/to be provided by the External Auditors and its affiliates to ensure the provision of the non-audit services does not impair their independence or objectivity as External Auditors of the Group and the Company;

(vi) Reviewed the Statement on Risk Management and Internal Control before recommending it to the Board for approval and inclusion in the Annual Report; and

(vii) Reviewed the proposed fees for the External Auditors in respect of their audit and non-audit of the Company and the Group.

The Company has appointed Messrs. Moore Stephens Associates PLT as the Auditor of the Company to conduct the external audit for FYE 2025.

### 3. INTERNAL AUDIT

(i) Discussed with the internal auditors and reviewed the overall adequacy, competency and effectiveness of the system of internal controls;

(ii) Reviewed and approved the Internal Audit Plan during the first ARMC meeting each year to ensure adequacy of resources, competencies and coverage of auditable entities with significant and high risks. Any subsequent changes to the Internal Audit Plan are approved by the ARMC;

(iii) Reviewed and assessed the adequacy of scope, functions and resources of the firm of internal auditors (that was engaged to undertake the internal audit function) and that it has the necessary authority to carry out its work;

(iv) Reviewed the major findings of internal audit, areas required improvements, and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function; and

(v) Reviewed the proposed fees for the Internal Auditors in respect of their audit of the Company and the Group.

### 4. MATTERS RELATING TO RELATED PARTY TRANSACTION

(i) Reviewed the quarterly and annual financial statements on the disclosures relating to related party transactions within the Group and ensure compliance with the provisions of the AMLR of Bursa Securities

### 5. CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST SITUATION

(i) Pursuant to Rule 15.12(1)(h) of the AMLR of Bursa Malaysia, the ARMC is responsible for reviewing conflict of interest situations that arise, persist, or may arise within the Group, including transactions, procedures, or conduct that could raise concerns regarding management integrity, as well as the measures taken to address, eliminate, or mitigate such conflicts.

# Audit and Risk Management Committee (Cont'd)

## INTERNAL AUDIT FUNCTIONS

The Group has outsourced its internal audit function to SocialGreen Governance Sdn. Bhd. ("the Internal Auditors"), a professional firm which has an ample team of audit professionals dedicated to conducting the internal audit review, led by Ms Andrea Huong Jia Mei, a Member of the Institute of Internal Auditors Malaysia ("IIA") and a member of the Malaysian Institute of Accountants.

Internal audit provides independent assessment on the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework and an efficient and effective risk management framework to provide assurance to the ARMC. The appointment and resignation of the Internal Auditors as well as the proposed audit fees are subject for review by the ARMC and to the Board for approval.

The ARMC approves the Internal Audit plan during the first ARMC meeting each year. Any subsequent changes to the Internal Audit plan are approved by the ARMC. The scope of internal audit covers the audits of all units and operations, including subsidiaries as stated in the letter of engagement.

The Internal Auditors assist the ARMC in reviewing the effectiveness of the internal control systems while ensuring that there is an appropriate balance between controls and risks all through the Group in accomplishing its business targets. With the establishment of the internal audit function, it will be possible to address any deficiencies identified in the systems and controls of the respective operating units. The establishment of the internal audit function aims to improve resource management and efficiency throughout the Group's operations.

During the FYE 2025, the following activities were carried out by the Internal Auditors in discharge of its responsibilities:

(i) Executed the internal audit function based on an Internal Audit Plan tabled and approved by the ARMC;

(ii) The Internal Audit Plan encompasses critical functional areas and business activities of the major subsidiaries of the Group. It also addresses issues related to control deficiencies and areas for improvement, providing pertinent recommendations to rectify these issues.

(iii) Emphasis on implementing best practices and ensuring management assurance across all business risks, with a particular focus on operational effectiveness and efficiency, reliability of reporting, compliance with applicable laws and regulations, and safeguarding of assets;

(iv) Performed follow-ups on the status of management-agreed action plans on recommendations raised in previous internal audit cycles, specifying timelines for the resolution of outstanding matters;

(v) Presentation of reports issued by the internal audit function at ARMC meetings with management in attendance to provide clarifications or additional information to address questions raised by ARMC members in relation to the matters raised.

The ARMC and the Board agree that the internal audit review and the coverage are adequate.

The cost incurred for the internal audit function in respect of the financial period is approximately RM15,000.00. For more details of the internal controls, internal audit function and risk management, please refer to the Statement on Risk Management and Internal Control included in this Annual Report.

This ARMC Report has been reviewed by the ARMC and approved by the Board on 21 April 2026.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of DC Healthcare Holdings Berhad ("DC Healthcare" or "the Company") and its subsidiaries ("the Group") are pleased to present this Corporate Governance ("CG") Overview Statement ("Statement") to provide the investors with an overview of the CG practices adopted by the Company in achieving the intended outcomes as set out in the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") with reference to the three (3) key principles under the stewardship of the Board as follows:-

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 articulates the Board's dedication to the MCCG 2021 and delineates the Group's adherence to the principles and implementation of best practice provisions outlined in the MCCG 2021 for the financial year ended on 31 December 2025 ("FYE 2025"). This commitment is made in accordance with Rule 15.25 of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The CG Report 2025 is available for viewing on the Company's corporate website at www.dchealthcareholdings.com as well as via the announcement on the Website of Bursa Securities.

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

### I. BOARD RESPONSIBILITIES

#### 1. Board of Directors

DC Healthcare Group is led by Board who are responsible for the success of the Group by providing entrepreneurial leadership and direction as well as supervision of the management. The Board bears responsibility for providing comprehensive governance, stewardship, and supervision for the direction and management of the Group. It establishes strategic directions and objectives, devises policies, and implements key strategic action plans for the Group. Regular reviews of the Group's business operations and management performance are conducted by the Board, which also ensures the availability of requisite resources.

The Board is fully responsible for the Company's performance and directs it in the pursuit of both short and long-term objectives. It formulates corporate strategies for growth and new business development while offering guidance and direction to the Management to facilitate the Company to achieve its corporate goals and objectives.

To enable the Board to function effectively with proper accountability and to ensure that the powers and direction of the Company are vested in the Board, the Board Charter has delineated a schedule of matters reserved for the Board's deliberation and decision. These include, amongst others, the following:

- Oversee Group's Business;
- Review and adopt strategic plans for the Group;
- Review and adopt corporate governance best practice in relation to risk management, legal and compliance management and internal control systems;
- Review and approve the annual business plans, financial statements and annual reports;
- Identifying the principal risk and ensuring the appropriate system is implemented to mitigate the identified principal risks;
- Monitoring the relationship between the Group and the management, shareholder and stakeholders and developing and implementing an investor relations program or shareholder communication policy for the Group;

To assist in the discharge of its responsibilities, the Board has established the following Board Committees as required by the applicable laws, regulations, rules, directives and guidelines and as recommended by MCCG 2021 to perform certain of its functions and to provide recommendations and advice:

I. Audit and Risk Management Committee ("ARMC")
II. Nomination Committee ("NC")
III. Remuneration Committee ("RC")

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 1. Board of Directors (Cont'd)

The Board Committee is assigned specific responsibilities for supervising the Group's operations and has the authority to act on behalf of the Board as outlined in their respective Terms of Reference. The Chairperson and members of each Board Committee are appointed by the Board.

The Chairperson of the respective Board Committees will report to the Board on the key issued deliberated or outcomes of any discussions and makes recommendations to the Board. Nevertheless, the Board retains the ultimate responsibility for making final decisions on all matters.

The Board may form other committees delegated with specific authorities to act on their behalf. These committees will operate under approved terms of reference or guidelines and are formed whenever required.

Board meeting agenda includes statutory matters governance and management reports, which includes strategic risks, strategic projects, and operational items. The Board approved an annual performance contract setting the priorities director and performance targets for the Group within the parameters of the corporate plan.

#### 2. Separation of position of the Chairman and Managing Director

The Board has defined distinct roles and responsibilities in fulfilling its fiduciary and leadership duties. The positions of Chairman and Managing Director ("MD") within the company are occupied by separate individuals, each acknowledging a well-defined division of responsibilities and accountability. This intentional separation aims to maintain a balance of power and authority. Additionally, it fosters an open and healthy exchange of views between the Board and Management when deliberating on the business, strategic objectives, and key activities of the Company.

The Board is chaired by Datuk Dr. Mohd Noor Bin Awang, an Independent Non-Executive Chairman who leads the Board with focus on governance and compliance and acts as a facilitator at Board with focus on governance and compliance and acts as a facilitator at Board meetings to ensure that relevant reviews and contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates the discussion.

The MD, Dr. Chong Tze Sheng, supervises the daily operations of the organisation, aiming for seamless and efficient functioning of the Group. The MD executes policies, strategies, and decisions approved by the Board of Directors. The MD monitor the operating financial results against plans and budgets while acting as a crucial link between the Board and the management team, ensuring the success of the Group's governance and management functions.

The MD take on primary responsibility to spearhead and manage the overall business activities of the various business division of the Group to ensure optimum utilisation of corporate resources and expertise by all the business divisions and at the same time achieve the Group's long-term objectives. Meanwhile the Chairman of the Board is responsible in leading the Board in the oversight and supervision of the Group's management.

In accordance with Practice 1.4 of the MCCG 2021, the Chairman of the Board is not a member of the ARMC, NC or RC to ensure there is check and balance as well as objective review by the Board. The roles of the Chairman and Executive Directors are separately held, and each has a clear division and responsibilities between them to ensure the balance of control, power and authority.

# Corporate Governance Overview Statement
## (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 3. Supply and Access to Information

The Board has unrestricted access to the advice and services of the Company Secretaries who is suitably qualified and competent to support the Board. The Company Secretaries are responsible for providing support and guidance to the Board on policies and procedures, rules and regulations and relevant laws in regard to the Company as well as the best practices on governance.

In addition, all Directors have full and unrestricted access to all information pertaining to the Group's businesses and affairs, in a timely manner to enable them to discharge their duties effectively.

Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors and Board Committees in advance of the scheduled meetings. Notices of meetings together with the relevant meeting papers are sent to Directors at least seven (7) days before the date of meetings. This is to guarantee that the meeting documents, inclusive of timely notice of agenda items and supporting information, are provided to the Board well in advance. Additionally, Directors have ample time to review the meeting papers and seek clarification whenever they require advice or further explanation from management and/or Company Secretaries. The discussions of the Board regarding the meeting's agenda and the conclusions drawn in fulfilling its duties and responsibilities are meticulously documented in the minutes of meetings by the Company Secretaries. These records are appropriately maintained and stored at the Registered Office of the Company.

Moreover, the Board has direct access to the guidance and support provided by the Company Secretaries who are responsible for ensuring compliance with the Board's meeting procedures and compliance with relevant rules and regulations. External advisers are invited to attend meetings to provide insights and professional views, advice and explanation on specific items on the meeting agenda, when required. Senior Management may be invited to join the meetings to brief the Board and Board Committees on the requisite information on matters being discussed, where necessary. The Chairman of the Board Committees, namely, the Audit and Risk Management Committee, Remuneration Committee and Nomination Committee briefs the Board on matters discussed as well as decisions taken at the meetings of their respective Board Committees meetings.

Technology is effectively used in the meetings of Board and Board Committees and in communication with the Board, where the Directors may receive agenda and meeting materials online and participate in meetings via audio or video conferencing.

#### 4. Commitment of the Board

The date of meeting for the Board and Board Committees has been fixed in advance for each financial year. This approach ensures that the calendars of Directors and Committee members are reserved in advance, enabling thorough planning by the management throughout the entire financial year.

The Board meets on a quarterly basis, to oversee the Group's business activities and, when needed, approve financial or business objectives and strategies. Any ad-hoc or special Board meetings are called into session as required by specific circumstances. The Chairman of the respective Board Committees report to the Board, summarizing key discussions from their committee meetings and providing recommendations for Board decisions, where necessary.

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 4. Commitment of the Board (Cont'd)

A total of five (5) Board meetings held during the FYE 2025. The following outlines the attendance of each Director at the FYE 2025 Board meetings:

| Directors | Number of meetings attended | Percentage of Attendance% |
|---|---|---|
| Datuk Dr Mohd Noor Bin Awang | 5/5 | 100% |
| Dr Chong Tze Sheng | 5/5 | 100% |
| Dr Lai Ngan Chee | 5/5 | 100% |
| Datin Rekha A/P Palanysamy | 5/5 | 100% |
| Sim Lee San<br>*(retired as a Board member with effect from 17 June 2025)* | 3/3 | 100% |
| Yap Ee Ling<br>*(retired as a Board member with effect from 17 June 2025)* | 3/3 | 100% |
| Kelvin Koh Jun Xiong<br>*(appointed as a Board member with effect from 1 August 2025)* | 2/2 | 100% |
| Goh Siow Cheng<br>*(appointed as a Board member with effect from 1 August 2025)* | 2/2 | 100% |

All the Directors complied with the minimum attendance requirement of 50% for the Board Meetings conducted during the financial year under reviewed, as stated in the Rule 15.05 of the AMLR.

To ease Directors in managing their schedules, the Company Secretaries will circulate tentative dates for Board and Board Committee meetings for the beginning of the year in advance, towards the end of the preceding year. This is to ensure that Directors have ample time to plan their attendance at scheduled Board and/or Board Committee meetings, including the Annual General Meeting ("AGM"). Following each Board and Committees meeting, the date for the next meeting is to be reaffirmed.

#### 5. Directors' Training

All appointed Directors of the Company has successfully attended the Mandatory Accreditation Program Part I and Part II (save and except for Kelvin Koh Jun Xiong who will attend MAP II before 1 February 2027) as prescribed by Bursa Securities. They are committed to ongoing self-improvement, aiming to continuously enhance their skills and knowledge to maximize their effectiveness as Directors throughout their tenure. Throughout their time in office, the Directors receive regular updates on the Group's business and stay informed about regulatory requirements.

Although the Board does not have a policy requiring each Director to attend specific number and types of training session each year, the Board recognises the importance of the Directors' training and encourage the Directors to regularly participate in ongoing seminars, training and educational programs to stay abreast of the latest developments in statutory laws, regulations and best practices, where appropriate, in line with the changing business environment and enhance their business acumen and professionalism in discharging their duties to the Group.

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 5. Directors' Training (Cont'd)

Details of seminars/conferences/training programmes attended by the Board members during FYE 2025 are listed as below:

| Name of Director | Seminars/Conferences/Training Programmes Attended |
|---|---|
| Datuk Dr Mohd Noor Bin Awang | Mandatory Accreditation Programme Part II : Leading for Impact (LIP) |
| Dr Chong Tze Sheng | Mandatory Accreditation Programme Part II : Leading for Impact (LIP) |
| Dr Lai Ngan Chee | Mandatory Accreditation Programme Part II : Leading for Impact (LIP) |
| Datin Rekha A/P Palanysamy | Mandatory Accreditation Programme Part II : Leading for Impact (LIP)<br>Interview for Approved Company Auditors |
| Kelvin Koh Jun Xiong | Mandatory Accreditation Programme (MAP 1)<br>Incident and Crisis Management for Social Media<br>Understanding of GHG Management |
| Goh Siow Cheng | Understanding of GHG Management<br>Mandatory Accreditation Programme Part II : Leading for Impact (LIP)<br>Incident and Crisis Management for Social Media<br>Merger and Acquisition of Companies: Liabilities of Directors Under Section 17A MACC Act 2001 & Internal Controls |

The Board will consistently assess and identify the training requirements for each Director, with a specific focus on new laws and regulations, as well as essential practices for effective corporate governance and risk management. This initiative aims to equip Directors with the necessary knowledge to fulfil their duties effectively.

Furthermore, the Board will receive updates on recent developments in statutory and regulatory requirements during Committee and/or Board meetings through briefings provided by the External Auditors, Internal Auditors, and Company Secretaries.

#### 6. Board Committees

**Audit and Risk Management Committee (ARMC)**

The ARMC oversees internal control policies and procedures that are in place to protect the Group's assets and uphold the integrity of financial reporting. The ARMC maintains unrestricted access to the Company's External Auditor, Internal Auditor, and management.

The ARMC consists of three (3) members, all of whom serve as Independent Non-Executive Directors. The present members of the ARMC for the FYE 2025 are as follows:

| Directors | Designation |
|---|---|
| Kelvin Koh Jun Xiong | Chairman |
| Datin Rekha A/P Palanysamy | Member |
| Goh Siow Cheng | Member |

A copy of the ARMC's Terms of Reference can be found in the Company's website at www.dchealthcareholdings.com.

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 6. Board Committees (Cont'd)

**Nomination Committee ("NC")**

The NC is responsible for various aspects, including the selection of new Directors, an annual assessment of the necessary blend of skills, experience, and other essential qualities of Directors. It also conducts an annual evaluation of the overall performance of the Board, its committees, and each individual Director. Additionally, the NC identifies potential candidates to fill vacant board positions and presents them for approval by the Board.

The NC is comprised of three (3) members, all of whom serve as Independent Non-Executive Directors. The present members of the NC for the FYE 2025 are as follows:

| Directors | Designation |
|---|---|
| Datin Rekha A/P Palanysamy | Chairperson |
| Kelvin Koh Jun Xiong | Member |
| Goh Siow Cheng | Member |

The terms of Reference of the NC provides that it shall have specific responsibilities in relation to the nomination matters. With respect to nomination matters, the specific responsibilities of the NC shall include, amongst others:

a) Reviewed the composition of the Board and Board Committees with regards to the mix of skills, independence and diversity in accordance with its policy;

b) Reviewed and recommended the retirement and re-election of Directors at the forthcoming AGM in accordance with the Company's Constitution;

c) Reviewed and assessed the effectiveness and performance of the Board as a whole, Board Committees and individual Director and make appropriate recommendation to the Board.

d) Reviewed the terms of office of the NC and each member of the NC to ascertain that the NC and its member have carried out their duties in accordance with the NC's Terms of Reference; and

e) Assessed and reviewed the independence and continuing independence of the Independent Directors.

A copy of the NC's Terms of Reference can be found in the Company's website at www.dchealthcareholdings.com.

**Remuneration Committee ("RC")**

The RC plays a crucial role in reviewing and recommending matters to the Board relating to the Remuneration package of the Board and Senior Management which comprised of compensation, bonuses, incentives and benefits.

# Corporate Governance Overview Statement
(Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 6. Board Committees (Cont'd)

Remuneration Committee ("RC") (Cont'd)

The RC consists of three (3) members, which all of the members are Independent Non-Executive Directors. The present members of the RC are as follows:

| Directors | Designation |
|---|---|
| Goh Siow Cheng | Chairperson |
| Kelvin Koh Jun Xiong | Member |
| Datin Rekha A/P Palanysamy | Member |

The terms of Reference of the RC provides that it shall have specific responsibilities in relation to the nomination matters. With respect to nomination matters, the specific responsibilities of the RC shall include, amongst other:

a) Evaluated and recommended remuneration package for the Executive Directors and Senior Management; and
b) Reviewed fees and other benefits for Non-Executive Directors.

A copy of the RC's Terms of Reference can be found in the Company's website at www.dchealthcareholdings.com.

#### 7. Board Charter

The Company has formulated a Board Charter with the aim of providing a reference and key guidance for both the Board and Senior Management. Board Charter delineates the roles, functions, composition, operation, and processes of the Board, ensuring that all Board members are thoroughly informed about their duties and responsibilities.

The Board periodically revises its Charter to stay abreast of evolving regulations and best practices, to maintain its effectiveness and alignment with the Board's objectives. The salient features of the Board Charter are accessible on the Company's website at www.dchealthcareholdings.com.

#### 8. Code of Conducts & Ethics

The Board is committed to conduct its business fairly, impartially and in full compliance with all applicable laws and regulations in Malaysia and in countries where the Company has operations, if any. The Board has established a Code of Conduct & Ethics that outlines the expected conduct for both, the Board and employees.

The Code of Conduct & Ethics offers guidance to Directors and all employees within the Group regarding the ethical and behavioural considerations or actions in the fulfilment of their duties and obligations throughout their appointments.

The Board will review the Code of Conduct & Ethics when necessary to ensure it remains relevant and appropriate. A copy of the Code of Conduct & Ethics is accessible on the Company's website at www.dchealthcareholdings.com for reference.

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 9. Whistleblowing Policy and Procedures

The Company has implemented a Whistleblowing Policy and procedures, reflecting the Board's belief that a robust whistleblowing system enhances effective management and underscores accountability, prudent risk management, and strong corporate governance practices. This policy aims to encourage the reporting of significant concerns associated with any misconduct within the Group.

The policy outlines the relevant procedures, specifying when, how, and to whom suspicions of wrongdoing within the Company and its subsidiaries should be appropriately raised. The whistle-blower's identity is maintained confidential, and protection is accorded to the Whistle-blower from any potential reprisals or retaliatory actions. To report such concerns, individuals are instructed to document them in writing and send them in a sealed envelope to the Chairman of the AC.

A copy of the Whistleblowing Policy and Procedures is accessible on the Company's website at www.dchealthcareholdings.com for reference and transparency.

#### 10. Anti-Bribery and Corruption Policy

DC Healthcare is committed to conduct business in an ethical and honest manner while upholding zero-tolerance position on bribery and corruption. The company has instituted an Anti-Bribery and Corruption Policy to establish effective measures intended to deter individuals associated with the Group from participating in corrupt practices related to business activities.

This policy offers clear guidance to all employees and the Board on addressing improper solicitation, bribery, and other corrupt activities that may arise in the course of business, in full compliance with the amended Corporate Liability Provisions outlined in Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 (Amendment 2018).

A copy of the Anti-Bribery and Corruption Policy is readily accessible on the Company's website at www.dchealthcareholdings.com for reference and transparency.

#### 11. Company Secretary

In compliance with MCCG 2021, the Board is supported by the qualified and proficient Company Secretaries who play a crucial role in advising the Board concerning the Group's constitution, policies, procedures, and adherence to pertinent regulatory requirements, codes, guidelines, and legislation. The Company Secretaries of the Company are qualified to act as Company Secretary under Section 235 of the Companies Act, 2016.

All Directors have unrestricted access to the counsel and services provided by the Company Secretaries for the efficient operation of the Board and the business. The Board expresses its contentment with the performance and invaluable support provided by the Company Secretaries in fulfilling their responsibilities.

In addition, the Company Secretaries are also accountable to the Board and is responsible for the following:

- Advising the Board on its roles and responsibilities.
- Advising the Board on matters related to corporate governance and the AMLR.
- Ensuring that Board procedures and applicable rules are observed.
- Maintaining records of the Board and ensuring effective management of the Company's statutory records.
- Preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded.
- Assisting communications between the Board and Management.
- Providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time.
- Preparing agendas and co-coordinating the preparation of Board papers.

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 11. Company Secretary (Cont'd)

The Company Secretaries consistently keep themselves abreast of the dynamic capital market environment, regulatory alterations, and developments in corporate governance through active participation in relevant conferences and training programs. Moreover, they conscientiously participate in ongoing professional development initiatives as required by the Companies Commission of Malaysia or the Malaysian Institute of Chartered Secretary and Administrators for practicing company secretaries.

### II. BOARD COMPOSTION

#### 1. Composition and Diversity

The Directors are of the opinion that the present size and composition of the Board are well-suited for facilitating effective decision-making, considering the extent and nature of the Group's businesses and operations. The Board maintains a balanced mix of expertise, skills, and attributes among its members, reflecting their diverse backgrounds and competencies. These competencies span various areas, including finance, accounting, digital technologies, and other relevant industry knowledge, along with entrepreneurial and management experience. Additionally, the Board possess a profound understanding of regulatory requirements and risk management.

The NC held a responsibility of periodically updating the composition of the Board while evaluating the tenure, performance, and contributions of each Director through the Board Evaluation process. Additionally, retiring Directors are required to annually declare or confirm their fitness, propriety, and independence, as applicable.

As of the date of this statement, the Board comprises six (6) members, including one (1) Independent Non-Executive Chairman, three (3) Independent Non-Executive Directors, one (1) Managing Director and one (1) Executive Director. The Board adheres to Rule 15.02 of the AMLR of Bursa Securities, which requires a minimum of two (2) Independent Directors or one-third (1/3) of the board of directors of a listed issuer, whichever is higher, and one (1) director of a listed issuer is mandated to be a woman.

The current composition of the Board comes with diverse academic qualifications, backgrounds, and experiences of the Board members enable them to provide effective leadership to the Group. This diversity also fosters the exchange of ideas and experiences, allowing for independent judgment on various aspects of the Group's strategy and performance to ensures that the Group upholds the highest standards of professionalism, conduct, transparency, and integrity.

#### 2. Independency of Independent Directors

The Independent Directors are non-executive Director of the Company and does not involve in the management and free from any significant business or other relationship with the Company. Hence, they are able to provide unfettered and unbiased independent judgment in ensuring that the strategies proposed by the Management are fully and objectively deliberated, challenged and examined, taking into account the interests of shareholders and other stakeholders of the Group. They serve as vital safeguards for the rights of minority shareholders and bring invaluable impartiality to the Board's decision-making process.

The assessment of each Independent Director's independence status is conducted on an annual basis, upon reappointment, or whenever new interests or relationships emerge. This assessment adheres to the criteria outlined in the AMLR.

