LYC Healthcare

TOUCHING LIVES, IMPROVING LIFE.

ANNUAL REPORT 2026

01

Help

LYC Mother & Child Centre primarily features confinement care that incorporates traditional Chinese confinement methods and professional Western medical practice, which aims to help new mothers to recover from rigours of pregnancy, labour and birth.

Having been awarded one of the "Best Confinement Centre in Malaysia", we provide exclusive guidance and psychological support with the aim of helping mothers to regain good health whilst being capable of taking care of newborn when they return home. Further, mothers will be educated with all the information needed to prepare them for the imminent adjustment in their lives with a newborn. With our extensive experience in all the facets of confinement centre, our team is dedicated to ensure new mothers are able to smoothly ease into motherhood.

Currently, our existing prime location for confinement centres are in TTDI, Puchong, Bukit Jalil and Johor Bahru with 33-bedroom, 29-bedroom, 41-bedroom and 67-bedroom facilities respectively. As at 31 Mar 2026, we had served more than 12,000 mothers and babies.

"We are helping moms to embrace Motherhood By Giving Them."

Confinement

ing Mom to Embrace Motherhood

Our Services:

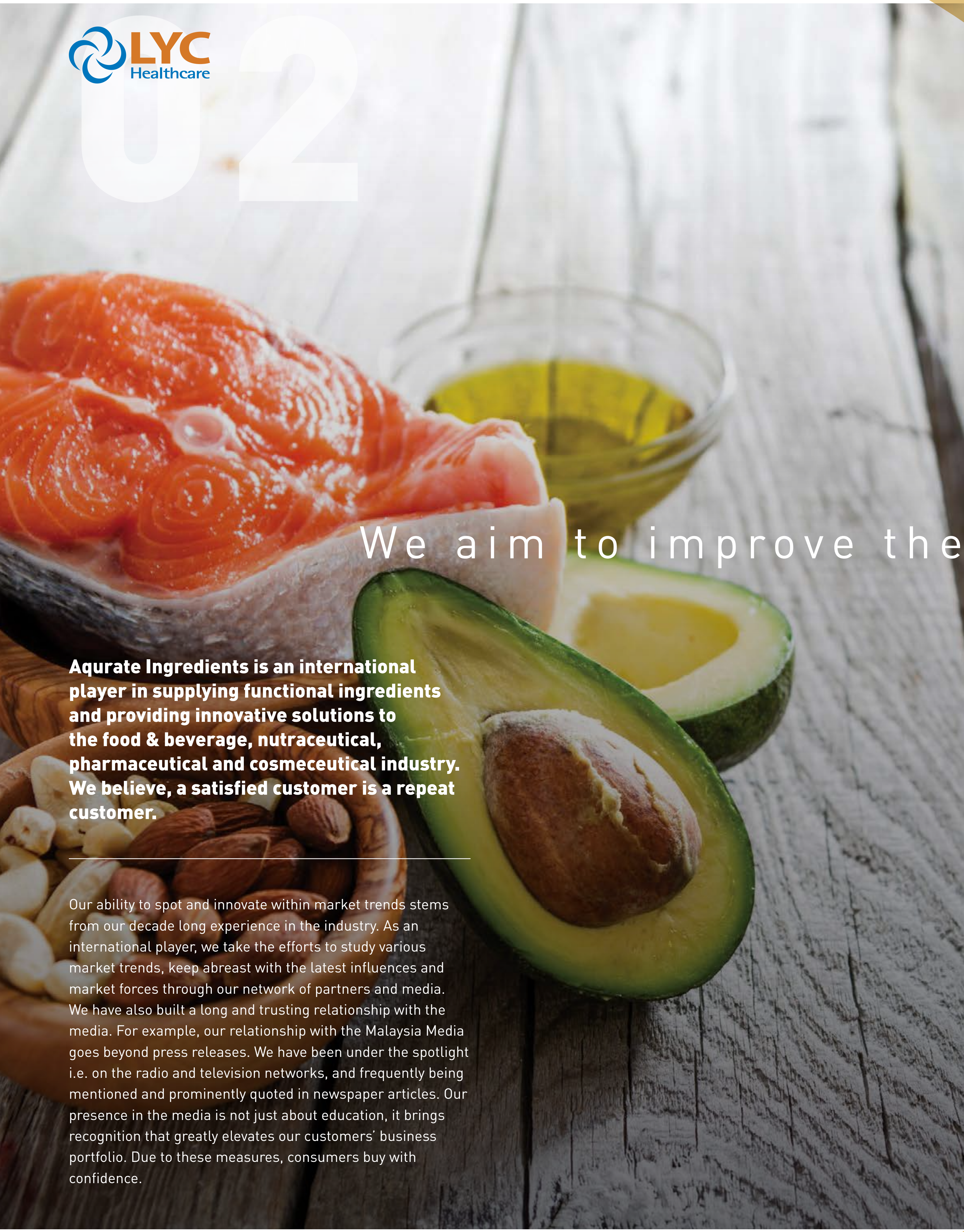
- Professional Baby Care
- Regular Doctor Visits
- Postnatal Therapy
- Meals By Certified Nutritionists
- Weekly Parenthood Activities
- 24-Hour Top-Tier Security Control

We had served more than

12,000

mothers and babies.

Postnatal therapy to get back in shape	Proper breastfeeding techniques	Meals by certified nutritionists	Bonding activities with their babies	Parenting workshop	Spacious & comfortable rooms



02

We aim to improve the

Aqurate Ingredients is an international player in supplying functional ingredients and providing innovative solutions to the food & beverage, nutraceutical, pharmaceutical and cosmeceutical industry. We believe, a satisfied customer is a repeat customer.

Our ability to spot and innovate within market trends stems from our decade long experience in the industry. As an international player, we take the efforts to study various market trends, keep abreast with the latest influences and market forces through our network of partners and media. We have also built a long and trusting relationship with the media. For example, our relationship with the Malaysia Media goes beyond press releases. We have been under the spotlight i.e. on the radio and television networks, and frequently being mentioned and prominently quoted in newspaper articles. Our presence in the media is not just about education, it brings recognition that greatly elevates our customers' business portfolio. Due to these measures, consumers buy with confidence.

The Leading Ingredient Supplier for:

Food & Beverage | Nutraceutical | Pharmaceutical | Cosmeceutical

Aqurate

quality of life across the Globe.

Our Services:

1 FOODS AND HEALTH INGREDIENTS DISTRIBUTION

Aqurate Ingredients does sourcing from all over the globe, provides the best solutions and ingredients proven by science.

- Step 1: Sourcing
- Step 2: Buying
- Step 3: Shipping
- Step 4: Storing
- Step 5: Distribution

2 CUSTOMISED R&D PRIVATE LABEL AND RE-BRANDING/POSITIONING

Aqurate Ingredients provides ONE-STOP SOLUTION specialise in food & health products, help you to develop your own brand.

Research & Development
We develop innovative concepts based on key global trends, providing customers convincing alternatives. We can modify your existing formulations or develop new custom formulations.

Label & Packaging
We provide custom design for packaging of the product, to help bring your product to market.

Regulatory Compliance & Product Registration
We ensure your product is comply with the rules and regulation, assist in product registration, allows our customers to better focus on other areas of product launch.

Production & Manufacturing
We partner with different contract manufacturers in Malaysia and overseas, with different facilities to accommodate the production for different kinds of products.

Marketing & Training
We provide tip-top, accurate, custom education materials and training, to support your business comprehensively.

HC Orthopaedic Surgery ("HCOS") and T&T Medical Group ("T&T") together provide an integrated one-stop healthcare offering Orthopaedic Specialist Care, Chronic Disease Management, Advanced Medical Imaging, and General Medical Care across Singapore. We believe in an integrated approach to supporting long-term health and wellness.

T&T operates a one-stop chronic disease center focusing on chronic degenerative joint diseases and spine, pain management and metabolic diseases like Diabetes Mellitus, hypertension and high cholesterol. T&T also provides general medical care under its family health clinic arm. T&T serves patients of all age groups. Being a one-stop chronic disease operator, it is able to provide integrated service/treatment offerings including Osteoporosis centre, X-Ray imaging including Bone Mineral Densitometry (BMD) and full-fledged physiotherapy center for chronic and acute cases, including sports injury and rehabilitation post-surgery. In 2022, T&T also set up a new imaging facility which includes CT and MRI machines to broaden our range of services.

Whereas for HCOS primarily serves patients requiring various orthopaedic specialist treatments, including surgeries. The range of HCOS's specialist treatments are generally catered towards management of adult and paediatric fractures and trauma, general orthopaedic, sports injuries with torn ligaments and meniscus, and degenerative spine conditions including prolapsed intervertebral discs (slipped discs).

Eating a balanced diet

Exercise such as walking, jogging, hiking and cycling

Consume adequate Calcium and Vitamin D

Avoid tobacco and excessive alcohol consumption

Orthopaedic & Chronic Disease

Giving you a Healthy bone living

- **58%** Hypertension (High blood pressure)
- **58%** High Cholesterol
- **31%** Arthritis
- **29%** Ischemic Heart Disease
- **27%** Diabetes
- **18%** Chronic Kidney Disease
- **14%** Heart Failure
- **14%** Depression
- **11%** Alzheimer's Disease and Dementia
- **11%** Chronic Obstructive Pulmonary Disease

68% have 2 or more chronic conditions

10 COMMON CHRONIC CONDITIONS FOR ADULTS 65+

80% have at least 1 chronic condition

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MANAGEMENT DISCUSSION AND ANALYSIS

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SUSTAINABILITY STATEMENT

VISION, MISSIONS & VALUES

OUR VISION

To always be ranked among the top choice companies in the markets we serve.

OUR MISSIONS

a. We will deliver products, solutions and services that are superior.
b. We will only sell what we can value add to.
c. We will be efficient.
d. We will be transparent, ethical and fair in all our dealings.

OUR VALUES

a. Trustworthiness

Trust is the foundation for successful relationships with our customers, business partners, employees and suppliers. The motto we value is simple yet powerful: Say what you can do, and do what you say. These words hold within them the added values of Integrity, Honesty, Truth, Reliability and Consistency.

b. Team Spirit

The culture of mutual respect and consideration for each other, together with participation for the greater good of everyone is instilled in every employee. This inspires a sense of unity which we believe translates into delivering results.

c. Passion

We always remind ourselves that passion is the difference between mediocrity and excellence. It is the quality that transforms work into a labour of love which makes the difference between a satisfied customer and a delighted customer.

d. Resourcefulness

Being resourceful enables us to solve complex problems speedily and effectively in the fast-paced environment in which we operate. As the world becomes smaller and its borders blurred, one person or, for that matter, one company alone does not have all the answers to the growing complexity of business challenges. Resourcefulness is the will to collaborate and draw on resources and knowledge both within and without the Company to deliver the best solutions to our clients and customers.

e. Being Positive

We believe that a positive attitude towards work and life is the secret to achieving universal success. At LYC Healthcare, we create an environment that nurtures growth and encourages our employees to develop a "can do" spirit. We meet challenges head-on and seek to go beyond the client's expectations in every job we do.

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' SERI ABDUL AZIM BIN MOHD ZABIDI
(Chairman / Independent Non-Executive Director)

MR. SUI DIONG HOE
(Managing Director cum Group Chief Executive Officer)

MR. MOHD KHASAN BIN AHMAD
(Independent Non-Executive Director)

MR. KONG SIN SENG
(Independent Non-Executive Director)

MS. ZALINA BINTI JAFLUS
(Independent Non-Executive Director)

AUDIT & RISK MANAGEMENT COMMITTEE

- **MR. KONG SIN SENG**
  (Chairman)
- **MR. MOHD KHASAN BIN AHMAD**
  (Member)
- **MS. ZALINA BINTI JAFLUS**
  (Member)

NOMINATION COMMITTEE

- **MR. MOHD KHASAN BIN AHMAD**
  (Chairman)
- **MR. KONG SIN SENG**
  (Member)
- **MS. ZALINA BINTI JAFLUS**
  (Member)

REMUNERATION COMMITTEE

- **MS. ZALINA BINTI JAFLUS**
  (Chairman)
- **MR. MOHD KHASAN BIN AHMAD**
  (Member)
- **MR. KONG SIN SENG**
  (Member)

COMPANY SECRETARIES
Chin Wai Yi (MAICSA 7069783)
(SSM PC No. 202008004409)

Lim Zhi Xuan (MAICSA 7076624)
(SSM PC No. 202408000432)

REGISTERED OFFICE
GAP Advisory Sdn. Bhd.
Registration No. 202001042098 (1398419-T)
E-10-4, Megan Avenue 1,
189, Jalan Tun Razak,
50400 Kuala Lumpur,
W.P. Kuala Lumpur, Malaysia.
Tel: (603) 2181 0516
Fax: (603) 2181 0516
Email address: office@gapadvisory.my
Website: www.gapadvisory.my

HEAD OFFICE
2nd & 3rd Floor, Podium Block,
Plaza VADS,
No.1, Jalan Tun Mohd Fuad,
Taman Tun Dr. Ismail,
60000 Kuala Lumpur, Malaysia.
Tel: (603) 7733 9222
Fax: (603) 7733 4886
Email address: sales@lychealth.com
Website: www.lychealth.com

SHARE REGISTRAR
GAP Advisory Sdn. Bhd.
Registration No. 202001042098 (1398419-T)
E-10-4, Megan Avenue 1,
189, Jalan Tun Razak,
50400 Kuala Lumpur,
W.P. Kuala Lumpur, Malaysia.
Tel: (603) 2181 0516
Fax: (603) 2181 0516
Email address: ir.shareregistry@gapadvisory.my
Website: www.gapadvisory.my

AUDITORS
SBY Partners PLT
Registration No. 202106000003 (LLP0026726-LCA) & AF 0660
9-C, Jalan Medan Tuanku,
Medan Tuanku,
50300 Kuala Lumpur, Malaysia.
Tel: (603) 2693 8837

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

RHB Bank Berhad
Registration No. 196501000373 (6171-M)

STOCK EXCHANGE LISTING
ACE Market
Bursa Malaysia Securities Berhad
Stock Name: LYC
Stock Code: 0075

FINANCIAL HIGHLIGHTS

	31.3.2022 RM mil	31.3.2023 RM mil (Restated)	31.3.2024 RM mil (Restated)	31.3.2025 RM mil (Restated)	31.3.2026 RM mil
Revenue	64.6	92.3	129.0	155.5	135.1
Loss before tax	(1.2)	(11.9)	(12.8)	(8.1)	(8.8)
Loss after tax & non-controlling interest	(4.3)	(14.8)	(16.5)	(12.2)	(12.7)
Property and equipment	26.5	29.0	57.5	46.5	39.7
Current assets	51.9	66.3	61.4	53.7	54.4
Total assets	183.2	214.4	250.5	235.3	198.0
Share Capital	57.6	90.6	101.4	101.4	102.9
Reserves	(30.0)	(46.0)	(66.4)	(86.2)	(113.5)
Shareholders' funds	27.6	44.6	35.0	15.2	(10.6)
(Loss)/Earnings per share (cent)	(2.11)	(3.94)	(3.15)	(2.39)	(3.10)
Net assets per share (cent)	0.09	0.12	0.10	0.08	0.05

CORPORATE STRUCTURE

LYC HEALTHCARE BERHAD
200401009170 (647673-A)

- 100% LYC MOTHER & CHILD CENTRE SDN. BHD.
  - 100% LYC CHILD CARE CENTRE SDN. BHD.
  - 100% LYC MOTHER & CHILD (SG) SDN. BHD.
    - 100% LYC MOTHER & CHILD (SINGAPORE) PTE. LTD.
    - 100% LYC BEAUTY CARE SDN. BHD.
- 100% MEXTER (M) SDN. BHD.
- 100% LYC MEDICARE SDN. BHD.
  - 30% SEL STEM SDN. BHD.
    - 65.2% ANOC MEDICAL CENTRE SDN. BHD.
  - 64.5% LYC MEDICARE SINGAPORE LIMITED
    - 100% T&T MEDICAL GROUP PTE. LTD.
    - 100% HC ORTHOPAEDIC SURGERY PTE. LTD.
    - 100% LYC NUTRIHEALTH (SINGAPORE) PTE. LTD.
    - 100% LYC NUTRIHEALTH SDN. BHD.
      - 70% AQURATE INGREDIENTS INTL (M) SDN. BHD.
      - 100% MICROBIOME INTL (M) SDN. BHD.
      - 100% CLINICAL NUTRITION INTL (M) SDN. BHD.
- 100% LOCKTECH INTERNATIONAL SDN. BHD.
- 60% CVS RESEARCH SDN. BHD.
- 100% LYC CLUB SDN. BHD.
- 100% LYC DENTAL LABORATORY SDN. BHD.
- 100% HTAR SDN BHD.

CORPORATE STRUCTURE

100% LYC MARKETING AND TRADING PTE. LTD.

65% MEXTER DC SDN. BHD.

100% MEXTER MSC SDN. BHD.

100% TONEREX TECHNOLOGIES SDN. BHD.

100% MEXTER SUNOASIS SDN. BHD.

100% LYC SENIOR LIVING CARE CENTRE SDN. BHD.

100% LYC LIVING SDN. BHD.

100% LYC HEALTH MANUFACTURING GROUP SDN. BHD.

75% NUTROGREEN HEALTH INDUSTRIES SDN. BHD.

60% LYC HEALTH MANUFACTURING (NS) SDN. BHD.

100% LYC MEDICAL CENTER SDN. BHD.

100% LYC PROSTATE CENTRE SDN. BHD.

100% LYC DENTAL & AESTHETIC HOLDINGS SDN. BHD.

70% LYC DENTAL GROUP SDN. BHD.

100% KL DENTAL (CHERAS) SDN. BHD.

100% KL DENTAL SDN. BHD.

100% KL DENTAL (KIARA) SDN. BHD.

100% KL DENTAL (CONNAUGHT) SDN. BHD.

60% LYC BEAUTY & WELLNESS SDN. BHD.

100% TAO GLOBAL VENTURES SDN. BHD.

100% LYC COSMETIC & AESTHETIC SDN. BHD.

DIRECTORS' PROFILES

DATO' SERI ABDUL AZIM BIN MOHD ZABIDI

Chairman/Independent Non-Executive Director

aged 67	Malaysian	Male

Dato' Seri Abdul Azim Bin Mohd Zabidi ("**Dato' Seri Azim**") was appointed to the Board of Director on 23 February 2021. He is a Fellow of the Chartered Institute of Secretaries, United Kingdom, Fellow of The Malaysian Association of the Institute of Chartered Secretaries and holds an MA (Business Law) from London Metropolitan University, United Kingdom.

With a professional career spanning more than 40 years, Dato' Seri Azim has been involved in a varied number of companies and organisations covering a wide spectrum of industry encompassing from banking to telecommunications. His vast wealth of experience has brought him to the pinnacle of most of the fields he was involved with, both locally and abroad.

From Chairman of Bank Simpanan Nasional, Vice President and Treasurer of the World Savings Banks Institute, President of the Federation of Malaysian Investment Managers, Board Member and Chairman of Audit Committee of the International Investment Funds Association, Chairman of the National Art Gallery and Chairman of the National Sports Institute, his contributions to these establishments had brought about immense positive changes.

Being passionate about sports, had led to his appointment by the Minister of Youth and Sports to serve on the Sports Advisory Council, a committee tasked to offer suggestions to the Government on amendments to the Sports Development Act. Subsequent to that, he was appointed Malaysia's Chef-de-Mission to the Asian Games 2018 in Jakarta and Palembang, Indonesia. He was also elected Deputy President of the Olympic Council of Malaysia, for the period 2018 – 2021.

Dato' Seri Azim currently sits on numerous local boards of companies, both public and private, amongst which he is the Independent Non-Executive Chairman of Fintec Global Berhad and Seacera Group Berhad.

He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offences within the past five (5) years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies.

