

**Cengild Medical Berhad**

Registration No.: 202101004143 (1404442-P)  
(Incorporated in Malaysia)

**Unaudited Condensed Consolidated  
Interim Financial Report  
for the Fourth Quarter Ended  
30 June 2023**

# Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

## Unaudited condensed consolidated statement of financial position as at 30 June 2023

		Unaudited As at 30 June 2023 RM'000	Audited As at 30 June 2022 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in associate		-	-
Investment in a joint ventures		-	-
Plant and equipment	A13	13,661	13,406
Right-of-use assets		10,231	10,943
Deferred tax assets		1,670	1,450
<b>Total non-current assets</b>		<b>25,562</b>	<b>25,799</b>
<b>Current assets</b>			
Inventories		1,381	1,153
Trade receivables		5,077	4,783
Other receivables, deposits and prepayments		1,398	1,419
Fixed deposits with licensed banks		97,549	80,559
Cash and bank balances		759	5,831
<b>Total current assets</b>		<b>106,164</b>	<b>93,745</b>
<b>Total assets</b>		<b>131,726</b>	<b>119,544</b>
<b>Equity</b>			
Share capital		87,472	81,933
Reserves		2,008	1,618
Retained profits		16,629	9,399
<b>Total equity</b>		<b>106,109</b>	<b>92,950</b>
<b>Liabilities</b>			
<b>Non-current liability</b>			
Lease liabilities	B7	13,602	14,933
Provision for restoration costs		623	-
<b>Total non-current liability</b>		<b>14,225</b>	<b>14,933</b>

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### Unaudited condensed consolidated statement of financial position as at 30 June 2023 (cont'd)

		Unaudited As at 30 June 2023 RM'000	Audited As at 30 June 2022 RM'000
	Note		
<b>Current liabilities</b>			
Trade payables		2,589	3,518
Other payables and accruals		7,031	6,386
Amount owing to directors		150	156
Lease liabilities	B7	1,331	1,273
Current tax liabilities		291	328
<b>Total current liabilities</b>		<b>11,392</b>	<b>11,661</b>
<b>Total liabilities</b>		<b>25,617</b>	<b>26,594</b>
<b>Total equity and liabilities</b>		<b>131,726</b>	<b>119,544</b>

*The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the condensed consolidated interim financial report.*

# Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

## Unaudited condensed consolidated statement of profit or loss and other comprehensive income for the fourth quarter ended 30 June 2023

	Individual quarter ended 30 June		Cumulative quarter ended 30 June	
	← Unaudited →		Unaudited	Audited
	2023	2022	2023	2022
Note	RM'000	RM'000	RM'000	RM'000
Revenue	15,771	17,138	70,280	64,442
Cost of sales	(8,725)	(10,030)	(39,555)	(38,391)
Gross profit	7,046	7,108	30,725	26,051
Other income	1,035	642	3,657	1,395
	8,081	7,750	34,382	27,446
Administrative expenses	(5,195)	(4,195)	(16,236)	(14,481)
Other expenses	(17)	-	(36)	(5)
<b>Profit from operations</b>	2,869	3,555	18,110	12,960
Finance costs	(201)	(184)	(735)	(846)
<b>Profit before taxation</b>	2,668	3,371	17,375	12,114
Income tax expense	(430)	440	(4,086)	(2,723)
<b>Profit after taxation</b>	2,238	3,811	13,289	9,391
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the financial period</b>	2,238	3,811	13,289	9,391
<b>Profit after taxation/Total comprehensive income for the financial period attributable to:-</b>				
Owners of the Company	2,238	3,811	13,289	9,391
<b>Earnings per ordinary share (sen)<sup>(1)</sup></b>				
Basic	0.27	0.49	1.62	1.46
Diluted	0.27	0.49	1.61	1.46

<sup>(1)</sup> Earnings per ordinary share is calculated based on the weighted average number of ordinary shares referred to in Note B10.

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the condensed consolidated interim financial report.