As of the date of this statement, none of the Independent Directors has served for a cumulative period exceeding nine (9) years. Upon completion of nine (9) years tenure, the Independent Director may continue to serve on the Board as Non-Independent Director. However, should the Board wish to retain an Independent Director beyond the ninth (9th) year, they will be required to justify this decision and seek annual approval from shareholders through a Two-Tier Voting Process.

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### II. BOARD COMPOSTION (CONT'D)

#### 3. New Candidates for Board and Senior Management Appointment

The Board consists of a diverse assembly of individuals with comprehensive and complementary knowledge, competencies, and expertise. They collect informatively, and positively contribute to the Group's management, particularly in influencing the strategic direction and development of the business. When selecting individuals for roles on the Board and in Senior Management, priority is given to objective criteria, merit, and considerations encompassing diversity in skills, experience, age, cultural background, and gender.

The consideration of any prospective appointment to the Board and senior management involves a thorough evaluation conducted by the entire Board. This evaluation is based on a meticulous report prepared by the NC emphasizing the need to assess the qualifications and experience of the potential director and senior management. The NC utilizes an internal policy outlining Criteria and Skill Sets for Board Members to determine the suitability of candidates for Board appointment.

Despite management's recommendation, the Board also utilised independent sources when identifying suitable candidates. The NC thoroughly evaluates the suitability of potential candidates before formally recommending them for appointment to the Board or Senior Management roles. In making these recommendations, the NC assesses candidates based on their requisite skills, knowledge, expertise, competence, experience, characteristics, and professionalism. When appointing Independent Directors, the NC also ensures that candidates meet the independence criteria defined in the AMLR of Bursa Securities. Additionally, the NC considers the candidates' expected time commitment, including their attendance at Board meetings, Board Committee meetings, and the AGM, among other Company matters.

The Board has implemented the Directors' Fit and Proper Policy, serving as a guide for the NC and the Board of Directors in reviewing and assessing potential candidates for Directorship appointments or re-election. This policy ensures that individuals appointed or re-elected as Directors possess the requisite character, integrity, a relevant array of skills, knowledge, experience, competence, and time commitment necessary to fulfil their roles and responsibilities effectively in the best interest of the Company and its stakeholders. The Directors' Fit and Proper Policy is published on the Company's website at www.dchealthcareholdings.com.

#### 4. Boardroom Diversity Policy

The Board recognizes the significance of boardroom diversity and endorses the MCCG 2021 recommendation for establishing a boardroom diversity policy. The Board's objective is to encompass a diverse array of approaches, backgrounds, skills, and experiences in its composition. Appointments are made based on merit and objective criteria, with due consideration given to the advantages of diversity on the Board, including factors such as gender, age, and ethnicity. The Board acknowledges diversity in the boardroom as a fundamental aspect of sound corporate governance.

The Board presently includes three (3) female directors among its six (6) members, aligning with the country's aspirational target of achieving 30% representation of women on boards. The Company is committed to enhancing female representation on the Board whenever suitable candidates are available during Board vacancies.

The existing Directors' age distribution falls within the respective age group and is as follows:

| AGE GROUP | 31-40 | 41-50 | 51-60 | 61 & ABOVE |
|---|---|---|---|---|
| NUMBER OF DIRECTORS | 1 | 4 | - | 1 |

# Corporate Governance Overview Statement
(Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### II. BOARD COMPOSTION (CONT'D)

#### 4. Boardroom Diversity Policy (Cont'd)

The current diversity in the race/ethnicity and nationality of the existing Board is as follows:

| NUMBER OF DIRECTORS | MALAY | CHINESE | INDIAN | OTHERS | MALAYSIAN | FOREIGN |
|---|---|---|---|---|---|---|
| | 1 | 4 | 1 | - | 6 | - |

#### 5. Annual Evaluation

The NC conducts an annual assessment of the overall performance and effectiveness of the entire Board, its committees, and individual Directors. The NC Chairman oversees this evaluation process, facilitated by the Company Secretary who administers questionnaires. Subsequently, the NC reviews the evaluation results and offers recommendations to the Board for continual improvement. Furthermore, these findings form the basis for recommending suitable Directors for re-election at the AGM.

The evaluation criteria utilised to assess both the Board and individual Directors include a combination of factors, such as skills, knowledge, Board diversity, size, and experience, core competencies, and each Director's contributions. For the Board Committees, the assessment criteria focus on their roles and responsibilities, scope and knowledge, the frequency and duration of meetings, the provision of adequate and timely information to the Board, as well as their overall effectiveness and efficiency in fulfilling their functions.

The Board evaluation encompasses multiple components, including the Performance Evaluation of the Board and its various Committees, Audit and Risk Committee Evaluation, Internal and External Auditors Evaluation and an assessment of the independence of Independent Directors. These assessments are grounded in four (4) primary areas pertaining to Board Structure, Board Operations, the roles and responsibilities of the Board and Chairman, and the roles and responsibilities of Board Committees.

Any appointment of a new Director to the Board or a Board Committee is recommended by the NC for consideration and approval by the Board.

Pursuant to Clause 106(1) of the Company's Constitution, an election of Directors shall take place each year at the annual general meeting of the Company, where one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office and be eligible for re-election, PROVIDED ALWAYS that Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Pursuant to Clause 115 of the Company's Constitution, the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but the total number of Directors shall not at any time exceed the maximum number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

During the year, the Board conducted an internally facilitated Board assessment. The findings and recommendations from the evaluation of both the Board and Board Committees were presented to the Board for comprehensive review and action. The Board expressed confidence in the results, affirming that the existing Directors' skills and experience align with the requirements of the skills matrix, and the Chairman possesses the leadership qualities needed to safeguard stakeholder interests and advance the Group's development.

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### II. BOARD COMPOSTION (CONT'D)

#### 4. Boardroom Diversity Policy (Cont'd)

The NC will consider the evaluation results when evaluating the re-election of Directors and will recommend to the Board the endorsement of Directors standing for re-election at the upcoming AGM of the Company.

Upon the recommendation of the NC and the Board, the Directors who are standing for re-election at the forthcoming AGM of the Company are:-

(i) Kelvin Koh Jun Xiong
(ii) Goh Siow Cheng; and
(iii) Dr. Chong Tze Sheng

### III. REMUNERATION

The Board has implemented a Directors' Remuneration Policy to enable the RC in evaluating, deliberating, and proposing directors' remuneration decisions to the Board. The Board is dedicated to a remuneration policy that aligns with the level of responsibilities, accountability, and fiduciary duties of directors in guiding the Group toward its long-term objectives and enhancing shareholder value.

In accordance with the Directors' Remuneration Policy, remuneration packages for Executive Directors consist of both fixed components (i.e., salary) and variable components (i.e., bonuses and benefits-in-kind etc). The variable component depends on the Group's annual financial performance, structured to align with our strategic objectives. It aims to strike a balance, motivating and challenging senior management to achieve the business priorities outlined by the Managing Director and contribute to the long-term sustainable success of the Group.

During the financial year under review, the RC carried out an extensive assessment of the remuneration for Executive Directors and Senior Management, considering their level of responsibilities and the Group's performance. The RC also verified that these remuneration packages remained competitive within industry standards. Furthermore, the RC deliberated on the annual salary review for Executive Directors and Senior Management, aligning it with the budgeted salary increases for the rest of the organisation.

When approving annual bonus payments, the RC considered not only the overall performance of the business but also the performance of Executive Directors and Senior Management against their individual targets. Bonus payments to these individuals were designed to reflect a significant portion of collective performance measures for the year, emphasizing teamwork and simplicity in the compensation structure.

#### Directors' Remuneration

The remuneration of Executive Directors is determined impartially, based on the overall performance and profitability of the Group. The Board exercises discretion in setting Directors' remuneration, considering comparative market rates that align with each Director's level of contribution, experience, and involvement. The RC, in establishing remuneration packages for Executive Directors, prioritises the overarching principle of attracting and retaining Directors essential for the successful operation of the Group. The determination of Non-Executive Directors' remuneration is a decision made collectively by the entire Board. The remuneration for Non-Executive Directors reflects amounts paid by comparable organizations, adjusted for the contribution and levels of responsibilities undertaken by the respective Non-Executive Directors.

# Corporate Governance Overview Statement
## (Cont'd)

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### III. REMUNERATION (CONT'D)

#### Directors' Remuneration (Cont'd)

Details of the Directors' remuneration paid or payable to all Directors of the Company (both by the Company and the Group) for FYE 2025 are as follows:-

| | Company | | Group | |
|---|---|---|---|---|
| **Directors** | **Fees (RM)** | **Salaries and *other emoluments (RM)** | **Fees (RM)** | **Salaries and *other emoluments (RM)** |
| Datuk Dr. Mohd Noor Bin Awang | 67,200 | 3,000 | 67,200 | 3,000 |
| Dr. Chong Tze Sheng | - | 1,336,573 | - | 1,336,573 |
| Dr. Lai Ngan Chee | - | 1,054,543 | - | 1,054,543 |
| Datin Rekha A/P Palanysamy | 56,000 | 6,500 | 56,000 | 6,500 |
| Sim Lee San (retired w.e.f 17 June 2025) | 29,000 | 4,500 | 29,000 | 4,500 |
| Yap Ee Ling (retired w.e.f 17June 2025) | 29,000 | 4,500 | 29,000 | 4,500 |
| Kelvin Koh Jun Xiong (appointed w.e.f 1 August 2025) | 22,500 | 2,000 | 22,500 | 2,000 |
| Goh Siow Cheng (appointed w.e.f 1 August 2025) | 22,500 | 2,000 | 22,500 | 2,000 |

* other emoluments include the meeting allowances and other benefits and allowances received by the Directors of the Company.

#### Remuneration of Senior Management

For Senior Management positions, the Board holds the view that divulging the remuneration specifics of individual members, encompassing salary, bonuses, benefits-in-kind, and other emoluments, would not be in the best interests of these individuals for the following reasons:

1. Privacy and sensitivity of personal information pertaining to Senior Management.
2. May lead to a violation of personal data protection.
3. Security concerns for the staff and their family members.
4. Potentially caused tension and friction among the employees.
5. May result in challenges related to recruitment and talent retention.

The Company is of the view that the interest of the shareholders will not be prejudiced because of such non-disclosure of the key senior management on named basis. Therefore, the remuneration of the top **2** Senior Management in bands of RM50,000.00, received from the Group for the financial year under review on an unnamed basis, is set out below:

| Range of Remuneration | No. of Senior Management of the Group |
|---|---|
| RM500,000 to RM550,000 | 1 |
| RM550,001 to RM600,000 | - |
| RM600,001 to RM650,000 | - |
| RM650,001 to RM700,000 | 1 |

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

### I. AUDIT AND RISK MANAGEMENT COMMITTEE ("ARMC")

In accordance with the best practices outlined in the MCCG 2021, the Board has established the ARMC, which is composed solely of Independent Non-Executive Directors and the Chairman of the ARMC does not hold the position of Chairman of the Board.

Every member of the ARMC possesses robust financial literacy and an extensive comprehension of matters falling under the ARMC's jurisdiction, including financial reporting policies. They conscientiously fulfil their responsibilities in line with the ARMC's terms of reference. The Board depends on the ARMC for counsel in various domains, such as financial reporting, external audit, the internal control environment, the internal audit process, assessments of related party transactions, and the resolution of conflict-of-interest situations.

For the FYE 2025, none of the Board members or members of the ARMC have previously served as the key audit partner for the Group's External Auditors. The Company will adhere to a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of ARMC membership was a key audit partner for the Group's external auditors.

The role of External Auditors is crucial in offering assurance to shareholders and other stakeholders concerning the reliability of the Company's financial statements. The Company upholds a formal and transparent relationship with its external auditors to ensure adherence to approved accounting standards and statutory requirements.

The ARMC conducts a comprehensive review of the appointment, performance and remuneration of the External Auditors on a yearly basis. The ARMC subsequently recommends their re-appointment to shareholders at the AGM. During the financial year under review, the ARMC has engaged with the External Auditors without the presence of Managing Director, Executive Director and the management at least once ensuring the preservation of the Independency of External Auditors are not compromised and matter of concern expressed by the ARMC duly minuted by the Company Secretaries.

The Company had appointed Messrs. Moore Stephens Associates PLT ("Moore Stephens") as the Auditors of the Company. The Company has obtained assurance from Moore Stephens and its affiliates confirming that they have remained independent throughout the conduct of the audit engagement, complying with all relevant professional and regulatory requirements.

Following the ARMC's annual assessment of the External Auditors, the Board is content with their independence, the quality of their services, and the adequacy of resources they have provided during the annual audit. Consequently, the Board has accepted the ARMC's recommendation for the re-appointment of the External Auditors, subject to approval by shareholders at the upcoming AGM.

### II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board holds the responsibility of creating a robust framework for risk management and sustaining a comprehensive system of internal controls which encompasses financial controls, operational controls, and compliance controls, along with the risk management. The Board need to review its effectiveness regularly to safeguard shareholders' investment and the Company's assets as required by the MCCG 2021. The internal control system is designed to access both current and emerging risks and respond appropriately to the Group's risk landscape.

As an effort to strengthen the system of internal control, the Board, with the support from the external professional Internal Audit firm adopted on-going monitoring and reviewed to the existing risk management process in place within the various business operations, with the aim of formalising the risk management function across the Group. This function also serves as a source to aid the ARMC and the Board to enhance and refine the current management and operational approach, aligning with the pursuit of best practices.

The Group outsourced its internal audit function to an independent professional firm, namely SocialGreen Governance Sdn Bhd ("SocialGreen") to provide an independent assessment and assurance over the system of internal control of the Group to the ARMC and the Board.

The Board has established a Risk Management Committee merged with the Audit Committee to form ARMC. Further details of the Risk Management Committee and its activities are included in the ARMC Report in this Annual Report.

# Corporate Governance Overview Statement
(Cont'd)

## PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### I. COMMUNICATION WITH STAKEHOLDERS

The Board recognizes the significance of transparency, accountability to shareholders, and regular communication with shareholders, stakeholders, and investors concerning the Company's performance and significant developments. The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. It is the Group's practice that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analyst and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.

The Group's corporate website hosts a specialised Investor Relations section that presents thorough information about the Company. This section includes Bursa Securities announcements and offers insights into the corporate and governance structure of the Group.

### II. CONDUCT OF GENERAL MEETINGS

The AGM serves as the principal platform for the Company and the Board to actively interact with shareholders, discussing performance, corporate governance, and other issues affecting shareholders' interests. Additionally, when deemed suitable, the Board may organise press conferences or investor briefings, in conjunction with issuing press releases, to ensure shareholders are well-informed about the Group's affairs.

To ensure that shareholders have ample time to review the Annual Report, the Notice of AGM is distributed at least twenty-eight (28) calendar days before the AGM date. To enhance shareholder participation, the Company has conducted physical AGMs, making it easier for shareholders to attend. Shareholders who are unable to attend the AGM are encouraged to exercise their voting rights on proposed motions by appointing a proxy.

During the AGM, the Board actively encourages shareholder participation by providing opportunities for shareholders to ask questions about the Group's business activities, the meeting's agenda, and proposed resolutions. Directors, including the Chairman of Board Committees, are available during the AGM to address questions raised by shareholders. Additionally, External Auditors are present to offer their professional and independent insights on any concerns raised by shareholders.

The tentative dates of the AGM will be discussed and fixed by the Board in advance to ensure that each of the Directors is able to make necessary arrangement to attend the planned AGM. At the Third (3rd) AGM of the Company held on 17 June 2025, all the Directors were present to engage with shareholders by answering relevant queries and be accountable for their stewardship of the Company.

In accordance with the Rule 8.31A of AMLR, the Company will ensure that every resolution outlined in the notice of any general meeting, or in any notice of resolution that can appropriately be proposed and is intended to be proposed at any general meeting, will be voted on by a poll. Simultaneously, the Company will designate at least one (1) scrutineer to authenticate the votes cast during the general meeting.

The minutes of the AGM are subsequently published on the Company's website upon confirmation by the Board.

## COMPLIANCE STATEMENT

This Statement on the Company's corporate governance practices is made in compliance with Rules 15.25 of the AMLR. The Board considers and is satisfied that the Company has complied with the Practices of the MCCG 2021, the relevant chapters of the AMLR on CG and all applicable laws and regulations throughout the financial year under review.

This Statement was approved by the Board on 21 April 2026.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("the Board") of DC Healthcare Holdings Berhad ("DC Healthcare") and its subsidiaries (the "Group") is delighted to present its Statement on Risk Management and Internal Control ("Statement") for the financial year ended 31 December 2025 ("FYE2025"). This Statement has been prepared in adherence to Paragraph 15.26(b) of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies ("Guideline").

## RESPONSIBILITY AND ACCOUNTABILITY

The Board takes full responsibility for maintaining a strong and effective system of risk management and internal controls to protect shareholder investments and safeguard the Group's assets. Our commitment lies in cultivating a culture of accountability while continuously reviewing the soundness of our risk management and internal control framework.

While these systems are designed to manage risks effectively, they are not intended to eliminate all risks associated with achieving the Group's objectives. Instead, they provide reasonable – but not absolute – assurance against material misstatements or losses.

To this end, the Board ensures that the Group has an ongoing process to identify, assess, and mitigate key risks. This process is regularly reviewed and aligns with the **Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies**.

Following a thorough evaluation of the Group's risk management and internal control systems, the Board is satisfied that they are both sound and effective. Furthermore, the Managing Director, Executive Director, and Chief Financial Officer of DC Healthcare have provided their assurance that the systems in place are operating effectively and are well-aligned with the Group's risk management and internal control framework.

## RISK MANAGEMENT FRAMEWORK

The Group is committed to embedding robust risk management practices across all business facets to ensure informed decisions and accountable management actions. While navigating various business, operational, and reputational risks, the Group has adopted the Enterprise Risk Management ("ERM") policy, which views risk as any event that could hinder the realisation of an objective. The policy's essence is to discern and address risks based on their impact and likelihood, considering both missed opportunities and potential threats. The company's appetite for risk will shift depending on specific business goals, such as strategic or operational targets.

This framework aims to comprehensively identify, analyse, and address all potential risks. The chosen risk responses are shaped by the organisation's risk appetite and tolerance levels, which may fluctuate based on specific business objectives, such as strategic, operational, or asset protection goals. This framework describes the management's risk appetite, structure, responsibilities, processes and governance reporting procedures. It has been developed to provide a reasonable degree of certainty that strategic objectives are achieved by creating focus, integrating control measures into the Group's activities, ensuring compliance with applicable laws and regulations, and safeguarding the reliability of financial and non-financial reporting.

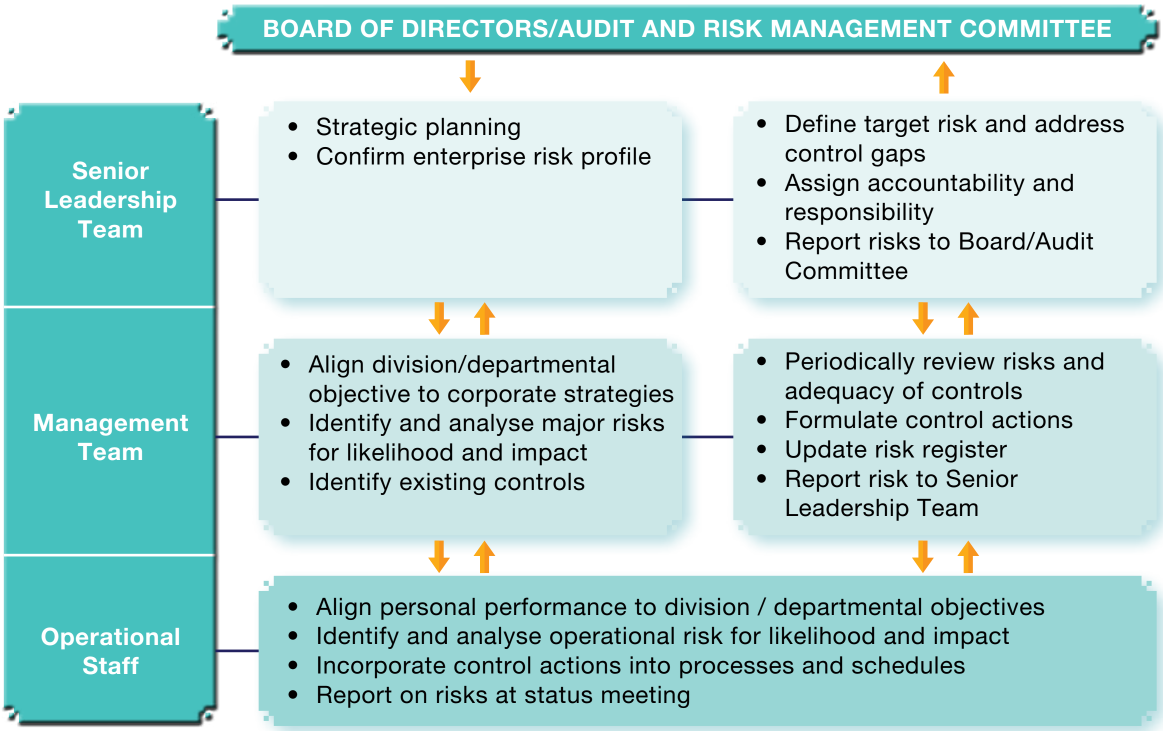
The Board will receive regular reports on the effectiveness of risk management and control measures and will take appropriate actions as needed. Moreover, periodic independent evaluations will be carried out to ensure the efficacy of these measures. Currently, the ERM policy review will be conducted yearly by the Board to ensure its continued applications and relevance.

# Statement on Risk Management and Internal Control (Cont'd)

## RISK MANAGEMENT FRAMEWORK (CONT'D)

### Responsibilities

The Board oversees the ERM framework, while the Senior Management Team, guided by the Executive Director and Managing Director is tasked with its practical implementation, ensuring that the necessary culture, processes, and structures are in place. Below is the structure of the Group that helps to streamline and align the Group's objectives, risks and controls.




In addition to a well-defined structure, the Group has also embraced the ORCA Approach to ensure uniform and consistent risk management in executing strategies, achieving business objectives, and carrying out daily operations.

**OCRA stands for:**

**OBJECTIVES:** Goals and results that aim to achieve

**RISKS:** Any potential event which could prevent the achievement of an objective

**CONTROL:** Management's response to risks

**ALIGNMENT:** Alignment of objectives, risks and controls across the enterprise determined by its appetites and tolerances for risks

# Statement on Risk Management and Internal Control (Cont'd)

## RISK MANAGEMENT FRAMEWORK (CONT'D)

### The Enterprise Risk Management ("ERM") Process

The ERM process involves a systematic application of the risk management methodology to facilitate risk identification, analysis, response, monitoring and reporting as described below:


**IDENTIFY Key Risks:** Begin by pinpointing the principal risks that could affect the organisation. This involves understanding the business environment, stakeholder expectations, and other factors that could pose challenges.

**ANALYSE Potential Impact and Probability:** Once risks are identified, evaluate their potential repercussions and the likelihood of their occurrence. This will help understand each risk's severity and prioritise them accordingly. Below is the Risk matrix impact table that the Group has adopted.

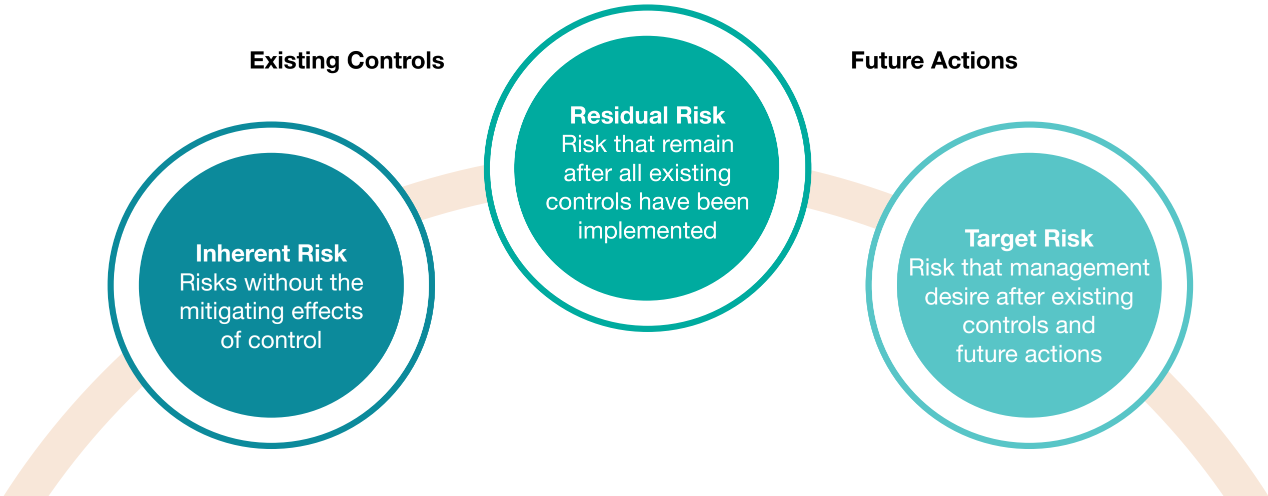
**RISK MATRIX IMPACT**

| | | (E) INSIGNIFICANT (small issue can be tackled easily) | (D) MINOR (small disruption Possible) | (C) MODERATE (some disruption) | (D) MAJOR (business severely damaged) | (C) CATASTROPHIC (company survival at risk, law suit |
|---|---|---|---|---|---|---|
| EXPECTED LIKELIHOOD | (A) ALMOST CERTAIN (>90% chance) | MEDIUM | HIGH | HIGH | HIGH | HIGH |
| | (B) LIKELY (71-90% chance) | MEDIUM | MEDIUM | HIGH | HIGH | HIGH |
| | (C) MODERATE (31-70% chance) | LOW | MEDIUM | MEDIUM | HIGH | HIGH |
| | (D) UNLIKELY (11-30% chance) | LOW | LOW | MEDIUM | MEDIUM | HIGH |
| | (E) RARE (below 10% chance) | LOW | LOW | LOW | MEDIUM | MEDIUM |

# Statement on Risk Management and Internal Control (Cont'd)

## RISK MANAGEMENT FRAMEWORK (CONT'D)

**RESPOND to Risks:** Assess the current controls in place and determine their effectiveness. Based on this assessment, choose, prioritise, and put into action the most suitable measures to address the identified risks.