He has attended all eight (8) Board of Directors' Meetings during the financial year ended 31 March 2026.

SUI DIONG HOE

Managing Director cum Group Chief Executive Officer

aged 70	Malaysian	Male

Mr. Sui Diong Hoe was appointed to the Board of Directors of LYC on 12 July 2016. He is a Fellow Member of the Association of Chartered Certified Accountants ("**ACCA**") and member of Malaysian Institute of Accountants ("**MIA**"). He was a practicing accountant since 1983 by providing management, corporate and other related services. In January 2007, he was appointed as the Executive Director of Ralco Corporation Berhad and subsequently appointed as Managing Director in May 2008. He resigned as the Managing Director of Ralco Corporation Berhad on 9 July 2011 and retired as the Director of Ralco Corporation Berhad on 18 June 2012. He served as an Independent Non-Executive Director of Timberwell Berhad since year 2005 and retired on 12 May 2017.

He has no family relationship with any Director and/or major shareholder of the Company. He is deemed interested in 37,000,000 ordinary shares or 5.18% equity interest in the Company by virtue of his direct interest held in Suicap Venture Sdn. Bhd., a substantial shareholder of the Company.

He has no convictions for offences within the past five (5) years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies.

He does not hold any directorships in any other public companies and listed issuers. He has attended all eight (8) Board of Directors' Meetings during the financial year ended 31 March 2026.

MOHD KHASAN BIN AHMAD

Independent Non-Executive Director

aged 65	Malaysian	Male

Encik Mohd Khasan Bin Ahmad was appointed to the Board of Directors of LYC on 29 November 2016. He graduated from Universiti Teknologi MARA with a degree in Accountancy. He is a member of the Malaysian Institute of Accountants. He served in Bank Negara Malaysia for a period of about 7 years from 1986, the last 2 years of which he was seconded to the Capital Issues Committee as its Principal Assistant Secretary. Subsequently, he joined the Securities Commission in 1993 for a period of about 5 years and his last capacity was an Assistant Manager in its Issues and Investment Division. During the tenure of his above appointments, he was involved in reviewing various corporate exercises, ranging from initial public offerings, mergers and acquisitions, reverse take-overs, issuance of bonds and other capital raising exercises.

He left the Securities Commission and joined the private sector in 1997. He currently sits on the Boards of two (2) private limited companies.

He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offences within the past five (5) years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies.

He has attended all eight (8) Board of Directors' Meetings during the financial year ended 31 March 2026.

Committees:

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

KONG SIN SENG

Independent Non-Executive Director

aged 70	Malaysian	Male

Mr Kong Sin Seng was appointed to the Board of Directors of the Company on 11 October 2024. He started his career as an Article Clerk with Reeves & Neylan, an Accounting firm in England from 1978 to 1982 and subsequently with Pricewaterhouse in Kuala Lumpur in 1983. He has held various positions from Financial Controller, Chief Financial Officer, Director of Financial Services Division, Managing Director of Heavy Equipment Division to Chief Executive Officer of a public listed company.

He has spent more than 45 years working in various capacities in wide range of industry which includes Audit, Financial Services, Medical Aesthetics & Healthcare, Manufacturing, Oil & Gas, Commodities Trading, Property Development, Gaming and Heavy Equipment Distributorship. He has worked in many countries like the UK, Malaysia, Singapore, Indonesia, Vietnam, Cambodia, Laos and Nepal.

His last held position was the Chief Executive Officer of MyTech Group Berhad, retired in 2015 and assumed the position as a Non Independent and Non-Executive Director until 2021.

He sat on the Board of Beverly JCG Ltd, a company listed in the Catalist Market in the Singapore Stock Exchange as an Independent Director and Audit Chairman from 2023 to 2024. From 2001 to 2014, he sat on the Board of Fitters Diversified Berhad as an Independent Non-Executive Director, Audit and Risk Management Committee Chairman, Head of Risk Committee and member of the Nominations Committee.

He graduated with an Accounting degree from the Kent University, England. He is also a member of the Institute of Chartered Accountants in England and Wales.

He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offences within the past five (5) years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies.

He has attended all eight (8) Board of Directors' Meetings during the financial year ended 31 March 2026.

Committees:

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

ZALINA BINTI JAFLUS

Independent Non-Executive Director

aged 65	Malaysian	Female

Cik Zalina Binti Jaflus ("**Cik Zalina**") was appointed to the Board of Directors of the Company on 29 September 2025. She had completed her Foundation level in Chartered Insurance from UiTM, then took additional diploma in Risk Management from Malaysian Insurence Institute. She attained professional certications from PECB (a global ISO certification body) in Risk Management and Business Continuity Management (Lead Risk Manager ISO31000 and Lead BCM Implementer ISO22301 respectively). She is also a Certified Business Continuity Professional; a certification from Disaster Recovery Institute

She was the Head of Risk Management, BCM and Insurance Management division in Celcom and MAHB for more than 20 years before starting her career as a Consultant and Trainer.since 2015.

She now provides Consultancy and training in the development/enhancement of ERM and BCM/Crisis Management to various diversified industries such as TNB, MDEC, Perodua, PLUS, Malakoff, and Jambatan Kedua.

Her Consultancy includes planning and facilitating BCM/Crisis Management Tabletop and Simulation exercises.

She has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. She has no convictions for offences within the past five (5) years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies.

She has attended all three (3) Board of Directors' Meetings during the financial year ended 31 March 2026.

Committees:

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

KEY SENIOR MANAGEMENT PROFILES

SUI DIONG HOE

Managing Director cum Group Chief Executive Officer

aged 70	Malaysian	Male

His profile is disclosed in the Directors' Profiles on page 12 of this Annual Report.

LEE AI VI

Group Chief Financial Officer

aged 48	Malaysian	Female

Ms. Lee Ai Vi ("**Ms Lee**") joined LYC Healthcare Bhd ("LYC") as the Group Accountant on 12 August 2024 and was subsequently appointed as the Chief Financial Officer on 30 May 2025.

She brings with her over 20 years of experience in financial leadership roles across healthcare, telecommunications, financial services, and multinational corporations. Ms Lee has extensive expertise in financial reporting, taxation, treasury management, corporate advisory, and leading finance teams in both operational and strategic capacities.

Ms. Lee holds a Bachelor of Arts (Hons) in International Business Administration from the University of Northumbria, Newcastle. She is a member of the Malaysian Institute of Accountants (MIA) and a Fellow of the Association of Chartered Certified Accountants (FCCA).

She has no family relationship with any Director and /or major shareholder of the Company and has no conflict of interest with the Company. She has no convictions for offences within the past five (5) years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies.

LIM YAN TONG

Chief Investment Officer cum Chief Operating Officer of Confinement Centres

aged 31	Malaysian	Female

Ms. Lim Yan Tong ("**Ms. Lim**") graduated from King's College London, United Kingdom with Bachelor Degree of Economics and Management in 2017, and from University of Warwick, United Kingdom with a Master in Behavioural and Economic Sciences in 2018. She previously worked in the investment division of Khazanah Nasional Berhad, and was involved in the execution of multiple transactions and deals as well as monitoring and management of assets in the healthcare sector. She joined LYC as Chief Operating Officer of Confinement Centres in March 2021.

Ms. Lim is the daughter of Mr. Lim Yin Chow, who is the major shareholder of the Company.

Save for the above, she has no family relationship with any Director of the Company and has no conflict of interest with the Company. She has no convictions for offences within the past five (5) years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies.

KEY SENIOR MANAGEMENT PROFILES

DR. HENRY CHAN YING HO

Executive Director & Managing Director

aged 47	Singaporean	Male

Dr. Henry Chan Ying Ho ("**Dr. Henry**") is the Executive Director and Managing Director of LYC Medicare Singapore Limited ("**LYCMS**"), and is responsible for the overall management, strategic planning and business development of LYCMS. Dr. Henry Chan was appointed as director in December 2021 and was a director of HC Orthopaedic Surgery Pte. Ltd. ("**HCOS**") since September 2017, as well as a director of T&T Medical Group Pte Ltd ("**T&T**") since September 2024. He is also currently the principal specialist at HCOS and is responsible for overseeing and managing the operations of HCOS clinics.

Dr. Henry is a certified Orthopaedic Surgeon in Singapore by the MOH. He became a member of the Royal College of Surgeons of Edinburgh in 2008 and obtained his Master of Medicine (Orthopaedic Surgery) from the National University of Singapore in 2009. Subsequently, he completed his advanced surgical training and became a certified fellow of the Royal College of Surgeons of Edinburgh in the specialty of Orthopaedic Surgery in 2013. Dr Henry was awarded the prestigious scholarship by the Human Manpower Development Program (HMDP) from the MOH and completed his Revision Hip and Knee arthroplasty fellowship at the Helios Endo-Klinik in Hamburg, Germany in 2014, which is the largest hip and knee reconstruction centre in Europe. Since then, Dr. Henry was a valued member of the Joint Replacement Unit in Department of Orthopaedic Surgery in Tan Tock Seng Hospital during his time there and had performed more than 1,000 joint replacements till date. He is well respected in the region and had been invited as an instructor for basic and advanced joint replacement courses in various countries including Malaysia, Vietnam, Thailand and India. He was also appointed the Adjunct Assistant Professor in the Department of Orthopaedic Surgery in Yong Loo Lin School of Medicine, National University of Singapore as well as a core faculty member of the orthopaedic residency program in the National Healthcare Group.

Dr. Henry graduated from the National University of Singapore with a Bachelor of Medicine and Bachelor of Surgery in 2004.

He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offences within the past five (5) years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies.

MR. ONG KEE LEONG

General Manager of Nutraceutical Ingredients

aged 50	Malaysian	Male

Mr. Ong Kee Leong ("**Mr. Ong**") is the founder and Managing Director of Aqurate Ingredients Intl (M) Sdn. Bhd. ("**Aqurate**"), and is responsible for overseeing and managing the operations, the research and development and product development and conceptualisation functions, as well as the business development initiatives of our Nutraceutical Supplements and Ingredients segment. Mr. Ong has over 23 years of experience in the nutraceutical industry.

Mr. Ong began his career with Fisher CW Medical (M) Sdn. Bhd., where he was a Product Specialist from January 1996. In May 2003, he joined DPO Malaysia (M) Sdn. Bhd., a food ingredients company, as a Country Manager, where he was responsible for managing sales, marketing and regulatory compliance across multiple territories, including Malaysia and Singapore. Mr. Ong left DPO Malaysia in October 2010 and subsequently set up Aqurate in March 2012 and has since led the growth of Aqurate, by establishing strong links with suppliers, expanding the range of supplements and ingredients offered by Aqurate, and offering unique branded raw ingredients not found in Malaysia. Mr. Ong has also expanded the suite of services offered to customers, providing a one-stop service from formulation, product registration, packaging, manufacturing and delivery.

Mr. Ong obtained an Executive Diploma in Entrepreneurship Management from HELP University in 2021.

He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offences within the past five (5) years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies.

MANAGEMENT DISCUSSION AND ANALYSIS

THE BOARD IS PLEASED TO PRESENT THE MANAGEMENT DISCUSSION AND ANALYSIS FOR FINANCIAL YEAR ENDED 31 MARCH 2026, WHICH PROVIDES AN INSIGHT INTO THE GROUP'S BUSINESS OPERATIONS, STRATEGIES, FUTURE GROWTH AND EXPANSION PLANS, AS WELL AS FINANCIAL PERFORMANCE AND POSITION FOR FINANCIAL YEAR ENDED 31 MARCH 2026.

OUR BUSINESSES

LYC Healthcare Berhad ("**the Group**") is an investment holding company. Since 2017, the Group has undergone a significant transformation to diversify from computing and electronic service into healthcare business by providing mother and childcare related services such as postnatal and postpartum care, and confinement care. Over the years, the Group has built up other healthcare businesses such as family clinic, childcare services, and cosmetic & aesthetic and have acquired specialized medical service providers focusing on orthopedic, osteoporosis and chronic diseases, nutraceutical industry and dental services.

OUR CONFINEMENT BUSINESS

LYC Mother & Child Centre specializes in premium confinement care that thoughtfully blends traditional Chinese postnatal practices with modern Western medical expertise. Our aim is to support new mothers in recovering from the physical and emotional demands of pregnancy, childbirth, and early motherhood.

Recognized as one of the Best Confinement Centres in Malaysia, we provide personalized care, professional guidance, and psychological support to help mothers regain their health and confidence. Our comprehensive program prepares mothers for the transition back home and equips them with essential knowledge and skills to care for their newborns effectively.

Currently, we have three confinement centres in central of Malaysia which located in TTDI, Puchong and Bukit Jalil with 33-bedroom, 29-bedroom and 41-bedroom facilities respectively. On top of that, we have our fourth and the largest confinement centre with a 67-bedroom facility in southern of Malaysia, Danga Bay in Johor Bahru. As of 31 March 2026, we had served more than 12,000 mothers and babies.

The Johor Bahru centre was initially established as a joint venture with SOG Health Pte Ltd. and is now a wholly owned subsidiary of the Group.

OUR NUTRACEUTICAL BUSINESS

On 28 September 2021, the Company completed the 70% acquisition of Aqurate Ingredient Intl (M) Sdn. Bhd ("**Aqurate**") for a purchase consideration of RM36.4 million.

Aqurate is principally involved in product formulation, research and development ("**R&D**") and supply of functional food ingredients, and the provision of innovative solutions to the food and beverages ("**F&B**"), nutraceutical, pharmaceutical, healthcare and cosmeceutical industry. Aqurate commenced its business in 2012 when it first formulated and supply probiotic food supplement to a medical centre under an OEM arrangement. Since inception, Aqurate has conceptualized and launched various formulations designed on market specific needs for customers mainly within the F&B, nutraceutical, pharmaceutical, healthcare and cosmeceutical industry in Malaysia.

Aqurate is a well-established company specializing in product formulation, R&D, and the supply of functional food ingredients. It also provides innovative solutions tailored to the F&B, nutraceutical, pharmaceutical, healthcare, and cosmeceutical industries.

Founded in 2012, Aqurate began its journey by formulating and supplying probiotic food supplements under OEM arrangements for a medical centre. Since then, it has launched a wide array of formulations designed to meet the specific needs of clients across its key industries, with a primary focus on the Malaysian market.

The acquisition of Aqurate has enabled the Group to capitalise on the increasing demand for health supplements and the heightened emphasis on preventive healthcare following the COVID-19 pandemic. The expansion into the nutraceutical business is aligned with the Group's broader healthcare strategy and objectives, providing a platform for future growth through the diversification of its healthcare offerings, the creation of synergies with its existing healthcare businesses, and the potential to enhance recurring revenue streams.

Following the completion of the acquisition, the Group has leveraged Aqurate's expertise to develop its own range of proprietary supplements under the LYC brand. These products are intended to serve the Group's existing customer base across its mother-and-child healthcare platform as well as further strengthening the Group's integrated healthcare ecosystem.

OUR DENTAL BUSINESS

On 4 October 2022, LYC, through its 70%-owned indirect subsidiary, LYC Dental Group Sdn Bhd ("**LYC Dental Group**"), acquired three KL Dental clinics strategically located in high-traffic areas—Kiara 163, SS15 Courtyard in Subang Jaya, and Taman Connaught in Cheras—for a total purchase consideration of RM3.2 million. Building on this expansion, the Group launched a fourth KL Dental branch in Sunway Velocity, Cheras, which commenced operations in April 2023.

The Group remains optimistic about the outlook for dental services, driven by rising affluence, increasing health awareness, and Malaysia's growing population. This expansion is aligned with the Group's strategy to strengthen its footprint in the healthcare segment and tap into the increasing demand for accessible and quality dental care.

VENTURE INTO HEALTHCARE BUSINESS IN SINGAPORE

On 23 September 2020, we received shareholder's approval for the proposed acquisition of 51% shareholding of T&T Medical Group Pte. Ltd. ("**T&T**") and 51% shareholding of HC Orthopedic Surgery Pte. Ltd. ("**HCOS**") for a total purchase consideration of SGD14.23 million. The acquisitions of T&T and HCOS were completed on 13 November 2020 and 2 December 2020 respectively.

On 10 October 2022, LYC had completed the acquisition of an additional 49% shareholding in T&T and HCOS, via its 64.5% indirect owned subsidiary, LYC Medicare (Singapore) Pte Ltd ("**LYC Medicare Singapore**") for a total purchase consideration of SGD8.1 million and SGD9.163 million respectively. The above acquisitions will allow LYC Singapore to recognise 100% financial results contribution from T&T and HCOS, which will ultimately benefit the financial performance of the Group.

T&T operates a one-stop chronic disease center focusing on chronic degenerative joint diseases and spine, and pain management, and metabolic diseases like Diabetes Mellitus, hypertension and high cholesterol. T&T also provides general medical care under its family health clinic arm. T&T serves patients of all age groups. Being a one-stop chronic disease operator, it is able to provide integrated service/ treatment offerings including Osteoporosis centre (in collaboration with Amgen Inc., an American multinational biopharmaceutical company headquartered in Thousand Oaks, California), X-Ray imaging including Bone Mineral Densitometry (BMD), and full-fledged physiotherapy center for chronic and acute cases, including sports injury and rehabilitation post-surgery. In 2022, T&T also set up a new imaging facility which includes CT and MRI machines to broaden our range of services.

Meanwhile, HCOS primarily serves patients requiring various orthopaedic specialist treatments, including surgeries. The range of HCOS's specialist treatments are generally catered towards management of adult and paediatric fractures and trauma, general orthopaedic, sports injuries with torn ligaments and meniscus, and degenerative conditions including prolapsed intervertebral discs (slipped discs).

In 2023, the Group had opened its third specialist clinic located in Mount Elizabeth Novena and in 2024, its fourth specialist clinic located at Gleneagles Medical Centre. This is expected to broaden our reach to our customers and is expected to boost our topline figures. We have hired an additional senior surgeon under HCOS in 2023 and is looking to hire the third surgeon in 2024 to meet the increased demand and also to reduce our dependency on single orthopaedic surgeon.

By being discerning in our acquisitions and greenfield projects via the geographical cluster strategy to pursue growth, we can focus on assets that complement and are synergistic to our portfolio to achieve higher returns for the business.

GUIDANCE NOTE 3

On 30 May 2025, the board of directors of LYC Healthcare Berhad ("**LYC**" or the "**Company**") ("**Board**") had announced that LYC is an affected lister issuer under Guidance Note 3 ("**GN3**") of the ACE Market Listing Requirements of Bursa Securities ("**LR**").

The Company has triggered the prescribed criteria pursuant to Rule 8.04 of the Listing Requirements and Rule 2.1(a) of Guidance Note 3 ("**GN3**") by virtue of the shareholders' equity being less than 25% of the issued share capital based on the Company's latest unaudited financial statements for the financial period ended 31 March 2025.

On 1 July 2025, the Company announced that it is in the process of appointing a sponsor and is currently formulating and reviewing its business and regularisation plan.

GROUP FINANCIAL PERFORMANCE

The Group recorded a revenue of RM135.08 million and a loss before tax of RM8.83 million in FY2026 compared to a revenue of RM155.52 million and a loss before tax of RM8.09 million in FY2025.

In FY2026, the Healthcare division accounted for 99% of the overall Group's revenue with approximately 1% by the IT Business, Computing & Electronics and other divisions accounting for the rest.