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### Unaudited condensed consolidated statement of changes in equity for the fourth quarter ended 30 June 2023

	Share capital RM'000	Reorganisation reserves RM'000	Long Term Incentive Plan Reserve RM'000	Retained Profits RM'000	Total RM'000
<b>Audited</b>					
<b>At 1 July 2021</b>	12,240	1,530 <sup>(1)</sup>	-	8	13,778
Profit after taxation/total comprehensive income for the financial year	-	-	-	9,391	9,391
<b>Contribution by owners of the Company:</b>					
New shares issued by the Company for the IPO	72,204 <sup>(2)</sup>	-	-	-	72,204
New shares issuance expenses for the IPO	(2,511) <sup>(3)</sup>	-	-	-	(2,511)
Employee Share Option Scheme (ESOS)	-	-	88 <sup>(4)</sup>	-	88
<b>At 30 June 2022</b>	<u>81,933</u>	<u>1,530</u>	<u>88</u>	<u>9,399</u>	<u>92,950</u>

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### Unaudited condensed consolidated statement of changes in equity for the fourth quarter ended 30 June 2023 (cont'd)

	Share capital RM'000	Reorganisation reserves RM'000	Long Term Incentive Plan Reserve RM'000	Retained profits RM'000	Total RM'000
<b>Unaudited</b>					
<b>At 1 July 2022</b>	81,933	1,530 <sup>(1)</sup>	88 <sup>(4)</sup>	9,399	92,950
Profit after taxation/total comprehensive income for the financial year	-	-	-	13,289	13,289
<b>Contribution by and distributions to owners of the Company:</b>					
Share option to executives	-	-	392	-	392
Share options exercised	11	-	(2)	-	9
New shares issued by the Company for the Special Issue	5,618 <sup>(5)</sup>	-	-	-	5,618
New shares issuance expenses for the Special Issue	(90) <sup>(6)</sup>	-	-	-	(90)
Dividends to owners of the Company	-	-	-	(6,059)	(6,059)
<b>At 30 June 2023</b>	<u>87,472</u>	<u>1,530</u>	<u>478</u>	<u>16,629</u>	<u>106,109</u>

## **Cengild Medical Berhad**

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### **Unaudited condensed consolidated statement of changes in equity for the fourth quarter ended 30 June 2023 (cont'd)**

- (1) The reorganisation reserve represents the difference between the carrying value of the investment and the nominal value of shares of Cengild Sdn Bhd upon consolidation under the pooling-of-interests method of accounting.*
- (2) Issuance of new shares pursuant to the IPO.*
- (3) Listing expenses incurred pursuant to the IPO that has been set-off against equity.*
- (4) The share option reserves arise due to the Executive Share Option Scheme (ESOS) options granted on 15 April 2022.*
- (5) Issuance of new shares pursuant to the Special Issue of 14,046,500 shares to Bumiputera investors at a price of RM0.40 per share.*
- (6) Listing expenses incurred pursuant to the Special Issue that has been set-off against equity.*

*The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the condensed consolidated interim financial report.*

# Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

## Unaudited condensed consolidated statement of cash flows for the fourth quarter ended 30 June 2023

	Cumulative quarter ended 30 June	
	Unaudited 2023 RM'000	Audited 2022 RM'000
<b>Cash flows from operating activities</b>		
<b>Profit before taxation</b>	17,375	12,114
<i>Adjustments for:</i>		
Allowance for impairment losses on trade receivables	27	-
Depreciation of plant and equipment	1,865	2,994
Depreciation of right-of-use assets	1,305	1,414
Impairment loss of goodwill	-	5
Interest expense	735	846
Share options to executives	392	88
Plant and equipment written off	9	-
Interest income	(2,783)	(497)
<b>Operating profit before working capital changes</b>	<u>18,925</u>	<u>16,964</u>
Increase in inventories	(228)	(208)
Increase in trade and other receivables	(300)	(891)
(Decrease)/Increase in trade and other payables	(284)	2,378
(Decrease)/Increase in amount owing to directors	(6)	129
<b>Cash generated from operations</b>	<u>18,107</u>	<u>18,372</u>
Tax paid	(4,343)	(4,316)
Interest paid	(2)	(1)
<b>Net cash from operating activities</b>	<u>13,762</u>	<u>14,055</u>
<b>Cash flows from/(used in) investing activities</b>		
Acquisition of a subsidiary, net of cash and cash equivalent acquired	-	2
Changes in deposits with tenure more than 3 months	50,000	(48,000)
Interest received	2,783	497
Purchase of plant and equipment	(2,129)	(429)
<b>Net cash from/(used in) investing activities</b>	<u>50,654</u>	<u>(47,930)</u>



## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### Unaudited condensed consolidated statement of cash flows for the fourth quarter ended 30 June 2023 (cont'd)

	Cumulative quarter ended 30 June	
	Unaudited 2023 RM'000	Audited 2022 RM'000
<b>Cash flows (used in)/from financing activities</b>		
Dividends paid	(6,059)	-
Interest paid	(703)	(845)
Proceeds from issuance of new shares	5,618	72,204
Share issuance expenses	(90)	(2,511)
Share options exercised	9	-
Repayment of lease liabilities	(1,273)	(963)
Repayment of term loan	-	(2,018)
Decrease in pledged of bank balances as security	-	166
<b>Net cash (used in)/from financing activities</b>	<b>(2,498)</b>	<b>66,033</b>
<b>Net increase in cash and cash equivalents</b>	<b>61,918</b>	<b>32,158</b>
Cash and cash equivalents at the beginning of financial year	36,390	4,232
<b>Cash and cash equivalents at the end of financial year</b>	<b>98,308</b>	<b>36,390</b>

#### (i) Cash and cash equivalents

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

	Cumulative quarter ended 30 June	
	Unaudited 2023 RM'000	Audited 2022 RM'000
Cash and bank balances	759	5,831
Deposits with financial institution	97,549	80,559
	98,308	86,390
Deposits with tenure more than 3 months	-	(50,000)
	98,308	36,390

*The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the condensed consolidated interim financial report.*

# Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

## A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

### A1. Basis of preparation

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

The condensed consolidated interim financial report should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the condensed consolidated interim financial report.

### A2. Significant accounting policies

The accounting policies adopted by the Group in this interim financial report are the same as those applied by the Group in its audited consolidated financial statements for the financial year ended 30 June 2022 except for the adoption of those new Malaysian Financial Reporting Standards ("**MFRS**") and amendments to MFRS and Interpretations that are applicable to the Group for the financial period beginning 1 July 2022.

(a) As of 1 July 2022, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any).

MFRS and/or IC interpretations (including the consequential amendments):

- Amendments to MFRS 3: Reference to the Conceptual Framework
- Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract
- Annual Improvements to MFRS Standards 2018 – 2020

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

## **Cengild Medical Berhad**

Registration No.: 202101004143 (1404442-P)  
(Incorporated in Malaysia)

### **A2. Significant accounting policies (cont'd)**

(b) The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

#### **Effective for financial periods beginning on or after 1 January 2023**

MFRS 17 Insurance Contracts

Amendments to MFRS 17: Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules

#### **Effective for financial periods beginning on or after 1 January 2024**

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendment to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7 : Supplier Finance Arrangements

#### **Effective date of these Standards have been deferred, and yet 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 adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

### **A3. Auditors' report**

The auditors issued an unqualified audit opinion on the audited consolidated financial statements for the financial year ended 30 June 2022.

### **A4. Seasonal or cyclical factors**

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

## **Cengild Medical Berhad**

Registration No.: 202101004143 (1404442-P)  
(Incorporated in Malaysia)

### **A5. Unusual item affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

The share issuance expenses amounting to approximately RM0.09 million for the issuance of 14,046,500 new ordinary shares in Cengild Medical Berhad pursuant to the Company's Special Issue to Bumiputera investors were off-set against the share capital.

There were no other material unusual items affecting assets, liabilities, equity, net income or cash flows during the cumulative quarter ended 30 June 2023. An amount of RM0.15 million relating to expenses for the listing of these new shares.

### **A6. Material changes in accounting estimates**

There were no material changes in accounting estimates that have a material effect in the current financial quarter.

### **A7. Material events during the statement of financial position date**

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

### **A8. Material events subsequent to the statement of financial position date**

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

### **A9. Material changes in the composition of the Group**

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

### **A10. Debt and equity securities**

On 16 June 2023, a total of 14,046,500 new ordinary shares in Cengild Medical were issued to Bumiputera Investors identified and approved by the Ministry of International Trade and Industry at a price of RM0.40 per share and the new shares were subsequently listed on the ACE Market of Bursa Securities.