Risks, whether perceived as opportunities, uncertainties, or threats, can be addressed through diverse strategies. The various risk response options detail all potential management reactions to such risks. Below, we outline these response options along with examples of associated actions for each option.

### MITIGATE

Steps taken to reduce either the likelihood of an occurrence or impact or both such as:
- Monitoring budgets/ forecast
- Defining accountability
- Ensuring adequate skill sets
- Improving staff morale
- Implementing Business
- Continuity Programme

### EXPLOIT

Steps taken to leverage opportunities, such as:
- Mergers and acquisitions
- Expanding business portfolios
- Influencing regulators, public perception
- Renegotiating contracts
- Reorganising and restructuring
- Creating innovative products

### TRANSFER

Steps taken to shift the loss or liability to third parties, such as:
- Insuring
- Outsourcing
- Diversifying of investments
- Hedging

### ACCEPT

Informed decision to accept both the impact and the likelihood of risk events

### AVOID

Steps taken to prevent the occurrence of hazards, such as:
- Ceasing activity
- Divestment of operations
- Changing objective, scale of operations or scope of coverage

# Statement on Risk Management and Internal Control (Cont'd)

## RISK MANAGEMENT FRAMEWORK (CONT'D)

**MONITOR Changes and Effectiveness:** Regularly scan the internal and external business environment for potential shifts that could alter the risk landscape. Also, consistently evaluate to ensure that the responses to risks remain effective and relevant.

| Existing Risks | New Risks |
|---|---|
| **Existing Response Plans** | **New Response Plans** |
| • Identify existing risk response plans in place<br>• Establish objectives of the risk response plan, i.e. which risk is being mitigated and to what level/ extent<br>• Evaluate if the existing risk response plans meet their objectives<br>• Assess if the response plans are sufficient and relevant, i.e. if any additional or removal of risk response plans is required | • Evaluate if is prepared to accept the type of risk and, if so, how much risk it is prepared to tolerate<br>• Assess if the existing response plans can be leveraged to mitigate/control the new risks identified<br>• Identify a range of risk response options<br>• Evaluate the options<br>• Design a plan to implement the preferred options, including the relevant KPIs and measures of success<br>• Implement the selected risk response plans |

**REPORT on Risk Status**: Maintain transparent communication by periodically reporting on the identified risks, their potential impact, and the effectiveness of the measures adopted to address them. This ensures that stakeholders are kept informed and can make decisions based on the most current risk assessment.

### Risk Reporting & Review

The Group's risk appetite defines the type and degree of risk it is willing to take or retain in order to achieve its objectives. These risks are divided into three levels:

1. **Balanced:** DC Healthcare is willing to undertake a moderate level of risk, ensuring that it does not hinder our long-term vision in skin and aesthetic excellence.
2. **Low to None:** While we might entertain minor reputational risks, they should not compromise the trust of our patients, partners, or associated practitioners.
3. **None:** In terms of treatment quality and patient safety, DC Healthcare maintains the highest standards with an uncompromising approach. Patient well-being and safety are paramount and non-negotiable.

### Risk Appetite by Category:

Aside from the level of risks, DC Healthcare's risk tolerance is also segmented by different risk categories:

1. **Strategic:** DC Healthcare is receptive to calculated risks if they align with our performance benchmarks and long-term aspirations in the skin and aesthetic industry.
2. **Operational:** We strive to limit the repercussions of unforeseen disruptions to our clinical operations.
3. **Financial:** DC Healthcare abides by a stringent and thorough set of financial policies, ensuring protection against significant financial discrepancies and ensuring accurate financial reporting.
4. **Compliance:** In regulatory and best-practice adherence, DC Healthcare upholds a strict zero-tolerance policy.

# Statement on Risk Management and Internal Control (Cont'd)

## INTERNAL AUDIT FUNCTIONS

The Group has engaged Social Green Governance Sdn. Bhd. ("SGG"), a professional service provider specialising in outsourced internal audit functions ("IAF"). The Internal Auditors hold a direct reporting line to the Audit and Risk Management Committee ("ARMC"), supporting the Board in evaluating the sufficiency and efficacy of the management's internal control systems.

This evaluation is based on the predefined scope within the annual internal audit plan that ARMC approved for FYE2025. The Internal Auditors were granted complete and unfettered access to all necessary documents and personnel for conducting the audit without any limitations on their work scope.

The ARMC has diligently reviewed the activities, findings, and recommendations of the IAF to assure itself of the robustness of the Group's risk management and internal control frameworks.

The remit of the IAF, under the guidance of the Group's internal audit charter, encompasses the following key functions:

- To assess the internal control systems guided by the Group's operational standards and provide improvement suggestions to the ARMC.
- To offer an overarching appraisal of the adequacy and effectiveness of the internal control environment within the Group, thereby giving reasonable assurance of meeting the objectives in operational efficiency, financial reliability, and policy adherence.
- To address specific issues and concerns raised by the ARMC.
- To evaluate the implementation and effectiveness of new internal controls instituted by the Group.
- To perform follow-up assessments on actions taken by Management in response to previous internal audit discoveries to ensure corrective measures have effectively addressed any reported issues or control weaknesses.

Several frameworks guide SGG's team to ensure a comprehensive audit.

1) **COSO Framework:** This involves a multi-dimensional assessment of the Group's control environment, risk assessment protocols, control activities, information and communication systems, and monitoring activities.
2) **IPPF Framework:** This framework focuses on ensuring that the Group's internal audit practices align with the global internal audit profession's ethical standards and guidelines.
3) **Compliance Review:** Conducts ongoing checks to ascertain compliance with relevant healthcare regulations, such as the Control of Drugs and Cosmetics Regulations 1984, LCP certification requirements, and guidelines issued by the Ministry of Health Malaysia. Additionally, the audit ensures adherence to the rules stipulated by Bursa Malaysia Securities Berhad and Securities Commission Malaysia.

During the FYE2025, the internal audit function has conducted the following:-

(a) Review of the functions and operation of Finance and Accounts Department;
(b) Follow-up Internal Audit Report on DC Lasers (Mid Valley) Sdn. Bhd. & DC Lasers (Puchong) Sdn Bhd;
(c) Follow-up Internal Audit Report on Information Technology;
(d) Follow-up Internal Audit Review Report on Internal Audit Report on Human Resource & Administration; and
(e) Follow-up Internal Audit Review Report on Internal Audit Report on Sales and Marketing.

Upon the completion of the internal audit field work, internal audit reports were presented to the Audit and Risk Management Committee during its scheduled meetings. Internal audit findings and recommendations as well as management response and action plans are presented and deliberated during those meetings.

# Statement on Risk Management and Internal Control (Cont'd)

## OTHER INTERNAL CONTROL PROCESSES

In addition to the risk management and internal audit functions, the Board has established an internal control framework to protect the Company's assets, guarantee accurate accounting records, and ensure the provision of trustworthy financial and operational information for internal management as well as external reporting.

It is important to note that while these controls offer a significant level of assurance, they do not absolutely guarantee that there will be no errors, inaccuracies, losses, or violations of regulations.

There are three main categories of controls:

**Preventive Controls:** Responses to stop undesirable transactions, events, errors or incidents occurring.

**Detective Controls:** Responses to promptly reveal undesirable transactions, events, errors or incidents so that appropriate action can be taken.

**Corrective Controls:** Responses to reduce the consequences or damage arising from the crystallisation of a significant incident.

Key aspects of DC Healthcare's internal control system are outlined below:

- The ARMC and the Board conduct quarterly assessments of DC Healthcare's financial outcomes and operational matters to ensure the alignment with set objectives and address any areas requiring improvement.
- Weekly operations review meetings are convened to oversee the advancement of business functions, engage in critical discussions on prevailing issues, and establish necessary corrective actions.
- Operational guidelines and compliance benchmarks for various business units within the Group are systematically documented to provide clear operational direction and ensure adherence to established practices. These documents are regularly evaluated and updated as required to preserve their relevance and efficacy.
- Financial management and treasury activities are subject to stringent centralised control and are regularly monitored on a weekly, monthly, and quarterly rhythm, allowing for timely insights and financial stewardship.
- Authorisation thresholds are formally set for different tiers of personnel, thereby mitigating the risk of unauthorised transactions and reinforcing financial governance.
- Comprehensive monthly reports on key operational performance indicators and results for each subsidiary are compiled and reviewed by Management. These reports are instrumental for informed decision-making and strategic planning.

## ADEQUACY AND EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL

Throughout the financial year under review, and up until the date this Statement was approved, the Board maintains that the risk management and internal control system in place within DC Healthcare is sufficiently robust and effective to the extent practicable. These systems serve to protect the interests and assets of the Group diligently, and the Board can confirm that there have been no substantial losses incurred due to any shortcomings within the internal controls. Going forward into the next financial year, the Board is committed to regularly evaluating the sufficiency and fortitude of DC Healthcare's internal control systems. It pledges to undertake necessary enhancements to these systems to ensure continued effectiveness and to address any emerging challenges or changes in the operational landscape.

DC Healthcare recognises the dynamic nature of risk and the need for vigilant and adaptive risk management and internal control systems. In light of this, the Board pledges to foster a culture of continuous improvement. This involves staying abreast of industry best practices, engaging with stakeholders to understand and mitigate risks proactively, and investing in staff training to heighten awareness and effectiveness in managing potential risks.

# Statement on Risk Management and Internal Control (Cont'd)

## ADEQUACY AND EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

The Board also understands the importance of aligning the internal control system with DC Healthcare's strategic objectives. This alignment ensures that as the healthcare landscape evolves, particularly with technological advancements and regulatory changes, the Group's risk management strategies and control mechanisms remain effective and relevant.

In conclusion, DC Healthcare's management and Board collectively take responsibility for ensuring that a solid framework of risk management and internal controls is not only established but also operates with efficacy and integrity. This Statement reflects the collective assurance and the commitment of the Board to uphold the highest standards of risk management and internal governance.

## REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the AMLR of Bursa Securities, the External Auditors have reviewed this Statement. Their review was performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants.

Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process and the review adopted by the Board on the adequacy and integrity of the risk management and internal control of the Group.

# ADDITIONAL COMPLIANCE INFORMATION

## UTILISATION OF PROCEEDS

The Company was listed on the ACE Market of Bursa Securities on 17 July 2023 in conjunction with its Initial Public Offering ("IPO"), where the Company undertook a public issue of 199,260,000 new ordinary shares at an issue price of RM0.25 per share, resulting in an entire enlarged issued share capital of the Company comprising of 996,300,000 ordinary shares. On 10 January 2025, the Company announced that it extended the timeframe for the utilisation of proceeds raised from its IPO exercise.

The gross proceeds raised from the IPO, amounting to RM49.815 million, were fully utilised during the financial year ended 31 December 2025 ("FYE2025"), and the proceeds were applied as intended, as outlined below:

| Description of Utilisation | Proposed Utilisation | Actual Utilisation | Estimated timeframe for Utilisation upon Listing |
|---|---|---|---|
| | RM'000 | RM'000 | |
| Establishing new aesthetic medical clinics | 9,440 | 9,440 | Fully utilised within the extended 24 months |
| Purchase of new medical machines and equipment | 13,124 | 13,124 | Fully utilised within the extended 24 months |
| Repayment of borrowings | 6,238 | 6,238 | Fully utilised within 6 months |
| Working capital | 17,013 | 17,013 | Fully utilised within 36 months |
| Listing expenses | 4,000 | 4,000 | Fully utilised within 1 month |
| **Total** | **49,815** | **49,815** | |

## AUDIT AND NON-AUDIT FEES

During the FYE2025, the amount of audit and non-audit fees paid/payable to the external auditors by the Company and the Group respectively for the financial year ended 31 December 2025 were as follows:

| | Group (RM) | Company (RM) |
|---|---|---|
| Statutory audit fees | 270,000 | 50,000 |
| Non audit fees [1] | 80,000 | 12,800 |
| Total | 350,000 | 62,800 |

*Note:*
*[1] Review of Statement on Risk Management and Internal Control and assistance with tax return filing.*

## MATERIAL CONTRACT

During the FYE2025, there was no material contracts (including contracts not reduced into writing), entered into in the ordinary course of business which have been entered into by the Company and/or its subsidiaries involving Directors' and major shareholders' interests.

## MATERIAL CONTRACTS RELATING TO LOANS

During the FYE2025, there was no material contracts relating to loans entered into by the Company and its subsidiaries involving Directors', chief executive's and/or major shareholders' interests.

## RECURRENT RELATED PARTY TRANSACTIONS

There were no current related party transactions of revenue nature entered during the FYE2025.

# Additional Compliance Information
## (Cont'd)

### DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Rule 9.25A of the ACE Market Listing Requirements, below are the financial data that are relevant for 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 | |
|---|---|---|---|
| **Total Income** | **Remarks** | **2025 (RM)** | **2024 (RM)** |
| Revenue | | 86,995,141 | 55,791,459 |
| Other income | | 364,697 | 190,020 |
| Interest/Finance income | | 515,735 | 754,100 |
| **Total** | | **87,875,573** | **56,735,579** |
| **Total Assets** | | **115,582,679** | **107,677,255** |

**(b) Business Activities**

| | | Group | |
|---|---|---|---|
| **Shariah Non-Compliant Activities** | **Remarks** | **2025 (RM)** | **2024 (RM)** |
| Aesthetics | Microneedling | 352,249 | 649,477 |
| **Total** | | **352,249** | **649,477** |

**(c) Component of Financial Position**

**(i) Cash Component**

| | | Group | |
|---|---|---|---|
| **Islamic Account/Instruments** | **Remarks** | **2025 (RM)** | **2024 (RM)** |
| Cash at bank | Includes cash in hand | 2,189,580 | 540,285 |
| Money market instruments | | 15,072,308 | 19,058,827 |
| Deposits with licensed bank | | 1,585,573 | 1,285,573 |
| **Total Cash** | | **18,847,461** | **20,884,685** |
| **Conventional Account/Instruments** | | | |
| Cash at bank | | 6,022,754 | 5,217,438 |
| Deposits with licensed bank | | 116,134 | 113,880 |
| **Total Cash** | | **6,138,888** | **5,331,318** |

# Additional Compliance Information (Cont'd)

## (c) Component of Financial Position (Cont'd)

### (ii) Debt Component

| Islamic Financing | Remarks | Group 2025 (RM) | Group 2024 (RM) |
|---|---|---|---|
| **Current** | | | |
| Bank borrowings | | 2,258,708 | 306,344 |
| Bank overdrafts | | 150,996 | 4,997,005 |
| **Non-Current** | | | |
| Bank borrowings | | 8,894,755 | 1,220,303 |
| **Total Financing** | | **11,304,459** | **6,523,652** |

| Conventional Borrowing | Remarks | Group 2025 (RM) | Group 2024 (RM) |
|---|---|---|---|
| **Current** | | | |
| Hire purchase payables | | 1,654,592 | 1,174,187 |
| **Non-Current** | | | |
| Hire purchase payables | | 4,112,245 | 3,935,596 |
| **Total Debt** | | **5,766,837** | **5,109,783** |

# STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 2016 ("Act") to prepare financial statements for each financial year. These are to be made out in accordance with the applicable approved accounting standards and to give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year, as well as of the results and cash flows of the Group and Company for the financial year.

In the preparation of these financial statements, the Directors have:

- Exercised diligent governance over the Group and Company's strategic management.
- Adopted and applied appropriate accounting principles consistently.
- Made assessments and estimates that are prudent and reasonable.
- Conformed to all relevant accounting standards, subject to any material departure and explanation in the financial statements.
- Assessed the robustness and comprehensiveness of the internal control and management information systems.
- Adopted a going concern basis, substantiated by the Directors' confident assertion post-enquiries, affirming the Group and Company's capability to sustain operational existence in the projected future.

The Directors are responsible for maintaining accurate accounting records for the Group and the Company, ensuring these records reflect the financial status accurately and are compliant with the Act, Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

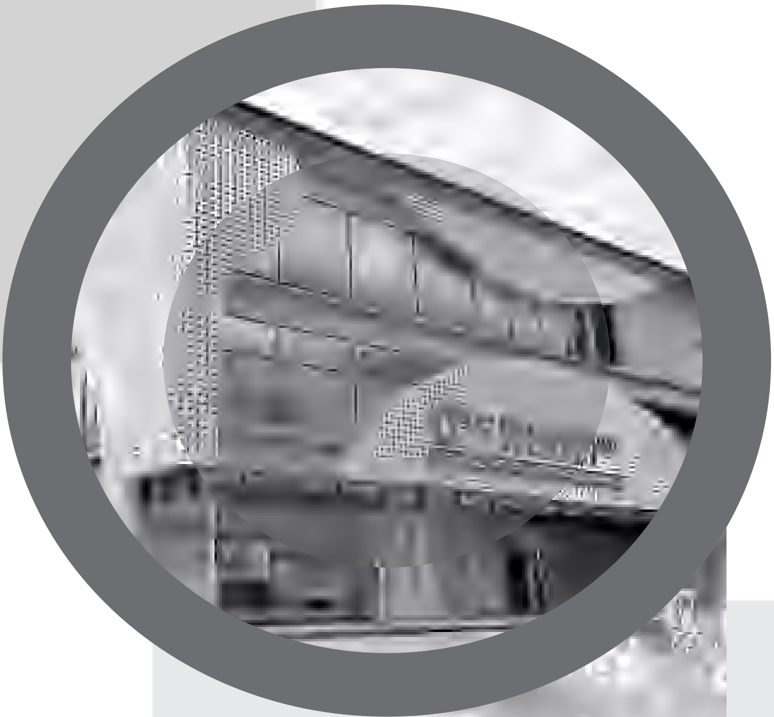
Furthermore, the Directors are committed to safeguarding the assets of both entities. They actively establish systems to detect and prevent fraud and other irregularities, ensuring the ongoing integrity of all financial dealings and asset management.

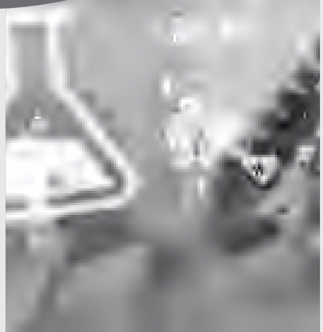
The Directors are satisfied that in preparing the financial statements of the Group and the Company for the financial year ended 31 December 2025, the Group and the Company have used appropriate accounting policies and applied them consistently and are supported by reasonable and prudent judgements and estimates.

The Directors also consider that all applicable approved accounting standards have been complied with and further confirm that the financial statements have been prepared on a going concern basis.

# FINANCIAL STATEMENTS







# DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

## PRINCIPAL ACTIVITIES

During the financial year, the principal activities of the Company have changed from investment holding to investment holding and provision of management services. The principal activities of its subsidiaries are disclosed in Note 9 to the financial statements.

## RESULTS

| | Group RM | Company RM |
|---|---|---|
| Profit for the financial year, net of tax | 205,738 | 808,042 |
| Attributable to: | | |
| Owners of the Company | 205,738 | 808,042 |

## DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any dividend in respect of the current financial year.

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

## ISSUANCE OF SHARES AND DEBENTURES

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

## OPTIONS GRANTED OVER UNISSUED SHARES AND EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

No options were granted to any person to take up unissued shares of the Company during the financial year.

The Company's ESOS are governed by the By-Laws which was approved by the Company's shareholders on 3 December 2024. The effective date for the implementation of ESOS is 7 April 2025 and is administered by the ESOS Committee, which is appointed by the Board of Directors, in accordance with the By-Laws.

# Directors' Report
## (Cont'd)

**DIRECTORS OF THE COMPANY**

The Directors in office during the financial year and at the date of this report are:-

| | |
|---|---|
| Datuk Dr. Mohd Noor Bin Awang | |
| Dr. Chong Tze Sheng * | |
| Dr. Lai Ngan Chee * | |
| Datin Rekha A/P Palanysamy | |
| Goh Siow Cheng | (Appointed on 1 August 2025) |
| Kelvin Koh Jun Xiong | (Appointed on 1 August 2025) |
| Sim Lee San | (Resigned on 17 June 2025) |
| Yap Ee Ling | (Resigned on 17 June 2025) |

* *Directors of the Company and certain subsidiaries*

**DIRECTORS OF SUBSIDIARIES OF THE COMPANY**

Pursuant to Section 253(2) of the Companies Act 2016, the Directors who served in the subsidiaries (excluding Directors who are also Directors of the Company) in office since the beginning of the financial year to the date of this report are as follows:

| | |
|---|---|
| Joestinie Joyse Anak Langie | (Appointed on 23 May 2025) |
| Wong Yan Ping | (Appointed on 21 October 2025) |
| Yong Yew Sun | (Appointed on 21 October 2025) |

**DIRECTORS' INTERESTS**

According to the register of Directors' shareholdings, the interest of Directors in office at the end of financial year in shares or in debentures of the Company and its related corporations during the financial year were as follows:

| | Number of ordinary shares | | | |
|---|---|---|---|---|
| | At 01.01.2025 Unit | Acquired Unit | Sold Unit | At 31.12.2025 Unit |
| **Name of Directors** | | | | |
| **Ordinary shares in the Company** | | | | |
| **Direct interest:** | | | | |
| Datuk Dr. Mohd Noor Bin Awang | 2,000 | - | - | 2,000 |
| Dr. Chong Tze Sheng | 47,795,000 | 737,100 | - | 48,532,100 |
| Dr. Lai Ngan Chee | 29,394,800 | - | - | 29,394,800 |
| Yap Ee Ling | 70,000 | - | - | 70,000 |
| **Indirect interest:** | | | | |
| Dr. Chong Tze Sheng ^ | 575,059,400 | - | - | 575,059,400 |
| Dr. Lai Ngan Chee ^ | 593,459,600 | 737,100 | - | 594,196,700 |

# Directors' Report
## (Cont'd)

**DIRECTORS' INTERESTS** (cont'd)

| | Number of ordinary shares | | | |
|---|---|---|---|---|
| | **At 01.01.2025** | **Acquired** | **Sold** | **At 31.12.2025** |
| | **Unit** | **Unit** | **Unit** | **Unit** |
| (cont'd) | | | | |
| **Ordinary shares in the Holding Company** | | | | |
| **- DC Healthcare Group Sdn. Berhad** | | | | |
| **Direct interest:** | | | | |
| Dr. Chong Tze Sheng | 6 | - | - | 6 |
| Dr. Lai Ngan Chee | 4 | - | - | 4 |

^ *Indirect interest by virtue of shares via shareholding in DC Healthcare Group Sdn. Berhad and held by his/her spouse pursuant to Section 197(2)(a) of the Companies Act 2016 in Malaysia.*

By virtue of their interest in shares in the Company, Dr. Chong Tze Sheng and Dr. Lai Ngan Chee are deemed to have interests in the shares of all the subsidiaries to the extent of the Company's and DC Healthcare Group Sdn. Berhad's interests, pursuant to Section 8 of the Companies Act 2016.

None of the other Directors in office at the end of the financial year had any interest in ordinary shares of the Company and its related corporations during the financial year.

**DIRECTORS' REMUNERATION AND BENEFITS**

The amount of fees and other benefits paid to or receivable by the Directors or past Directors of the Company and the estimated money value of any other benefits received or receivable by them otherwise than in cash from the Company and its subsidiaries for their services to the Company and its subsidiaries were as follows:

| | **Company RM** |
|---|---|
| Fees | 226,200 |
| Salaries, commissions and allowances | 2,029,500 |
| Defined contribution plan | 381,330 |
| Social security contributions | 2,500 |
| Contributions to employee insurance system | 286 |
| **Total fees and other benefits** | 2,639,816 |

Since the end of the previous financial year, no Directors of the Company has received nor become entitled to receive any benefit (other than Directors' emoluments received or due and receivable as disclosed in the financial statements or the fixed salary of a full-time employee of the company) by reason of a contract made by the Company or a related corporation with the 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, other than as disclosed in Note 29 to the financial statements.