SEGMENTAL FINANCIAL PERFORMANCE

	FYE 2026		FYE 2025		Variances	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
Revenue						
- Healthcare	134,686	99	152.290	98	(17,604)	(12)
- IT	389	1	2,723	2	(2,334)	(86)
- Other	0	0	506	0	(506)	(100)
Total	135,075	100	155,519	100	(20,444)	(13)
PBT/(LBT)						
- Healthcare	(4,319)	49	1,709	(21)	(6,028)	(353)
- IT	(943)	11	(357)	4	(586)	164
- Other	(3,567)	40	(9,442)	117	5,875	(62)
Total	(8,829)	100	(8,090)	100	(739)	9

HEALTHCARE SEGMENTAL

The healthcare segment reported a revenue of RM134.69 million and a loss before tax of RM4.32 million in FY2026 compared to a revenue of RM152.29 million and a profit before tax of RM1.71 million in FY2025, representing a decrease in revenue of approximately 12% and decreased in profit before tax of approximately 353% respectively. The decline in revenue during financial year was mainly attributable to the disposal of Elite Dental Team in the previous financial year, which contributed approximately 12% of the group revenue. The lower revenue was also attributable to LYC Mother & Child Centre (Sg) Sdn Bhd, which recorded a decrease in revenue of RM3.3 million, or approximately 38% from RM8.47 million in FY2025 to RM5.21 million in FY2026. This decline was primarily due to lower demand for confinement services in 2026.

IT SEGMENTAL

The IT segment recorded a revenue of RM0.39 million and a loss before tax of RM0.94 million in FY2026, compared to a revenue of RM2.72 million and a loss before tax of RM0.36 million in FY2025. The decline in revenue and higher loss before tax was primarily due to the cessation of the IT segment during the financial year.

OTHER SEGMENTAL

The Other segment reported a nil revenue and a loss before tax of RM3.57 million in FY2026, compared to a revenue of RM0.51 million and a loss before tax of RM9.4 million in FY2025. The lower loss before tax was mainly due to lower operating expenses incurred during the financial year.

GROUP FINANCIAL POSITION

The Group's total assets decreased from RM253.31 million to RM198.0 million on 31 March 2026 and reduced in group total liabilities from RM179.57 million on 31 March 2025 to RM159.16 million on 31 March 2026. The decrease in the Group's total liabilities was mainly attributable to a reduction in lease liabilities.

The total shareholders' equity reduced from RM55.74 million on 31 March 2025 to RM38.84 million on 31 March 2026, mainly due to the losses recorded in subsidiaries.

GROUP CASH FLOW

Operating Activities

Net cash generated from operating activities was RM27.80 million in FY2026 compared to RM 28.4 million in FY2025.

Investing Activities

The Group incurred RM3.00 million in investing activities in FY2026 compared to divestment of RM0.51 million in the preceding year. The current year's outflow was predominantly driven by capital expenditure on the acquisition of right-of-use assets, motor vehicles and equipment, as well as refurbishment costs.

CAPITAL MANAGEMENT

Our core capital management strategy involves maintaining a robust financial position to secure favorable financing terms to support the Group's businesses. In addition, the Group ensures that the sources of borrowings are well diversified and appropriately structured in terms of maturity to mitigate interest rate and liquidity risks. The Group implements a centralised treasury operation that actively monitors and manages these risks.

LYC practices prudent financial management with an efficient capital structure that accords the Group a level of flexibility to ensure optimal operational performance and liquidity to fund the Group's investment requirements.

We continue to build investor, creditor and market trust and confidence by showing our resilience and flexibility as we align our resources to mitigate risks, seize opportunities and support growth in all areas of our business.

OUTLOOK AND PROSPECT

Malaysia

The Group remains focused on expanding our confinement care network, targeting high-demand areas and greenfield locations. This strategic expansion is a key element in sustaining our leadership position in Malaysia's mother and child care sector.

For our nutraceutical business, our 70% shareholding in Aqurate continues to perform strongly riding on demand for pharmaceutical and nutraceutical related products. In the recent COVID-19 pandemic, we find that more and more Malaysians are increasingly turning to natural and clinically proven supplements such as Probiotics to strengthen their immune system and Complete Nutrition to fulfil their daily nutrient intake. As the consumer learns how to appreciate functional foods, Aqurate will grow in tandem by making and supplying the functional food ingredients into the healthcare and wellness industry. Aqurate has three new properties to expand its warehouse and office facility to cater for higher demand in the future.

To ensure a sustainable pipeline of leadership talent to support the management of our expanded and enhanced healthcare network, we will be focusing on effective succession development planning. The Group's talent management strategies are ensuring that we can attract and retain the best people in the sector, will continue to focus on building, nurturing and sustaining a performance driven culture, in line with our business objectives. To remain as employer of choice, we aim to bring about a holistic employee experience, within a diverse, talented and engaged workforce, whilst embedding a culture of innovation groupwide.

Singapore

LYC's presence in Singapore is mainly via its 64.5% indirectly owned subsidiary via LYC Medicare Singapore, which wholly owns T&T and HCOS. Both companies are well established in Singapore and have good operating and financial track records.

Singapore is internationally recognised as one of the most efficient healthcare systems in the world. Singapore's medical tourism industry has experienced extensive growth in recent years driven by a rise in quality and greater cross-border mobility among the region's population. As Singapore is facing an ageing population and becomes increasingly conscious of personal health, patients will seek earlier diagnoses to enable preventive care.

LYC intends to continue with the existing healthcare operations and business directions of T&T and HCOS together with the respective stakeholders involved. The acquisitions allow LYC Group to mark its foray into the Singapore healthcare sector, which is generally renowned as one of the leading healthcare service hub in the Asia Pacific region. By expanding into Singapore, the Group may attain a wider market presence and marketability for its range of healthcare services During the financial year, there were no additional clinics added to the HCOS portfolio and it operated with four clinics and four surgeons during FY2026.

We remain optimistic that our focused efforts in line with our strategy will keep us on track to achieve our goal of long-term sustainable growth for the business.

UPCOMING

Proposed listing of LYC Healthcare (Caymen) Limited ("the Company") on National Association of Securities Dealers Automated Quotations Listing ("Nasdaq") Capital Markets

On 31 December 2024, The Company has announced proposed listing of LYC Healthcare (Cayman Ltd (LYC Cayman), on the Nasdaq Capital Market. LYC Cayman plans to undertake an initial public offering (IPO) of new ordinary shares on the Nasdaq.

The rationale and benefits of the IPO to LYC Cayman are as follows:-

(i) enable LYC Cayman to leverage on the Nasdaq listing status to enhance its reputation and gain recognition for its business in the provision of medical and surgical advisory service, particularly focusing on medical and specialist treatment in the field of musculoskeletal-related medical care, thereby improving its visibility and public image to achieve greater market reputation and gain broader client base; and

(ii) accord LYC Cayman the financial flexibility to raise future funding requirement through the equity capital market independently from LYC, to reinforce its equity position and raise the necessary capital to fund its future investment/ expansion opportunities and growth.

Upon completion of the Internal Reorganisation, LYC Cayman proposes to undertake an initial public offering ("**IPO**") of new Class A ordinary shares in LYC Cayman ("**Class A Shares**") and the listing of Class A Shares on the Nasdaq Capital Markets.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

THE BOARD OF DIRECTORS ("**THE BOARD**") OF LYC HEALTHCARE BERHAD ("**THE COMPANY**") RECOGNISES THE IMPORTANCE OF CORPORATE GOVERNANCE AND IS COMMITTED TO ENSURING THAT THE PRINCIPLES AND BEST PRACTICES IN CORPORATE GOVERNANCE AS SET OUT IN THE MALAYSIAN CODE ON CORPORATE GOVERNANCE ("**MCCG**") ARE OBSERVED AND PRACTISED THROUGHOUT THE COMPANY AND ITS SUBSIDIARIES (COLLECTIVELY REFERRED TO AS "**THE GROUP**") SO THAT THE AFFAIRS OF THE GROUP ARE CONDUCTED WITH INTEGRITY AND PROFESSIONALISM WITH THE OBJECTIVE OF SAFEGUARDING SHAREHOLDERS' INVESTMENT AND ULTIMATELY ENHANCING SHAREHOLDERS' VALUE.

This statement is prepared in compliance with ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and it is meant to be read together with the Corporate Governance Statement and Corporate Governance Report. The Corporate Governance Report provides details on how the Company has applied each practice as set out in the MCCG for the financial year ended 31 March 2026 ("**FYE2026**"), a copy of which is available on the Company's website at https://www.lychealth.com/investor-agm.html.

This statement further outlines the following principles and recommendations which the Group has comprehended and applied. The Board will continue to take measures to improve compliance with principles and recommended best practices in the ensuing years:

- Board Leadership and Effectiveness
- Effective Audit and Risk Management
- Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board has considered and discussed a wide range of matters during the FYE2026, including strategic decisions and reviewing of risk associated matters in the business. The Board is aware that decisions made for the business of the Group would affect a broad range of our stakeholders. While the Board seeks to ensure that the decisions were taken in a way that was fair and consistent with the Group's values, the Board also recognised the importance of balancing these with the need to support the long-term future of the business.

In order to ensure orderly and effective discharge of the above functions and responsibilities of the Board, the Board has established various committees where specific powers of the Board are delegated to the relevant Board Committees.

The Board has a formal schedule of matters reserved for deliberation as set out below, to ensure good governance is in place for the Group:

- Together with Senior Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour.
- Reviewing, challenging and deciding on Management's proposals for the Group, and monitor its implementation by Management.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

- Ensuring that the overall corporate strategic plans of the Group support long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability.
- Supervising and assessing Management performance to determine whether the business is being properly managed.
- Ensuring there is a sound framework for Internal Controls and Risk Management.
- Understanding the principal risk of the Group's business and recognising that business decisions involve the taking of appropriate risks.
- Setting the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate Risk Management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks.
- Ensuring that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management.
- Ensuring that the Group has in place procedures to enable effective communication with stakeholders.
- Ensuring the integrity of the Group's financial and non-financial reporting.

II. Board Composition

The Board recognises the benefits of having a diverse Board to ensure that the mix and profiles of the Board members in terms of age, ethnicity and gender to provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. The Board believes that a truly diverse and inclusive Board will leverage on different thought, perspective, cultural and geographical background, age, ethnicity and gender which will ensure that the Group has a competitive advantage.

In evaluating the suitability of individual Board members, the Nomination Committee ("**NC**") takes into account several factors, including skills, knowledge, expertise, experience, professionalism and time commitment to effectively discharge his or her role as a Director, contribution and performance, background, character, integrity and competence. In the case of candidates for the position of Independent Non-Executive Directors, the NC will evaluate the candidates' ability to discharge their responsibilities and should bring in their independent judgement, provide constructive challenge, strategic guidance, offer specialist advice and impartiality.

The Board currently has one (1) female Director which is in compliance with the AMLR. With the present composition, the Board is of the view that its members possess the necessary knowledge, experience, diverse range of skills, and competence to effectively discharge their duties and responsibilities.

III. Remuneration

The Board has in place a Directors and Senior Management Remuneration Policy which is clear and transparent, designed to support and drive business strategy and long-term objectives of the Group. In this regard, the Remuneration Committee ("**RC**") is responsible to formulate and review the remuneration policies for the Directors and Senior Management of the Company to ensure the same remain competitive, appropriate, and in line with the prevalent market practices.

The Board carries out a remuneration review for its Executive Directors Senior Management, with the view to ensure that the Group continues to retain and attract the best talents in the industry. The proposed salary structure was considered by the RC and subsequently approved by the Board for implementation.

PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

The Audit and Risk Management Committee ("**ARMC**") plays a key role in ensuring integrity and transparency of corporate reporting. The ARMC's role is to review and challenge Management to ensure that appropriate disclosures of accounting treatment and accounting policies are made. The ARMC has a duty to provide assurance to the Board that robust risk management, controls and assurance processes are in place. The ARMC continues to monitor the potential risks of the Group and ensures that mitigating factors are in place to ensure the health, safety and business continuity of the Group.

During the FYE2026, the ARMC with the assistance of the Internal Auditors had undertaken a thorough review on account receivables and payables within the Group to ensure that appropriate controls and effective management processes are in place.

Annually, the composition of the ARMC is reviewed by the NC and recommended to the Board for its approval. With the view to maintain an independent and effective ARMC, the NC ensures that only Independent Non-Executive Directors who have the appropriate level of expertise and experience and have the strong understanding of the Group's business would be considered for membership on the ARMC.

II. Risk Management and Internal Control Framework

Risk Management and Internal Control Framework is a critical component of good management practice and effective corporate governance. With the Risk Management and Internal Control Framework being in place, the Board's decision-making was supported by sufficient information for the right discussions and considerations. The enhanced level of risk debate and greater involvement from the Management were also critical in ensuring that appropriate monitoring and mitigations were embedded to support the proposals under discussion.

The Board will continue to drive a proactive risk management approach and ensure that the Group's employees have a good understanding on the application of risk management principles in order to work towards cultivating a sustainable risk management culture. The Board will also continue to challenge the Group's risk reporting mechanism and ensure that it is data-driven to capture and quantify exposures where applicable and necessary.

PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

The Group recognises the importance of stakeholder engagement leading to the long-term sustainability of its businesses. As a responsible corporate citizen, the Group must interact with stakeholders and also acknowledge the potential impact that its operations may have on a wide range of stakeholders. For engagement to be constructive and meaningful, each matter considered by the Board therefore has to be in the context of relevant economic, social and environmental factors.

The Company has heightened its engagement efforts with stakeholders by engaging discussions with analysts, fund managers and shareholders, both locally and overseas, upon requests.

Moving forward, the Board intends to adopt a more mature form of sustainability reporting to stakeholders by implementing the International Integrated Reporting Framework in the Annual Report, allowing stakeholders to have a better understanding on the Group sustainability.

II. Conduct of General Meetings

The Company's Annual General Meeting ("**AGM**") is an important means of communicating with its shareholders. To ensure effective participation of an engagement with the shareholders at the AGM of the Company, all members of the Board would be present at the meeting to respond to questions raised by shareholders and proxies. In addition, the Chairman of the Board would chair the AGM in an orderly manner and encourage the shareholders and proxies to speak at the meeting. The overall performance of the Group would be presented at the meeting.

In line with good governance practices, the notice of the AGM would be issued at least twenty eight (28) days before the AGM date and the AGM is conducted through an electronic polling system. The Company will continue to explore and leverage on technology, to enhance the quality of engagement with its shareholders to facilitate further participations by shareholders at the AGM of the Company.

PRELUDE

Over the next few pages, we would look at the Board, its role, performance and oversight. We will provide details on the Board's activities and discussions during the financial year, the actions arising from these and the progress made against them. We also provide an insight on director independence effectiveness and our Board evaluation, succession planning and induction and ongoing developments.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

1. Board of Directors

LYC Healthcare Berhad ("**the Company**") and its subsidiaries (collectively referred to as ("**the Group**") acknowledge the pivotal role played by the Board of Directors ("the Board") in the stewardship of its directions and operations, and ultimately the enhancement of long-term shareholders' value. To fulfil this role, the Board plays a critical role in setting the appropriate tone at the top and is charged with leading and managing the Group in an effective, good governance and ethical manner. The directors individually have a legal duty to act in the best interest of the Group and are also collectively aware of their responsibilities to the stakeholders for the manner in which the affairs of the Group are managed. The Board's responsibilities, amongst others include the following:

a) Lead and manage the Company in an effective and responsible manner;

b) Establish the corporate vision and mission, as well as the philosophy of the Company, setting the aims of the management and monitoring the performance of the management;

c) Monitor financial outcomes and the integrity of internal and external reporting, in particular approving annual budgets and longer term strategic and business plans;

d) Assess the effectiveness of the Board of Directors as a whole, the Committees of the Board and the contribution of each Director;

e) To identify principal risks and to ensure the implementation of appropriate systems to protect the company's assets and to minimise the possibility of the Company operating beyond acceptable risk parameters;

f) To keep pace with the modern risk of business and other aspects of governance that encourage enhancement of effectiveness in Board and management;

g) To review the adequacy and integrity of the Group's internal control systems and management information systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines;

h) Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing Board and the key management;

Ensure all new Directors receive comprehensive orientation to fully understand the role of the Board and its Committees, as well as the contribution individual Directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its Directors) and the nature and operation of the Group's business; and

i) Oversees and evaluates the conduct and sustainability of the Group which includes strategics on economic, environmental and social considerations.

To assist in the discharge of its responsibilities, the Board has established the following Board Committees 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**")

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

1. Board of Directors (Continued)

Each Board Committee operates within their approved terms of reference set by the Board which are periodically reviewed. The Board appoints the Chairman and members of each Board Committee.

The Chairman of the respective Board Committees will report to the Board on the outcome of any discussions and make recommendations thereon to the Board. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

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 include strategic risks, strategic projects and operational items. The Board approves an annual performance contract setting the priorities director and performance targets for the Group within the parameters of the corporate plan.

The profile of each Director is presented in the Annual Report of the Company.

2. Separation of position of the Chairman and Managing Director cum Group Chief Executive Officer

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The roles of the Chairman and the Managing Director cum Group Chief Executive Officer of the Company are separately held, and each has clearly accepted division of responsibilities and accountability to ensure a balance of power and authority. This segregation of roles also facilitates a healthy open, exchange of views between the Board and Management in their deliberation of the business, strategic aims and key activities of the Company.

The Chairman of the Board, Dato' Seri Abdul Azim Bin Mohd Zabidi, an Independent Non-Executive Chairman, leads the Board with focus on governance and compliance and acts as a facilitator at Board meetings to ensure that relevant views and contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates the discussion. The roles and responsibilities of the Chairman's key responsibility, amongst others, includes the following:

(a) lead the Board and ensure its effectiveness in discharging its responsibilities;

(b) ensure the efficient conduct of the Board's function and meetings;

(c) facilitate the effective contribution of all Directors at Board meetings;

(d) promote constructive and respectful relations between Directors, and between the Board and Management;

(e) ensure the proper and timely flow of information to the Board;

(f) ensure effective communication between the Board and the Management with shareholders, stakeholders and the public generally.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

2. Separation of position of the Chairman and Managing Director cum Group Chief Executive Officer (Continued)

The Board delegates the Managing Director, namely Sui Diong Hoe, supported by the senior management to oversee the day-to-day operations to ensure the smooth and effective running of the Group. The Managing Director cum Group Chief Executive Officer implement the policies, strategies, decisions adopted by the Board, monitor the operating financial results against plans and budgets and act as a conduit between the Board and Management in ensuring the success of the Group's governance and management functions.

During Board meetings, the Chairman maintains a collaborative atmosphere and ensures that all Directors contribute to the discussion. The Chairman and Managing Director cum Group Chief Executive Officer arrange informal meetings and events from time to time to build constructive relationships between the Board members.

The Managing Director cum Group Chief Executive Officer is responsible to spearhead and manage the overall business activities of the various business division of the Group to ensure optimum utilization of corporate resources and expertise by all the business divisions and at the same time achieve the Group's long-term objectives. The Managing Director cum Group Chief Executive Officer is assisted by the heads of each division in implementing and running the Group's day-to-day business.

3. Supply of and Access to Information

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 are sent to Directors at least five (5) working days before the meetings. Management provides the Board with detailed meeting materials at least five (5) days in advance of the Board or Board Committees' meetings. Senior Management are invited to join the meetings to brief the Board and Board Committees on the requisite information on matters being discussed, where necessary.

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 Board would meet at quarterly intervals which are scheduled at the onset of the financial year to help facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened where necessary to deal with urgent and important matters that require attention of the Board. All Board meetings are furnished with proper agendas with due notice given and Board papers are prepared by the Company Secretary and circulated to all Directors prior to the meetings.

All pertinent issues discussed at the Board meetings are properly recorded by the Company Secretary.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

4. Commitment of the Board (Continued)

The Board met eight (8) times during the financial year ended 31 March 2026 ("**FYE2026**"). The attendance of each Director at the Board Meetings held during FYE2026 are as follow:

Directors	Number of meetings attended	%
Dato' Seri Abdul Azim Bin Mohd Zabidi	8/8	100%
Sui Diong Hoe	8/8	100%
Mohd Khasan Bin Ahmad	8/8	100%
Kong Sin Seng	8/8	100%
Dato' Muraly Daran A/L M Narayana Menon[1]	2/2	100%
Poh Zuan Yin[2]	3/4	75%
Zalina Binti Jaflus[3]	3/3	100%

Note:
[1] Resigned as an Independent Non-Executive Director of the Company on 1 August 2025
[2] Resigned as an Independent Non-Executive Director of the Company on 29 September 2025
[3] Appointed as an Independent Non-Executive Director of the Company on 29 September 2025

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities which is evidenced by the satisfactory attendance record of the Directors at each Board meeting.