During the current financial period under review, the Company issued 27,600 ordinary shares at the price of RM0.33 arising from the exercise of ESOS.

## **Cengild Medical Berhad**

Registration No.: 202101004143 (1404442-P)  
(Incorporated in Malaysia)

### **A10. Debt and equity securities (cont'd)**

Save as disclosed above and in Note B7, there were no other issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial quarter under review.

### **A11. Dividends paid**

On 27 September 2022, the Company paid an interim single-tier dividend of 0.37 sen per ordinary share in respect of the financial year ended 30 June 2022 amounting to RM3.03 million.

On 29 March 2023, the Company paid an interim single-tier dividend of 0.37 sen per ordinary share in respect of the financial year ending 30 June 2023 amounting to RM3.03 million.

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

### **A12. Operating segments**

No geographical segment information is presented as the Group's revenue and profit or loss are confined within Malaysia.

### **A13. Valuations of plant and equipment**

The Group does not adopt a revaluation policy on its plant and equipment. All plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

### **A14. Contingencies**

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

### **A15. Related party transactions**

#### **Identities of related parties**

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

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### A15. Related party transactions (cont'd)

#### Identities of related parties (cont'd)

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

The Group has related party relationship with its Directors, associates, joint venture and key management personnel and entities within the same group of companies.

#### Significant related party transactions

Significant related party transactions of the Group are as follows:

Transactions	Individual quarter ended 30 June		Cumulative quarter ended 30 June	
	← Unaudited →		Unaudited	Audited
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Administrative fee contributed by directors	-	-	-	146
Administrative fee contributed by other key management personnel	-	-	-	54
Consultant fee paid to directors	-	-	-	788
Consultant fee paid to other key management personnel	-	-	-	1,221
External consultancy fee contributed by directors	127	196	583	654
External consultancy fee contributed by other key management personnel	57	67	277	225
Management fee charge to a joint venture	4	2	14	9

With the execution of the employment agreements and deeds of assignment with effect from 1 September 2021, the previous agreements between Cengild Sdn Bhd and the consultants have been terminated and the consultant fees paid to directors and other key management personnel are then included as staff costs.

## **Cengild Medical Berhad**

Registration No.: 202101004143 (1404442-P)  
(Incorporated in Malaysia)

### **A16. Fair value information**

There was no gain or loss arising from fair value changes of the Group's financial liabilities for the current quarter and financial period under review.

# Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

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

### B1. Review of financial performance

#### a) Review of the current financial quarter against preceding corresponding financial quarter

	← Unaudited →		
	Individual quarter		
	ended 30 June		
	2023	2022	Variance
	RM'000	RM'000	%
Revenue	15,771	17,138	(7.98)
Profit before taxation (" <b>PBT</b> ")	<u>2,668</u>	<u>3,371</u>	(20.85)

The Group recorded revenue of RM15.77 million for the current financial quarter ended 30 June 2023, representing a decrease of approximately 7.98% as compared to the preceding corresponding financial quarter ended 30 June 2022 of RM17.14 million. The decrease in revenue was mainly due to the lower in patients volume, coupled with the decrease in number of endoscopic procedures and surgeries performed.

The Group's PBT decreased by RM0.70 million or 20.85% for the current quarter mainly due to the decline in revenue coupled with higher staff costs, despite an increase in gross profit margin. Gross profit margin increased mainly due to price increase as well as lower depreciation as some medical equipment has fully depreciated.



## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### B1. Review of financial performance (cont'd)

#### b) Review of the current cumulative financial quarter against corresponding preceding cumulative financial quarter

	← Unaudited →		
	Cumulative quarter ended 30 June		
	2023	2022	Variance
	RM'000	RM'000	%
Revenue	70,280	64,442	9.06
PBT	<u>17,375</u>	<u>12,114</u>	43.43

The Group recorded revenue of RM70.28 million for the cumulative quarter ended 30 June 2023, representing an increase of RM5.84 million or 9.06% as compared to the corresponding preceding cumulative quarter ended 30 June 2022 of RM64.44 million. The increase in revenue was mainly due to price increase and the overall increase in number of endoscopic procedures performed.