There were no arrangements during or at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

# Directors' Report
(Cont'd)

## 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 provision for doubtful debts and satisfied themselves that there are no known bad debts and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their value as shown in the accounting records of the Group and of the Company have 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:

(i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts inadequate to any substantial extent;

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading;

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

(c) At the date of this report, there does not exist:

(i) any charge on the assets of the Group and 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 and of the Company which has arisen since the end of the financial year.

(d) 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 and of the Company to meet their obligations as and when they fall due;

(ii) the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and

(iii) 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 and of the Company for the financial year in which this report is made.

# Directors' Report
## (Cont'd)

**OTHER STATUTORY INFORMATION** (cont'd)

(e) The total amount paid to or receivable by the auditors as remuneration for their services as auditor for the financial year from the Company and its subsidiaries is set out in Note 4 to the financial statements. There was no indemnity provided to auditors.

(f) There was no amount paid to or receivable by any third party in respect of the services provided to the Company or any of its subsidiaries by any Directors or past Director of the Company.

(g) The indemnity insurance coverage and insurance premium paid for the Directors and Officers of the Company and its subsidiaries were RM44,500,000 and RM31,053 respectively for a year from 1 January 2025 to 31 December 2025.

**HOLDING COMPANY**

The Directors regard DC Healthcare Group Sdn. Berhad, a company incorporated and domiciled in Malaysia as the holding company.

# Directors' Report
(Cont'd)

**AUDITORS**

The auditors, Messrs. Moore Stephens Associates PLT, have expressed their willingness to continue in office.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 22 April 2026.

DR. CHONG TZE SHENG

DR. LAI NGAN CHEE

# STATEMENT BY DIRECTORS

## PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements as set out on pages 109 to 173 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and 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 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 22 April 2026.

DR. CHONG TZE SHENG

DR. LAI NGAN CHEE

# STATUTORY DECLARATION

## PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, YONG YEW SUN (MIA No: 12950), being the Officer primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 109 to 173 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
at Kuala Lumpur in the Federal Territory
on 22 April 2026

YONG YEW SUN

Before me,

**MOHAMAD ZULISWANDI BIN MOHAMED (W1006)**
Commissioner of Oaths

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DC HEALTHCARE HOLDINGS BERHAD

Registration No.: 202201014036 (1459733-P)(Incorporated in Malaysia)

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of DC Healthcare Holdings Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 109 to 173.

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 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of 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 opinion.

*Independence and Other Ethical Responsibilities*

We are independent of the Group and 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 Ethics Standards Board for Accountants' *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 Matter**

Key audit matter is the matter that, in our professional judgement, were of most significant in our audit of the financial statements of the Group and of the Company for the current year. This matter was addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

We have determined that there are no key audit matters to communicate in our report.

# Independent Auditors' Report (Cont'd)

to the Members of DC HEALTHCARE HOLDINGS BERHAD
Registration No.: 202201014036 (1459733-P)(Incorporated in Malaysia)

**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 information included in the Annual Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Statements**

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 (Cont'd)

to the Members of DC HEALTHCARE HOLDINGS BERHAD
Registration No.: 202201014036 (1459733-P)(Incorporated in Malaysia)

**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:

(a) 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.

(b) 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.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) 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.

(e) 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.

(f) 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 group financial statements. 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 deficiencies in internal control that we identify during our audit.

# Independent Auditors' Report (Cont'd)

to the Members of DC HEALTHCARE HOLDINGS BERHAD
Registration No.: 202201014036 (1459733-P)(Incorporated in Malaysia)

**Auditors' Responsibilities for the Audit of the Financial Statements** (cont'd)

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, related safeguards.

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 matter. We describe this matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matter**

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.

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)

TAN KEI HUI
03429/04/2027 J
Chartered Accountant

Petaling Jaya, Selangor
Date: 22 April 2026

# STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | | Group | | Company | |
|---|---|---|---|---|---|
| | | 2025 | 2024 | 2025 | 2024 |
| | Note | RM | RM | RM | RM |
| Revenue | 3 | 86,995,141 | 55,791,459 | 22,030,563 | - |
| Cost of sales | | (38,221,612) | (34,546,290) | (8,342,598) | - |
| **Gross profit** | | 48,773,529 | 21,245,169 | 13,687,965 | - |
| Other income | | 880,432 | 944,120 | 612,040 | 727,747 |
| Reversal/(addition) of impairment loss on amounts due from subsidiaries | 16 | - | - | 872,476 | (872,476) |
| Staff costs | | (12,572,520) | (10,120,990) | (12,080,284) | (966,179) |
| Administrative and other expenses | | (33,549,881) | (30,978,834) | (2,126,361) | (7,168,106) |
| **Profit/(loss) from operations** | | 3,531,560 | (18,910,535) | 965,836 | (8,279,014) |
| Finance costs | | (1,889,193) | (1,508,232) | (157,794) | - |
| **Profit/(loss) before tax** | 4 | 1,642,367 | (20,418,767) | 808,042 | (8,279,014) |
| Tax (expense)/credit | 5 | (1,436,629) | 770,807 | - | - |
| **Profit/(loss) for the financial year, representing total comprehensive income for the financial year** | | 205,738 | (19,647,960) | 808,042 | (8,279,014) |
| **Earning/(loss) per share attributable to Owners of the Company** | | | | | |
| Basic and diluted (sen) | 6 | 0.02 | (1.97) | | |

The annexed notes form an integral part of,
and should be read in conjunction with, these financial statements.

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

| | | Group | | Company | |
|---|---|---|---|---|---|
| | | 2025 | 2024 | 2025 | 2024 |
| | Note | RM | RM | RM | RM |
| **ASSETS** | | | | | |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 7 | 44,605,132 | 37,932,396 | 10,820,804 | - |
| Right-of-use assets | 8 | 32,685,602 | 32,171,439 | 1,599,799 | - |
| Investments in subsidiaries | 9 | - | - | 18,523,098 | 21,467,284 |
| Other investments | 10 | 1,721,877 | - | 1,721,877 | |
| Deferred tax assets | 11 | 1,542,437 | 1,495,000 | - | - |
| Other receivables | 14 | 250,245 | - | 250,245 | - |
| | | 80,805,293 | 71,598,835 | 32,915,823 | 21,467,284 |
| **Current assets** | | | | | |
| Inventories | 12 | 3,651,378 | 3,333,426 | - | - |
| Trade receivables | 13 | 199,435 | 206,173 | - | - |
| Other receivables | 14 | 5,940,187 | 5,764,036 | 319,190 | 324,159 |
| Amount due from holding company | 15 | 37 | 37 | - | - |
| Amounts due from subsidiaries | 16 | - | - | 11,654,891 | 3,980,948 |
| Tax recoverable | | - | 558,745 | - | - |
| Short-term funds | 17 | 15,072,308 | 19,058,827 | 15,072,308 | 19,058,827 |
| Fixed deposits with licensed banks | 18 | 1,701,707 | 1,399,453 | - | - |
| Cash and bank balances | | 8,212,334 | 5,757,723 | 2,015,009 | 221,452 |
| | | 34,777,386 | 36,078,420 | 29,061,398 | 23,585,386 |
| **TOTAL ASSETS** | | 115,582,679 | 107,677,255 | 61,977,221 | 45,052,670 |
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity** | | | | | |
| Share capital | 19 | 57,427,882 | 57,427,882 | 57,427,882 | 57,427,882 |
| Reorganisation reserve | 20 | (8,764,168) | (8,764,168) | - | - |
| Accumulated losses | | (3,721,929) | (3,927,667) | (11,742,541) | (12,550,583) |
| **Total equity** | | 44,941,785 | 44,736,047 | 45,685,341 | 44,877,299 |
| **Non-current liabilities** | | | | | |
| Lease liabilities | 21 | 25,745,847 | 25,307,631 | 1,389,535 | - |
| Borrowings | 22 | 8,894,755 | 1,220,303 | 8,812,823 | - |
| Provision | 23 | 258,072 | 252,702 | - | - |
| | | 34,898,674 | 26,780,636 | 10,202,358 | - |

# Statements of Financial Position (Cont'd)

AS AT 31 DECEMBER 2025

| | Note | Group 2025 RM | Group 2024 RM | Company 2025 RM | Company 2024 RM |
|---|---|---|---|---|---|
| (cont'd) | | | | | |
| **Current liabilities** | | | | | |
| Trade payables | 24 | 1,731,410 | 1,391,329 | - | - |
| Other payables | 25 | 6,725,281 | 3,874,633 | 2,450,172 | 175,371 |
| Contract liabilities | 26 | 17,198,117 | 18,505,654 | - | - |
| Amounts due to subsidiaries | 27 | - | - | 3,039,636 | - |
| Lease liabilities | 21 | 7,364,162 | 6,999,842 | 241,267 | - |
| Borrowings | 22 | 2,409,704 | 5,303,349 | 358,447 | - |
| Tax payable | | 313,546 | 85,765 | - | - |
| | | 35,742,220 | 36,160,572 | 6,089,522 | 175,371 |
| **Total liabilities** | | 70,640,894 | 62,941,208 | 16,291,880 | 175,371 |
| **TOTAL EQUITY AND LIABILITIES** | | 115,582,679 | 107,677,255 | 61,977,221 | 45,052,670 |

The annexed notes form an integral part of,
and should be read in conjunction with these financial statements.

# STATEMENTS OF CHANGES IN EQUITY
## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Attributable to Owners of the Company | | | |
|---|---|---|---|---|
| | Non-Distributable | | Distributable | |
| | Share capital RM | Reorganisation reserve RM | retained earnings/ (accumulated losses) RM | Total equity RM |
| **Group** | | | | |
| **At 1 January 2024** | 57,427,882 | (8,764,168) | 15,720,293 | 64,384,007 |
| Loss net of tax, representing total comprehensive income for the financial year | - | - | (19,647,960) | (19,647,960) |
| **At 31 December 2024** | 57,427,882 | (8,764,168) | (3,927,667) | 44,736,047 |
| **At 1 January 2025** | 57,427,882 | (8,764,168) | (3,927,667) | 44,736,047 |
| Profit net of tax, representing total comprehensive income for the financial year | - | - | 205,738 | 205,738 |
| **At 31 December 2025** | 57,427,882 | (8,764,168) | (3,721,929) | 44,941,785 |
| **Company** | | | | |
| **At 1 January 2024** | 57,427,882 | - | (4,271,569) | 53,156,313 |
| Loss net of tax, representing total comprehensive income for the financial year | - | - | (8,279,014) | (8,279,014) |
| **At 31 December 2024** | 57,427,882 | - | (12,550,583) | 44,877,299 |
| **At 1 January 2025** | 57,427,882 | - | (12,550,583) | 44,877,299 |
| Profit net of tax, representing total comprehensive income for the financial year | - | - | 808,042 | 808,042 |
| **At 31 December 2025** | 57,427,882 | - | (11,742,541) | 45,685,341 |

The annexed notes form an integral part of,
and should be read in conjunction with these financial statements.

# STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | | Group | | Company | |
|---|---|---|---|---|---|
| | | 2025 | 2024 | 2025 | 2024 |
| | Note | RM | RM | RM | RM |
| **Cash Flows from Operating Activities** | | | | | |
| Profit/(loss) before tax | | 1,642,367 | (20,418,767) | 808,042 | (8,279,014) |
| Adjustments for: | | | | | |
| Depreciation of: | | | | | |
| - property, plant and equipment | | 6,098,758 | 5,086,631 | 28,190 | - |
| - right-of-use assets | | 7,292,230 | 6,645,527 | 266,632 | - |
| Addition/(reversal) of impairment loss on: | | | | | |
| - investments in subsidiaries | | - | - | - | 4,691,625 |
| - amounts due from subsidiaries | | - | - | (872,476) | 872,476 |
| Loss on disposal of: | | | | | |
| - property, plant and equipment | | 387,153 | 248,393 | - | - |
| - right-of-use assets | | 287,384 | - | - | - |
| Gain on lease termination | | (193,904) | - | - | - |
| Waiver of lease liabilities | | - | (1,200) | - | - |
| Written off on: | | | | | |
| - property, plant and equipment | | 465,710 | 370,136 | - | - |
| - deposits | | - | 8,500 | - | - |
| - inventories | | 10,728 | 3,043 | - | - |
| Interest income | | (515,735) | (754,100) | (513,481) | (727,389) |
| Interest expense | | 1,889,193 | 1,508,232 | 157,794 | - |
| Operating profit/(loss) before working capital changes | | 17,363,884 | (7,303,605) | (125,299) | (3,442,302) |
| **Changes in working capital:** | | | | | |
| Inventories | | (328,680) | 445,337 | - | - |
| Contract liabilities | | (1,307,537) | 14,796,213 | - | - |
| Receivables | | (370,625) | 4,975,203 | (245,276) | 4,658,317 |
| Payables | | 3,190,729 | (1,341,505) | 2,274,801 | (237,917) |
| Cash generated from operations | | 18,547,771 | 11,571,643 | 1,904,226 | 978,098 |

# Statements of Cash Flows (Cont'd)

For The Financial Year Ended 31 December 2025

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| (cont'd) | | | | | |
| Cash generated from operations, balance brought forward | | 18,547,771 | 11,571,643 | 1,904,226 | 978,098 |
| Income tax paid | | (1,240,901) | (1,489,568) | - | - |
| Income tax refunded | | 543,361 | - | - | - |
| Interest received | | 515,735 | 754,100 | 513,481 | 727,389 |
| Interest paid | | (1,876,891) | (1,496,850) | (157,794) | - |
| Net cash from operating activities | | 16,489,075 | 9,339,325 | 2,259,913 | 1,705,487 |
| **Cash Flows from Investing Activities** | | | | | |
| Purchase of property, plant and equipment | (iv) | (15,877,295) | (12,953,254) | (10,848,994) | - |
| Addition in other investment | | (1,721,877) | - | (1,721,877) | - |
| Proceeds from disposal of: | | | | | |
| - property, plant and equipment | | 199,992 | 352,000 | - | - |
| - right-of-use assets | | 325,000 | - | - | - |
| Additions in right-of-use assets | (v) | - | (285,593) | - | - |
| Changes in investments in subsidiaries: | | | | | |
| - additional investments | 9 | - | - | - | (799,900) |
| - incorporation | 9 | - | - | - | (1,000) |
| - repayment of capital contribution from subsidiaries | 9 | - | - | 2,944,186 | 334,616 |
| Changes in fixed deposits pledged | | (302,254) | (1,288,211) | - | - |
| Net advances to: | | | | | |
| - holding company | | - | (37) | - | - |
| - subsidiaries | | - | - | (6,801,467) | (4,853,424) |
| Net cash used in investing activities | | (17,376,434) | (14,175,095) | (16,428,152) | (5,319,708) |

# Statements of Cash Flows (Cont'd)
For The Financial Year Ended 31 December 2025

| | Note | Group 2025 RM | Group 2024 RM | Company 2025 RM | Company 2024 RM |
|---|---|---|---|---|---|
| (cont'd) | | | | | |
| **Cash Flows from Financing Activities** | | | | | |
| Net advances from/ (repayment to) subsidiaries | (iii) | - | - | 3,039,636 | (1,085,260) |
| Proceeds from refinancing of lease liabilities | | 2,102,500 | - | - | - |
| Net drawdown/ (repayment) of: | | | | | |
| - term loans | (iii) | 9,626,816 | 1,526,647 | 9,171,270 | - |
| - lease liabilities | (ii),(iii) | (7,527,856) | (7,103,166) | (235,629) | - |
| Net cash from/(used in) financing activities | | 4,201,460 | (5,576,519) | 11,975,277 | (1,085,260) |
| **Net increase/(decrease) in cash and cash equivalents** | | 3,314,101 | (10,412,289) | (2,192,962) | (4,699,481) |
| Cash and cash equivalents at beginning of the financial year | | 19,819,545 | 30,231,834 | 19,280,279 | 23,979,760 |
| **Cash and cash equivalents at end of the financial year** | (i) | 23,133,646 | 19,819,545 | 17,087,317 | 19,280,279 |

**Notes:**

(i) Cash and cash equivalents comprised of the following:

| | Group 2025 RM | Group 2024 RM | Company 2025 RM | Company 2024 RM |
|---|---|---|---|---|
| Short-term funds | 15,072,308 | 19,058,827 | 15,072,308 | 19,058,827 |
| Fixed deposits with licensed banks | 1,701,707 | 1,399,453 | - | - |
| Cash and bank balances | 8,212,334 | 5,757,723 | 2,015,009 | 221,452 |
| | 24,986,349 | 26,216,003 | 17,087,317 | 19,280,279 |
| Less: Fixed deposits pledged as security | (1,701,707) | (1,399,453) | - | - |
| Bank overdraft | (150,996) | (4,997,005) | - | - |
| | 23,133,646 | 19,819,545 | 17,087,317 | 19,280,279 |

# Statements of Cash Flows (Cont'd)

For The Financial Year Ended 31 December 2025

**Notes:** (cont'd)

(ii) Cash outflows for leases as a lessee are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| | RM | RM | RM | RM |
| **Included in net cash from operating activities** | | | | |
| Interest paid in relation to lease liabilities | (1,626,438) | (1,369,232) | (74,451) | - |
| Payment relating to short-term leases | (38,995) | - | - | - |
| Variable lease payments | (49,349) | (16,733) | - | - |
| **Included in net cash from/(used in) financing activities** | | | | |
| Payment for principal portion of lease liabilities | (7,527,856) | (7,103,166) | (235,629) | - |
| Total cash outflows for leases | (9,242,638) | (8,489,131) | (310,080) | - |

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

| | Lease liabilities | Term loans |
|---|---|---|
| | RM | RM |
| **Group** | | |
| **2025** | | |
| At 1 January 2025 | 32,307,473 | 1,526,647 |
| Interest expense | 1,626,438 | 181,777 |
| Drawdown | - | 9,655,473 |
| Repayment to | (9,154,294) | (210,434) |
| Net changes from financing cash flows | (7,527,856) | 9,626,816 |
| Refinancing of lease liabilities | 2,151,533 | - |
| New leases | 5,063,127 | - |
| Lease modification | 2,653,974 | - |
| Lease termination | (1,538,242) | - |
| At 31 December 2025 | 33,110,009 | 11,153,463 |

# Statements of Cash Flows (Cont'd)

For The Financial Year Ended 31 December 2025

**Notes:** (cont'd)

(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities: (cont'd)

| | Lease liabilities RM | Term loans RM |
|---|---|---|
| **Group** (cont'd) | | |
| **2024** | | |
| At 1 January 2024 | 23,168,108 | - |
| Interest expense | 1,369,232 | 14,689 |
| Accrued interest | - | (1,264) |
| Drawdown | - | 1,526,647 |
| Repayment to | (8,472,398) | (13,425) |
| Net changes from financing cash flows | (7,103,166) | 1,526,647 |
| New leases | 11,072,887 | - |
| Lease modification | 5,170,844 | - |
| Waiver of lease liabilities | (1,200) | - |
| At 31 December 2024 | 32,307,473 | 1,526,647 |

| | Amounts due to subsidiaries RM | Lease liabilities RM | Term loans RM |
|---|---|---|---|
| **Company** | | | |
| **2025** | | | |
| At 1 January 2025 | - | - | - |
| Interest expense | - | 74,451 | 83,343 |
| Drawdown | - | - | 9,199,927 |
| Net advances from/(repayment to) | 3,039,636 | (310,080) | (112,000) |
| Net changes from financing cash flows | 3,039,636 | (235,629) | 9,171,270 |
| New leases | - | 1,866,431 | - |
| At 31 December 2025 | 3,039,636 | 1,630,802 | 9,171,270 |
| **2024** | | | |
| At 1 January 2024 | 1,085,260 | - | - |
| Repayment to, representing net changes from financing cash flows | (1,085,260) | - | - |
| At 31 December 2024 | - | - | - |

# Statements of Cash Flows (Cont'd)

For The Financial Year Ended 31 December 2025

**Notes:** (cont'd)

(iv) The additions of the Group's and the Company's property, plant and equipment are satisfied by the following:

| | Group 2025 RM | Group 2024 RM | Company 2025 RM | Company 2024 RM |
|---|---|---|---|---|
| Aggregate costs | 15,877,295 | 13,358,087 | 10,848,994 | - |
| Transfer from other receivables | - | (404,833) | - | - |
| Cash payments | 15,877,295 | 12,953,254 | 10,848,994 | - |

(v) The additions of the Group's right-of-use assets are satisfied by the following:

| | Group 2025 RM | Group 2024 RM | Company 2025 RM | Company 2024 RM |
|---|---|---|---|---|
| Aggregate costs | 5,063,127 | 11,191,550 | 1,866,431 | - |
| Less: lease arrangement | (5,063,127) | (11,072,887) | (1,866,431) | - |
| Transfer from prepayments | - | 39,230 | - | - |
| Transfer from other payables | - | 127,700 | - | - |
| Cash payments | - | 285,593 | - | - |

The annexed notes form an integral part of,
and should be read in conjunction with these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the ACE market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.

The principal place of business of the Company is located at A-11-0, A-11-1, A-11-2, Jalan BK4A/2D, Bandar Kinrara, 47180 Puchong, Selangor.

During the financial year, the principal activities of the Company has changed from investment holding to investment holding and provision of management services. The principal activities of its subsidiaries are disclosed in Note 9.

The Directors regard DC Healthcare Group Sdn. Berhad, a company incorporated and domiciled in Malaysia as the holding company.

The financial statements were authorised for issue in accordance with a Board of Directors' resolution dated 22 April 2026.

## 2. BASIS OF PREPARATION

### (a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Group and the Company have also considered the new accounting pronouncements in the preparation of the financial statements.

#### (i) Accounting pronouncements that are effective and adopted during the financial year

| | |
|---|---|
| Amendments to MFRS 121 | Lack of Exchangeability |

The adoption of the above accounting pronouncements did not have any significant effect on the financial statements of the Group and the Company.

# Notes to the Financial Statements
## (Cont'd)

## 2. BASIS OF PREPARATION (cont'd)

### (a) Statement of compliance (cont'd)

#### (ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted

The Group and the Company have not adopted the following new accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:

***Effective for financial periods beginning on or after 1 January 2026***

| | |
|---|---|
| Amendments to MFRS 9 and MFRS 7 | Classification and Measurement of Financial Instruments |
| Amendments that are part of Annual Improvements – Volume 11: | |
| Amendments to MFRS 1 | First-time Adoption of Malaysian Financial Reporting Standards |
| Amendments to MFRS 7 | Financial Instruments: Disclosures |
| Amendments to MFRS 9 | Financial Instruments |
| Amendments to MFRS 10 | Consolidated Financial Statements |
| Amendments to MFRS 107 | Statement of Cash Flows |
| Amendments to MFRS 9 and MFRS 7 | Contract Referencing Nature-dependent Electricity |

***Effective for financial periods beginning on or after 1 January 2027***

| | |
|---|---|
| MFRS 18 | Presentation and Disclosure in Financial Statements |
| MFRS 19 and amendments to MFRS 19 | Subsidiaries without Public Accountability: Disclosures |
| Amendments to MFRS 121 | Translation to a Hyperinflationary Presentation Currency |

***Effective date to be announced***

| | |
|---|---|
| Amendments to MFRS 10 and MFRS 128 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture |

The Group and the Company will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group and the Company upon their initial applications, except for:

***MFRS 18 Presentation and Disclosure in Financial Statements***

MFRS 18 will replace MFRS 101, *Presentation of Financial Statements* and applies for annual period beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal.

- Management-defined performance measures are disclosed in a single note in the financial statements.

- Enhanced guidance is provided on how to group information in the financial statements.

# Notes to the Financial Statements
**(Cont'd)**

**2. BASIS OF PREPARATION** (cont'd)

**(a) Statement of compliance** (cont'd)

**(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted** (cont'd)

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

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting the operating cash flows under the indirect method.

The Group and the Company are currently assessing the impact of adopting MFRS 18.

**(b) Basis of measurement**

The financial statements of the Group and of the Company have been prepared on the historical cost convention except for those as disclosed in the respective notes.

**(c) Functional and presentation currency**

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Group's and the Company's functional currency.

**(d) Significant accounting estimates and judgements**

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The key assumptions concerning the future and other key sources of estimation or uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

(i) Determination of lease term (Note 8)

# Notes to the Financial Statements
## (Cont'd)

## 3. REVENUE

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| | RM | RM | RM | RM |
| **Revenue from contracts with customers** | | | | |
| *Recognised at point in time* | | | | |
| - Aesthetic services | 75,774,568 | 46,391,200 | - | - |
| - General medical services | 7,254,138 | 6,840,882 | - | - |
| - Sales of goods | 3,966,435 | 2,559,377 | - | - |
| | 86,995,141 | 55,791,459 | - | - |
| *Recognised over time* | | | | |
| - Management fee | - | - | 22,030,563 | - |
| | 86,995,141 | 55,791,459 | 22,030,563 | - |

### 3.1 Material accounting policy information

(a) Aesthetic services

The Group provides aesthetic services including facial and skin treatments, facial sculpting, body contouring and hair growth and removal. The customer generally enters into contract with the Group for aesthetic service packages in which the Group charges an upfront fixed fee with a contract period between 3 months to 6 months (2024: 3 months to 12 months). In the prior year, while the packages generally had a contract period of 12 months, the Group also offered promotional packages during festive periods with shorter validity periods ranging from 3 months to 6 months.