It is the Board's policy for Directors to notify the Board before accepting any new directorship notwithstanding that the ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") allow a Director to sit on the board of a maximum of five (5) listed issuers. At present, all Directors of the Company have complied with the AMLR of Bursa Securities where they do not sit on the board of more than five (5) listed issuers.

5. Continuous Development of the Board

The Board, via the NC, continues to identify and attend appropriate briefings, seminars, conferences and courses to keep abreast of changes in legislation and regulations affecting the Group.

All Directors have completed the Mandatory Accreditation Programme. The Directors are mindful that they would continue to enhance their skills and knowledge to maximize their effectiveness as Directors during their tenure. Throughout their period in office, the Directors are continually updated on the Group's business and the regulatory requirements.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

5. Continuous Development of the Board (Continued)

The list of training programmes attended by the Directors during the financial year under review are as follows:

Date	Name of Training Programme
6 March 2025	Payment to Directors- what's allowed and what's disallowed
6 May 2025	Bursa Malaysia Mandatory Accreditation Programme (Part II)
26 June 2025	Leading For Impact (LIP)
1 July 2025	A Comprehensive Review of Lates Development
14 July 2025	Understand Requirement of BNM and SSM on Beneficial Ownership of Legal Person
8 September 2025	Roles and Responsibilities of Board of Director and Senior Management vis-a-vis Financial Statement
23 September 2025	Bursa Malaysia Mandatory Accreditation Programme (Part II)
10 October 2025	Practical Issue & For Value Measurement
2 December 2025	Historical Themes: Current Policy Challenges
8 December 2025	Bursa Malaysia Mandatory Accreditation Programme
13 January 2026	Tax Audit and Investigation
6 February 2026	Apeal and Dispute Resolution Proceeding
11 February 2026	Bursa Malaysia Mandatory Accreditation Programme (Part II)

The Company Secretaries also highlights the relevant guidelines on statutory and regulatory requirements from time to time to the Board. The External Auditors on the other hand, briefed the Board on changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

6. Board Committees

ARMC

The ARMC monitors internal control policies and procedures designed to safeguard the Group's assets and to maintain the integrity of financial reporting. The ARMC maintains direct, unfettered access to the Company's External Auditor, Internal Auditor and management.

The ARMC comprises of three (3) members, all of whom are Independent Non-Executive Directors. The present members of the ARMC are as follows:

Directors	Designation
Kong Sin Seng	Chairman
Mohd Khasan Bin Ahmad	Member
Zalina Binti Jaflus[1]	Member
Dato' Muraly Daran A/L M Narayana Menon[2]	Member
Poh Zuan Yin[3]	Member

Note:
[1] Appointed as Member of ARMC on 29 September 2025
[2] Resigned as Member of ARMC on 1 August 2025
[3] Resigned as Member of ARMC on 29 September 2025

A copy of the ARMC's Terms of Reference can be found in the Company's website at https://www.lychealth.com/investor-terms.html.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

6. Board Committees (Continued)

NC

The NC oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director as well as identify candidates to fill board vacancies, and nominating them for approval by the Board.

The NC comprises of the following, all of whom are Independent Non-Executive Directors. The committee's composition, the meeting held, and the attendance of each NC member during the FYE2026 are as follows:

Directors	Designation	Number of meetings attended	%
Mohd Khasan Bin Ahmad	Chaiman	3/3	100%
Kong Sin Seng	Member	3/3	100%
Zalina Binti Jaflus[1]	Member	N/A	N/A
Dato' Muraly Daran A/L M Narayana Menon[2]	Member	2/2	100%
Poh Zuan Yin[3]	Member	2/2	100%

Note:
[1] Appointed as Member of NC on 29 September 2025
[2] Resigned as Member of NC on 1 August 2025
[3] Resigned as Member of NC on 29 September 2025

Below is a summary of the key activities undertaken by the NC in discharge of its duty during the FYE2026:

(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) Determined the Directors who stand for re-election by rotation and assessed their fitness and propriety based on the Directors' Fit and Proper Policy.

(c) Assessed the effectiveness and performance of the Board and its committees. This is carried out through a self-assessment document that is completed by each Director. The assessment criteria include the following:

- Board composition
- Board process
- Performance of Board Committees
- Information provided to the Board
- Role of the Board in strategy and planning
- Risk management framework
- Accountability and standard of conduct of Directors

(d) Assessed and reviewed the independence and continuing independence of the Independent Directors.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

6. Board Committees (Continued)

NC (Continued)

Below is a summary of the key activities undertaken by the NC in discharge of its duty during the FYE2026: (Continued)

(e) Reviewed and recommended to the Board the appointment of the new Independent Non-Executive Director.

All recommendations of the NC were reported at the Board Meeting and approved by the Board.

A copy of the NC's Terms of Reference is available at the Company's website at https://www.lychealth.com/investor-terms.html.

RC

The RC is responsible for recommending to the Board the remuneration principles and the framework for members of the Board and Senior Management.

The RC comprises of the following, all of whom are Independent Non-Executive Directors. The committee's composition, the meeting held, and the attendance of each RC member during the FYE2026 as follows:

Directors	Designation	Number of meetings attended	%
Zalina Binti Jaflus[1]	Chairman	1/1	100%
Mohd Khasan Bin Ahmad[2]	Member	4/4	100%
Kong Sin Seng	Member	4/4	100%
Dato' Muraly Daran A/L M Narayana Menon[3]	Member	2/2	100%
Poh Zuan Yin[4]	Member	2/2	100%

Note:
[1] Appointed as Member of RC on 29 September 2025 and redesignated as Chairman of RC on 21May 2026
[2] Redesignated as Member of RC on 21 May 2026
[3] Resigned as Member of RC on 1 August 2025
[4] Resigned as Member of RC on 29 September 2025

Below is a summary of the key activities undertaken by the RC in discharge of its duty during the FYE 2026:

(a) Reviewed, assessed and recommended the remuneration packages of the Executive Directors and Senior Management.

(b) Reviewed the Directors' Fees and Benefits payable to the Directors.

All recommendations of the RC were reported at the Board meeting and approved by the Board.

A copy of the RC's Terms of Reference can be found in the Company's website at https://www.lychealth.com/investor-terms.html.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

7. Code of Conduct & Ethics

The Company has established a Code of Conduct & Ethics to promote a corporate culture which engenders ethical conduct that permeates throughout the Group. The Code of Business Ethics is based on principles in relation to trust, integrity, transparency, accountability, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism.

The Group practices the relevant principles and values in the Group's dealings with employees, customers, suppliers and business associates. The Directors, officers and employees of the Group are also required to observe, uphold and maintain high standards of integrity in carrying out their roles and responsibilities and to comply with the relevant laws and regulations as well as the Group's policies.

The Board is provided guidance through the Code of Conduct & Ethics on disclosure of conflict of interest and other disclosure information/requirements to ensure that the Directors comply with the relevant regulations and practices. In order to address and manage possible conflicts of interest that may arise between Directors' interests and those of the Group, the Company has put in place appropriate procedures including requiring such Directors to abstain from participating in deliberations during meetings and abstaining from voting on any matter in which they may also be interested or conflicted. The Directors of the Group are also required to disclose and confirm their directorships and shareholdings in the Group and any other entities where they have interests.

Notices on the closed period for trading in the Company's shares are sent to Directors, principal officers and the relevant employees on a quarterly basis specifying the timeframe during which they are prohibited from dealing in the Company's shares, unless they comply with the procedures for dealings during closed period as stipulated in the AMLR.

Details of the Code of Conduct and Ethics can be found in the Company's website at https://www.lychealth.com/investor-code.html.

8. Whistleblowing Policy

The Company has adopted a Whistleblowing Policy as the Board believes that a sound whistleblowing system will strengthen, support good management and at the same time, demonstrate accountability, good risk management and sound corporate governance practices. The policy is to encourage reporting of any major concerns over any wrongdoings within the Group.

The policy outlines the relevant procedures such as when, how and to whom a concern may be properly raised about the genuinely suspected or instances of wrongdoing at the Company and its subsidiaries. The identity of the whistleblower is kept confidential and protection is accorded to the whistleblower against any form of reprisal or retaliation. All such concerns shall be set forth in writing and forwarded to the Company's whistleblowing channel.

Full details of the Whistleblowing Policy can be found on the Company's website at https://www.lychealth.com/investor-code.html.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities (Continued)

9. Company Secretaries

The Board is assisted by qualified and competent Company Secretaries who plays a vital role in advising the Board in relation to the Group's constitution, policies, procedures and compliance with the relevant regulatory requirements, codes, guidance and legislations. All the Directors have unrestricted access to the advice and services of the Company Secretaries for the purpose of the conduct of the Board's affairs and the business.

The Company Secretaries constantly keep themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance through attendance at relevant conferences and training programmes. The Company Secretaries has also attended the relevant continuous professional development programmes as required by the Companies Commission of Malaysia or the Malaysian Institute of Chartered Secretary and Administrators for practising company secretary. The Board is satisfied with the performance and support rendered by the Company Secretaries in discharging its functions.

In addition, the Company Secretaries is 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.

II. Board Composition

1. Composition and Diversity

The Directors are of the opinion that the current Board size and composition is adequate for facilitating effective decision making given the scope and nature of the Group's businesses and operations. The Board maintains an appropriate balance of expertise, skills and attributes among the Directors which is reflected in the diversity of backgrounds and competencies of the Directors. Such competencies include finance, accounting, legal, digital and other relevant industry knowledge, entrepreneurial and management experience and familiarity with regulatory requirements and risk management.

The NC ensures that the composition of the Board is refreshed periodically while the tenure, performance and contribution of each Director is assessed by the NC through the Board Evaluation. In addition, each of the retiring Directors will provide their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

As at the date of this Statement, the Board consists of one (1) Independent Non-Executive Chairman, three (3) Independent Non-Executive Directors, and one (1) Managing Director. This complies with Rule 15.02 of the AMLR which requires at least two (2) or one-third (1/3) of the Board of the Company, whichever is higher, are Independent Directors. The composition of the Board is also in line with the Practice 5.2 of the Malaysian Code on Corporate Governance ("**MCCG**"), by virtue of the fact that 80% of its composition are Independent Directors. The composition of the Board ensures that the Independent Non-Executive Directors will be able to exercise independent judgment on the affairs of the Company.

The Board of Directors' profile can be found in the Annual Report of the Company.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

II. Board Composition (Continued)

2. Independence of Independent Directors

The Independent Directors play a crucial role in corporate accountability and provide unbiased views and impartiality to the Board's deliberations and decision-making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, taking into account the interest of all stakeholders. The Board, via the NC assesses each Director's independence to ensure on-going compliance with this requirement annually. The NC is satisfied that the Independent Directors are independent of Management and free from any business or other relationships which could interfere with the exercise of independent judgement, objectivity and the ability to act in the best interest of the Company.

As at the date of this statement, Encik Mohd Khasan Bin Ahmad who has served the Board for a cumulative period exceeding nine (9) years was retained as an Independent Director following the shareholders' approval being obtained via a two-tier voting process during the 21st AGM and will continue to seek for shareholders' approval via a two-tier voting process to be retained as an Independent Director at the forthcoming Annual General Meeting.

3. Appointment of Board and Senior Management

The Board of Directors comprise of a collective of individuals having an extensive complementary knowledge and competencies, as well as expertise to make an active, informed and positive contribution to the management of the Group in terms of the business' strategic direction and development. The appointment of the Board and its Senior Management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

The NC will assess the suitability, fitness and propriety of the candidates based on criteria set out in the Fit and Proper Policy before formally considering and recommending them for appointment to the Board or senior management. In proposing its recommendation, the NC will consider and evaluate the candidates' required skills, knowledge, expertise, competence, experience, characteristics, professionalism. For appointment of Independent Directors, considerations will also be given on whether the candidates meet the requirements for independence as defined in AMLR of Bursa Securities and time commitment expected from them to attend to matters of the Company in general, including attending meetings of the Board, Board Committees and Annual General Meeting.

4. Gender Diversity

While the Board of Directors acknowledge the need to promote gender diversity within its composition and endeavour to increase female participation in the Board and Senior Management, it has decided not to set any specific targets as the Board believes that it is more important to have the right mix and skills for such positions. As at the end of the FYE2026, the Board comprises of one (1) women Director, representing approximately 20% of the total numbers of the Board which is not in line with the MCCG of at least 30% representation of women on Board.

The Board has yet to adopt a specific policy on diversity. The Board is of the opinion that its members possess the necessary knowledge, experience, diverse range of skills, and competence to effectively discharge their duties and responsibilities.

5. Identifying Suitable Candidates

Any proposed appointment of a new member to the Board will be deliberated by the full Board based upon a formal report, prepared by the NC on the necessity for reviewing the qualifications and experience of the proposed director. The NC would be guided by the Directors' Fit and Proper Policy and an internal policy on Criteria and Skill Sets for the Board Members in assessing the suitability of the potential candidates for appointment to the Board.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

II. Board Composition (Continued)

6. Chairperson of the NC

The NC is led by Mohd Khasan Bin Ahmad, the Independent Non-Executive Director, who directs the NC for succession planning and appointment of Board members and Senior Management by conducting annual review of board effectiveness and skill assessments. This provides the NC with relevant information of the Group's needs, allowing them to source for suitable candidates when the need arises.

7. Annual Evaluation

The NC is responsible in evaluating performance and effectiveness of the entire Board, the Board Committees and individual Director on a yearly basis. The evaluation process is led by the NC Chairperson and supported by the Company Secretary via questionnaires. The NC reviews the outcome of the evaluation and recommends to the Board on areas for continuous improvement and also for them to form the basis of recommending relevant Directors for re-election at the AGM.

The assessment criteria used in the assessment of Board and individual Directors include a mix of skills, knowledge, Board diversity, size and experience of the Board, core competencies and contributions of each Director. The Board Committees were assessed based on their roles and responsibilities, scope and knowledge, frequency and length of meetings, supply of sufficient and timely information to the Board and also overall effectiveness and efficiency in discharging their function.

The Board evaluation comprises Performance Evaluation of the Board and various Board Committees, Directors' Peer Evaluation and Assessment of the independence of the Independent Directors. The assessment is based on four (4) main areas relating to Board Structure, Board Operations, Roles and Responsibilities of the Board and Board Committees and elements of environmental social and governance.

For Directors' Peer Evaluation, the assessment criteria include abilities and competencies, calibre and personality, technical knowledge, objectivity and the level of participation at Board and Committee meetings including his/her contribution to Board processes.

Any appointment of a new Director/ re-appointment of Director to the Board or Board Committee will be subject to the Directors' Fit and Proper assessment and is recommended by the NC for consideration and approval by the Board. In accordance with the Company's Constitution, one-third (1/3) of the Directors (including the Managing Director) for the time being shall retire from office at each AGM. A retiring director shall be eligible for re-election. The Constitution also provides that all directors shall retire at least once every three (3) years.

The Board conducted an internally facilitated Board assessment. The results and recommendations from the evaluation of the Board and Committees are reported to the Board for full consideration and action. The Board was comfortable with the outcome and that the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman possesses the leadership to safeguard the stakeholders' interest and ensure the development of the Group.

The NC also considered the results of the evaluation when considering the re-election of Directors and recommended to the Board for endorsement the Directors standing for re-election at forthcoming AGM of the Company.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

III. Remuneration

The objective of the Group's internal remuneration policy is to provide fair and competitive remuneration to its Board and Senior Management in order for the Company to attract and retain Board and Senior Management of calibre to run the Group successfully. The responsibilities for developing the remuneration policy and determining the remuneration packages of Executive Directors and Senior Management lie with the RC. Nevertheless, it is ultimately the responsibility of the Board to approve the remuneration of Executive Directors and Senior Management.

Based on the remuneration framework, the remuneration packages for the Executive Directors and Senior Management compose of a fixed component (i.e. salary, allowance and etc.) and a variable component (i.e. bonus, benefit-in kind and etc.) which is determined by the Group's overall financial performance in each financial year which is designed to support our strategy and provides a balance between motivating and challenging our senior managements to deliver our business priorities, as set out by Executive Directors, and strong performance while also driving the long-term sustainable success of the Group.

The level of remuneration of Non-Executive Directors reflects their experience and level of responsibility undertaken by them. Non-Executive Directors will receive a fixed fee, with the Chairman of the Board receiving a higher fee in respect of his service as Chairman of the Board. The fees for Directors are determined by the Board with the approval from shareholders at the AGM and no Director is involved in deciding his/her own remuneration.

The detailed disclosure of the remuneration of the top five Senior Management (on bands of RM100,000) of the Company comprising during the financial year under review are set out below:

Remuneration Bands	Number of Senior Management
Below RM100,000	0
RM100,001 – RM200,000	0
RM200,001 – RM300,000	1
RM300,001 above	4

PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

I. ARMC

Presently, the ARMC consists of three (3) Independent Non-Executive Directors and all of them are financially literate and have sufficient understanding of the Group's business. All the members of the ARMC undertook continuous professional development to keep abreast of relevant developments in accounting and auditing standards, practices and rules.

The Chairperson of the ARMC is not the Chairman of the Board, ensuring that the impairment of objectivity on the Board's review of the ARMC's findings and recommendation remains intact. The composition of the ARMC undergoes an annual review by the NC and subsequently recommended to the Board for approval. Based on the results of the evaluation conducted on the performance of the ARMC for FYE2026, the Board expressed satisfaction with the performance of the ARMC in discharging its responsibilities.

The ARMC has adopted a Terms of Reference which sets out its goals, objectives, duties, responsibilities and criteria on the composition of the ARMC which includes a former partner of the external audit firm of the Company to observe a cooling-off period of at least three (3) years before being able to be appointed as a member of the ARMC. For FYE2026, no former partner of the external audit firm the Company's Auditors is appointed as a member of ARMC.

In presenting the annual audited financial statements and interim financial statements on a quarterly basis to the shareholders, the Board is responsible to present a clear, balanced and understandable assessment of the Group's performance and position. The ARMC is entrusted to provide assistance to the Board in reviewing the Group's financial reporting process and accuracy of its financial results, and scrutinising information for disclosure to ensure accuracy, adequacy, completeness and compliance with the accounting standards.

The Board places great emphasis on the objectivity and independence of the External Auditors. Through the ARMC, the Board maintains a transparent relationship with the External Auditors in seeking professional advice on the internal control and ensuring compliance with the appropriate accounting standards. The ARMC is empowered to communicate directly with the External Auditors to highlight any issues of concern at any point in time.

On an annual basis, the ARMC considers the re-appointment of the External Auditors and their remuneration and makes recommendations to the Board. The External Auditors are subject to re-appointment each year at the AGM.

The External auditors met the ARMC without the presence of the executive Board members and management on regular basis pertaining to matters relating to the Group and its audit activities. During such meetings, the External Auditors highlighted and discussed the nature and scope of the audit, audit programme, internal controls and any other issues that may require the attention of the ARMC or the Board.

The ARMC ensures the External Audit function is independent of the activities it audits and reviews the contracts for the provision of non-audit services by the External Auditors in order to make sure that it does not give rise to conflict of interests. The excluded contracts would include management consulting, internal audit and standard operating policies and procedures documentation.

The External Auditors have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

Further information on the roles and responsibilities of the ARMC may be found in the Annual Report of the Company.

PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

II. Risk Management and Internal Control Framework

The Board assumes ultimate responsibility for the effective management of risk across the Group, determining its risk appetite as well as ensuring that each business area implements appropriate internal controls. In order to achieve such objective, a risk management framework has been adopted by the Group. The Group's risk management systems are designed to manage and eliminate risks, where possible to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated its responsibility for reviewing the effectiveness of the Group's systems of internal control to the ARMC. This covers all material controls including financial, operational, compliance and risk management systems. The ARMC is further supported by a number of sources of internal assurance within the Group in order to determine the adequacy and effectiveness of the framework.