The Group's PBT increased by RM5.26 million or 43.43% for the current cumulative quarter mainly due to the increase in revenue and gross profit margin coupled with higher interest income from the placement of IPO proceeds with financial institutions in the current cumulative financial quarter.

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### B2. Variation of results against preceding quarter

	← Unaudited →		Variance %
	Individual quarter ended June 2023 RM'000	March 2023 RM'000	
Revenue	15,771	17,670	(10.75)
PBT	<u>2,668</u>	<u>4,397</u>	(39.32)

The Group recorded total revenue of RM15.77 million, a decrease of RM1.90 million or 10.75% as compared to RM17.67 million in the preceding quarter. The decrease was mainly due to the lower in patients volume, coupled with the decrease in number of endoscopic procedures and surgeries performed.

The decrease in PBT by RM1.73 million or approximately 39.32% from RM4.40 million to RM2.67 million in the current financial quarter was mainly due to the decrease in revenue from lower patient volume and higher administrative expenses arising from higher staff cost.

### B3. Commentary on prospects

Given the performance of the Group during the financial year, the Board of Directors expect the Group's prospects for the financial year ending 30 June 2024 to be favourable.

### B4. Profit forecast

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

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### B5. Income tax expense

Income tax expense comprises the following:

	Individual quarter ended 30 June		Cumulative quarter ended 30 June	
	← Unaudited →		Unaudited	Audited
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Recognised in profit or loss</b>				
<b>Current tax expense</b>				
Current financial period	818	1,010	4,672	3,716
(Over)/Underprovision in previous financial year	(81)	-	(366)	457
	<u>737</u>	<u>1,010</u>	<u>4,306</u>	<u>4,173</u>
<b>Deferred tax</b>				
Origination and reversal of temporary differences	(307)	(180)	(133)	(180)
Underprovision in previous financial year	-	(1,270)	(87)	(1,270)
	<u>(307)</u>	<u>(1,450)</u>	<u>(220)</u>	<u>(1,450)</u>
	<u>430</u>	<u>(440)</u>	<u>4,086</u>	<u>2,723</u>
<b>Current financial period</b>				
Current tax expense	737	1,010	4,306	4,173
Deferred tax expense	(307)	(1,450)	(220)	(1,450)
	<u>430</u>	<u>(440)</u>	<u>4,086</u>	<u>2,723</u>
Effective tax rate	16.12%	-13.05%	23.52%	22.48%

The effective tax rate for the current quarter and the cumulative quarter ended 30 June 2023 were 16.12% and 23.52% respectively, which were lower than the statutory tax rate mainly due to the recognition of deferred tax assets.

The effective tax rates of -13.05% and 22.48% for individual quarter and cumulative quarter ended 30 June 2022 were lower than the statutory tax rate mainly due to the recognition of deferred tax assets.

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

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### B6. Status of corporate proposals announced

There are no other corporate proposals announced but not completed as at the date of this report.

### B7. Loans and borrowings

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

	Note	Unaudited As at 30 June 2023 RM'000	Audited As at 30 June 2022 RM'000
<b>Non-current</b>			
Lease liabilities	B7.1	13,602	14,933
		<u>13,602</u>	<u>14,933</u>
<b>Current</b>			
Lease liabilities	B7.1	1,331	1,273
		<u>1,331</u>	<u>1,273</u>

The above borrowings are denominated in Ringgit Malaysia.

#### B7.1 Lease liabilities

Lease liabilities are payable as follows:

	Future minimum lease payments RM'000	Interest RM'000	Present value of minimum lease payments RM'000
<b>Unaudited</b>			
<b>30.6.2023</b>			
Less than one year	1,976	645	1,331
Between one to five years	9,154	1,848	7,306
Over 5 years	6,717	421	6,296
	<u>17,847</u>	<u>2,914</u>	<u>14,933</u>
<b>Audited</b>			
<b>30.6.2022</b>			
Less than one year	1,976	703	1,273
Between one to five years	8,759	2,159	6,600
Over 5 years	9,088	755	8,333
	<u>19,823</u>	<u>3,617</u>	<u>16,206</u>

## **Cengild Medical Berhad**

Registration No.: 202101004143 (1404442-P)  
(Incorporated in Malaysia)

### **B8. Material litigation**

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

### **B9. Dividends**

On 22 August 2023, the Company declared an interim single-tier dividend of 0.37 sen per ordinary share in respect of the financial year ended 30 June 2023, to be paid on 25 September 2023 to shareholders of the Company whose names appear in the Register of Depositors on 8 September 2023. The total dividends declared for the financial year ended 30 June 2023 is RM0.73 sen per ordinary share.