Revenue is recognised at point in time when the services have been rendered to customers i.e., service redemption. The upfront fixed fee received in advance prior to the fulfilment of the performance obligation are recognised as deferred revenue, is non-refundable and included in contract liabilities as disclosed in Note 26.

Customers may not exercise all their contractual rights of the prepaid packages before expiry of the contract period, and such unexercised rights are referred to as breakage. Upon expiry of the prepaid package, the breakage amount is recognised in profit or loss.

(b) General medical services

The Group provides a range of general medical consultation services which include annual health check-ups or providing an assessment to address any existing health concerns of the customers including skin disease treatment.

Revenue is recognised at a point in time as the Group primarily generates revenue through one-time payments by the customers after the provision of medical services.

# Notes to the Financial Statements (Cont'd)

**3. REVENUE** (cont'd)

**3.1 Material accounting policy information** (cont'd)

(c) Sales of goods

The Group provides sales of skincare products to complement and support the aesthetic services.

Revenue on the sale of goods is recognised at point in time when the significant risks and rewards of ownership of the goods have been transferred to the customer. Revenue is not recognised to the extent that there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(d) Management fee

Management fee is recognised over time during the period in which the services are rendered.

**4. PROFIT/(LOSS) BEFORE TAX**

Profit/(loss) before tax is arrived at after charging/(crediting):

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| Auditors' remuneration | | | | |
| - current year | 270,000 | 272,000 | 50,000 | 50,000 |
| - others | 6,000 | 30,000 | 6,000 | 6,000 |
| Depreciation of: | | | | |
| - property, plant and equipment | 6,098,758 | 5,086,631 | 28,190 | - |
| - right-of-use assets | 7,292,230 | 6,645,527 | 266,632 | - |
| Employee benefits expense [Note (a)] | 35,060,875 | 32,911,690 | 20,422,882 | 966,179 |
| Expenses relating to short-term leases | 38,995 | - | - | - |
| Variable lease expenses | 49,349 | 16,733 | - | - |
| Gain on lease termination | (193,904) | - | - | - |
| Interest expense on: [Note (b)] | | | | |
| - lease liabilities | 1,626,438 | 1,344,662 | 74,451 | - |
| - bank overdraft | 68,676 | 114,193 | - | - |
| - term loans | 181,777 | 14,689 | 83,343 | - |
| - penalty on early settlement of lease liabilities | - | 24,570 | - | - |
| - unwinding of discount on provision for restoration costs | 12,302 | 10,118 | - | - |

# Notes to the Financial Statements
## (Cont'd)

### 4. PROFIT/(LOSS) BEFORE TAX (cont'd)

Profit/(loss) before tax is arrived at after charging/(crediting): (cont'd)

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| (cont'd) | | | | |
| Interest income on: [Note (c)] | | | | |
| - bank balances | (36,940) | (55,235) | (36,940) | (53,903) |
| - fixed deposits with licensed banks | (2,254) | (25,379) | - | - |
| - short-term funds | (476,541) | (673,486) | (476,541) | (673,486) |
| Loss on disposal of: | | | | |
| - property, plant and equipment | 387,153 | 248,393 | - | - |
| - right-of-use assets | 287,384 | - | - | - |
| Realised loss on foreign exchange | 862 | 1,318 | - | - |
| Addition/(reversal) of impairment loss on: | | | | |
| - investments in subsidiaries | - | - | - | 4,691,625 |
| - amounts due from subsidiaries | - | - | (872,476) | 872,476 |
| Waiver of lease liabilities | - | (1,200) | - | - |
| Written off of: | | | | |
| - property, plant and equipment | 465,710 | 370,136 | - | - |
| - deposits | - | 8,500 | - | - |
| - inventories | 10,728 | 3,043 | - | - |

(a) Employee benefits expense:

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| **Staff costs** | | | | |
| - Salaries, commissions and allowances | 28,866,866 | 26,506,539 | 15,870,198 | 348,020 |
| - Defined contribution plan | 3,281,421 | 3,269,194 | 1,803,042 | 62,767 |
| - Social security contributions | 244,968 | 214,301 | 98,651 | 5,246 |
| - Contributions to employee insurance system | 27,804 | 24,221 | 11,175 | 574 |
| | 32,421,059 | 30,014,255 | 17,783,066 | 416,607 |

# Notes to the Financial Statements
## (Cont'd)

**4. PROFIT/(LOSS) BEFORE TAX** (cont'd)

(a) Employee benefits expense: (cont'd)

| | Group | | Company | |
|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** |
| | **RM** | **RM** | **RM** | **RM** |
| (cont'd) | | | | |
| **Directors' remuneration** | | | | |
| - Fees | 226,200 | 312,000 | 226,200 | 312,000 |
| - Salaries, commissions and allowances | 2,029,500 | 2,174,500 | 2,029,500 | 196,500 |
| - Defined contribution plan | 381,330 | 408,501 | 381,330 | 40,830 |
| - Social security contributions | 2,500 | 2,184 | 2,500 | 218 |
| - Contributions to employee insurance system | 286 | 250 | 286 | 24 |
| | 2,639,816 | 2,897,435 | 2,639,816 | 549,572 |
| | 35,060,875 | 32,911,690 | 20,422,882 | 966,179 |

The employee benefits expense is included in the line items of "cost of sales" and "staff costs" in the statements of comprehensive income.

(b) Interest expense

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the profit or loss using the effective interest method.

(c) Interest income

Interest income is recognised on a time proportional basis that reflects the effective yield on asset.

# Notes to the Financial Statements
## (Cont'd)

### 5. TAX (EXPENSE)/CREDIT

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| **Income tax:** | | | | |
| - Current year | 1,332,267 | 633,028 | - | - |
| - Underprovision in prior year | 151,799 | 113,225 | - | - |
| | 1,484,066 | 746,253 | - | - |
| **Deferred tax (Note 11):** | | | | |
| - Relating to origination and reversal of temporary differences | (68,148) | (1,923,166) | - | - |
| - Underprovision in prior year | 20,711 | 406,106 | - | - |
| | (47,437) | (1,517,060) | - | - |
| Tax expense/(credit) for the financial year | 1,436,629 | (770,807) | - | - |

Income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable results for the financial year.

The reconciliation from the tax amount at statutory income tax rate to the Group's and the Company's tax expense is as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| Profit/(loss) before tax | 1,642,367 | (20,418,767) | 808,042 | (8,279,014) |
| Tax at Malaysian statutory income tax rate of 24% (2024: 24%) | 394,168 | (4,900,504) | 193,930 | (1,986,963) |
| Income not subject to tax | (114,370) | (174,574) | (323,764) | (174,574) |
| Tax effect on non-deductible expenses | 1,454,763 | 1,820,102 | 95,974 | 2,161,537 |
| Utilisation of previously unrecognised deferred tax assets | (675,112) | - | - | - |
| Deferred tax assets not recognised | 204,670 | 1,964,838 | 33,860 | - |
| Underprovision in prior year: | | | | |
| - income tax expense | 151,799 | 113,225 | - | - |
| - deferred tax | 20,711 | 406,106 | - | - |
| Tax expense/(credit) for the financial year | 1,436,629 | (770,807) | - | - |

# Notes to the Financial Statements
(Cont'd)

**5. TAX (EXPENSE)/CREDIT** (cont'd)

The Group and the Company have the following estimated items available for set-off against future taxable profits:

| | Group | | Company | |
|---|---|---|---|---|
| | **2025 RM** | **2024 RM** | **2025 RM** | **2024 RM** |
| Unutilised tax losses | 7,474,076 | 6,598,290 | 98,794 | - |
| Unabsorbed capital allowances | 497,143 | 1,108,265 | 61,697 | - |
| | 7,971,219 | 7,706,555 | 160,491 | - |

The comparative figures have been restated to reflect the actual unutilised tax losses and unabsorbed capital allowances carried forward. The availability of the unutilised tax losses will be subject to Inland Revenue Board discretion and approval to offset against future taxable profit. The unutilised tax losses will be allowed to be carried forward for 10 consecutive years of assessment ("YA") deemed to be effective from YA2019.

Pursuant to the Finance Act 2021, unutilised tax losses from a year of assessment can only be carried forward up to 10 consecutive years of assessment as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2025 RM** | **2024 RM** | **2025 RM** | **2024 RM** |
| Unutilised tax losses to be carried forward until: | | | | |
| Year of assessment 2031 | 71,989 | 71,989 | - | - |
| Year of assessment 2032 | 475,217 | 475,217 | - | - |
| Year of assessment 2033 | 1,808,008 | 1,808,008 | - | - |
| Year of assessment 2034 | 4,243,076 | 4,243,076 | - | - |
| Year of assessment 2035 | 875,786 | - | 98,794 | - |
| | 7,474,076 | 6,598,290 | 98,794 | - |

**5.1 Material accounting policy information**

**Current tax**

Tax expense represents the aggregate amount of current and deferred tax. Current tax is the expected amount payable in respect of taxable income for the financial year, using tax rates enacted or substantively enacted by the reporting date, and any adjustments recognised for prior years' tax.

# Notes to the Financial Statements
## (Cont'd)

**5. TAX (EXPENSE)/CREDIT** (cont'd)

**5.1 Material accounting policy information** (cont'd)

**Deferred tax**

Deferred tax is recognised using the liability method for all temporary differences between the carrying amount of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit nor loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that there are sufficient taxable temporary differences relating to the same taxable entity and the same taxation authority to offset or when it is probable that future taxable profits will be available against which the assets can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will be available for the assets to be utilised.

**6. EARNING/(LOSS) PER SHARE**

Basic earning/(loss) per share for the financial year is calculated by dividing the profit/(loss) after tax attributable to Owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

| | Group | |
|---|---|---|
| | **2025** | **2024** |
| **Basic earning/(loss) per share:** | | |
| Profit/(loss) after tax attributable to Owners of the Company (RM) | 205,738 | (19,647,960) |
| **Weighted average number of ordinary shares:** | | |
| Number of ordinary shares at beginning/end of the financial year (unit) | 996,300,000 | 996,300,000 |
| Basic earning/(loss) per share (sen) | 0.02 | (1.97) |

The diluted (loss)/earning per share is not presented as there is no dilutive potential ordinary shares outstanding during the financial year.

# Notes to the Financial Statements
(Cont'd)

## 7. PROPERTY, PLANT AND EQUIPMENT

| | Freehold land RM | Freehold Building RM | Computer and software RM | Furniture and fittings RM | Medical equipment RM | Motor vehicles RM | Office equipment RM | Renovation RM | Signboard RM | Capital work-in-progress RM | Total RM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | | | | |
| **2025** | | | | | | | | | | | |
| **At cost** | | | | | | | | | | | |
| At 1 January 2025 | - | - | 1,051,241 | 822,246 | 19,616,206 | 665,444 | 969,337 | 24,526,218 | 1,055,758 | 32,457 | 48,738,907 |
| Additions | 6,800,000 | 1,582,479 | 16,500 | 20,600 | 4,514,795 | - | 72,857 | 803,926 | 19,477 | 2,046,661 | 15,877,295 |
| Disposal | - | - | - | - | (1,166,219) | - | - | - | - | - | (1,166,219) |
| Written off | - | - | - | - | - | - | - | (827,883) | (9,600) | - | (837,483) |
| Reclassification: | | | | | | | | | | | |
| - within property, plant and equipment | - | - | - | 144,968 | - | - | - | (177,052) | 32,084 | - | - |
| - upon completion of construction | - | - | - | - | - | - | 5,300 | 22,407 | 23,475 | (51,182) | - |
| - to right-of-use assets (Note 8) ^ | - | - | - | - | (2,102,500) | - | - | - | - | - | (2,102,500) |
| At 31 December 2025 | 6,800,000 | 1,582,479 | 1,067,741 | 987,814 | 20,862,282 | 665,444 | 1,047,494 | 24,347,616 | 1,121,194 | 2,027,936 | 60,510,000 |

# Notes to the Financial Statements
## (Cont'd)

### 7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

| | Freehold land RM | Freehold Building RM | Computer and software RM | Furniture and fittings RM | Medical equipment RM | Motor vehicles RM | Office equipment RM | Renovation RM | Signboard RM | Capital work-in-progress RM | Total RM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Group** (cont'd) | | | | | | | | | | | |
| **2025** (cont'd) | | | | | | | | | | | |
| **Accumulated depreciation** | | | | | | | | | | | |
| At 1 January 2025 | - | - | 284,253 | 197,886 | 4,771,408 | 341,422 | 241,111 | 4,822,406 | 148,025 | - | 10,806,511 |
| Charge for the financial year | - | 7,275 | 142,408 | 84,768 | 1,920,117 | 133,090 | 98,386 | 3,605,018 | 107,696 | - | 6,098,758 |
| Disposal | - | - | - | - | (579,074) | - | - | - | - | - | (579,074) |
| Written off | - | - | - | - | - | - | - | (368,333) | (3,440) | - | (371,773) |
| Reclassification: | | | | | | | | | | | |
| - to right-of-use assets (Note 8) ^ | - | - | - | - | (49,554) | - | - | - | - | - | (49,554) |
| At 31 December 2025 | - | 7,275 | 426,661 | 282,654 | 6,062,897 | 474,512 | 339,497 | 8,059,091 | 252,281 | - | 15,904,868 |
| **Net carrying amount** | | | | | | | | | | | |
| At 31 December 2025 | 6,800,000 | 1,575,204 | 641,080 | 716,072 | 14,799,385 | 190,932 | 707,997 | 16,275,197 | 871,329 | 2,027,936 | 44,605,132 |

# Notes to the Financial Statements
(Cont'd)

**7. PROPERTY, PLANT AND EQUIPMENT** (cont'd)

| | Computer and software RM | Furniture and fittings RM | Medical equipment RM | Motor vehicles RM | Office equipment RM | Renovation RM | Signboard RM | Capital work-in-progress RM | Total RM |
|---|---|---|---|---|---|---|---|---|---|
| **Group** (cont'd) | | | | | | | | | |
| **2024** | | | | | | | | | |
| **At cost** | | | | | | | | | |
| At 1 January 2024 | 492,767 | 717,267 | 14,346,142 | 851,433 | 661,480 | 14,935,647 | 845,920 | 3,526,079 | 36,376,735 |
| Additions | 558,474 | 93,382 | 5,533,345 | - | 302,154 | 5,879,731 | 182,438 | 808,563 | 13,358,087 |
| Disposal | - | - | (872,359) | (185,989) | (1,880) | - | - | - | (1,060,228) |
| Written off | - | - | - | - | - | (541,065) | - | - | (541,065) |
| Reclassification: | | | | | | | | | |
| - within property, plant and equipment | - | - | 3,700 | - | (3,700) | (11,600) | 11,600 | - | - |
| - upon completion of construction | - | 11,597 | - | - | 11,283 | 4,263,505 | 15,800 | (4,302,185) | - |
| - from right-of-use assets (Note 8) * | - | - | 605,378 | - | - | - | - | - | 605,378 |
| At 31 December 2024 | 1,051,241 | 822,246 | 19,616,206 | 665,444 | 969,337 | 24,526,218 | 1,055,758 | 32,457 | 48,738,907 |

# Notes to the Financial Statements
## (Cont'd)

7. **PROPERTY, PLANT AND EQUIPMENT** (cont'd)

| | Computer and software RM | Furniture and fittings RM | Medical equipment RM | Motor vehicles RM | Office equipment RM | Renovation RM | Signboard RM | Capital work-in-progress RM | Total RM |
|---|---|---|---|---|---|---|---|---|---|
| **Group** (cont'd) | | | | | | | | | |
| **2024** (cont'd) | | | | | | | | | |
| **Accumulated depreciation** | | | | | | | | | |
| At 1 January 2024 | 172,262 | 137,253 | 3,496,504 | 426,743 | 157,778 | 1,869,278 | 52,274 | - | 6,312,092 |
| Charge for the financial year | 111,991 | 60,633 | 1,578,905 | 31,868 | 83,426 | 3,126,997 | 92,811 | - | 5,086,631 |
| Disposal | - | - | (342,615) | (117,189) | (31) | - | - | - | (459,835) |
| Written off | - | - | - | - | - | (170,929) | - | - | (170,929) |
| Reclassification: | | | | | | | | | |
| - within property, plant and equipment | - | - | 62 | - | (62) | (2,940) | 2,940 | - | - |
| - from right-of-use assets (Note 8) * | - | - | 38,552 | - | - | - | - | - | 38,552 |
| At 31 December 2024 | 284,253 | 197,886 | 4,771,408 | 341,422 | 241,111 | 4,822,406 | 148,025 | - | 10,806,511 |
| **Net carrying amount** | | | | | | | | | |
| At 31 December 2024 | 766,988 | 624,360 | 14,844,798 | 324,022 | 728,226 | 19,703,812 | 907,733 | 32,457 | 37,932,396 |

# Notes to the Financial Statements
**(Cont'd)**

7. **PROPERTY, PLANT AND EQUIPMENT** (cont'd)

| | Freehold land RM | Freehold building RM | Computer and software RM | Furniture and fittings RM | Office equipment RM | Renovation RM | Capital work-in-progress RM | Total RM |
|---|---|---|---|---|---|---|---|---|
| **Company** | | | | | | | | |
| **2025** | | | | | | | | |
| **At cost** | | | | | | | | |
| At 1 January 2025 | - | - | - | - | - | - | - | - |
| Additions | 6,800,000 | 1,582,479 | - | 19,201 | 31,698 | 518,450 | 1,323,005 | 10,274,833 |
| Transfer from a subsidiary | - | - | 237,154 | 203,776 | 133,231 | - | - | 574,161 |
| At 31 December 2025 | 6,800,000 | 1,582,479 | 237,154 | 222,977 | 164,929 | 518,450 | 1,323,005 | 10,848,994 |
| **Accumulated depreciation** | | | | | | | | |
| At 1 January 2025 | - | - | - | - | - | - | - | - |
| Charge for the financial year | - | 7,275 | 4,397 | 3,876 | 3,013 | 9,629 | - | 28,190 |
| At 31 December 2025 | - | 7,275 | 4,397 | 3,876 | 3,013 | 9,629 | - | 28,190 |
| **Net carrying amount** | | | | | | | | |
| At 31 December 2025 | 6,800,000 | 1,575,204 | 232,757 | 219,101 | 161,916 | 508,821 | 1,323,005 | 10,820,804 |

^ *Reclassification due to commencement of refinanced lease arrangement.*

* *Reclassification due to early settlement of lease liabilities and end of lease terms.*

# Notes to the Financial Statements
## (Cont'd)

### 7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

#### (i) Asset pledged as security

As at 31 December 2025, a property of the Group of the Company with net carrying amount of RM8,375,204 (2024: Nil) is pledged to a financial institution for banking facilities granted to the Group and the Company as disclosed in Note 22.

#### (ii) Impairment review

The Group was required to assess at each reporting date whether there was any indication that the carrying amount of its cash-generating unit ("CGU") assets may be impaired. Where such indicators exist, the Group determines the recoverable amount of the CGU as the higher of fair value, less costs of disposal ("FVLCD") and value-in-use ("VIU").

The Group has identified each individual services outlet as a CGU.

<u>2025</u>

During the financial year, the Directors conducted an impairment assessment of the Group's and the Company's property, plant and equipment at the CGU level. Based on this assessment, the Directors concluded that no indicators of impairment were identified.

<u>2024</u>

In prior year, the Directors conducted an impairment assessment of the Group's property, plant and equipment at the CGU level. The assessment identified one of the service outlets with carrying amount of plant and equipment of RM550,342 having indications of impairment due to continued negative operating cash flows and historical losses.

Accordingly, the Directors determined the recoverable amount of the CGU using VIU method, based on a discounted future cash flows were prepared based on past experience and reflecting a change in business plan and the Group's revised expectations for the future and strategic direction of the CGU.

The key assumptions used in the VIU calculation included revenue and collection growth of 10% per annum based on management's estimate, which does not exceed the long-term average growth rate of the industry and a pre-tax discount rate of 10.30% was reflective of the Group's estimated weighted average cost of capital.

Based on the impairment assessment, the recoverable amount of the CGU was estimated to be higher than the carrying amount of the asset, and accordingly no impairment loss was recognised in the financial year ended 31 December 2024.

The Directors believe that there are no reasonably foreseeable changes to these key assumptions that would cause the carrying amount of the underlying assets to materially exceed the recoverable amount of the CGU.

#### (iii) Material accounting policy information

<u>Property, plant and equipment</u>

**(a) Recognition and measurement**

Property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses. Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the profit loss.

# Notes to the Financial Statements (Cont'd)

**7. PROPERTY, PLANT AND EQUIPMENT** (cont'd)

**(iii) Material accounting policy information** (cont'd)

Property, plant and equipment (cont'd)

**(b) Depreciation**

Freehold land is not depreciated. Depreciation is recognised in the profit or loss on straight line basis over its estimated useful lives of each component of an item of property, plant and equipment at the following annual rates:

| | |
|---|---|
| Freehold building | 2% |
| Computer and software | 20% |
| Furniture and fittings | 10% |
| Medical equipment | 10% |
| Motor vehicles | 20% |
| Office equipment | 10% |
| Signboard | 10% |
| Renovation | Shorter of remaining lease term or 10% |

**(c) Capital work-in-progress**

Capital work-in-progress represents capitalised costs incurred for software development and renovation works for new service outlets and an office. Capital work-in-progress is stated as cost less any accumulated impairment losses and includes borrowing costs incurred during the period of construction.

No depreciation is provided on capital work-in-progress and upon completion of construction, the cost will be transferred to property, plant and equipment.

Impairment on non-financial assets

The carrying amount of non-financial assets (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised immediately in profit or loss. A cash generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

The recoverable amount of an asset or cash-generating units is the greater of its value in use and its fair value less cost to sell. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Assets that were previously impaired are reviewed for possible reversal of the impairment at the end of each reporting period. Any subsequent increase in recoverable amount is recognised in the profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation reserve. Reversal of impairment loss is restricted by the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

An impairment loss is recognised for the amount by which the carrying amount of the subsidiary exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and present value of the estimated future cash flows expected to be derived from the investment including the proceeds from its disposal. Any subsequent increase in recoverable amount is recognised in profit or loss.

# Notes to the Financial Statements
## (Cont'd)

**7. PROPERTY, PLANT AND EQUIPMENT** (cont'd)

**(iv) Significant accounting estimates and judgements**

2024

(a) Depreciation of property, plant and equipment

The Group and the Company determine the estimated useful lives and related depreciation charges for the Group's and the Company's property, plant and equipment with reference to the estimated periods that the intends to derive future economic benefits from the use of these assets. Management performs periodic review of the estimated useful lives of property, plant and equipment and will revise the depreciation charges where estimated useful lives are different than those previously estimated.

The changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

*Change in estimate*

In the prior year, the Group reassessed the useful lives of its renovations. Previously estimated at 10 years, the useful life was revised to the shorter of the remaining lease term or 10 years. This change was made to better reflect the period over which the renovation assets were expected to provide economic benefit, considering the terms of the underlying leases. The impact of this change, recognised under administrative and other expenses, was as follows for the current and future periods:

| | **Increase/ (decrease) in depreciation expense** |
|---|---|
| **Financial year ending:** | **RM** |
| 2024 | 642,035 |
| 2025 | 1,121,702 |
| 2026 | 1,010,474 |
| 2027 | 835,679 |
| 2028 | 710,590 |
| 2029 | (12,035) |

(b) Impairment review on property, plant and equipment

When the recoverable amount of an asset is determined based on the estimate of the fair value less cost to sell ("FVLCTS") and value-in-use ("VIU") of the cash-generating unit ("CGUs") to which the asset is allocated, the management is required to make an estimate of the fair values and expected future cash flows from the cash-generating units and also to apply a suitable discount rate in order to determine the present value of those cash flows.