The Group has outsourced the internal audit function as being the most cost-effective means of implementing an internal audit function. The independent third-party service provider of the internal audit services for the FYE2026 was GovernanceAdvisory.com Sdn. Bhd. ("**GASB**"), which reported directly to the ARMC as specified in the Terms of Reference of the ARMC. The Internal Auditor carries out its function in accordance with the annual Internal Audit Plan approved by the AC. GASB has approximately three (3) audit personnel assisting the person responsible for the internal audit. Details on the person responsible for the internal audit are set out below:

Name	Mr. Jason Tee Wei Chung
Qualification	A member of Malaysian Institute of Accountants ("**MIA**") and Certified Practising Accountant ("**CPA**") Australia.
Independence	Does not have any family relationship with any of the director and/or major shareholder of the Company
Public Sanction or penalty	Has no convictions for any offences within the past 5 years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Further information may be found in the Statement on Risk Management and Internal Control and the Management Discussion and Analysis of this Annual Report.

PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with stakeholders

The Board believes that stakeholders' communication is an essential requirement of the Group's sustainability. In view thereof, stakeholders are informed of all material business events and risks of the Group in a factual, timely and widely available manner. The Board has formalised a corporate communications policy and procedure not only to comply with the discourse requirements as stipulated in the AMLR, but also sets out the persons authorised and responsible to approve and disclose material information to all stakeholders.

The Group has set up an investor relations program to facilitate effective two-way communication with investors and analyst to provide a greater understanding of the Group's vision, strategies, developments and financial prospects. A variety of engagement initiatives including direct meetings and dialogues with stakeholders are constantly conducted to learn about their needs enabling sustainability and growth of the Group.

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 Company's corporate website includes a dedicated Investor Relations section which provides all relevant information on the Group, including announcements to Bursa Securities, share price information as well as the corporate and governance structure of the Group. Stakeholders are also able to subscribe to e-mail alerts from the Group via the Investor Relation page.

II. Conduct of General Meetings

The AGM is the principal forum for dialogue with shareholders, allowing shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. To ensure shareholders have sufficient time to go through the Annual Report, it is circulated at least twenty-eight (28) calendar days before the date of the AGM. Shareholders are encouraged to vote on the proposed motions by appointing a proxy in the event they are unable to attend the meeting.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION AND ATTENDANCE AT MEETINGS

The Audit and Risk Management Committee ("**ARMC**") comprises the following members:-

Director	Designation
Mr. Kong Sin Seng	Chairman (Independent Non-Executive Director)
Encik Mohd Khasan Bin Ahmad	Member (Independent Non-Executive Director)
Ms. Zalina Binti Jaflus *(Appointed as Member of ARMC on 29 September 2025)*	Member (Independent Non-Executive Director)
Dato' Muraly Daran A/L M Narayana Menon *(Resigned as Member of ARMC on 1 August 2025)*	Member (Independent Non-Executive Director)
Ms. Poh Zuan Yin *(Resigned as Member of ARMC on 29 September 2025)*	Member (Independent Non-Executive Director)

Details of the Members of the ARMC are contained in the Profile of Directors as set out on pages 12 to 14 of this Annual Report.

A total of six (6) meetings were held during the financial year ended 31 March 2026. The attendance records of the members of the ARMC are as follows:-

Name of Directors	Number of Meetings Attended	%
Mr. Kong Sin Seng Chairman (Independent Non-Executive Director)	6/6	100
Encik Mohd Khasan Bin Ahmad Member (Independent Non-Executive Director)	6/6	100
Ms. Zalina Binti Jaflus Member (Independent Non-Executive Director)	3/3	100
Dato' Muraly Daran A/L M Narayana Menon Member (Independent Non-Executive Director)	2/2	100
Ms. Poh Zuan Yin Member (Independent Non-Executive Director)	3/3	100

The Company Secretary and/or his representatives were present at all the meetings. Upon invitation, representatives of the External Auditors and the Senior Management also attended specific meetings to facilitate direct communication and to provide clarifications on significant audit findings and issues and the operations of the Group.

The Chairman of the ARMC reported to the Board of Directors on matters deliberated during the ARMC meetings and minutes of ARMC meetings were circulated to all the members of the Board.

For the financial year under review, the ARMC met with the Internal Auditors and the External Auditors without the presence of the Executive Director and Management to discuss any issues or significant matters.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The main activities undertaken by the ARMC during the financial year are as follows:

(a) Reviewed the Audit Planning Memorandum with the External Auditors;
(b) Assessed the External Auditors' findings in relation to audit and accounting issues arising from the audit of the Group's financial statements and updates on the changes in the reporting of financial statements as at 31 March 2026;
(c) Reviewed the reports of the External Auditors, SBY Partners PLT;
(d) Reviewed the independence, objectivity and effectiveness of the External Auditors and the services provided, including non-audit services and corresponding fees;
(e) Reviewed the adequacy of the scope, function, competency and resources of the internal audit functions;
(f) Examined the findings of the Internal Auditors and Management's response;
(g) Discussed the internal audit plan with the Internal Auditors, Governanceadvisory.com Sdn Bhd;
(h) Reviewed the quarterly financial statements and the final audited financial statements before recommending to the Board of Directors ("**Board**") for consideration and approval prior to release to Bursa Malaysia Securities Berhad ("**Bursa Securities**") focusing particularly on:
    - any changes in or implementation of any accounting policies and practices;
    - significant adjustments and unusual events arising from the audit;
    - going concern assumptions; and
    - compliance with accounting standards and other legal requirements.
(i) Reviewed the related party transactions entered into by the Company and the disclosure of such transaction in the Annual Report of the Company;
(j) Conducted private session with the External Auditors in the absence of the Executive Director and Senior Management to ensure there were no restrictions and that the scope of their audit is in line with the Malaysian Code on Corporate Governance;
(k) Ensure adequacy of the Group's Internal Control and Risk Management. ARMC continues to monitor and review the effectiveness of the system of Internal Control and Risk Management with the support of the Internal Auditors;
(l) Reviewed the Corporate Governance Overview Statement, Corporate Governance Report, ARMC Report and Statement on Risk Management and Internal Control prior to submission to the Board for consideration and approval for inclusion in the Annual Report 2026;
(m) Reported to the Board on significant issues and concerns discussed during the ARMC meetings together with applicable recommendations. Minutes of the ARMC meetings were tabled and noted by the Board; and
(n) Reviewed the Management Discussion and Analysis for the financial year ended 31 March 2026.

TERMS OF REFERENCE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Terms of Reference is available on the Company's website at www.lychealth.com for further reference.

TRAINING AND EDUCATION

During the financial year, the ARMC members attended individually or collectively seminar(s), conference(s) and/or training(s) to continuous upgrade their skills and to keep abreast with current developments to enhance their knowledge and enable them to discharge their duties more effectively.

INTERNAL AUDIT FUNCTION

The internal audit function of the Group has been outsourced to GovernanceAdvisory.com Sdn. Bhd., a professional services provider. The professional service provider is headed by Mr. Jason Tee Wei Chung who reports to the ARMC. He is a member of Malaysian Institute of Accountants and CPA Australia. He is supported by a team of qualified and experienced internal audit professionals.

The Internal Auditors are required to conduct regular and systematic reviews on all operating units and submit independent reports to the ARMC. Amongst the assignments undertaken for the financial year under review are:

1. Account Receivables – Standard Operating Policy and Procedure, Evaluation of customers'/debtors' credit facility, Collecting Process, and Debts Monitoring.

2. Account Payables – Standard Operating Policy and Procedure, Payment Process, and Payment monitoring.

The principal roles of the internal audit include:-

(a) assisting the Board in the review of the adequacy and effectiveness of the system of internal controls of the Group to enable the Board to prepare the Statement on Risk Management and Internal Control in the Annual Report;
(b) allocating adequate resources, in accordance with the internal audit plan approved by the ARMC, to carry out internal audits on key operations of the Group so as to provide the Board with effective and efficient audit coverage; and
(c) providing independent and objective reports on the state of internal controls of the various operating units within the Group to the ARMC so that remedial actions and continuous improvements can be taken in relation to any weaknesses noted in the systems and controls of the respective operating units.

Further information on the Internal Audit Function is disclosed in the Statement on Risk Management and Internal Control set out in page 47 to page 51 of this Annual Report.

The total fees incurred for the outsourcing of the internal audit function for the financial year ended 31 March 2026 was RM15,000.

The ARMC Report was approved by the Board of Directors on 21 July 2026.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 2016, to ensure that the financial statements prepared for each financial year have been made in accordance with applicable approved accounting standards and give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and to the results and cash flows of the Group and of the Company for the financial year.

The Directors are responsible for ensuring that the Group and the Company maintain accounting records which disclose with reasonable accuracy in the financial position of the Group and of the Company, which enable them to ensure that the financial statements comply with the requirements of the Companies Act 2016 in Malaysia.

In preparing the financial statements, the Directors have considered the following:-

- that the Group and the Company have applied appropriate accounting policies consistently;
- that reasonable and prudent judgements and estimates were made;
- that all applicable approved accounting standards have been adhered to; and
- the appropriateness of preparing the financial statements of the Group and of the Company on going concern basis is dependent upon:

    (i) Formulation of a viable plan to regularise the financial conditions of the Group and of the Company ("Regularisation Plan") for submission to Bursa Securities and other relevant authorities for approval;
    (ii) Approvals obtained from all related parties on the Regularisation Plan;
    (iii) Timely and successful implementation of the Regularisation Plan; and
    (iv) Ability of the Group and of the Company to achieve sustainable and viable operations to generate sufficient cash flows to enable them to meet their obligations as and when they fall due.

The Statement of Directors' Responsibilities was approved by the Board of Directors on 21 July 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

THE BOARD OF DIRECTORS ("**BOARD**") OF LYC HEALTHCARE BERHAD IS PLEASED TO PRESENT ITS STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL ("**STATEMENT**") FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026. THIS STATEMENT IS MADE IN ACCORDANCE WITH PARAGRAPH 15.26(B) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD; THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL: GUIDELINES FOR DIRECTORS OF LISTED ISSUERS; AND THE MALAYSIAN CODE ON CORPORATE GOVERNANCE 2021 ("**MCCG**").

BOARD'S RESPONSIBILITY

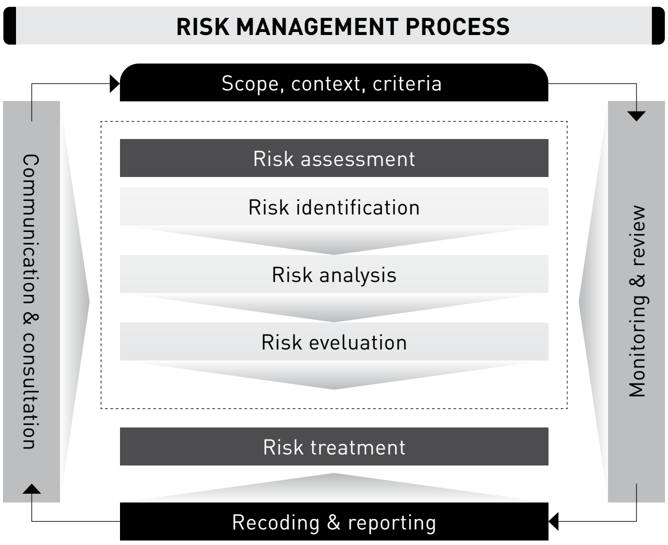
The Board is responsible to ensure that Group risks are identified, measured and managed with an appropriate system of risk management and internal controls, and to ensure the effectiveness, adequacy and integrity of the risk management and internal control systems are reviewed on an ongoing basis.

In view of the limitations inherent in any system of risk management and internal control, the system is designed to manage, rather than eliminate, the risk of failure to achieve the Group's business and corporate objectives. The system can therefore only provide reasonable, but not absolute assurance, against material misstatement or loss.

The Board has established proper key governance activities to ensure the process for reviewing and reporting on the adequacy and effectiveness of the system of risk management and internal controls are defined, appropriately documented and monitored on a regular basis to ensure proper management of risks and that measures are taken to mitigate any weaknesses in the control environment. The review of the adequacy and effectiveness of risk management and internal control processes is delegated by the Board to the Audit and Risk Management Committee ("**ARMC**").

The ARMC evaluates and monitors the significant risks relevant to the Group and appraises and assesses the efficacy of controls implemented to mitigate those risks through a formalised monitoring and reporting process.

Internal control and risk-related matters which warranted the attention of the Board were recommended by the ARMC to the Board for its deliberation and approval. Any matters or decisions made within the ARMC's purview were escalated to the Board for its notation.



ENTERPRISE RISK MANAGEMENT ("ERM") FRAMEWORK

LYC Healthcare Berhad recognises that commitment to risk management contributes to sound management practice and good corporate governance as it improves decision making and enhances outcomes and accountability. Management is committed to practise risk management across LYC. The Board is accountable to the shareholders of LYC for the development and implementation of a risk management framework specific to the organisation's business and the organisational context. The design of this framework reflects the principles and the process outlined in the Enterprise-wide Risk Management ("**ERM**") framework of the ISO 31000 Principles and Generic Guidelines on Risk Management.

Risk management is underpinned by the key principle that:

> **"Risk management contributes to the creation of sustainable value."**

During the financial year under review, the Group undertook a structured exercise to strengthen and formalise its ERM framework and processes across the Group. The exercise is being carried out in three (3) phases, of which the first two (2) phases were completed during the financial year, as set out below.

PHASE 1:
ERM FRAMEWORK IMPLEMENTATION AND ENHANCEMENT (GROUP LEVEL)

The first phase focused on the implementation and enhancement of the ERM framework at Group level and was completed during the financial year. The key activities undertaken were as follows:

- Defined the ERM governance structure, clarified the oversight roles of the Board and Executive Management, assigned clear risk ownership across the Group and aligned the risk committees with their respective decision-making authority;
- Built an enterprise-wide set of risk categories covering strategic, financial, operational and compliance risks, linked to the Group's business objectives;
- Established a consistent risk assessment methodology, incorporating risk appetite alignment, quantitative and qualitative scoring parameters, and aggregation of risk results to identify the Group's top enterprise risks;
- Defined risk treatment strategies including existing controls, control effectiveness and new action plans;
- Established the frequency of risk reporting to Management and the Board, together with periodic reviews of the framework to reflect business and external changes; and
- Presented the final ERM Framework Summary to the Board Audit & Risk Management Committee for its deliberation and approval.

PHASE 2:
ERM PROCESS IMPLEMENTATION – RISK IDENTIFICATION, ASSESSMENT AND EVALUATION (ERM PROFILE CYCLE 1)

Following the adoption of the enhanced ERM framework, the Group completed its first full cycle of enterprise-wide risk profiling ("**ERM Profile Cycle 1**") during the financial year. In carrying out the exercise, due consideration was also given to the current risks arising from the Group's status as an affected listed corporation under Guidance Note 3 ("**GN3**") of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, and these risks, together with the corresponding mitigating actions, have been incorporated into the Group Risk Profile and Risk Registers. The key activities undertaken were as follows:

- Established the risk contexts for the exercise, covering the Group's objectives, risk impact parameters;
- Carried out the risk identification, assessment and evaluation process across the Group, culminating in the establishment of the Group Risk Profile and detailed Risk Registers, including preliminary Risk Action Plans for the significant risks identified and the top ten (10) risks nominated; and
- Presented the results of ERM Profile Cycle 1 to the ARMC for their deliberation.

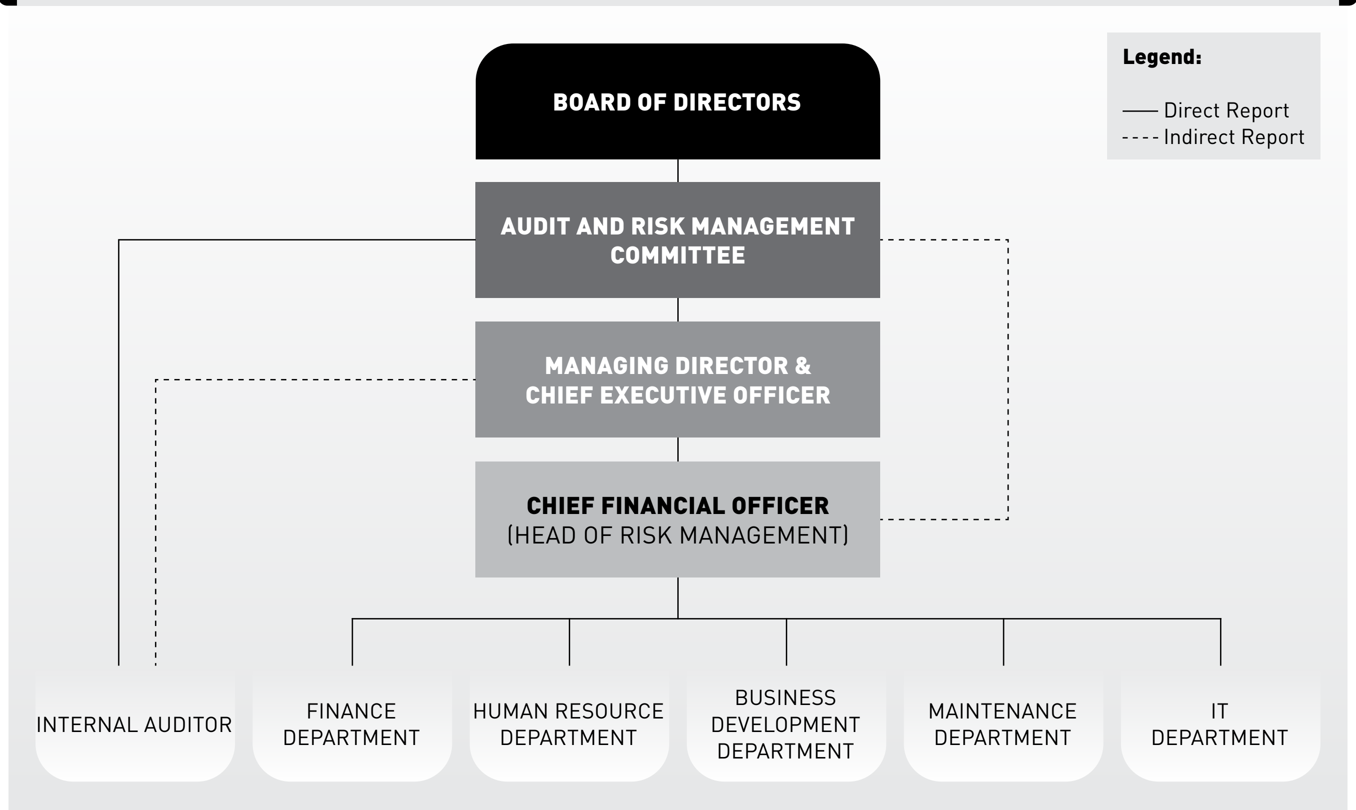
These initiatives ensure that the Group has in place a formalised ongoing process for identifying, evaluating, managing and monitoring the significant risks affecting the achievement of its business objectives.

RISK REPORTING AND COMMUNICATION STRUCTURE

The consistent and systematic application of risk management is central to maximising shareholders' value, effectively leveraging the benefit of opportunities, managing uncertainty and minimising the impact of adverse events. Risk management forms an integral part of LYC's decision making and routine management and is incorporated within the strategic and operational planning processes of LYC.