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### B10. Earnings per ordinary share

The calculation of earnings per ordinary share at 30 June 2023 and 2022, was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding calculated as follows:

	Individual quarter ended 30 June		Cumulative quarter ended 30 June	
	← Unaudited 2023	→ Unaudited 2022	Unaudited 2023	Audited 2022
Profit for the financial period attributable to owners of the Company (RM'000)	2,238	3,811	13,289	9,391
Based on weighted average number of ordinary shares - basic ('000)	820,674 <sup>(1)</sup>	777,925 <sup>(2)</sup>	819,267 <sup>(1)</sup>	644,359 <sup>(2)</sup>
Effect of unexercised ESOS	5,306	3,944	6,380	983
Adjusted weighted average number of ordinary shares ('000)	825,980	781,869	825,647	645,342
Basic earnings per ordinary share (sen)	0.27	0.49	1.62	1.46
Diluted earnings per ordinary share (sen)	0.27	0.49	1.61	1.46

<sup>(1)</sup> Based on the weighted average number of issued share capital of 818,800,000 ordinary shares after the completion of the IPO, and with included of number of ordinary shares from exercised ESOS and Special Issue shares.

<sup>(2)</sup> Based on the weighted average number of issued share capital of 600,000,000 ordinary shares after the completion of acquisition but before the IPO and 818,800,000 ordinary shares after the completion of the IPO.

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### B11. Profit before taxation

	Individual quarter ended 30 June		Cumulative quarter ended 30 June	
	Unaudited		Unaudited	Audited
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit before taxation is arrived at after charging/ (crediting):-				
Bad debts written off	18	-	27	-
Depreciation:				
- plant and equipment	462	739	1,865	2,994
- right-of-use assets	376	310	1,305	1,414
Plant and equipment written off	-	-	9	-
Directors' remuneration	2,183	2,720	9,133	7,927
Impairment loss of goodwill	-	-	-	5
Listing expenses	-	5	-	1,274
Special issue expenses	-	-	151	-
Staff costs:				
- short-term employee benefits	5,155	4,286	17,596	13,692
- defined contribution benefits	466	428	1,902	1,612
- LTIP expenses	49	44	198	44
Interest expense:				
- lease liabilities	170	184	703	829
- unwinding of discount	30	-	30	-
- term loan	-	-	-	16
- others	1	-	2	1
Total interest income on financial assets measured at amortised cost	(848)	(370)	(2,783)	(497)

The Group did not report any provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, foreign exchange gain or loss and gain or loss on derivatives for the financial period under review.

## Cengild Medical Berhad

Registration No.: 202101004143 (1404442-P)

(Incorporated in Malaysia)

### B12. Utilisation of proceeds

The utilisation of proceeds from the IPO of RM72.20 million is as follows:

	<b>Intended timeframe for utilisation upon listing</b>	<b>Proposed utilisation RM'000</b>	<b>Amount utilised as at to date RM'000</b>	<b>Balance unutilised RM'000</b>	<b>Deviation</b>	
					<b>RM'000</b>	<b>%</b>
Expansion of existing medical centre	Within 36 months	13,000	2,800	10,200 <sup>(1)</sup>	-	-
Establishing new medical centres	Within 36 months	37,100	-	37,100	-	-
Working capital	Within 24 months	17,404	60	17,344	-	-
Defraying the listing expenses	Within 1 month	4,700	4,497	203 <sup>(2)</sup>	-	-
Total		<u>72,204</u>	<u>7,357</u>	<u>64,847</u>	<u>-</u>	<u>-</u>

The proposed utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus.

<sup>(1)</sup> The allocated IPO proceeds for capital expenditure has not been fully utilised as at the date of this report.

<sup>(2)</sup> The actual amount utilised for listing expenses are final and lower than the estimated amount as at the date of this report. The excess will be used for working capital purposes.