# Notes to the Financial Statements
(Cont'd)

## 8. RIGHT-OF-USE ASSETS

| | Leases of office and service outlets RM | Medical equipment RM | Motor vehicles RM | Total RM |
|---|---|---|---|---|
| **Group** | | | | |
| **2025** | | | | |
| **At cost** | | | | |
| At 1 January 2025 | 40,480,434 | 4,877,337 | 1,740,881 | 47,098,652 |
| *Additions by way of:* | | | | |
| - New leases | 5,063,127 | - | - | 5,063,127 |
| - Provision for restoration costs (Note 23) | 20,725 | - | - | 20,725 |
| Lease modification | 2,653,974 | - | - | 2,653,974 |
| - Provision for restoration costs (Note 23) | (1,613) | - | - | (1,613) |
| *Lease termination:* | | | | |
| - Termination | (3,414,495) | - | - | (3,414,495) |
| - Provision for restoration costs (Note 23) | (26,044) | - | - | (26,044) |
| Derecognition * | (1,453,018) | - | - | (1,453,018) |
| Disposal | - | (719,400) | - | (719,400) |
| Reclassification from property, plant and equipment (Note 7) # | - | 2,102,500 | - | 2,102,500 |
| At 31 December 2025 | 43,323,090 | 6,260,437 | 1,740,881 | 51,324,408 |
| **Accumulated depreciation** | | | | |
| At 1 January 2025 | 14,158,824 | 527,424 | 240,965 | 14,927,213 |
| Charge for the financial year | 6,364,355 | 579,700 | 348,175 | 7,292,230 |
| Lease termination | (2,070,157) | - | - | (2,070,157) |
| Derecognition * | (1,453,018) | - | - | (1,453,018) |
| Disposal | - | (107,016) | - | (107,016) |
| Reclassification from property, plant and equipment (Note 7) # | - | 49,554 | - | 49,554 |
| At 31 December 2025 | 17,000,004 | 1,049,662 | 589,140 | 18,638,806 |
| **Net carrying amount** | | | | |
| At 31 December 2025 | 26,323,086 | 5,210,775 | 1,151,741 | 32,685,602 |

# Notes to the Financial Statements
## (Cont'd)

### 8. RIGHT-OF-USE ASSETS (cont'd)

| | Leases of office and service outlets RM | Medical equipment RM | Motor vehicles RM | Total RM |
|---|---|---|---|---|
| **Group** (cont'd) | | | | |
| **2024** | | | | |
| **At cost** | | | | |
| At 1 January 2024 | 29,469,689 | 1,782,344 | 681,126 | 31,933,159 |
| *Additions by way of:* | | | | |
| - New leases | 6,431,424 | 3,700,371 | 1,059,755 | 11,191,550 |
| - Provision for restoration costs (Note 23) | 96,188 | - | - | 96,188 |
| *Remeasurement on lease term:* | | | | |
| - Extension of lease term | 5,170,844 | - | - | 5,170,844 |
| - Provision for restoration costs (Note 23) | (12,547) | - | - | (12,547) |
| Derecognition * | (675,164) | - | - | (675,164) |
| Reclassification to property, plant and equipment (Note 7) ^ | - | (605,378) | - | (605,378) |
| At 31 December 2024 | 40,480,434 | 4,877,337 | 1,740,881 | 47,098,652 |
| **Accumulated depreciation** | | | | |
| At 1 January 2024 | 8,763,741 | 142,011 | 89,650 | 8,995,402 |
| Charge for the financial year | 6,070,247 | 423,965 | 151,315 | 6,645,527 |
| Derecognition * | (675,164) | - | - | (675,164) |
| Reclassification to property, plant and equipment (Note 7) ^ | - | (38,552) | - | (38,552) |
| At 31 December 2024 | 14,158,824 | 527,424 | 240,965 | 14,927,213 |
| **Net carrying amount** | | | | |
| At 31 December 2024 | 26,321,610 | 4,349,913 | 1,499,916 | 32,171,439 |

# Notes to the Financial Statements
(Cont'd)

## 8. RIGHT-OF-USE ASSETS (cont'd)

| | Lease of office RM |
|---|---|
| **Company** | |
| **2025** | |
| **At cost** | |
| At 1 January 2025 | - |
| Additions | 1,866,431 |
| At 31 December 2025 | 1,866,431 |
| **Accumulated depreciation** | |
| At 1 January 2025 | - |
| Charge for the financial year | 266,632 |
| At 31 December 2025 | 266,632 |
| **Net carrying amount** | |
| At 31 December 2025 | 1,599,799 |

* *Derecognition due to end of lease terms.*

# *Reclassification due to commencement of refinanced lease arrangement.*

^ *Reclassification due to early settlement of lease liabilities.*

**(i) Extension options**

The Group and the Company have leases of office and service outlets that run from 1 to 12 years (2024: 1 to 12 years) with an option to renew the lease after expiry date. Certain leases of office and service outlets contain extension options exercisable by the Group and the Company ranging from 1 to 6 years (2024: 1 to 6 years).

# Notes to the Financial Statements
## (Cont'd)

## 8. RIGHT-OF-USE ASSETS (cont'd)

### (ii) Expenses charged to profit or loss during the financial year

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| | RM | RM | RM | RM |
| Included in other income | | | | |
| - waiver of lease liabilities | - | (1,200) | - | - |
| - gain on lease termination | (193,904) | - | - | - |
| Included in cost of sales | | | | |
| - depreciation of right-of-use assets | 579,700 | 423,965 | - | - |
| Included in administrative and other expenses | | | | |
| - depreciation of right-of-use assets | 6,712,530 | 6,221,562 | 266,632 | - |
| - variable lease expenses | 49,349 | 16,733 | - | - |
| - Loss on disposal of right-of-use assets | 287,384 | - | - | - |
| Included in finance costs | | | | |
| - interest expense on lease liabilities and penalty on early settlement of lease liabilities | 1,626,438 | 1,369,232 | 74,451 | - |

### (iii) Variable lease payments based on sales

One of the lease of service outlet contains variable lease payments that are based on sales that the Group generates at the outlet. The fixed and variable rental payments were as follows:

| | Group | |
|---|---|---|
| | 2025 | 2024 |
| | RM | RM |
| **Leases with lease payments based on sales** | | |
| Fixed payments | 446,976 | 446,976 |
| Variable payments | 49,349 | 16,733 |
| Total payments | 496,325 | 463,709 |

The estimated annual impact on rent of a 1% increase in sales would not have material impact on the profit or loss of the Group.

# Notes to the Financial Statements
(Cont'd)

8. **RIGHT-OF-USE ASSETS** (cont'd)

**(iv) Material accounting policy information**

**(a) Recognition and measurement**

Right-of-use assets and lease liabilities

The Group and the Company recognise right-of-use assets at the lease commencement date. The right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liabilities are initially measured at the present value of future lease payments at the commencement date, discounted using the Group's and the Company's incremental borrowing rates. Lease payments included in the measurement of the lease liabilities include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group and the Company are reasonably certain to exercise.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined as follows:

| | |
|---|---|
| Leases of office and service outlets | Over the lease term of 1 to 12 years |
| Medical equipment | 10 years |
| Motor vehicles | 5 years |

In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of the lease liabilities. The Group and the Company apply MFRS 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss (Note 7(iii)).

Whenever the Group and the Company incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under MFRS 137. To the extent that the costs relate to right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Variable lease payments dependent upon a future index or rate are measured using the amounts payable at the commencement date until the index or rate is known. Variable lease payments not dependent on index or rate, including lease payments based on percentage of turnover, are excluded from the lease liabilities.

The lease liabilities are measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if the Group and the Company change their assessment of whether they will exercise an extension or termination option.

# Notes to the Financial Statements
## (Cont'd)

**8. RIGHT-OF-USE ASSETS** (cont'd)

**(iv) Material accounting policy information** (cont'd)

**(a) Recognition and measurement** (cont'd)

Right-of-use assets and lease liabilities (cont'd)

Modifications to lease agreements, extensions to existing lease agreements and changes to future lease payments relating to existing terms in the contract, including market rent assessment and index-based changes, are presented as remeasurements of the lease liabilities. The related right-of-use assets are also remeasured. If the modification results in reduction in scope of the lease, either through shortening the lease term or through disposing of part of the underlying asset, a gain or loss on disposal may arise relating to the difference between the lease liabilities and the right-of-use asset applicable to the reduction in scope.

Lease payments associated with short term leases and leases of low value assets are recognised on straight line basis as an expense in profit or loss. Short-term leases are leases with a lease of 12 months or less.

**(v) Significant accounting estimates and judgements**

(i) Determination of the lease term

The Group and the Company assess whether it is reasonably certain to exercise the extension options at lease commencement by applying significant judgement. The Group and the Company consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

2024

During the financial year, the Group reassessed its lease arrangements to determine whether it remained reasonably certain to exercise extension or termination options, particularly when there were significant changes in circumstances within the Group's control. As a result of this reassessment, the revision of lease terms led to an increase in right-of-use assets and corresponding lease liabilities of RM5,170,844. No gain or loss was recognised from the lease modification in the prior year, as the adjustment affected only the measurement of lease assets and liabilities.

# Notes to the Financial Statements
(Cont'd)

## 9. INVESTMENTS IN SUBSIDIARIES

| | Note | Company 2025 RM | 2024 RM |
|---|---|---|---|
| **Unquoted shares, at cost** | | | |
| At beginning of the financial year | | 10,366,370 | 9,565,470 |
| Additions | (i) | - | 800,900 |
| At end of the financial year | | 10,366,370 | 10,366,370 |
| **Capital contribution to subsidiaries** | | | |
| At beginning of the financial year | | 15,792,539 | 16,127,155 |
| Additions | (ii) | - | 1,000,000 |
| Repayment | | (2,944,186) | (1,334,616) |
| At end of the financial year | | 12,848,353 | 15,792,539 |
| **Less: Accumulated impairment losses** | | | |
| At beginning of the financial year | | 4,691,625 | - |
| Additions | (iii) | - | 4,691,625 |
| At end of the financial year | | 4,691,625 | 4,691,625 |
| **Net carrying amount** | | 18,523,098 | 21,467,284 |

The details of the subsidiaries, all of which are incorporated in and have their principal place of business in Malaysia, are as follows:

| Name of subsidiaries | Principal activities | Effective equity interest 2025 % | 2024 % |
|---|---|---|---|
| Klinik Dr Chong Sdn. Bhd. ("Klinik Dr Chong") | Aesthetic services, general medical services, sale of skincare products and medical aesthetic training | 100 | 100 |
| Ten Doctors Sdn. Bhd. ("Ten Doctors") | Sale of skincare products | 100 | 100 |
| DC Lasers Sdn. Bhd. ("DC Lasers") | Aesthetic services, general medical services and sale of skincare products | 100 | 100 |

# Notes to the Financial Statements
## (Cont'd)

**9. INVESTMENTS IN SUBSIDIARIES** (cont'd)

| Name of subsidiaries | Principal activities | Effective equity interest 2025 % | Effective equity interest 2024 % |
|---|---|---|---|
| (cont'd) | | | |
| DC Lasers (Mid Valley) Sdn. Bhd. ("DCL Mid Valley") | Aesthetic services, general medical services and sale of skincare products | 100 | 100 |
| DC Lasers (Puchong) Sdn. Bhd. ("DCL Puchong") | Aesthetic services, general medical services and sale of skincare products | 100 | 100 |
| DC Wellness Sdn. Bhd. ("DC Wellness") | Slimming services, aesthetic services, general medical services and sale of slimming products | 100 | 100 |
| DC Lasers (Eastern) Sdn. Bhd. ("DCL Eastern") | Provision of professional beauty salon services including skincare services, facial treatments, skin therapy, and slimming services (non-medical) | 100 | 100 |

**(i) Incorporation of subsidiaries/Additional cost of investments**

2024

On 24 December 2024, the Company incorporated a wholly-owned subsidiary, DC Lasers (Eastern) Sdn. Bhd, comprising 1,000 ordinary shares, representing the entire issued and paid-up capital of DCL Eastern at subscriber's consideration of RM1,000.

On 22 January 2024, the issued and paid-up capital of Klinik Dr Chong was increased from RM200,100 to RM1,000,000 by way of the allotment of 799,900 new ordinary shares for the purpose of increasing working capital of Klinik Dr Chong. The Company subscribed for an additional 799,900 new ordinary shares at total cash consideration of RM799,900. Consequent to the subscription, Klinik Dr Chong remained wholly-owned subsidiary of the Company.

**(ii) Capital contribution**

Capital contribution to subsidiaries represents amounts due from subsidiaries which are non-trade in nature, unsecured and interest-free and the settlement of the amount is neither planned for nor likely to occur in the foreseeable future. As this amount is in substance, a part of the Company's net investments in the subsidiaries is stated at cost less accumulated impairment losses.

# Notes to the Financial Statements
(Cont'd)

9. **INVESTMENTS IN SUBSIDIARIES** (cont'd)

**(iii) Impairment review**

2024

In 2024, the Company carried out a review of the recoverable amount of its investment in a subsidiary, i.e. Ten Doctors as there are indications of impairment. The Company determined the recoverable amount of the investment in the subsidiary based on higher of fair value less cost to sell ("FVLCTS") and value-in-use ("VIU") method.

The recoverable amount was re-assessed in view of the current and expected future conditions and was determined to be lower than the carrying amount of the asset, and accordingly an impairment loss of RM4,691,625 was recognised within the line of "administrative and other expenses" in the statement of comprehensive income of the Company in prior year. The recoverable amount was derived based on FVLCTS which was measured based on the net assets of Ten Doctors, reflecting a change in business plan and the Group's revised expectations for the future and strategic direction of Ten Doctors.

**(iv) Material accounting policy information**

**Basis of consolidation**

Subsidiaries

Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, if it has the current ability to direct the activities of the investee that significantly affect the investee's return.

In the Company's separate financial statements, the investment in subsidiaries is 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 the profit or loss.

Business combination

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

# Notes to the Financial Statements
## (Cont'd)

**9. INVESTMENTS IN SUBSIDIARIES** (cont'd)

**(iv) Material accounting policy information** (cont'd)

**Basis of consolidation** (cont'd)

Business combination (cont'd)

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Entities under common control

For acquisition of entities under a reorganisation scheme that does not result in any change in economic substance, the consolidated financial statements of the Group is a continuation of the acquired entities and is accounted for as follows:

- The results of entities are presented as if the reorganisation occurred from the beginning of the earliest period presented in the financial statements;
- The Group will consolidate the assets and liabilities of the acquired entities at their pre-combination carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the reorganisation that would otherwise be done under the acquisition method; and
- No new goodwill is recognised as a result of the reorganisation. The only goodwill that is recognised is the existing goodwill relating to the combining entities. Any difference between the consideration paid/transferred and the equity acquired is reflected within equity as reorganisation reserve or deficit.

Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset depending on the level of influence retained.

Transactions eliminated under consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

**(v) Significant accounting estimates and judgements on carrying value of investments in subsidiaries**

2024

The investments in subsidiaries for impairment are reviewed when there is an indication for impairment. The recoverable amounts of the investments in subsidiaries are assessed by reference to the higher of the FVLCTS or the VIU of the respective subsidiaries.

# Notes to the Financial Statements
**(Cont'd)**

**9. INVESTMENTS IN SUBSIDIARIES** (cont'd)

**(v) Significant accounting estimates and judgements on carrying value of investments in subsidiaries** (cont'd)

2024 (cont'd)

Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries, which involves uncertainties and are significantly affected by assumptions and judgements made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the carrying value of investments in subsidiaries.

**10. OTHER INVESTMENTS**

| | Group and Company | |
|---|---|---|
| | **2025** | **2024** |
| | **RM** | **RM** |
| **Financial asset at fair value through profit or loss** | | |
| - Keyman insurance contract | 1,721,877 | - |

The contract relates to a life insurance policy insured for a Director of the Company.

**10.1 Security**

The keyman insurance contract represents the expected cash value from the life insurance policy which has been assigned to a licensed bank as security, as disclosed in Note 22, for banking facilities granted to the Group and the Company.

**10.2 Material accounting policy information**

The Group's and the Company's keyman insurance contract is categorised at fair value through profit or loss ("FVTPL") and are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

**10.3 Fair value**

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

| Financial asset | Description of valuation technique and inputs used | Significant unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|---|---|---|---|
| ***Other investments*** | | | |
| Keyman insurance contract | The fair value of keyman insurance contract is based on the cash surrender value in accordance with the insurance policy provided by the insurance company | Cash surrender value quoted by the insurance company | The estimated fair value would higher if the surrender value were high |

# Notes to the Financial Statements
## (Cont'd)

### 11. DEFERRED TAX ASSETS

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| At 1 January | 1,495,000 | (22,060) | - | - |
| Recognised in profit or loss (Note 5) | 47,437 | 1,517,060 | - | - |
| At 31 December | 1,542,437 | 1,495,000 | - | - |
| ***Presented by:*** | | | | |
| Deferred tax assets | 1,542,437 | 1,495,000 | - | - |

# Notes to the Financial Statements
(Cont'd)

**11. DEFERRED TAX ASSETS** (cont'd)

The components of deferred tax assets/(liabilities) during the financial year prior to offsetting are as follows:

| | Property, plant and equipment RM | Right-of-use assets RM | Lease liabilities RM | Provision for restoration costs RM | Contract costs RM | Contract liabilities RM | Unabsorbed capital allowance RM | Unutilised tax losses RM | Total RM |
|---|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | | |
| **Deferred tax assets/ (liabilities)** | | | | | | | | | |
| At 1 January 2024 | (1,349,148) | (4,969,428) | 5,077,883 | 38,145 | (70,173) | 890,264 | 15,937 | 344,460 | (22,060) |
| Recognised in profit or loss (Note 5) | (1,210,370) | (1,398,401) | 1,443,150 | 22,503 | (344,040) | 3,357,837 | (15,937) | (337,682) | 1,517,060 |
| At 31 December 2024/1 January 2025 | (2,559,518) | (6,367,829) | 6,521,033 | 60,648 | (414,213) | 4,248,101 | - | 6,778 | 1,495,000 |
| Recognised in profit or loss (Note 5) | (2,134) | (333,663) | 425,745 | 1,289 | 72,219 | (120,553) | - | 4,534 | 47,437 |
| At 31 December 2025 | (2,561,652) | (6,701,492) | 6,946,778 | 61,937 | (341,994) | 4,127,548 | - | 11,312 | 1,542,437 |

The Group has recognised the deferred tax assets based on the current level of operations of certain subsidiaries and the probability that sufficient taxable profit will be generated in the future against which the deferred tax assets can be utilised.

# Notes to the Financial Statements
## (Cont'd)

**11. DEFERRED TAX ASSETS** (cont'd)

The components of deferred tax assets/(liabilities) during the financial year prior to offsetting are as follows: (cont'd)

| | Property, plant and equipment RM | Right--of-use assets RM | Lease liabilities RM | Unutilised tax losses RM | Total RM |
|---|---|---|---|---|---|
| **Company** | | | | | |
| **Deferred tax assets/(liabilities)** | | | | | |
| At 1 January 2025 | - | - | - | - | - |
| Recognised in profit or loss (Note 5) | (12,099) | (383,951) | 391,392 | 4,658 | - |
| At 31 December 2025 | (12,099) | (383,951) | 391,392 | 4,658 | - |

# Notes to the Financial Statements (Cont'd)

## 11. DEFERRED TAX ASSETS (cont'd)

The estimated temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** |
| | **RM** | **RM** | **RM** | **RM** |
| Unutilised tax losses | 7,426,944 | 6,598,290 | 79,388 | - |
| Unabsorbed capital allowances | 497,143 | 1,080,022 | 61,697 | - |
| Other temporary timing differences | 29,068 | 2,235,020 | - | - |
| | 7,953,155 | 9,913,332 | 141,085 | - |

## 12. INVENTORIES

| | Group | |
|---|---|---|
| | **2025** | **2024** |
| | **RM** | **RM** |
| **At cost:** | | |
| Consumables - aesthetic services | 2,780,576 | 1,679,404 |
| General medicines | 261,127 | 341,187 |
| Products for sale | 598,528 | 1,301,552 |
| Packaging materials | 11,147 | 11,283 |
| | 3,651,378 | 3,333,426 |

The Group has recognised inventories as cost of sales amounted to RM12,838,950 (2024: RM9,419,231). During the financial year, the Group write off inventory of RM10,728 (2024: RM3,043) due to the lapse of expiry dates.

## 13. TRADE RECEIVABLES

| | | Group | |
|---|---|---|---|
| | | **2025** | **2024** |
| | **Note** | **RM** | **RM** |
| Third parties | (i) | 30,240 | 11,117 |
| Collection in transit | (ii) | 169,195 | 195,056 |
| | | 199,435 | 206,173 |

(i) The normal trade credit terms granted by the Group are cash on delivery to 60 days (2024: cash on delivery to 60 days).

(ii) Collection in transit represents credit card sales in transit from financial institutions.

# Notes to the Financial Statements
## (Cont'd)

### 14. OTHER RECEIVABLES

| | | Group | | Company | |
|---|---|---|---|---|---|
| | | 2025 | 2024 | 2025 | 2024 |
| | Note | RM | RM | RM | RM |
| **Non-current** | | | | | |
| Prepayments | (i) | 250,245 | - | 250,245 | - |
| **Current** | | | | | |
| Other receivables | | 87,276 | 30,607 | 629 | - |
| Deposits | (ii) | 2,766,034 | 2,773,565 | 19,040 | 173,800 |
| Prepayments | (i) | 1,661,902 | 1,233,979 | 299,521 | 150,359 |
| Contract costs | (iii) | 1,424,975 | 1,725,885 | - | - |
| | | 5,940,187 | 5,764,036 | 319,190 | 324,159 |

(i) Included in prepayments of the Group and the Company is RM278,050 (2024: Nil), representing prepayment for keyman insurance, as disclosed in Note 10.

(ii) Deposits include:

(a) Rental deposits paid for the leases of office and service outlets of the Group amounting to RM2,196,486 (2024: RM2,105,374); and

(b) Earnest deposits amounting to Nil (2024: RM172,800) which was paid to a vendor for the acquisition of a three-storey end-lot shop unit for a total cash consideration of RM8,000,000. On 8 April 2025, the Company announced that it had entered into a Sale and Purchase Agreement ("SPA") with the vendor and on 16 October 2025, all conditions precedents under the SPA were fulfilled, marking the completion of the acquisition.

(iii) Represent costs to obtain contracts which comprise incremental commission fees paid as a result of obtaining sales contracts which are expected to be recovered through revenue recognition by reference to progress towards complete satisfaction of performance obligation with contract customers. These costs are subsequently expensed off as "cost of sales" by reference to the performance to date, consistent with revenue recognition pattern.

During the financial year, the commission fees being recognised within "cost of sales" in the statements of comprehensive income of the Group were as follows:

| | Group | |
|---|---|---|
| | 2025 | 2024 |
| | RM | RM |
| At beginning of the financial year | 1,725,885 | 292,388 |
| Recognised as commission during the financial year | (7,413,970) | (4,559,719) |
| Commission paid | 7,113,060 | 5,993,216 |
| At end of the financial year | 1,424,975 | 1,725,885 |

# Notes to the Financial Statements
(Cont'd)

## 15. AMOUNT DUE FROM HOLDING COMPANY

This amount is non-trade in nature, unsecured, interest-free advances which is collectible on demand.

## 16. AMOUNTS DUE FROM SUBSIDIARIES

| | | Company | |
|---|---|---|---|
| | | 2025 | 2024 |
| | Note | RM | RM |
| Trade | (i) | 7,977,594 | - |
| Non-trade | (ii) | 3,677,297 | 4,853,424 |
| Amounts due from subsidiaries, gross | | 11,654,891 | 4,853,424 |
| *Non-trade* | | | |
| **Less: Accumulated impairment losses** | | | |
| - At beginning of the financial year | | (872,476) | - |
| - Additions | | - | (872,476) |
| - Reversal | | 872,476 | - |
| - At end of the financial year | | - | (872,476) |
| Amounts due from subsidiaries, net | | 11,654,891 | 3,980,948 |

(i) Credit term granted by the Company is 30 days (2024: Nil).

(ii) These amounts are non-trade in nature, unsecured, interest-free advances which are collectible on demand.

## 17. SHORT-TERM FUNDS

This refers to investments in a short to medium-term fixed income fund of which the fund will be invested in money market investments and short to medium-term fixed income investments. The distribution income from these funds is tax exempted and is being treated as interest income by the Group and the Company. The short-term funds bore interest rates ranging from 2.87% to 3.77% (2024: 3.13% to 3.77%) per annum.

## 18. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group bore interest rates ranging from 1.75% to 2.70% (2024: 2.10% to 2.70%) per annum and have maturity periods of 1 to 12 months (2024: 1 to 12 months).

The entire fixed deposits are pledged as security for a bank guarantee granted to a lessor in respect of a leasing arrangement with the Group and for credit facilities granted to a subsidiary as disclosed in Note 22.

### 18.1 Material accounting policy information

Cash and cash equivalents consist of short-term funds, fixed deposits with licensed banks, cash at bank and on hand that are readily convertible to known amount of cash, and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of pledged deposits and bank overdraft, if any.

# Notes to the Financial Statements
## (Cont'd)

### 19. SHARE CAPITAL

| | Group and Company | | | |
|---|---|---|---|---|
| | Number of ordinary shares | | Amount | |
| | 2025 unit | 2024 unit | 2025 RM | 2024 RM |
| **Issued and fully paid ordinary shares:** | | | | |
| At beginning/end of the financial year | 996,300,000 | 996,300,000 | 57,427,882 | 57,427,882 |

There is no par value on the ordinary shares. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction and rank equally with regard to the Company's residual assets.

### 20. REORGANISATION RESERVE

The reorganisation reserve comprise the difference between cost of investment recorded in the Company and the share capitals of Klinik Dr Chong, Ten Doctors and DC Lasers arising from the initial public offering ("IPO") reorganisation, as the Group has applied the merger method of accounting.