An ongoing risk management communication strategy (depicted below) addresses how LYC communicates and distributes risk management policies, procedures and key principles on an ongoing basis:

ENTERPRISE RISK MANAGEMENT (ERM) GOVERNANCE STRUCTURE



The ARMC reviews the Enterprise-Wide Risk Management Report ("**ERM Report**") prepared by Senior Management. The ERM Report highlights the key risks that may adversely affect its overall performance. It also outlines the corresponding mitigation measures and key risk indicators used to monitor the effectiveness of risk management activities. The ARMC provides guidance and recommendation on the ERM Report; monitors the mitigating actions taken by Management, reviews the Statement and recommends it to the Board for approval.

Risk assessments are conducted on new ventures, projects, processes, systems and commercial activities, to ensure that these are aligned with LYC's objectives and goals. Any risks or opportunities arising from these assessments are identified, analysed and reported to the appropriate management level. Following the completion of ERM Profile Cycle 1, LYC maintains detailed Risk Registers containing the strategic and operational risks of the business, including financial and compliance risks. LYC is committed to fostering a strong risk management culture across the Group ensuring that all staff, particularly Senior Management, are provided with adequate guidance on the principle of risk management and their responsibilities to implement risk management effectively.

SIGNIFICANT OR MAIN PRINCIPAL RISKS RELATING TO THE GROUP'S BUSINESS

Through ERM Profile Cycle 1, the Group identified and reassessed the significant risks that have high potential of impact and likelihood to the overall Group's operations, and at the same time maintains the risk management system and internal controls to ensure that the corporate objectives and strategies are achieved.

These risks were tabled by Senior Management via a series of risk management processes including risk identification, analysis, evaluation, treatment and monitoring, applying the risk assessment methodology and scoring parameters established under the enhanced ERM framework. Considerations were made on the macro environment to identify and assess the Group's exposures to risk and uncertainty. Existing mitigation controls were identified to evaluate the current risk levels, and preliminary Risk Action Plans were developed to further manage the significant risks where required.

In today's environment of change and uncertainty, risk management is a critical success factor for achieving LYC's strategic and operational goals. Embedding risk management into existing processes is key to making informed decisions and proactively planning for possible future events stemming from internal as well as external sources.

The implementation of an effective ERM process is a strategic initiative that has the full support of LYC's Board and Senior Management.

MOVING FORWARD

Having completed the first two (2) phases of ERM Framework and ERM Risk Identification and Assessment, the Group will commence the third phase, being the follow up on the Risk Action Plans arising from ERM Profile Cycle 1. Under this phase, the implementation status of the Risk Action Plans will be monitored and reported by way of a Risk Action Plans Implementation Status Report, which will be tabled to the ARMC on a periodic basis. The ERM framework and Risk Registers will also be reviewed and updated periodically to reflect changes in the Group's business and the external environment.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to a professional service firm to assist the ARMC in providing an independent assessment on the adequacy and effectiveness of the Group's internal control system. The outsourced internal auditors conduct their works by referring to a recognised framework, the International Professional Practices Framework ("**IPPF**") issued by the Institute of Internal Auditors.

During the financial year ended 31 March 2026, internal audits were carried out in accordance to the internal audit plan that has been reviewed and approved by the ARMC. The business processes reviewed were Account Receivable and Account Payable. The internal audit review reports that were tabled to the ARMC for their deliberation on an annually basis include management response and corrective actions taken or to be taken in relation to the specific findings and recommendations. The management as a whole is responsible for ensuring that the necessary corrective actions on reported weaknesses are promptly taken. The ARMC presents its findings to the Board. Further details of the activities of the internal audit function are provided in the ARMC Report.

The associated company has not been dealt with as part of the Group for the purpose of this Statement. The Group's system of internal controls does not apply to associated company where the Group does not have any direct control over its operation. However, the Group's interest is served through representation on the boards of the associated company, and the Board meets to discuss and review the financial performance of this company when necessary.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The key elements of the Group's internal control system are described below:

- **Limits of authority and responsibility**
  Clearly defined and documented lines and limits of authority, responsibility and accountability have been established through the relevant charters/terms of reference, organisational structures and appropriate authority limits;

- **Written policies and procedures**
  Clearly defined internal policies and procedures as set out in the Group's Standard Operating Procedures Manual are updated, as and when required, to reflect changing risks or to address operational deficiencies;

- **Planning, monitoring and reporting**
  The ARMC reviews the Group's quarterly financial performance, together with Management, which is subsequently reported to the Board; and

- **Related Party Transactions**
  Related party transactions (if any) are disclosed, reviewed, and monitored by the ARMC and Board on a quarterly basis.

REVIEW BY THE EXTERNAL AUDITORS

The External Auditors have conducted a limited assurance engagement on this Statement for inclusion in the Annual Report of the Group for the financial year ended 31 March 2026 pursuant to the scope set out in Audit and Assurance Practice Guide 3 ("**AAPG 3**") issued by Malaysian Institute of Accountants ("**MIA**") and have reported to the Board that nothing has come to their attention that causes them to believe that this Statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is the statement factually inaccurate.

AAPG 3 does not require the external auditors to:

(i) consider whether the Statement on Risk Management and Internal Control covers all risks and controls;
(ii) form an opinion on the adequacy and effectiveness of the Company's risk management and internal controls system including the assessment and opinion by the Board and Management thereon; and
(iii) consider whether the processes described to deal with material internal control aspects of any significant problems will in fact, remedy the problems.

CONCLUSION

Based on reviews of the adequacy and effectiveness of the operation of the internal control and risk management frameworks and information and together with the written assurance provided to the Board by the management, the Board is of the view that the risk management and internal control systems are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report. The Board continues to take pertinent measures to sustain and, where required, to improve the Group's risk management and internal control systems in meeting the Group's strategic objectives.

This Statement on Risk Management and Internal Control was approved by the Board of Directors on 21 July 2026.

SUSTAINABILITY STATEMENT

ABOUT THIS REPORT (GRI 2-3)

This Sustainability Statement details the Environmental, Social, and Governance (ESG) performance and strategic initiatives of LYC Healthcare Berhad ("LYC" or "the Group"). Covering the financial reporting period from 1 April 2025 to 31 March 2026 (FY2026), unless otherwise specified, this document underscores our dedication to responsible business practices, transparency, and delivering sustainable long-term value to our stakeholders.

REPORTING BOUNDARY AND SCOPE (GRI 2-2)

The boundary of this Statement focuses exclusively on the Group's confinement and related operations. This encompasses LYC Beauty Care Sdn. Bhd., LYC Mother & Child Centre Sdn. Bhd., and its direct subsidiaries (LYC Child Care Centre Sdn. Bhd., LYC Mother & Child (SG) Sdn. Bhd., and LYC Mother & Child (Singapore) Pte. Ltd.). Recognising the diverse nature of our healthcare portfolio, we are adopting a progressive approach to reporting. We plan to integrate disclosures for our remaining business segments in a phased manner as our sustainability data collection and internal monitoring mechanisms mature.

REPORTING FRAMEWORKS AND STANDARDS

This Statement is prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Our disclosures are guided by the Bursa Malaysia Sustainability Reporting Guide (3rd Edition) and are presented in reference to the Global Reporting Initiative (GRI) Standards 2021. Furthermore, we would be assessing our data maturity to lay the groundwork for future alignment with the National Sustainability Reporting Framework (NSRF).

ASSURANCE (GRI 2-5)

While this Statement has not been subjected to independent external assurance for FY2026, all ESG data and narratives have undergone rigorous internal review and validation to guarantee the integrity, accuracy, and completeness of the information presented.

FEEDBACK

We welcome feedback on this report as well as on any aspects of our sustainability performance and data. Please direct any feedback to us at feedback@lychealth.com.

SUSTAINABILITY GOVERNANCE (GRI 2-9, GRI 2-12, GRI 2-14)

At LYC, we recognise that robust governance is the foundation of sustainable business growth. We have purposefully integrated ESG principles into our broader corporate governance framework, ensuring these critical considerations inform both our strategic planning and daily operational practices. Our multi-tiered governance structure is designed for comprehensive oversight, seamless execution, and strict accountability for our sustainability commitments across the Group.

The Board of Directors holds ultimate accountability for LYC's overarching sustainability direction and performance. The Board provides vital strategic oversight, ensuring that emerging ESG risks and opportunities, including climate related ones, are continuously evaluated and aligned with the Group's long-term value creation objectives. To maintain active stewardship, the Board formally integrates sustainability matters into its meeting agendas once in a year. This includes reviewing progress on material ESG topics, monitoring key performance indicators, and granting final approval of the annual Sustainability Statement. This responsibility is formalised in the Board Charter, which explicitly requires LYC's strategic plans to incorporate economic, environmental and social sustainability considerations.

While the Board dictates the strategic vision, the execution of our sustainability agenda is spearheaded by Senior Management. This leadership tier is responsible for translating the Board's strategic directives into actionable ESG initiatives, embedding sustainable practices within the operational fabric of their respective business units.

To ensure cohesive implementation, the Group's sustainability efforts are operationalised by a ESG Working Group. Comprising cross-functional representatives and key personnel from our subsidiaries, this working group acts as the central engine for our sustainability reporting and performance tracking. Its core responsibilities encompass:

- Spearheading the systematic collection, monitoring, and internal validation of ESG data to ensure reporting integrity.
- Facilitating ongoing stakeholder engagement to effectively identify and manage material sustainability impacts.
- Regularly reporting performance updates, emerging ESG trends, and actionable findings to Senior Management and the Board of Directors.

STAKEHOLDER ENGAGEMENT (GRI 2-29)

We recognise that fostering robust and transparent relationships with our stakeholders is fundamental to driving sustainable, long-term value creation. We champion a proactive and inclusive engagement strategy, designed not only to capture stakeholder perspectives and manage expectations but to seamlessly integrate their valuable feedback into our core business strategies and ESG frameworks.

Our stakeholder identification process relies on a structured assessment of mutual impact—evaluating how our operations affect specific groups and, conversely, how their influence shapes our business. By maintaining open, two-way dialogue through a strategic mix of formal and informal communication channels, we ensure the Group remains agile and highly responsive to emerging ESG risks and opportunities.

The ensuing matrix details our primary stakeholder groups, their core areas of interest, and the dedicated channels we utilise to engage them:

Stakeholder Group	Key Areas of Interest	Engagement Methods	Frequency
Shareholders and Investors	Corporate governance, financial performance, business transparency	Annual General Meeting, Annual Report, media conferences, Bursa Malaysia announcements	Annual / As needed
Patients and Customers	Quality service, compliance with health standards, patient satisfaction	Quality control and assurance processes, regular meetings and visits, websites, ongoing communication	Ongoing
Employees	Safe and conducive working environment, performance recognition, career growth, welfare and insurance benefits	Regular meetings, on-the-job training, SOPs, annual performance appraisals, company events	Ongoing / Annual

Stakeholder Group	Key Areas of Interest	Engagement Methods	Frequency
Suppliers	Product quality, fair payment terms, reasonable pricing, business continuity	Regular meetings, purchase orders and quotations, ongoing communication	Periodic
Regulators and Government Authorities	Regulatory compliance, licensing, audits, environmental and safety standards	Compliance with Bursa listing requirements, newsletters, updates on acts and regulations, licensing and permits, discussions and email correspondence	As required
Local Communities	Social responsibility, job creation, community support	Participation in local projects and initiatives, corporate social responsibility programmes	As scheduled

MATERIALITY ASSESSMENT (GRI 3-1)

Identifying and prioritising the sustainability matters that most significantly impact our business and our stakeholders is central to LYC's strategic decision-making. Our materiality assessment serves as the roadmap for our ESG strategy, ensuring that our resources are focused on the areas where we can create the most significant positive impact while mitigating operational and reputational risks.

In FY2026, we conducted a review of the inaugural materiality assessment performed in the previous year. This annual review ensures our priorities remain aligned with the evolving healthcare landscape, regulatory shifts in Malaysia, and the expectations of our diverse stakeholder base. Our approach remains rooted in the GRI Standards 2021 and the Bursa Malaysia Sustainability Reporting Guide (3rd Edition). We would undertake a comprehensive, full-scale materiality assessment every three years, supplemented by these annual reviews to capture emerging developments.

Our structured assessment process involves:

Phase 1:

IDENTIFICATION OF MATERIAL MATTERS

- Understand distinctive operating context of company i.e. common sustainability topics, sector specific topics, peer assessment and compliance requirements
- Identify key stakeholders and understand their needs and expectations pertaining to sustainability related impacts
- Derive preliminary list of sustainability matters

Phase 2:

ASSESSMENT AND PRIORITISATION OF MATERIAL MATERS

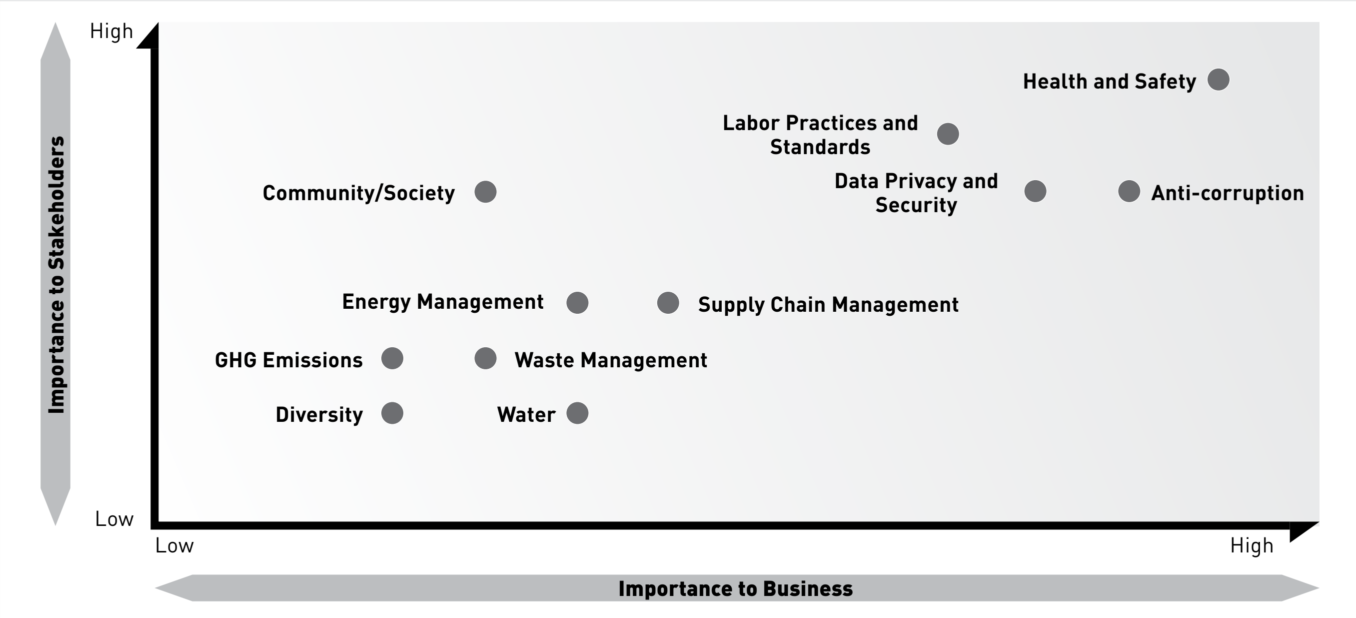
- Apply materiality concept and undertake stakeholder engagement in prioritization
- Disclose prioritised material sustainability matters in a manner which illustrates the relative importance of each material sustainability matter

Phase 3:

REVIEW AND VALIDATION OF OUTCOME

- Subject the outcome of materiality assessment for validation and approval
- Establish a review process for a materiality assessment process
- Determine the frequency of undertaking the materiality assessment

MATERIALITY MATRIX (GRI 3-2)



MATERIAL TOPICS

SOCIAL	GOVERNANCE	ENVIRONMENT
Health & Safety	Anti-corruption	Energy Management
Labour Practices and Standards	Data Privacy and Security	Water
Community / Society	Supply Chain Management	Waste Management
Diversity		GHG Emissions

MATERIAL TOPICS

SOCIAL

HEALTH AND SAFETY (GRI 403-1, 403-2, 403-5, 403-9, 416-1, 416-2)

Safeguarding the health, safety, and well-being of our employees, patients, and visitors is a fundamental operational priority. Given the sensitive nature of our confinement operations, which cater to postnatal mothers and newborns, our health and safety commitments are deeply embedded within our daily clinical and operational protocols. Our comprehensive strategy addresses both Occupational Health and Safety (OHS) for our workforce and Customer Health and Safety, ensuring a secure, highly sanitized, and risk-managed environment across all facilities.

Occupational Health and Safety

To mitigate workplace hazards and manage the ongoing risks associated with infectious diseases, we enforce stringent OHS and Infection Prevention and Control (IPC) protocols. Key operational initiatives include:

- Mandatory use of appropriate Personal Protective Equipment (PPE) and strict footwear protocols prior to entering restricted clinical zones.
- Rigorous, high-frequency sanitation and medical-grade disinfection of all premises, with particular focus on patient suites and nurseries.
- Routine health screenings and testing protocols for both staff and patrons to prevent outbreak clusters.

These proactive measures are critical to sustaining a controlled environment and preventing workplace hazards. Furthermore, we mandate that all workplace incidents be documented through our centralised Incident Report system. Each report undergoes a thorough review by the respective Heads of Department (HOD) to conduct root-cause analyses, deploy immediate corrective actions, and drive continuous improvement in our safety frameworks.

To cultivate a resilient safety culture, LYC provides continuous on-the-job clinical guidance for our staff. While no formal health and safety training sessions were conducted during the FY2026 reporting period, we remain committed to periodic formal education. Looking ahead to FY2027, we have already conducted Basic Life Support (BLS) training and are actively evaluating additional health and safety training programs to further support our workforce, we will report the initiatives in the next year's report.

	FY2025	FY2026
Number of employees trained on health and safety	18	**0**

Our steadfast commitment to hazard prevention has resulted in an exemplary safety record, successfully maintaining zero workplace incidents over the past two financial years.

Performance	FY2025	FY2026
Number of fatalities	0	**0**
Number of Lost time incidents	0	**0**
Lost time incident rate[1]	0	**0**

Additionally, we maintain strict compliance with national fire and life safety regulations. We work closely with Building Management across our locations to execute coordinated fire drills and undergo rigorous facility inspections led by the Fire and Rescue Department of Malaysia (BOMBA).

Customer Health and Safety

Beyond employee welfare, the clinical safety and hygienic security of our customers—new mothers and their infants—form the core of our service delivery. Our confinement centres operate under uncompromising hygiene, dietary, and infection control standards.

While our services inherently comply with stringent internal clinical operating procedures, we recognise the value of formally assessing the ESG-specific health and safety impacts of our care services. We are currently enhancing our internal data systems to systematically track, analyze, and formalise customer health and safety data. This progressive data maturity will enable us to publish formalised impact assessments in future reporting cycles, further solidifying our commitment to service excellence.

[1] Lost time incident rate = (No. of lost time incidents / Total number of hours worked) * 200,000

LABOUR PRACTICES AND STANDARDS (GRI 2-7, 401-1, 401-2, 404-1, 406-1)

Our people are the heartbeat of our service delivery. Our labor practices are strictly aligned with the Employment Act 1955 (Malaysia) and all relevant statutory requirements, including the Employees' Provident Fund (EPF), Social Security Organisation (SOCSO), and Employment Insurance System (EIS). Beyond compliance, we ensure our compensation remains competitive through regular market benchmarking and strict adherence to the national minimum wage.

We maintain a zero-tolerance policy toward discrimination and human rights violations. We are pleased to report that for the second consecutive year, from the start reporting, there were no substantiated complaints regarding human rights or labor standard breaches, reflecting our success in maintaining a safe and respectful work environment.

	FY2025	FY2026
Number of substantiated complaints concerning human rights violations	0	**0**

In FY2026, we continued to optimise our workforce structure. Our reliance on contract or temporary staff decreased to 14% (down from 16% in FY2025), indicating a move toward a more stable, permanent employee base. While turnover remains a key metric we monitor closely to maintain operational continuity, we are actively refining our retention strategies to stabilise our talent pool in the competitive healthcare sector.