### 21. LEASE LIABILITIES

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| **Minimum lease payments:** | | | | |
| - not later than 1 year | 8,859,703 | 8,406,128 | 312,000 | - |
| - later than 1 year but not later than 2 years | 8,305,053 | 7,996,255 | 312,000 | - |
| - later than 2 years but not later than 5 years | 16,396,124 | 15,203,008 | 936,000 | - |
| - more than 5 years | 4,337,000 | 5,051,482 | 312,000 | - |
| | 37,897,880 | 36,656,873 | 1,872,000 | - |
| Less: Unexpired finance charges | (4,787,871) | (4,349,400) | (241,198) | - |
| | 33,110,009 | 32,307,473 | 1,630,802 | - |

# Notes to the Financial Statements (Cont'd)

## 21. LEASE LIABILITIES (cont'd)

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| | RM | RM | RM | RM |
| (cont'd) | | | | |
| **Present value of lease liabilities:** | | | | |
| - not later than 1 year | 7,364,162 | 6,999,842 | 241,267 | - |
| - later than 1 year but not later than 2 years | 7,158,962 | 6,883,943 | 252,728 | - |
| - later than 2 years but not later than 5 years | 14,296,794 | 13,673,168 | 832,525 | - |
| - more than 5 years | 4,290,091 | 4,750,520 | 304,282 | - |
| | 33,110,009 | 32,307,473 | 1,630,802 | - |
| **Represented by:** | | | | |
| Current liabilities | 7,364,162 | 6,999,842 | 241,267 | - |
| Non-current liabilities | 25,745,847 | 25,307,631 | 1,389,535 | - |
| | 33,110,009 | 32,307,473 | 1,630,802 | - |

The lease liabilities bear effective interest rates ranging from 4.12% to 6.65% (2024: 4.12% to 6.63%) per annum.

The lease liabilities amounting to RM3,885,501 (2024: RM3,114,749) is secured by a corporate guarantee by the Company.

## 22. BORROWINGS

| | | Group | | Company | |
|---|---|---|---|---|---|
| | | 2025 | 2024 | 2025 | 2024 |
| | Note | RM | RM | RM | RM |
| **Current liabilities** | | | | | |
| Bank overdraft | | 150,996 | 4,997,005 | - | - |
| Term loans | | 2,258,708 | 306,344 | 358,447 | - |
| | | 2,409,704 | 5,303,349 | 358,447 | - |
| **Non-current liabilities** | | | | | |
| Term loans | | 8,894,755 | 1,220,303 | 8,812,823 | - |
| | | 11,304,459 | 6,523,652 | 9,171,270 | - |
| **Total borrowings** | | | | | |
| Bank overdraft | (i) | 150,996 | 4,997,005 | - | - |
| Term loans | (ii) | 11,153,463 | 1,526,647 | 9,171,270 | - |
| | | 11,304,459 | 6,523,652 | 9,171,270 | - |

# Notes to the Financial Statements
## (Cont'd)

**22. BORROWINGS** (cont'd)

The range of interest rates per annum at the reporting date for the borrowings are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| | % | % | % | % |
| Bank overdraft | 7.60 | 7.89 | - | - |
| Term loans | 4.45 - 4.65 | 4.45 - 4.65 | 4.51 | - |

The remaining maturities of the term loans as at the reporting are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| | RM | RM | RM | RM |
| **Maturity profile of term loans** | | | | |
| - not later than 1 year | 2,258,708 | 306,344 | 358,447 | - |
| - later than 1 year but not later than 2 years | 456,884 | 1,138,372 | 374,952 | - |
| - later than 2 years but not later than 5 years | 1,231,657 | 81,931 | 1,231,657 | - |
| - more than 5 years | 7,206,214 | - | 7,206,214 | - |
| | 11,153,463 | 1,526,647 | 9,171,270 | - |

**(i) Bank overdraft**

The bank overdraft of the Group is secured by the following:

(a) Guarantee in favour of the Bank by Syarikat Jaminan Pembiayaan Perniagaan Berhad under the Government Guarantee Scheme Madani for 80% of the principal and profit outstanding;
(b) A fixed deposit with licensed banks as disclosed in Note 18;
(c) A corporate guarantee by the holding company; and
(d) A corporate guarantee by the Company.

# Notes to the Financial Statements
## (Cont'd)

**22. BORROWINGS** (cont'd)

**(ii) Term loans**

| | Group 2025 RM | Group 2024 RM | Company 2025 RM | Company 2024 RM |
|---|---|---|---|---|
| **Current** | | | | |
| Term loan I | 790,900 | 306,344 | - | - |
| Term loan II | 1,109,361 | - | - | - |
| Term loan III | 358,447 | - | 358,447 | |
| | 2,258,708 | 306,344 | 358,447 | - |
| **Non-current** | | | | |
| Term loan I | - | 29,010 | - | - |
| Term loan II | 81,932 | 1,191,293 | - | - |
| Term loan III | 8,812,823 | - | 8,812,823 | - |
| | 8,894,755 | 1,220,303 | 8,812,823 | - |

Term loan I

Term loan I is secured by the following:

(a) An Asset Sale Agreement over Shariah compliant commodities determined by the bank;
(b) A fixed deposit with licensed banks as disclosed in Note 18; and
(c) A corporate guarantee executed by the Company.

Term loan II

Term loan II is secured by the following:

(a) Guarantee in favour of the Bank by Syarikat Jaminan Pembiayaan Perniagaan Berhad under the Government Guarantee Scheme Madani for 80% of the principal and profit outstanding;
(b) A fixed deposit with licensed banks as disclosed in Note 18;
(c) A corporate guarantee by the holding company; and
(d) A corporate guarantee by the Company.

Term loan III

Term loan III is secured by the following:

(a) A legal charge over property of the Group and the Company as disclosed in Note 7(i);
(b) A corporate guarantee by a subsidiary;
(c) A keyman insurance contract pledged as disclosed in Note 10; and

The Group's leverage ratio shall not exceed 2.25 times.

# Notes to the Financial Statements
## (Cont'd)

### 23. PROVISION

| | Group 2025 RM | Group 2024 RM |
|---|---|---|
| **Non-current:** | | |
| Provision for restoration costs | 258,072 | 252,702 |

The movement in provision of restoration costs:

| | Group 2025 RM | Group 2024 RM |
|---|---|---|
| At beginning of the financial year | 252,702 | 158,943 |
| Recognised in right-of-use assets (Note 8) | 20,725 | 96,188 |
| Remeasurement from lease (Note 8) | - | (12,547) |
| Lease modification (Note 8) | (1,613) | - |
| Termination in right-of-use assets (Note 8) | (26,044) | - |
| Unwinding of discount | 12,302 | 10,118 |
| At end of the financial year | 258,072 | 252,702 |

The Group recognised the provision for restoration costs in respect of the obligation of the Group to restore leased retail outlets and warehouses to their original state upon the expiry of the tenancy agreements, which are capitalised and included in the right-of-use assets.

The provision is calculated using discount rates range from 4.12% to 5.00% (2024: 4.12% to 5.00%) per annum measured at the present value of the restoration cost and is expected to be paid upon termination of the lease agreement. The unwinding of the discount is recognised within the line of "finance costs" in the statements of comprehensive income of the Group for the financial year ended 31 December 2025.

### 24. TRADE PAYABLES

The normal trade credit terms granted to the Group ranging from 30 to 90 days (2024: 30 to 90 days).

### 25. OTHER PAYABLES

| | Group 2025 RM | Group 2024 RM | Company 2025 RM | Company 2024 RM |
|---|---|---|---|---|
| Other payables | 2,364,815 | 1,797,973 | 552,393 | 98,271 |
| Accruals | 4,360,466 | 2,076,660 | 1,897,779 | 77,100 |
| | 6,725,281 | 3,874,633 | 2,450,172 | 175,371 |

# Notes to the Financial Statements
(Cont'd)

## 26. CONTRACT LIABILITIES

| | Group 2025 RM | 2024 RM |
|---|---|---|
| Aesthetic services | 16,958,117 | 18,505,654 |
| Advance deposit from customers | 240,000 | - |
| | 17,198,117 | 18,505,654 |

Contract liabilities mainly relate to advance consideration received from customers at inception of contracts, for services which have not been rendered as at the reporting date.

Movement of contract liabilities is as follows:

| | Group 2025 RM | 2024 RM |
|---|---|---|
| **Aesthetic services** | | |
| At beginning of the financial year | 18,505,654 | 3,709,441 |
| Collection during the financial year | 74,227,031 | 61,187,413 |
| Amount recognised as revenue: (Note 3) | | |
| - contract liabilities at beginning of the financial year | (18,505,654) | (3,709,441) |
| - revenue during the financial year | (57,268,914) | (42,681,759) |
| | (75,774,568) | (46,391,200) |
| At end of the financial year | 16,958,117 | 18,505,654 |
| **Advance deposit from customers** | | |
| At beginning of the financial year | - | - |
| Collection during the financial year | 240,000 | - |
| At end of the financial year | 240,000 | - |
| Total | 17,198,117 | 18,505,654 |

The remaining unsatisfied performance obligations for aesthetic services and advance deposits are expected to be recognised as revenue within the next 6 months and 1 year (2024: 1 year and Nil), respectively.

## 27. AMOUNTS DUE TO SUBSIDIARIES

These amounts are non-trade in nature, unsecured, interest-free advances which are repayable on demand.

# Notes to the Financial Statements
## (Cont'd)

## 28. OPERATING SEGMENT

An operation segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity whose operating results are reported to the Group's chief operating decision maker ("CODM") for the purpose of resource allocation and performance assessment. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments is not presented.

There is no single customer that contributed 10% or more to the Group's revenue.

## 29. RELATED PARTY DISCLOSURES

Identity of related parties

For the purpose of these financial statements, parties are considered to be related to the Group and to the Company if the Group and the Company have the ability to directly control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company have related party relationships with its holding company, subsidiaries and key management personnel.

The related party balances are shown in Notes 15, 16 and 27, respectively.

Other than disclosed elsewhere in the financial statements, the significant related party transactions between the Group and the Company and their related parties during the financial year are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| **Transaction with holding company** | | | | |
| Advances to | - | (37) | - | - |
| **Transactions with subsidiaries** | | | | |
| Additional cost of investment | - | - | - | (799,900) |
| Management fee | - | - | (22,030,563) | - |
| Net advances to | - | - | (6,801,467) | (4,853,424) |
| Net advances from/ (repayment to) | - | - | 3,039,636 | (1,085,260) |

# Notes to the Financial Statements (Cont'd)

## 29. RELATED PARTY DISCLOSURES (cont'd)

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel refer to all the Directors of the Company and certain members of senior management of the Group.

The remuneration of the Directors of the Company during the financial year is disclosed in Note 4(a).

The remuneration of other members of key management personnel of the Group during the financial year are as follows:

| | Group and Company | |
|---|---|---|
| | 2025 | 2024 |
| | RM | RM |
| **Key management personnel** | | |
| - Salaries, commissions and allowances | 1,279,429 | 1,617,963 |
| - Defined contribution plan | 153,262 | 194,213 |
| - Social security contributions | 2,946 | 3,745 |
| - Contributions to employee insurance system | 286 | 339 |
| | 1,435,923 | 1,816,260 |

## 30. FINANCIAL INSTRUMENTS

**Categories of financial instruments**

The Group's and the Company's financial assets (excluding prepayments and contract costs) and financial liabilities (excluding contract liabilities and provision for restoration costs) are all categorised as amortised costs, respectively.

**Material Accounting Policy Information**

Recognition and measurement of financial instruments

*Financial assets*

Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets.

# Notes to the Financial Statements
## (Cont'd)

**30. FINANCIAL INSTRUMENTS** (cont'd)

**Material Accounting Policy Information** (cont'd)

Recognition and measurement of financial instruments (cont'd)

*Financial assets* (cont'd)

Fair value through profit or loss ("FVTPL")

All the financial assets not measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

All financial assets, except for those measured at FVTPL, are subject to impairment assessment under Note 30(a).

*Financial liabilities*

The financial liabilities of the Group and the Company are initially recognised as amortised cost. Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

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.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts are recognised initially at fair value plus transaction costs and thereafter, at the higher of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period and the amounts initially recognised less cumulative amortisation recognised.

Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the market place concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

# Notes to the Financial Statements
## (Cont'd)

**30. FINANCIAL INSTRUMENTS** (cont'd)

**Material Accounting Policy Information** (cont'd)

Derecognition of financial instruments

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

**Financial risk management objectives and policies**

The Group's and Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its financial risks, including credit risk, liquidity risk and interest rate risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and Company's policy are not to engage in speculative transactions.

There have been no changes to the Group's and the Company's exposure to these financial risks or the manner in which they manage and measure the risk.

The following sections provide details regarding the Group's and Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

**(a) Credit risk**

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from their receivables and financial guarantees provided by the Company to subsidiaries of the Company. There are no significant changes as compared to prior years. There are no significant changes as compared to prior periods. For other financial assets (including short-term funds, deposits, cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

**Trade receivables**

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's association to business partners with good credit ratings. Credit evaluations are performed on all customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

# Notes to the Financial Statements
## (Cont'd)

**30. FINANCIAL INSTRUMENTS** (cont'd)

**Financial risk management objectives and policies** (cont'd)

**(a) Credit risk** (cont'd)

**Trade receivables** (cont'd)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting year, the maximum exposure to credit risk arising from receivables and financial assets is represented by the carrying amount in the statements of financial position.

Cash in transit from banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

None of the trade receivables are secured by any collateral or supported by any other credit enhancement.

Credit risk concentration profile

There is no concentration of credit risk arising from any of the customers of the Group.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values. Any receivables having significant balances past due more than 30 days, which are deemed to have higher credit risk, are monitored individually.

The Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime expected credit losses. The Group assesses impairment of trade receivable on an individual basis and the Group has reasonable and supportable information available to assess the impairment individually.

Loss rates are based on actual credit loss experienced over the prior years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

Evidence that a financial asset is credit impaired includes the observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or significant past due event.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due. Any recoveries made are recognised in profit or loss.

# Notes to the Financial Statements
**(Cont'd)**

**30. FINANCIAL INSTRUMENTS** (cont'd)

**Financial risk management objectives and policies** (cont'd)

**(a) Credit risk** (cont'd)

**Trade receivables** (cont'd)

<u>Impairment losses</u>

The following table provides information about the exposure to credit risk for trade receivables as at reporting date which are grouped together as they are expected to have similar risk nature.

| | Group | |
|---|---|---|
| | 2025 | 2024 |
| | RM | RM |
| Neither past due nor impaired | 199,435 | 206,173 |

**Other receivables**

Expected credit loss of other receivables is determined individually after considering the financial strength of the other receivables. As at the end of the reporting year, the maximum exposure to credit risks is represented by their carrying amounts in the statements of financial position.

Credit risk on deposits is mainly arising from deposits paid to its landlord as security and utilities deposit for rental of premises which will be received upon termination of such services and thus have low credit risks.

As at the end of the reporting year, no allowance for doubtful debts is necessary in respect of other receivables and deposits that are neither past due nor impaired as these are mainly arising from debtors that have good records of payment in the past and rental of premises which are still in use.

**Cash and cash equivalents**

The cash and cash equivalents, including short-term funds, fixed deposits with licensed banks and bank balances, are held with banks and financial institutions. As at the reporting year, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

# Notes to the Financial Statements
## (Cont'd)

### 30. FINANCIAL INSTRUMENTS (cont'd)

**Financial risk management objectives and policies** (cont'd)

**(a) Credit risk** (cont'd)

**Financial guarantees**

Corporate guarantees are given by the Company for credit facilities extended to certain subsidiaries. The maximum credit risk exposure of the financial guarantees issued are as follows:

| | Company | |
|---|---|---|
| | **2025 RM** | **2024 RM** |
| Corporate guarantees given to creditors for supply of goods on credit terms to the subsidiaries | 446,347 | 172,009 |
| Corporate guarantees given to lessors for leasing arrangements on lease of premises | 2,571,619 | 3,857,554 |
| Corporate guarantees given to financial institutions for hire purchase arrangements on purchase of plant and equipment | 3,885,501 | 3,114,749 |
| Corporate guarantees given to financial institutions for borrowings granted to the subsidiaries | 2,133,189 | 6,523,652 |
| | 9,036,656 | 13,667,964 |

A financial guarantee contract is a contract that requires the issuer to make specific payments to reimburse the holder for a loss incurred because a specific debtor fails to make payment when due.

Financial guarantee contracts are recognised as financial liabilities at the time the guarantee crystalises. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected loss model under MFRS 9 and the amount initially recognised less amortisation, where appropriate.

Financial guarantees have low credit risk at the end of the year as the financial guarantees are unlikely to be called upon by the financial institutions, creditors and lessors. The fair values of the financial guarantees are negligible as the probably of the subsidiaries defaulting payment and the financial institutions, creditors and lessors calling upon the financial guarantees are remote.

**Inter-company loans and advances**

<u>Risk management objectives, policies and processes for managing the risk</u>

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

<u>Exposure to credit risk, credit quality and collateral</u>

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

# Notes to the Financial Statements
**(Cont'd)**

**30. FINANCIAL INSTRUMENTS** (cont'd)

**Financial risk management objectives and policies** (cont'd)

**(a) Credit risk** (cont'd)

**Inter-company loans and advances** (cont'd)

Recognition and measurement of impairment loss

Inter-company loans between the Company and the subsidiaries are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date.

Generally, the Company considers advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

The Company determines the probability of default for these loans and advances individually using internal information available. The Company monitors the results of the subsidiaries regularly. As at the end of the reporting period, the Company has not provided allowance for expected credit loss except for the following:

| | Company | |
|---|---|---|
| | 2025 RM | 2024 RM |
| At beginning of the financial year | 872,476 | - |
| Addition | - | 872,476 |
| Reversal | (872,476) | - |
| At end of the financial year | - | 872,476 |

The Company assumes that there is a significant increase in credit risk given a subsidiary's financial position has deteriorated and accordingly an impairment loss on amounts due from that subsidiary amounted to Nil (2024: RM872,476) being recognised in the statement of comprehensive income of the Company during the financial year ended 31 December 2025.

**(b) Liquidity risk**

Liquidity risk is the risk that the Group and the Company will encounter difficulties in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatch of financial assets and liabilities.

The Group's and the Company's liquidity risk management policy is to manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Group and the Company maintain sufficient levels of cash and available banking facilities at a reasonable level to its overall debt position to meet their working capital requirement.

The Group and the Company practice prudent risk management by maintaining sufficient cash balances.

# Notes to the Financial Statements
## (Cont'd)

**30. FINANCIAL INSTRUMENTS** (cont'd)

**Financial risk management objectives and policies** (cont'd)

**(b) Liquidity risk** (cont'd)

In respect of the corporate guarantees provided by the Company to its subsidiaries as disclosed in Note 30(a), there was no indication as at 31 December 2025 that any subsidiary would default. In the event of the default by subsidiaries, the financial guarantees could be called on demand.

As at 31 December 2025, the Group recorded a net current liabilities position of RM964,834 (2024: RM82,152), primarily attributable to contract liabilities representing upfront payments received from customers for package sales of aesthetic services yet to be rendered as at the financial year end. Excluding these contract liabilities, the Group would have been in a net current assets position of RM16,233,283 (2024: RM18,423,502).

For the financial year ended 31 December 2025, the Group generated positive cash flows from operating activities of RM16,489,075, recorded an operating profit of RM205,738, and maintained positive unrestricted cash and cash equivalents of RM23,133,646.

# Notes to the Financial Statements
(Cont'd)

30. **FINANCIAL INSTRUMENTS** (cont'd)

**Financial risk management objectives and policies** (cont'd)

**(b) 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 the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

| | | | Contractual Cash Flows | | | |
|---|---|---|---|---|---|---|
| | **Carrying amount RM** | **Contractual cash flows RM** | **On demand or within 1 year RM** | **1 to 2 years RM** | **3 to 5 years RM** | **More than 5 years RM** |
| **Group** | | | | | | |
| **2025** | | | | | | |
| Trade payables | 1,731,410 | 1,731,410 | 1,731,410 | - | - | - |
| Other payables | 6,725,281 | 6,725,281 | 6,725,281 | - | - | - |
| Lease liabilities | 33,110,009 | 37,897,880 | 8,859,703 | 8,305,053 | 16,396,124 | 4,337,000 |
| Bank overdraft | 150,996 | 150,996 | 150,996 | - | - | - |
| Term loans | 11,153,463 | 13,693,576 | 2,592,105 | 754,255 | 2,016,000 | 8,331,216 |
| | 52,871,159 | 60,199,143 | 20,059,495 | 9,059,308 | 18,412,124 | 12,668,216 |
| **2024** | | | | | | |
| Trade payables | 1,391,329 | 1,391,329 | 1,391,329 | - | - | - |
| Other payables | 3,874,633 | 3,874,633 | 3,874,633 | - | - | - |
| Lease liabilities | 32,307,473 | 36,656,873 | 8,406,128 | 7,996,255 | 15,203,008 | 5,051,482 |
| Bank overdraft | 4,997,005 | 4,997,005 | 4,997,005 | - | - | - |
| Term loans | 1,526,647 | 1,631,573 | 379,002 | 1,170,316 | 82,255 | - |
| | 44,097,087 | 48,551,413 | 19,048,097 | 9,166,571 | 15,285,263 | 5,051,482 |

# Notes to the Financial Statements
## (Cont'd)

30. **FINANCIAL INSTRUMENTS** (cont'd)

**Financial risk management objectives and policies** (cont'd)

(b) **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 the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations. (cont'd)

| | Carrying amount RM | Contractual cash flows RM | ← Contractual Cash Flows → On demand or within 1 year RM | 1 to 2 years RM | 3 to 5 years RM | More than 5 years RM |
|---|---|---|---|---|---|---|
| **Company** | | | | | | |
| **2025** | | | | | | |
| Other payables | 2,450,172 | 2,450,172 | 2,450,172 | - | - | - |
| Amount due to a subsidiary | 3,039,636 | 3,039,636 | 3,039,636 | - | - | - |
| Lease liabilities | 1,630,802 | 1,872,000 | 312,000 | 312,000 | 936,000 | 312,000 |
| Term loans | 9,171,270 | 11,691,216 | 672,000 | 672,000 | 2,016,000 | 8,331,216 |
| | 16,291,880 | 19,053,024 | 6,473,808 | 984,000 | 2,952,000 | 8,643,216 |
| **2024** | | | | | | |
| Other payables | 175,371 | 175,371 | 175,371 | - | - | - |

# Notes to the Financial Statements
**(Cont'd)**

**30. FINANCIAL INSTRUMENTS** (cont'd)

**Financial risk management objectives and policies** (cont'd)

**(c) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises mainly from interest-bearing financial assets and financial liabilities.

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting year was:

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| **Floating rate instruments:** | | | | |
| ***Financial assets*** | | | | |
| - Short-term funds | 15,072,308 | 19,058,827 | 15,072,308 | 19,058,827 |
| - Fixed deposits with licensed banks | 1,701,707 | 1,399,453 | - | - |
| ***Financial liabilities*** | | | | |
| - Bank overdraft | (150,996) | (4,997,005) | - | - |
| - Term loans | (11,153,463) | (1,526,647) | - | - |
| | 5,469,556 | 13,934,628 | 15,072,308 | 19,058,827 |

The Group and the Company are exposed to interest rate risk through the impact of rate changes in short-term funds, fixed deposits with licensed banks and floating rate term loans. The interest rates of short-term funds, fixed deposits with licensed banks, bank overdraft and term loans are disclosed in Notes 17, 18 and 22, respectively. The changes of 10 basis points in interest rates would not have material impact on the profit or loss of the Group and the Company.

**31. FAIR VALUE INFORMATION**

Financial instruments other than those carried at fair value

*Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair values*

The carrying amounts of receivables, payables and cash and cash equivalents approximate their fair values due to relatively short term nature of these financial instruments and the insignificant impact of discounting. As permitted by MFRS 7, the fair value for lease liabilities is not disclosed.

The carrying amount of long-term floating rate loan approximates its fair value as the loan will be re-priced to market interest rate on or near reporting date.

# Notes to the Financial Statements
## (Cont'd)

### 32. CAPITAL MANAGEMENT

The Group and the Company manage their capital to ensure that the Group and the Company will be able to maintain an optimal capital structure so as to support their business and maximise shareholder value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company monitor capital using debt-to-equity ratio which is the total debts divided by total equity. Debt includes borrowings and lease liabilities, whilst total capital is equity attributable to Owners of the Company. The debt-to-equity ratio is not governed by the MFRS and its definition and calculation may vary from others.

The debt-to-equity ratios at end of the reporting year are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2025 RM | 2024 RM | 2025 RM | 2024 RM |
| Borrowings (Note 22) | 11,304,459 | 6,523,652 | 9,171,270 | - |
| Lease liabilities (Note 21) | 33,110,009 | 32,307,473 | 1,630,802 | - |
| Total debts | 44,414,468 | 38,831,125 | 10,802,072 | - |
| Total equity | 44,941,785 | 44,736,047 | 45,685,341 | 44,877,299 |
| Debt-to-equity ratio (times) | 0.99 | 0.87 | 0.24 | * |

* *The Company does not have any debts, thus the debt-to-equity ratio is not presented.*

There were no changes in the Group's and the Company's approach to capital management during the reporting year.