	FY2025	FY2026
Percentage of employees that are contractors or temporary staff	16%	**14%**

Total number of employee turnover by employee category	FY2025	FY2026
Executive Director	0	**0**
Management	0	**0**
Manager	26	**22**
Executive	129	**133**
Non-executive/Technical Staff	2	**5**
Overall turnover	157	**159**

To support our team beyond the workplace, we provide a comprehensive benefits package designed to enhance quality of life and long-term security. These benefits include group insurance, medical outpatient coverage, and subsidies for dental and optical care. We also provide compassionate and marriage leave, recognising the importance of supporting our employees through significant life milestones.

FY2026 marked a pivotal year for our human capital development. We significantly scaled our training initiatives, achieving a total of 614 training hours—a substantial increase from the 35 hours recorded in the previous year. This investment was primarily focused on upskilling our Manager and Executive teams to navigate the increasingly complex healthcare regulatory and operational environment. As we move forward, we will continue to broaden training opportunities across all employee levels, including technical and non-executive staff.

Total Hours of training by employee category (hours)	FY2025	FY2026
Executive Director	0	**35**
Management	7	**0**
Manager	14	**236**
Executive	14	**343**
Non-executive/Technical Staff	0	**0**
Overall hours	35	**614**

COMMUNITY & SOCIETY (GRI 203-1, 413-1)

We recognise the importance of supporting the communities in which we operate. During FY2026, our primary focus remained on strengthening our internal operations, ensuring service excellence, and building our sustainability foundations.

While there were no formal community investment programs or outreach initiatives conducted during the past 2 reporting periods, as we are in initial years' of sustainability reporting, we remain committed to social responsibility. We are continuously exploring future opportunities to contribute to community welfare as our business and sustainability reporting framework evolve.

Performance	FY2025	FY2026
Total amount invested where the target beneficiaries are external (MYR)	0	**0**
Total number of beneficiaries of the investment in communities	0	**0**

DIVERSITY (GRI 405-1)

LYC is dedicated to cultivating a diverse, equitable, and inclusive workplace, guided by the principles embedded in our Diversity Policy. We actively champion diversity across all tiers of our organisation—from the Board of Directors to our frontline workforce—by embracing varying ages, genders, ethnicities, and professional backgrounds. We firmly believe that a multifaceted workforce enhances our strategic decision-making, fosters innovation, and ensures our team accurately reflects the diverse communities and patients we serve. Per the Policy, diversity spans age, gender, ethnicity, nationality, cultural background, religious belief and education — with all recruitment, promotion and advancement decisions determined solely on merit, free from bias.

As of FY2026, we are proud to report that female professionals constitute a significant majority of our workforce, representing 70% (98 out of 139) of our total employees. This strong female representation is particularly resonant given our core operations in maternal and child healthcare. Women hold critical leadership and operational roles across the Group. Notably, within our Executive category, women account for 74% (75 out of 101) of the positions, underscoring our tangible commitment to gender inclusion in executive functions.

Employees by gender and employee category		FY2025	FY2026
Executive Director	Male	1	**1**
	Female	1	**1**
Management	Male	0	**1**
	Female	2	**2**
Manager	Male	6	**10**
	Female	17	**7**
Executive	Male	35	**26**
	Female	82	**75**
Non-executive	Male	0	**3**
	Female	5	**13**
Overall	Male	42	**41**
	Female	107	**98**

Our workforce maintains a healthy, multigenerational balance, which provides a vital blend of fresh perspectives and seasoned clinical experience. In FY2026, 28% of our employees were under the age of 30, 46% were between the ages of 30 and 50, and 26% were aged above 50. This distribution ensures robust succession planning capabilities, dynamic operational agility, and effective internal mentoring across our healthcare facilities.

Employees by age group and employee category		FY2025	FY2026
Executive Director	Under 30	0	**0**
	Between 30-50	1	**0**
	Above 50	1	**2**
Management	Under 30	1	**0**
	Between 30-50	0	**2**
	Above 50	1	**1**
Manager	Under 30	0	**0**
	Between 30-50	12	**10**
	Above 50	11	**7**
Executive	Under 30	42	**38**
	Between 30-50	44	**44**
	Above 50	31	**19**
Non-executive	Under 30	3	**1**
	Between 30-50	2	**8**
	Above 50	0	**7**
Overall	Under 30	46	**39**
	Between 30-50	59	**64**
	Above 50	44	**37**

We remain steadfast in upholding equal opportunity principles throughout our recruitment, retention, and promotion processes, utilising our internal policies as the foundational framework to nurture an environment where all employees can excel.

Board of Directors by gender and age group	FY2025	FY2026
Male	5	**4**
Female	1	**1**
Under 30	0	**0**
Between 30-50	1	**0**
Above 50	5	**5**

GOVERNANCE

ANTI CORRUPTION (GRI 205-1, 205-2, 205-3)

Ethical conduct and business integrity form the bedrock of our corporate governance. We maintain a strict zero-tolerance stance against all forms of bribery and corruption. This commitment is formalised through our comprehensive Anti-Bribery and Anti-Corruption (ABAC) Policy, which is designed to align with statutory requirements and prevailing corporate governance best practices. The policy establishes unequivocal prohibitions against the offering, solicitation, or acceptance of bribes, and applies universally to our workforce and business partners. This commitment is anchored in compliance with the Malaysian Anti-Corruption Commission (MACC) Act 2009 — with non-compliance under Section 17A(2) attracting fines.

To foster a culture of uncompromising integrity from day one, our ABAC framework is deeply embedded into our talent onboarding process. The ABAC Policy is issued as a mandatory component of the employment package for all new hires. To ensure thorough comprehension and accountability, employees are required to review the document in full, initial each page, and sign a formal acknowledgment. Through this systematic onboarding approach, we have successfully maintained a 100% awareness and training rate across all employee categories for two consecutive financial years.

Suspected violations may be reported — anonymously if preferred — directly to the Managing Director or the Chairman of the Audit Committee under our formal Whistleblowing Policy, which guarantees protection against retaliation, demotion or adverse action for all good-faith reports.

Percentage of employees who have received training on anti-corruption by employee category	FY2025	FY2026
Overall	100%	**100%**
Executive Director	100%	**100%**
Management	100%	**100%**
Manager	100%	**100%**
Executive	100%	**100%**
Non-executive	100%	**100%**

In FY2026, we proudly sustained our record of zero confirmed incidents of corruption. While formal corruption-related risk assessments have not yet been systematically conducted across our operational units, we rely on stringent internal controls, transparent reporting lines, and management oversight to mitigate exposure to unethical practices. We view ethical conduct as a non-negotiable standard and remain dedicated to continuously evaluating and fortifying our governance mechanisms.

	FY2025	FY2026
Percentage of operations assessed for corruption-related risks	0%	**0%**
Confirmed incidents of corruption and action taken	0	**0**

DATA PRIVACY AND SECURITY (GRI 418-1)

As a specialised healthcare service provider catering to mothers and infants, LYC manages a substantial volume of highly sensitive patient and employee information. We recognize that safeguarding this personal health data is not merely a regulatory obligation, but a fundamental component of the trust our patients place in us. We are steadfastly committed to upholding the highest standards of data privacy, confidentiality, and cybersecurity.

Our data management protocols are strictly aligned with Malaysia's Personal Data Protection Act (PDPA). We enforce rigorous internal policies governing the entire lifecycle of personal data—from its initial collection and secure utilisation to its storage and ultimate disposal. Our data collection practices are rooted in the principle of minimisation; we collect only the information strictly necessary for clinical care and operational requirements, and enforce strict retention policies to ensure data is not held longer than required.

To protect our digital infrastructure, all patient and employee records are securely managed through a centralised Customer Management System (CMS). To prevent unauthorized access and ensure data integrity, this system is fortified with stringent access controls, including:

- Strict password protection and authentication protocols.
- Role-based access, ensuring data is accessible solely to authorised clinical and administrative personnel.
- Audit trails to ensure the traceability of data access and modifications.

These comprehensive technical and administrative measures form the backbone of our data governance framework, ensuring compliance with internal policies and mitigating the risk of cybersecurity threats.

We are pleased to report that our data protection measures remain highly effective. For the second consecutive year, we have recorded zero breaches or complaints regarding customer privacy.

Performance	**FY2025**	**FY2026**
Number of substantiated complaints concerning breaches of customer privacy	0	**0**

This outcome reflects our ongoing commitment to maintaining secure and trusted systems that support patient care and operational excellence.

SUPPLY CHAIN MANAGEMENT (GRI 204-1)

We recognise that a resilient and ethical supply chain is foundational to our ability to deliver premium healthcare services. Our suppliers—ranging from medical equipment providers to facility management vendors—are essential partners in our operational ecosystem. We are committed to fostering partnerships with entities that reflect our standards of reliability, quality, and integrity. Our Anti-Bribery & Anti-Corruption (ABAC) Policy extends this commitment to all Business Associates — including suppliers, contractors and agents — who are required to uphold equivalent standards of integrity, with contracts including clauses enabling termination where bribery or corruption is suspected.

To ensure the high standards required for our confinement and clinical operations, all prospective and existing suppliers are screened via our standardised Supplier Evaluation Form. This mechanism serves as a baseline control, allowing us to assess:

- Product and service quality and reliability.
- Business authenticity and compliance with healthcare standards.
- The integrity and traceability of goods provided.

While our current evaluation focuses primarily on operational and commercial metrics, we recognise the growing importance of value-chain sustainability. We are currently evaluating how to integrate formal environmental, labor, and ethical criteria into our procurement framework in the coming years.

We prioritise domestic procurement to strengthen the local economy, reduce logistics-related carbon footprints, and ensure supply chain agility. In FY2026, we maintained our strong commitment to local sourcing, with 92.9% of our procurement spend directed toward Malaysian suppliers.

Performance	**FY2025**	**FY2026**
Proportion of spending on local suppliers	94.5%	**92.9%**

ENVIRONMENTAL

CLIMATE CHANGE

Recognising the global urgency of climate change and its potential impact on the healthcare sector, LYC Healthcare has initiated a formal process to identify and manage climate-related risks and opportunities.

In FY2026, we conducted an initial desktop-based climate risk assessment. This exercise focused on identifying the most critical climate-related drivers that could impact our confinement operations, supply chain, and physical infrastructure. By benchmarking against industry peers, we have identified five key risks that are most material to our clinical and business continuity:

Risk Category		Risk	Risk Description	Potential Impact
Physical Risk	**Acute**	**Extreme Weather Events**	Increased frequency and intensity of floods and storms creating severe disruption risk to operations.	• Potential interruption to patient admissions and discharge flows • Damage to critical medical equipment and infrastructure
Physical Risk	**Chronic**	**Extreme Heat & Rising Temperatures**	Sustained heatwaves and structurally rising average temperatures driven by climate change across Southeast Asia.	• Increased healthcare costs for emergency care and intensive care units during extreme heat • Higher energy consumption and operational costs to maintain cooling systems.
Transition Risk	**Policy & Legal**	**Carbon Pricing & Emissions Compliance**	Probable introduction or tightening of carbon taxes and emissions trading schemes (ETS).	• Higher operational costs from carbon tax • Financial penalties for non-compliance
Transition Risk	**Policy & Legal**	**Stricter Building Codes & Energy Standards**	New and upcoming green building mandates requiring existing healthcare facilities to meet updated energy efficiency thresholds.	• Significant capital expenditure required to retrofit existing facilities • Risk of non-compliance fines
Transition Risk	**Reputational**	**Shifting Stakeholder & Patient ESG Expectations**	Patients, investors, and insurers are increasingly factoring ESG performance into decision-making.	• Erode patient loyalty and investor confidence • Loss of market share to tech-driven competitors if adaptation to ESG priorities is too slow.

ENERGY MANAGEMENT (GRI 302-1, 302-4)

Given the specialised nature of our confinement centres and clinical facilities, reliable and uninterrupted energy use is a critical aspect of LYC Healthcare's operational footprint. Maintaining highly controlled, comfortable, and rigorously hygienic environments for maternal and infant care requires continuous power supply.

In FY2026, our primary energy source remained electricity drawn from the national grid, supplied by Tenaga Nasional Berhad (TNB). To support our auxiliary operations, including patient transport logistics and dietary/catering services, we also utilised direct fuels such as diesel, petrol, and liquified petroleum gas (LPG).

While our current infrastructure relies on conventional energy sources, driving energy efficiency remains a paramount operational priority. We are committed to optimising our consumption to reduce both operational overheads and our indirect carbon footprint. Ongoing energy-saving initiatives deployed across our facilities include:

- Lighting Optimisation: Continuous transition to high-efficiency LED lighting and the deployment of automated motion sensors in low-occupancy zones (e.g., corridors and storage facilities).
- Climate Control Upgrades: Utilisation of advanced inverter air-conditioning systems that dynamically adjust cooling loads based on real-time room conditions, significantly reducing base-load electricity draw.

These deliberate measures ensure that we maximise our energy efficiency without ever compromising the stringent thermal comfort and clinical safety standards expected by our patients and staff.

Our overall energy consumption in FY2026 reduced as compared to the previous year, driven primarily by a decrease in electricity and LPG usage.

Energy Consumption	FY2025	FY2026
Electricity (KWh)	2,874,353	**2,739,316**
Diesel (Litre)	2,350	**4,604**
Petrol (Litre)	3,954	**5,515**
Cooking Gas/ Liquified Petroleum Gas (MJ)	2,003,815	**1,740,996**
Total Energy Consumption (GJ)[2]	12,574	**11,964**

As we continue to monitor and manage our energy consumption, future plans include exploring the feasibility of incorporating renewable energy sources and more robust building energy management systems and transitioning our company transportation to electric vehicles (EVs) to further reduce our environmental impact.

[2] The conversion factors are based on the methodology provided by US Energy Information Administration, eia.gov and Malaysian Standard MS 830:2013.

WATER (GRI 303-1, 303-5)

Water is an indispensable resource for LYC Healthcare, fundamental to maintaining the rigorous hygiene, sanitation, and patient comfort standards required across our confinement centres. Recognising water as a shared and increasingly finite resource, we are committed to responsible water stewardship through efficient consumption and waste reduction.

We have taken steps to promote water conservation through low-cost, awareness-driven efforts. Informative signage is displayed in rooms and restrooms to remind staff and customers to use water responsibly. Additionally, laundry schedules for linens are optimised on a weekly basis, balancing hygiene requirements with the need to reduce unnecessary water usage.

Performance	FY2025	FY2026
Water Consumption (m3)	39,158	**31,543**

WASTE MANAGEMENT (GRI 306-1, 306-2, 306-3, 306-4, 306-5)

Effective waste management is a cornerstone of LYC Healthcare's commitment to maintaining a sterile, secure, and sustainable environment. Our waste protocols are designed to ensure the systematic segregation, storage, and disposal of all waste in strict compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005.

Biohazardous and clinical waste, such as used medical consumables, test kits, and sharps, are segregated at the point of origin into specialised, and color-coded containers. These materials are managed as Scheduled Waste and are collected by licensed specialist contractors. These partners ensure that all medical waste is transported and disposed of through certified treatment processes, maintaining a full audit trail of disposal to mitigate environmental and health risks.

General non-clinical waste generated from our daily operations—including administrative activities and patient catering—is managed through municipal disposal services. At our flagship confinement centre and other facilities, we promote a culture of waste awareness by:

- Utilising clearly labeled recycling bins for paper, plastics, and aluminum.
- Training staff on proper segregation techniques to prevent the contamination of recyclable streams.
- Optimising procurement to reduce excess packaging and single-use materials where clinical safety permits.

In FY2026, our total waste generation decreased. While our clinical waste volume saw a slight increase—representative of our high standards of infection control and testing—our general waste output was successfully reduced.

Performance	FY2025	FY2026
Total Waste Generated (Metric Tonnes)	74.25	**68.31**
Medical Waste, include test kits (Metric Tonnes)	0.33	**0.55**
Other Waste, excluding medical waste (Metric Tonnes)	73.92	**68.26**
Waste directed to disposal (Metric Tonnes)	74.23	**68.31**
Waste diverted from disposal (Metric Tonnes)	0	**0**

GREENHOUSE GAS EMISSIONS (GRI 305-1, 305-2)

LYC is committed to climate transparency as a fundamental pillar of our environmental responsibility. We systematically monitor our carbon footprint across Scope 1 (direct emissions) and Scope 2 (indirect energy emissions) to establish a baseline for our long-term climate resilience journey.

Our Scope 1 emissions are generated from direct fuel combustion within our operations, primarily for food (LPG) and transport (petrol and diesel). In FY2026, our Scope 1 emissions decreased to 127.86 tCO_2e, down from 133.77 tCO_2e in the previous year, driven primarily by a decrease in LPG usage.

Scope 2 emissions, which arise from purchased electricity used to power our confinement centres and offices, remain the largest portion of our carbon footprint. For FY2026, our Scope 2 emissions decreased to 2,076.4 tCO_2e.

GHG Emissions	FY2025	FY2026
Scope 1 emissions (tCO_2e)[3]	133.77	**127.86**
Scope 2 emissions (tCO_2e)[4]	2178.76	**2076.40**
Total emissions (Scope 1 + Scope 2)	2312.53	**2204.26**

Together, the combined total GHG emissions for FY2026 were approximately 2204.26 tCO_2 e. Moving forward, we are exploring opportunities to enhance energy efficiency and reduce emissions through the adoption of greener technologies and behavioural changes across our operations.

MOVE FORWARD

We acknowledge the challenges of global warming and diverse environmental concerns, along with the international commitment to address climate change by striving to restrict the rise in the global average temperature to under 2 degrees Celsius from pre-industrial levels. Recognising our company's substantial responsibility, our Board of Directors pledges to integrate climate change strategies into our overall business plans when suitable. We will set specific objectives to diminish our carbon footprint, align our value creation with a low-carbon economy, and adhere to national environmental policy guidelines.

[3] Emission factors are sourced from World Resource Institute (2015). GHG Protocol tool for stationary combustion. Version 4.1 & IPCC Special Report on Carbon dioxide Capture and Storage.

[4] Malaysia grid emission factor sourced from 2021 Peninsular Grid Emission Factor by Energy Commission. We have restated the FY2025 scope 2 emissions, we had wrongly classified the region of electricity use and hence the used a different emission factor.

PERFORMANCE DATA TABLE

LYC HEALTHCARE BERHAD

BMLR Transition Period

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Ace Market | Group 3 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Health and Safety	Number of fatalities	Number	0	0	—	No assurance
Health and Safety	Lost time incident rate	Rate	0	0	—	No assurance
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	0	0	—	No assurance
Labour Practices and Standards	Percentage of employees that are contractors or temporary staff	Percentage	16%	14%	—	No assurance
Labour Practices and Standards	Total number of employee turnover	Number	157	159	—	No assurance
Labour Practices and Standards	Total Hours of training	Hours	35	614	—	No assurance
Diversity	Overall - Male	Number	42	41	—	No assurance
Diversity	Overall - Female	Number	107	98	—	No assurance
Anti Corruption	Confirmed incidents of corruption and action taken	Number	0	0	—	No assurance
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy	Number	0	0	—	No assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage	94.5	92.9	—	No assurance
Water	Total Water Consumption	m3	39158	31543	—	No assurance
Waste Management	Total Waste Generated	Metric Tonnes	74.25	68.31	—	No assurance
Greenhouse Gas Emissions	Scope 1 emissions	tCO2e	133.77	127.86	—	No assurance
Greenhouse Gas Emissions	Scope 2 emissions	tCO2e	2178.76	2076.40	—	No assurance

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ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

Private Placement 1

The status of the utilization of proceeds as at 31 March 2026 raised from the private placement amounting to RM23.378 million, which was completed on 29 March 2023 are as follows:

Purpose	Actual proceeds raised from the Proposed Private Placement RM'000	Actual utilisation RM'000	Remaining Balance RM'000	Variation RM'000	Revised utilisation of proceeds after Variation RM'000	Actual utilisation after Variation RM'000	Remaining Balance after Variation RM'000	Timeframe for utilisation
Partial redemption of the outstanding redeemable non-cumulative preference shares ("RPS")	10,000.00	-	10,000.00	(5,000.00)	5,000.00	-	5,000.00	Within 48 months
To part of fully finance businesses expansion/future viable investment	6,689.00	6,689.00	-	-	-	-	-	Within 24 months
Working Capital	6,689.00	6,689.00	-	5,000.00	5,000.00	-	5,000.00	Within 48 months
Total	**23,378.00**	**13,378.00**	**10,000.00**	**-**	**10,000.00**	**-**	**10,000.00**	

Note:

During the FYE 2026, the Board of Directors of LYC has resolved to approve the variation and extension of timeframe to the utilisation of the balance gross proceeds raised from the Private Placement 1.