Under the terms of the borrowing facilities as disclosed in Note 22, the Group is required to maintain leverage ratio of not exceeding 2.25 times. As at the reporting date, the leverage ratio is 0.61 (2024: Nil) times. As at the reporting date, the Group is in compliance with the externally imposed capital requirements as mentioned above.

# Notes to the Financial Statements
(Cont'd)

## 33. CAPITAL COMMITMENTS

Capital expenditure in respect of acquisition of plant and equipment is as follows:

| | Group 2025 RM | Group 2024 RM |
|---|---|---|
| **Authorised and not contracted for:** | | |
| Purchase of shoplot | - | 7,827,200 |
| **Authorised and contracted for:** | | |
| Renovation for service outlets and office | 1,596,124 | 650,000 |
| Software development | 1,008,720 | - |
| | 2,604,844 | 650,000 |

## 34. LITIGATION

The Group is involved in certain legal proceedings arising in the ordinary course of business, the details of which are described below:

<u>Kuah Chen Kee ("Claimant") vs Klinik Dr Chong Sdn. Bhd. ("Respondent") (Case No. 11/4-1066/24)</u>

In November 2024, the Claimant commenced legal proceedings against the Respondent alleging unfair dismissal, seeking reinstatement, back wages and other reliefs of up to 24 months based on the last drawn salary of RM3,200 per month, calculated from the date of termination on 22 April 2024, excluding costs and other incidental expenses.

The full trial of the matter has been fixed from 27 to 28 April 2026.

Based on legal advice and the current stage of the proceedings, the outcome of the matter remains uncertain at this juncture. Accordingly, no provision has been recognised in the financial statements.

# LIST OF PROPERTY
AS AT 31 DECEMBER 2025

| No. | Location | Description | Existing Use | Date of Acquisition | Tenure | Land Area | Age of Building | Carrying Value RM |
|---|---|---|---|---|---|---|---|---|
| 1 | Geran no. HSD 105776, Lot PT 37243 & Geran no. HSD 105777, Lot PT 37244, Mukim Petaling, Daerah Petaling, Negeri Selangor. | An end-lot three (3)-storey terraced shop-office | Office | October 2025 | Freehold | 401.328 sq.m | 11 years | 8,375,204 |

# ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2026

**SHARE CAPITAL**

| | | |
|---|---|---|
| **TOTAL NUMBER OF ISSUED SHARES** | : | 996,300,000 Ordinary Shares |
| **CLASS OF SHARES** | : | Ordinary Share |
| **VOTING RIGHTS** | : | One vote per Ordinary Share |
| **NUMBER OF SHAREHOLDERS** | : | 2,628 |

**DISTRIBUTION OF SHAREHOLDINGS BASED ON THE RECORD OF DEPOSITORS AS AT 31 MARCH 2026**

| SIZE OF HOLDINGS | NO. OF HOLDERS | % | NO. OF SHARES | % |
|---|---|---|---|---|
| 1 - 99 | 6 | 0.23 | 200 | - |
| 100 - 1,000 | 213 | 8.11 | 91,400 | 0.01 |
| 1,001 - 10,000 | 730 | 27.78 | 4,718,600 | 0.47 |
| 10,001 - 100,000 | 1,229 | 46.77 | 52,380,400 | 5.26 |
| 100,001 - LESS THAN 5% OF ISSUED SHARES | 449 | 17.09 | 393,444,800 | 39.49 |
| 5% AND ABOVE OF ISSUED SHARES | 1 | 0.04 | 545,664,600 | 54.77 |
| **TOTAL :** | **2,628** | **100.00** | **996,300,000** | **100.00** |

**DIRECTORS' SHAREHOLDINGS BASED ON THE RECORD OF DEPOSITORS AS AT 31 MARCH 2026**

The Directors' Shareholdings based on the Register of Directors' Shareholdings of the Company are as follow:-

| NO. | NAME | NO. OF SHARES HELD DIRECT | % | NO. OF SHARES HELD INDIRECT | % |
|---|---|---|---|---|---|
| 1 | DATUK DR MOHD NOOR BIN AWANG | 2,000 | - | - | - |
| 2 | DR. CHONG TZE SHENG | 48,532,100 | 4.87 | 575,059,400 | 57.72 |
| 3 | DR. LAI NGAN CHEE | 29,394,800 | 2.95 | 594,196,700 | 59.64 |
| 4 | DATIN REKHA A/P PALANYSAMY | - | - | - | - |
| 5 | KELVIN KOH JUN XIONG | - | - | - | - |
| 6 | GOH SIOW CHENG | - | - | - | - |

**SUBSTANTIAL SHAREHOLDERS BASED ON THE RECORD OF DEPOSITORS AS AT 31 MARCH 2026**

The substantial shareholders (holding 5% or more of the issued capital) based on the Register of Substantial Shareholders of the Company and their shareholdings are as follows:-

| NO. | NAME | NO. OF SHARES HELD DIRECT | % | NO. OF SHARES HELD INDIRECT | % |
|---|---|---|---|---|---|
| 1 | DC HEALTHCARE GROUP SDN BERHAD | 545,664,600 | 54.77 | - | - |
| 2 | DR. CHONG TZE SHENG | 48,532,100 | 4.87 | 575,059,400 | 57.72 |
| 3 | DR. LAI NGAN CHEE | 29,394,800 | 2.95 | 594,196,700 | 59.64 |

# Analysis of Shareholdings (Cont'd)

As At 31 March 2026

**30 LARGEST SECURITIES ACCOUNTS HOLDERS BASED ON THE RECORD OF DEPOSITORS AS AT 31 MARCH 2026**

| NO. | SHAREHOLDERS | NO. OF SHARES | % |
|---|---|---|---|
| 1 | DC HEALTHCARE GROUP SDN BERHAD | 545,664,600 | 54.77 |
| 2 | DR. CHONG TZE SHENG | 46,477,900 | 4.67 |
| 3 | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR LOW KOK YEW (MY3041) | 31,595,000 | 3.17 |
| 4 | DR. LAI NGAN CHEE | 29,394,800 | 2.95 |
| 5 | CHIA YAK KUANG | 11,000,000 | 1.10 |
| 6 | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR LAI POH MEI (MF00663) | 10,010,000 | 1.01 |
| 7 | KEJAYA KAYA SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR DOREEN DING YEK PING | 9,718,200 | 0.98 |
| 8 | KEJAYA KAYA SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR LIEW YUEN TENG | 9,718,100 | 0.98 |
| 9 | KEJAYA KAYA SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR JEFFERY DING CHOON YONG | 7,108,400 | 0.71 |
| 10 | AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR KAN YOON KEONG | 7,064,000 | 0.71 |
| 11 | M & A NOMINEE (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI (M&A) | 6,759,200 | 0.68 |
| 12 | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR LOH YIM QUIN (MF00673) | 6,600,000 | 0.66 |
| 13 | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR LAU HAN WEI (MF00141) | 6,000,000 | 0.60 |
| 14 | M & A NOMINEE (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR CHOW DAI YING (M&A) | 6,000,000 | 0.60 |
| 15 | TA NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI | 4,910,500 | 0.49 |
| 16 | LAI POH MEI | 3,918,100 | 0.39 |
| 17 | TAI BENG YEONG | 3,224,200 | 0.32 |
| 18 | POO AH MOI | 3,050,000 | 0.31 |

# Analysis of Shareholdings (Cont'd)

As At 31 March 2026

**30 LARGEST SECURITIES ACCOUNTS HOLDERS BASED ON THE RECORD OF DEPOSITORS AS AT 31 MARCH 2026 (CONT'D)**

| NO. | SHAREHOLDERS | NO. OF SHARES | % |
|---|---|---|---|
| 19 | PM NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT - ECO ASIA VENTURES SDN BHD FOR LEFTA ADVISORY SDN.BHD. | 3,000,000 | 0.30 |
| 20 | AMSEC NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR JASON KOH JIAN HUI | 2,979,000 | 0.30 |
| 21 | TA NOMINEES (TEMPATAN) SDN BHD BHD.<br>PLEDGED SECURITIES ACCOUNT FOR TAN SENG TUNG | 2,905,000 | 0.29 |
| 22 | TA NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR YAP CHEE KEONG | 2,800,000 | 0.28 |
| 23 | YEOH SIOK KEONG | 2,800,000 | 0.28 |
| 24 | KENANGA NOMINEES (TEMPATAN) SDN BHD<br>RAKUTEN TRADE SDN BHD FOR SIEW JUN KIT | 2,769,900 | 0.28 |
| 25 | MAYBANK NOMINEES (TEMPATAN) SDN BHD<br>CHOW YU JIIN | 2,500,000 | 0.25 |
| 26 | TIONG YIIN KING | 2,450,000 | 0.25 |
| 27 | AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI | 2,339,200 | 0.24 |
| 28 | IFAST NOMINEES (TEMPATAN) SDN BHD<br>EXEMPT AN FOR WEBULL SECURITIES SDN. BHD. | 2,313,100 | 0.23 |
| 29 | CHUA TECK KIM | 2,300,000 | 0.23 |
| 30 | MAYBANK NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR DR CHONG TZE SHENG | 2,054,200 | 0.21 |
| | **TOTAL** | **779,423,400** | **78.23** |

# NOTICE OF FOURTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Fourth ("4th") Annual General Meeting ("AGM") of DC Healthcare Holdings Berhad ("DC Healthcare" or the "Company") will be held at Kinrara Room 1, Kinrara Golf Club, Jalan Kinrara 6, Bandar Kinrara 6, Puchong, Selangor on Tuesday, 16 June 2026 at 11.00 a.m. or at any adjournment for the transaction of the following businesses:

**AGENDA**

**<u>As Ordinary Business</u>**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1 on Ordinary Business)*

2. To approve the Directors' fees and other benefits payable to the Directors of the Company up to RM300,000.00 to be divided amongst the Directors in such manner as Directors may determine for the period commencing from the conclusion of the 4th AGM until the next AGM of the Company. *Ordinary Resolution 1*

3. To re-elect the following Directors who are appointed by the Board of Directors ("Board") during the financial year and retiring pursuant to Clause 115 of the Company's Constitution and being eligible, have offered themselves for re-election.
   (a) Kelvin Koh Jun Xiong *Ordinary Resolution 2*
   (b) Goh Siow Cheng *Ordinary Resolution 3*

4. To re-elect Dr. Chong Tze Sheng who shall retire by rotation pursuant to Clause 106(1) of the Company's Constitution and being eligible has offered himself for re-election. *Ordinary Resolution 4*

5. To re-appoint Messrs. Moore Stephens Associates PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *Ordinary Resolution 5*

**As Special Business**

To consider and if thought fit, to pass the following resolution:

6. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016** *Ordinary Resolution 6*

   "THAT pursuant to Sections 75 and 76 of Companies Act 2016 ("the Act") and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company or such higher percentage as Bursa Malaysia Securities Berhad ("Bursa Securities") allowed for the time being and that the Directors be and are hereby also empowered to obtain approval from Bursa Securities for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next AGM of the Company."

7. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Constitution and the Act.

# Notice of Fourth Annual General Meeting (Cont'd)

By Order of the Board
**DC HEALTHCARE HOLDINGS BERHAD**

**TAN TONG LANG (MAICSA 7045482/ SSM PC No. 202208000250)**
**THIEN LEE MEE (LS0010621/ SSM PC No. 201908002254)**
**NURUL SYAHIDAH BINTI MAT TAHIL (LS0010742/ SSM PC No. 202308000535)**
Company Secretaries
Kuala Lumpur
Date: 30 April 2026

**Notes:-**

1. A member of the Company who is entitled to attend, speak, and vote at this 4th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.

2. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 entitled to attend and vote at the meeting is entitled to appoint a maximum of 2 proxies to attend, participate, speak and vote on his/her behalf.

3. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act 1991, one (1) or more proxies may be appoint to attend on the same occasion. Where a member appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment of two (2) or more proxies shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

4. The Proxy Form shall be signed by the appointer or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.

5. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority by a notary public, shall be deposited at Share Registrar of the Company at 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, Malaysia or alternatively, **deliver by hand and deposit** in the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the 4th AGM or adjourned general meeting.

6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 8 June 2026 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.

7. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 4th AGM will be put to vote by way of poll.

***Personal data privacy:***

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 4th AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 4th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 4th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*

# Notice of Fourth Annual General Meeting
## (Cont'd)

**Explanatory Notes:-**

**1. Item 1 of the Agenda**

Agenda item no. 1 is meant for discussion only as the provisions of Section 340 of the CA 2016, it does not require formal approval of shareholders for the Audited Financial Statements. Hence, this item on the agenda is not put forward for voting.

**2. Item 2 of the Agenda**

Section 230(1) of the Act stipulates, amongst others, that the fees and benefits payable to the Directors of listed companies and its subsidiaries shall be approved at a general meeting.

The Remuneration Committee at its meeting on 21 April 2026 undertook a review of the fees for the Non-Executive Directors and their respective Board Committees' in determining the estimated total amount of Directors' benefit, the Board has considered various factors, amongst others, the estimated claimable benefits and estimated number of meetings for the Board and Board Committees held for the period commencing from the conclusion of the 4th AGM until the next AGM of the Company.

The Board had agreed that the shareholder's approval shall be sought at the Company's 4th AGM on the Directors' fees and benefits payable for the period from 16 June 2026 until the conclusion of the next AGM of the Company.

Any Directors who are shareholders of the Company will abstain from voting on Resolution 1 concerning remuneration to the Directors at the 4th AGM.

**3. Item 3 and 4 of the Agenda**

Clause 115 of the Company's Constitution provides that the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but the total number of Directors shall not at any time exceed the maximum number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Clause 106(1) of the Company's Constitution provides that an election of Directors shall take place each year at the annual general meeting of the Company, where one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office and be eligible for re-election, PROVIDED ALWAYS that Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Mr. Kelvin Koh Jun Xiong and Ms Goh Siow Cheng are standing for re-election as Directors in accordance with Clause 115 of the Constitution while Dr. Chong Tze Sheng is standing for re-election as Director in accordance with clause 106(1) of the Constitution at the forthcoming 4th AGM of the Company. All of them have expressed their intention to seek re-election at the forthcoming 4th AGM of the Company.

**4. Item 5 of the Agenda**

The Board, through the Audit Committee had reviewed and was satisfied with the performance and independence of Messrs. Moore Stephens Associates PLT ("Moore Stephens") during the financial period under review. The Board has therefore recommended the re-appointment of Moore Stephens as external auditors of the Company for the financial year ending 31 December 2026.

# Notice of Fourth Annual General Meeting
## (Cont'd)

5. **Item 6 of the Agenda**

The Ordinary Resolution 6, if passed, will give flexibility to the Directors of the Company to issue shares and allot up to a maximum of 10% of the total number of issued DC Healthcare's Shares at the time of such allotment and issuance of DC Healthcare's Shares and for such purposes as they consider would be in the best interest of the Company without having to convene separate general meetings. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The rationale for this resolution is to eliminate the need to convene general meeting(s) from time to time to seek shareholders' approval as and when the Company issues new DC Healthcare's Shares for future business opportunities for the purpose of funding investment project(s), working capital and/or acquisitions and thereby reducing administrative time and cost with the convening of such meeting(s).

As at the date of this Notice, no new shares were issued by the Company pursuant to the General Mandate granted to the Directors at the 3rd AGM held on 17 June 2025 and which will be lapse at the conclusion of the 4th AGM.

# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Rule 8.29(2) of ACE Market Listing Requirements of Bursa Securities)

1. The profile of the Director who are standing for re-election as per Agenda 3 and 4 of the Notice of 4th AGM is as follows:

**ORDINARY RESOLUTION 2**

| **Mr. Kelvin Koh Jun Xiong (Independent Non-Executive Director)** | |
|---|---|
| **Nationality/ Age/ Gender** | Malaysia/ 31/ Male |
| **Date of Appointment** | 01 August 2025 |
| **Qualification** | • Bachelor of Commerce (Accounting and Finance) – Deakin University, Australia<br>• Member of Malaysian Institute of Accountants<br>• Member of Certified Practising Accountant Australia |
| **Working Experience and occupation** | Mr. Kelvin Koh Jun Xiong has several years of experience in accounting and finance. He began his career at Platinum Accounting Australia in August 2016 as an Intern Assistant Accountant and subsequently left in December 2016. He joined Crowe Malaysia PLT in January 2017 as an Audit Associate, and was then promoted to Senior Audit Associate in August 2018. He resigned from this position in March 2019 and joined RSM Malaysia PLT in June 2019 as a Senior Associate. During his tenure with Crowe Malaysia PLT and RSM Malaysia PLT, he handled audit assignments for private and public companies in Malaysia. He left RSM Malaysia PLT in November 2020 and joined Ecomate Sdn Bhd as an Account Executive in the same month. He was subsequently promoted to Senior Account Executive in December 2021 and Accountant in December 2023. He is responsible for the planning, implementation and management of accounting and finance functions of the Company, including financial reporting and financial planning. |
| **Other directorship in public companies and listed issuers** | Nil |
| **Details of any interest in the securities** | Nil |

Mr. Kelvin Koh Jun Xiong does not hold any shares in DC Healthcare, has no family relationship with any Director and/or major shareholder of DC Healthcare. He has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year 2025.

**ORDINARY RESOLUTION 3**

| **Ms. Goh Siow Cheng (Independent Non-Executive Director)** | |
|---|---|
| **Nationality/ Age/ Gender** | Malaysia/ 44/ Female |
| **Date of Appointment** | 01 August 2025 |
| **Qualification** | • Bachelor of Business (Accounting & Finance) – University of Technology Sydney, Australia<br>• Member of Certified Practising Accountant, Australia |
| **Working Experience and occupation** | Ms. Goh Siow Cheng is currently the Financial Controller in a Listed Company. She has responsibly and effectively led her team to take on various corporate exercises, investment and acquisition projects.<br><br>She has more than 10 years of experience in audit and assurance from a large international accounting firm where she was involved in audits for both private limited companies and public listed companies across various industries, including manufacturing, trading, property development, information technology and plantation. |

# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

(Pursuant to Rule 8.29(2) of ACE Market Listing Requirements of Bursa Securities)

| Ms. Goh Siow Cheng (Independent Non-Executive Director) | |
|---|---|
| **Other directorship in public companies and listed issuers** | • BTM Resources Berhad<br>• Ecomate Holdings Berhad |
| **Details of any interest in the securities** | Nil |

Ms. Goh Siow Cheng does not hold any shares in DC Healthcare, has no family relationship with any Director and/or major shareholder of DC Healthcare. She has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year 2025.

**ORDINARY RESOLUTION 4**

| Dr. Chong Tze Sheng (Managing Director) | |
|---|---|
| **Nationality/ Age/ Gender** | Malaysia/ 42/ Male |
| **Date of Appointment** | 18 April 2022 |
| **Qualification** | Dr. Chong is an accomplished alumnus of University Sains Malaysia, where he graduated with a Degree of Doctor of Medicine ("MD") in 2009. His pursuit of specialised knowledge led him to the American Academy of Aesthetic Medicine, where he earned a Diploma in Aesthetic Medicine. Dr. Chong's academic achievements continued with a Postgraduate Diploma in Practical Dermatology, attained with Distinction from Cardiff University, Wales. Furthering his expertise, he completed a Master of Science in Practical Dermatology at Cardiff University. Dr. Chong solidified his professional standing by obtaining his License in Credentialing and Privileging ("LCP") for Aesthetic Medical Practice from the Malaysian Ministry of Health in 2017. |
| **Working Experience and occupation** | Dr. Chong Tze Sheng ("Dr Chong") is the First Director of the Company appointed on 18 April 2022. He then was redesignated as an Executive Chairman on 6 October 2022 and subsequently redesignated as the Managing Director of the Group on 19 April 2023. He is responsible for developing the overall corporate trajectories and oversees the holistic business direction, strategic planning and future growth initiatives. With a blend of clinical, surgical, and entrepreneurial expertise, Dr. Chong significantly influences the company's strategic and operational avenues, propelling it towards future success.<br><br>Dr. Chong's medical tenure started with a diverse housemanship at Sungai Buloh Hospital from 2009 to 2011. He later worked in surgery and general medicine at Hospital Teluk Intan and Klinik Kesihatan Bukit Kuda until 2013. Moving into aesthetics in 2013, he joined a skin specialist and medical aesthetic company. In 2016, he established Klinik Dr Chong, leading the business and contributing significantly to the medical aesthetic industry. |
| **Other directorship in public companies and listed issuers** | Nil |
| **Details of any interest in the securities** | 48,532,100 (4.871%) – Direct Interest<br>575,059,400 (57.720%) – Indirect Interest |

Dr. Chong is the spouse of Dr. Lai Ngan Chee, who is the Executive Director of the Company.

He has no conflict of interest or potential conflict of interest, including any interest in any competing business with DC Healthcare and has not been convicted of any offence imposed any penalty by the relevant regulatory bodies during the financial year 2025.

2. The detailed to general mandate for issue of securities pursuant to Rule 6.04(3) of the Listing Requirements of Bursa Securities are set out under Explanatory Notes for Ordinary Resolution 6 of the Notice of 4th AGM.

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DC HEALTHCARE HOLDINGS

DC HEALTHCARE HOLDINGS BERHAD

**DC HEALTHCARE HOLDINGS BERHAD**
[Registration No. 202201014036 (1459733-P)]
(Incorporated in Malaysia)

**FORM OF PROXY**

| | |
|---|---|
| No. of shares held | |
| CDS Account No. | |

I/We ______________________________ [Full Name in Block Letters]

NRIC No. ______________ of ______________________________

______________________________ [Full Address],

______________ [Email Address], ______________ [Contact No.] being a member(s) of DC HEALTHCARE HOLDINGS BERHAD, hereby appoint:

| | | |
|---|---|---|
| Full Name in Block Letters | | Proportion of shareholdings to be presented % |
| Email Address | | |
| NRIC No. | | |
| Full Address | | |
| Contact No. | | |
| | | |
| Full Name in Block Letters | | Proportion of shareholdings to be presented % |
| Email Address | | |
| NRIC No. | | |
| Full Address | | |
| Contact No. | | |
| | | 100% |

or failing him/her *, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Fourth ("4th") Annual General Meeting ("AGM") of the Company will be held at Kinrara Room 1, Kinrara Golf Club, Jalan Kinrara 6, Bandar Kinrara 6, 47100 Puchong, Selangor on Tuesday, 16 June 2026 at 11.00 a.m. or any adjournment thereof to vote as indicated below:

The proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to the voting is given, the Proxy will vote or abstain from voting at his/her discretion.

| | | FOR | AGAINST |
|---|---|---|---|
| Ordinary Resolution 1 | To approve the Directors' fees and other benefits payable to the Directors of the Company up to RM300,000.00 to be divided amongst the Directors in such manner as Directors may determine for the period commencing from the conclusion of the 4th AGM until the next AGM of the Company. | | |
| Ordinary Resolution 2 | To re-elect Mr. Kelvin Koh Jun Xiong who is appointed by the Board of Directors ("Board") during financial year and retiring pursuant to Clause 115 of the Company's Constitution and being eligible, has offered himself for re-election. | | |
| Ordinary Resolution 3 | To re-elect Ms. Goh Siow Cheng who is appointed by the Board of Directors ("Board") during financial year and retiring pursuant to Clause 115 of the Company's Constitution and being eligible, has offered herself for re-election. | | |
| Ordinary Resolution 4 | To re-elect Dr. Chong Tze Sheng who shall retire by rotation pursuant to Clause 106(1) of the Company's Constitution and being eligible has offered himself for re-election. | | |
| Ordinary Resolution 5 | To re-appoint Messrs. Moore Stephens Associates PLT as auditors of the Company for the ensuing year and to authorise the directors to fix their remuneration | | |
| Ordinary Resolution 6 | Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016 | | |

Signed this............. day of .......................... 2026

.................................................
Signature of Shareholder(s)

**Notes:-**

1. A member of the Company who is entitled to attend, speak, and vote at this 4th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 entitled to attend and vote at the meeting is entitled to appoint a maximum of 2 proxies to attend, participate, speak and vote on his/her behalf.
3. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act 1991, one (1) or more proxies may be appoint to attend on the same occasion. Where a member appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment of two (2) or more proxies shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. The Proxy Form shall be signed by the appointer or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
5. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority by a notary public, shall be deposited at Share Registrar of the Company at 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, Malaysia or alternatively, **deliver by hand and deposit** in the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the 4th AGM or adjourned general meeting.
6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 8 June 2026 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.
7. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 4th AGM will be put to vote by way of poll.

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AFFIX
STAMP

**THE SHARE REGISTRAR OF**
**DC HEALTHCARE HOLDINGS BERHAD**
(Registration No. 202201014036 (1459733-P))

**TRICOR INVESTOR &**
**ISSUING HOUSE SERVICES SDN BHD**
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

2nd Fold Here

Fold This Flap For Sealing

**DC HEALTHCARE HOLDINGS BERHAD**
(Registration No. 202201014036 (1459733-P))
A-11-0, A-11-1, A-11-2,
Jalan BK5A/2D, Bandar Kinrara,
47180 Puchong, Selangor