Private Placement 2

The status of the utilisation of proceeds as at 31 March 2026 raised from the private placement amounting to RM1.475 million on 15 April 2025 are as follows:

Purpose	Actual proceeds raised from the Proposed Private Placement RM'000	Actual utilisation RM'000	Remaining Balance RM'000	Timeframe for utilisation
Working capital	1,440	1,409	-	Within 12 months
Estimated expenses	35	66	-	Upon completion
Total	**1,475**	**1,475**	**-**	

2. AUDIT AND NON-AUDIT FEES

During the financial year ended 31 March 2026, the amount of audit and non-audit fees paid/payable by the Company and the Group to the External Auditors and its affiliates are as follows:

	Company RM'000	Group RM'000
Audit services rendered	218	682
Non-statutory audit services rendered	100	116
Total	**318**	**798**

3. MATERIAL CONTRACTS

There were no material contracts entered into by the Group during FY2026 involving the interests of the Directors and major shareholders.

4. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE ("RRPT")

The details of the recurrent related party transactions undertaken by the group during FY2026 are disclosed in the audited financial statements in this Annual Report.

5. CONTRACTS RELATING TO LOANS

There were no material contracts relating to loans entered into by the Group during FY2026 involving Directors and major shareholders.

6. 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 interested-based financial position.

a) Group Total Income and Total Assets

		Group	
Total Income	**Remarks**	**2026 RM'000**	**2025 RM'000**
Revenue		**135,075**	155,519
Other income		**4,467**	4,171
Share of result of an associate		**26**	(186)
Total		**139,568**	**159,504**
Total Assets		**197,996**	**235,310**

b) Business Activities

		Group	
Shariah Non-compliant Activities	**Remarks**	**2026 RM'000**	**2025 RM'000**
Interest income	Interest bearing account	**-**	-
Total		**-**	**-**

6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONTINUED)

c) Component of Financial Position

i) Cash Component

Islamic Account/ Instruments	Remarks	Group 2026 RM'000	Group 2025 RM'000
Non-short term deposits	FD Islamic	**10,000**	10,000
Total Cash		**10,000**	**10,000**

Conventional Account/ Instruments	Remarks	Group 2026 RM'000	Group 2025 RM'000
Cash at bank (exclude cash in hand)		**7,309**	5,495
Total Cash		**7,309**	**5,495**

ii) Debt Component

Islamic Financing	Remarks	Group 2026 RM'000	Group 2025 RM'000
Current			
Term loan		**354**	392
Non-Current			
Term loan		**2,599**	2,942
Total Financing		**2,953**	**3,334**

Conventional Borrowing	Remarks	Group 2026 RM'000	Group 2025 RM'000
Current			
Bank overdraft		**9,885**	10,018
Redeemable preference shares		**57,000**	56,190
Hire purchase payables		**842**	1,217
Non-Current			
Hire purchase payables		**413**	1,459
Total Debt		**68,140**	**68,884**

REPORTS AND FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

The directors hereby submit their report together with the audited financial statements of the Group and Company for the financial year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries include provision of information technology ("IT") solution, IT outsourcing services, business management consultant services, performing research and development and the provision of e-manufacturing solutions, provision of healthcare related services, provision of confinement care services, provision of senior nursing home care and related services, dental and medical related institution for consultation and treatment, supporting digital and conventional methods in fabricating dental prostheses, activities to own and carry on the business of running hospitals, provision of assisted reproductive technology services, In Vitro Fertilisation, specialist consultancy services, obstetrics and gynaecological services, and provision of relevant laboratory services in connection with investigate procedures and other medical and pharmaceutical services, manufacture food and health supplements, dental and medical-related institutions for consultation and treatment, trading all kinds of pharmaceuticals and healthcare supplement products, provision of infrastructure for hosting, data processing services and related activities, data processing activities and research development on information communication technology, management consultancy services, provision for child daycare services, provision of cosmetics personal care, wellness related products and services, consultation and treatment in the fields of general and specialist medicine, including dental, aesthetic, and ambulatory, specialised prostate cancer treatment, personalised care and related medical services to enhance patient well-being, information technology business activities of holding company, provision medical and surgical advisory services, provision for specialized medical services (including day surgical centres) and clinics and other general medical services (western), wholesale of health supplements, manufacture, wholesale and retail sale of nutraceutical, pharmaceutical and healthcare products, medical aesthetic treatment, related products and services, dealing in raw material, finished , consumable food ingredients, retail sale of any kind of products over the internet, organization, promotion and/or management of event, export and import of other food products.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM'000	The Company RM'000
Loss after taxation for the financial year	(12,694)	(52,488)
Attributable to:		
Owners of the Company	(22,936)	(52,488)
Non-controlling interests	10,242	-
	(12,694)	(52,488)

DIVIDEND

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year except as disclosed in the financial statements.

SHARES AND DEBENTURES

During the financial year, the Company issued 25,000,000 new ordinary shares of RM0.0590 each arising from the exercise of private placement.

The newly issued ordinary shares during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures by the Company during the financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

DIRECTORS

The directors of the Company in office at any time during the financial year and since the end of the financial year up to the date of this report are:

Dato' Seri Abdul Azim Bin Mohd Zabidi	
Sui Diong Hoe	
Mohd Khasan Bin Ahmad	
Kong Sin Seng	
Zalina Binti Jaflus	(Appointed on 29 September 2025)
Poh Zuan Yin	(Resigned on 29 September 2025)

The name of the directors of the Company's subsidiaries in office at any time during the financial year and since the end of the financial year up to the date of this report, excluding directors who are also directors of the Company are:

Beh Wee Ren	
Dr Chan Ying Ho	
Dato' Foo Ho Cheng	
Dr. Mahmood Awang Kecik	
Goh Miao Ling	
Lim Huat Chye	
Ong Kee Leong	
Lim Yan Tong	
Soh Hoo Hong	
Wong See Kit	
Dr Ting Choon Meng	(Resigned on 29 September 2025)
Dinesh A/L Kanasen	(Removed on 31 October 2025)

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects 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.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remunerations received or due and receivable by the directors shown 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.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in the ordinary shares of the Company and its related corporations during the financial year are as follows:

	At 01.04.2025	Number of ordinary shares Bought	Sold	At 31.03.2026
The Company				
Deemed interest:				
LYC Healthcare Berhad				
Sui Diong Hoe	37,000,000*	-	-	37,000,000

* Deemed interest by virtue of his direct interest in Suicap Venture Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' REMUNERATIONS

	The Group RM'000	The Company RM'000
Directors' remuneration:		
Fees	426	426
Remunerations	10,327	993
Contribution to defined contribution plan	544	123
	11,297	1,542

DIRECTORS, OFFICERS OR AUDITORS

During the financial year, the total amounts of indemnity coverage and insurance premium paid for the directors and certain officers of the Company were RM5,000,000 and RM30,333, and for certain subsidiaries were RM4,500,000 and RM30,222 respectively.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that no known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business, including the value of current assets as shown in the accounting records of the Group and of the Company, had been written down to an amount which the current assets might be expected so to realise.

As at the date of this report, the directors are not aware of any circumstances:

(a) which would require the writing off of bad debts or render the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

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

(c) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or

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

As at the date of this report, there does not exist:

(a) 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

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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, in the opinion of the directors, will or may substantially affect the ability of the Group and Company to meet their obligations as and when they fall due.

In the opinion of the directors:

a) the results of the operations of the Group and Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, except on the impairment loss on investment in subsidiaries and amount due from subsidiaries amounted to RM35,363,846 and RM21,444,824 respectively.

b) 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 operations of the Group and Company for the financial year in which this report is made.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 15 April 2025, the Company issued 25,000,000 new ordinary shares of RM0.0590 each arising from the exercise of private placement.

(b) On 23 April 2025, the Company received a winding-up petition served by SOG Mummy & Baby Centre Pte. Ltd. On 24 April 2025, the Company made full payment of RM600,000 to the petitioner to settle the matter.

(c) On 30 May 2025, the Company announced that the Company was classified as an affected listed issuer pursuant to Paragraph 2.1(a) of Guidance Note 3 ("GN3") of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), as the 25% of the shareholders' equity of the Group amounted to RM25,360,000 is lesser than the Company's issued share capital based on the latest unaudited financial statements for the financial year ended 31 March 2026.

As an affected listed issuer, the Company is required to submit a proposed regularisation plan to the relevant authorities for approval and to implement the regularisation plan within the stipulated time frame.

(d) On 13 November 2025, the Company wishes to announce that the proposed listing of a newly incorporated foreign subsidiary, namely LYC Cayman Ltd ("LYCCL") at National Association of Securities Dealers Automated Quotations ("NASDAQ") Capital Markets shall form part of the regularisation plan that is the midst of being formulated together with its Sponsor, as part of an overall effort to address the Company's financial condition and to regularise its GN3 status.

(e) LYC Healthcare Berhad ("Company") and its subsidiaries namely, LYC Beauty & Wellness Sdn. Bhd. ("LYCBW"), and LYC Dental & Aesthetic Holdings Sdn. Bhd. ("LYCD&A"), including Sui Diong Hoe and Soh Hoo Hong ("Respondents") were served with an originating summons by Dr Dinesh A/L Kanasen ("Applicant") for the following reliefs: -

(i) The affairs of the Company and LYCBW are conducted or the power of the director is being exercised in a manner oppressive and /or in disregard of the Applicant's interests as a member and/or shareholder of the LYCBW;
(ii) The various acts of the Company, LYCD&A, Sui Diong Hoe and Soh Hoo Hong have been done or are threatened to be done which have and/or will unfairly discriminate against and/or which are and/or will be otherwise prejudicial to the Applicant;
(iii) A declaration that the Service Agreement dated 4.10.2022 between Tao Global Ventures and Dr. Sarahanna to be null and void ab initio;
(iv) An order that LYCBW to be wound up by the Honourable Court under the provisions of the Companies Act 2016 and Ng Choon Jin of Messrs S.L. Ng Corporate Solutions PLT be appointed as its liquidator;
(v) An order for damages to be assessed and/or equitable compensation to be paid by the Respondents to the Applicant, whether jointly or severally, to the Applicant; and
(vi) An order that the Respondents, whether jointly or severally, do pay the costs on an indemnity basis of this action incurred by the Applicant.

On 14 April 2026 the originating summons has been withdrawn with liberty to file afresh.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The significant event subsequent to the financial year is that Bursa Securities had, vide its letter dated 5 June 2026, resolved to grant the Company an extension of 6 months of up 30 November 2026 to submit its regularisation plan to Bursa Securities.

SUBSIDIARIES

The details of the subsidiaries are as follows: -

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held by the Company				
Mexter (M) Sdn. Bhd. ("MMSB")	Malaysia	100	100	Provision of information technology ("IT") solution, IT outsourcing services and business management consultant services.
Mexter MSC Sdn. Bhd. ("MMSC")	Malaysia	100	100	Performing research and development and the provision e-manufacturing solutions and IT outsourcing services.
Tonerex Technologies Sdn. Bhd. ("TTSB")	Malaysia	100	100	Temporarily ceased operation.
LYC Medicare Sdn. Bhd. (“LYCM”)	Malaysia	100	100	Provision of healthcare related services.
LYC Mother & Child Centre Sdn. Bhd. ("LYCM&C")	Malaysia	100	100	Provision of confinement care services.
Mexter SunOasis Sdn. Bhd. ("MSO")	Malaysia	100	100	Temporarily ceased operation.
Locktech International Sdn. Bhd. ("LISB")	Malaysia	100	100	Temporarily ceased operation.
LYC Living Sdn. Bhd. (“LYCL”)	Malaysia	100	100	Temporarily ceased operation.

SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held by the Company (cont'd)				
LYC Senior Living Care Centre Sdn. Bhd. ("LYCSL")	Malaysia	100	100	Provision of senior nursing home care and related services.
LYC Dental Laboratory Sdn. Bhd. ("LYCDL")	Malaysia	51	51	Dental and medical related institution for consultation and treatment, supporting digital and conventional methods in fabricating dental prostheses.
CVS Research Sdn. Bhd. ("CVS")	Malaysia	51	51	Activities to own and carry on business of running hospitals.
LYC Club Sdn. Bhd. ("LYCCSB")	Malaysia	100	100	Provision of assisted reproductive technology services, In Vitro Fertilisation, specialist consultancy services, obstetrics and gynaecological services, and provision of relevant laboratory services in connection with investigate procedures and other medical and pharmaceutical services.
LYC Health Manufacturing Group ("LYCHMG")	Malaysia	100	100	Manufacture food and health supplements and activities of investment holding company.
LYC Health Manufacturing (NS) Sdn. Bhd. ("LYCHMNS")	Malaysia	60	60	Manufacture food and health supplements and activities of investment holding company.
LYC Dental & Aesthetic Holdings Sdn. Bhd. ("LYCD&A")	Malaysia	100	100	Investment holding, dental and medical-related institutions for consultation and treatment.

SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held by the Company (cont'd)				
HTAR Sdn. Bhd. ("HTAR")	Malaysia	100	100	Investment holding.
Held by the LYCHMG				
Nutrogreen Health Industries Sdn. Bhd. ("NHI")	Malaysia	75	75	Trading all kinds of pharmaceuticals and healthcare supplement products.
Held through MMSB				
Mexter DC Sdn. Bhd. ("MDC")	Malaysia	65	65	Provision of infrastructure for hosting, data processing services and related activities, data processing activities and research development on information communication technology ("ICT").
LYC Marketing and Trading Pte. Ltd. ("LYCM&T")*#	Singapore	100	100	Provision of IT solution and management consultancy services.
Held through LYCM&C				
LYC Child Care Centre Sdn. Bhd. ("LYCCCC")	Malaysia	100	100	Provision of child daycare services.
LYC Mother & Child (SG) Sdn. Bhd. ("LYCSG")	Malaysia	100	100	Provision of confinement care services.
Held through LYCM				
LYC Medicare Singapore Limited ("LYCMS") *#	Singapore	64.5	64.5	Investment holding.
Held through LYCD&A				
LYC Dental Group Sdn. Bhd. ("LYCDG")	Malaysia	70	70	Investment holding and provision of dental treatment and consultation services.

SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	Percentage of Issued Share Capital Held by Parent 2025 %	Principal activities
Held through LYCD&A (cont'd)				
LYC Beauty & Wellness Sdn. Bhd. ("LYCBW")	Malaysia	60	60	Provision of cosmetics personal care, wellness related products and services.
Held through HTAR				
LYC Medical Center Sdn. Bhd. ("LYCMC")	Malaysia	100	100	Consultation and treatment in the fields of general and specialist medicine, including Dental, aesthetic and ambulatory.
LYC Prostate Centre Sdn. Bhd. ("LYCPC")	Malaysia	100	100	Specialised prostate cancer treatment, personalized care and related medical services to enhance patient well-being.
Held through LYCSG				
LYC Beauty Care Sdn. Bhd.	Malaysia	100	100	Provision of infrastructure for hosting, data processing services and related activities, information technology business activities of holding company.
LYC Mother & Child (Singapore) Pte. Ltd. ("LYCMCSG")*#	Singapore	100	100	Provision of management consultancy services.
Held through LYCMS				
T&T Medical Group Pte. Ltd. ("T&T")*	Singapore	100	100	Provision of medical and surgical advisory services.

SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held through LYCMS				
HC Orthopaedic Surgery Pte. Ltd. ("HCOS")*	Singapore	100	100	Provision of specialized medical services (including day surgical centres) and clinics and other general medical services (western).
LYC Nutrihealth (Singapore) Pte. Ltd. ("LYCNS")*#	Singapore	100	100	Wholesale of health supplements.
LYC Nutrihealth Sdn. Bhd. ("LYCN")	Malaysia	100	100	Manufacture, wholesale and retail sale of nutraceuticals, pharmaceutical and healthcare products.
Held through LYCDG				
KL Dental Sdn. Bhd. ("KLD")	Malaysia	100	100	Provision of dental treatment and consultancy services.
KL Dental (Connaught) Sdn. Bhd. ("KLDC")	Malaysia	100	100	Provision of dental treatment and consultancy services.
KL Dental (Kiara) Sdn. Bhd. ("KLDK")	Malaysia	100	100	Provision of dental treatment and consultancy services.
KL Dental (Cheras) Sdn. Bhd. ("KLD Cheras")	Malaysia	100	100	Provision of dental and medical related institution for consultation and treatment and activities of investment holding company.
Held through LYCBW				
LYC Cosmetic & Aesthetic Sdn. Bhd. ("LYCCA")	Malaysia	100	100	Provision of cosmetics personal care, wellness related products and services and medical aesthetic treatment.

SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held through LYCBW (cont'd)				
Tao Global Ventures Sdn. Bhd. ("TGV")*	Malaysia	100	100	Provision of cosmetics personal care, wellness related products and services and medical aesthetic treatment.
Held through LYCN				
Aqurate Ingredients Intl (M) Sdn. Bhd. ("AQ")	Malaysia	70	70	Dealing in raw material finished, consumable food ingredients.
Microbiome Intl (M) Sdn. Bhd. ("MB")	Malaysia	100	100	Retail sale of any kind of products over the internet, organization, promotion and/or management of event, export and import of other food products.
Clinical Nutrition Intl (M) Sdn. Bhd. ("CNI")	Malaysia	100	100	Supply of nutraceutical ingredients.

* The subsidiaries were audited by other firms of chartered accountants.

\# Consolidated using unaudited management financial statements.

The auditors' report on the accounts of the subsidiaries that are available do not contain any qualification except that the auditor has concluded that a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern and the auditors' opinion is not modified in respect of this matter.

AUDITORS' REMUNERATIONS

Total amounts paid to or receivable by the auditors as remunerations for their services as auditors of the Group and Company are as follows:

	The Group RM'000	**The Company** RM'000
Audit fees	682	218
Non-audit fees	116	100
	798	318

AUDITORS

The retiring auditors, Messrs. **SBY PARTNERS PLT**, have indicated their willingness to be re-appointed.

Signed on behalf of the Board of Directors
in accordance with a resolution of the Directors

MOHD KHASAN BIN AHMAD
Director

SUI DIONG HOE
Director

Kuala Lumpur,

Dated: 27 August 2026

STATEMENT BY DIRECTORS

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

The directors of **LYC HEALTHCARE BERHAD** state that, in the opinion of the directors, the financial statements set out on pages 92 to 195 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and Company as at 31 March 2026 and financial performance of the Group and Company for the financial year ended 31 March 2026.

Signed on behalf of the Board of Directors
in accordance with a resolution of the Directors

MOHD KHASAN BIN AHMAD **Director**	**SUI DIONG HOE** **Director**

Kuala Lumpur,

Dated: 27 August 2026

STATUTORY DECLARATION

Pursuant to Section 251 (1) (b) of the Companies Act 2016

I, **Lee Ai Vi (MIA Membership Number: 37249)**, the officer primarily responsible for the financial management of **LYC HEALTHCARE BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 92 to 195 are, in my opinion, 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, **Lee Ai Vi (MIA Membership Number: 37249)**)
at Kuala Lumpur on 27 August 2026)

Lee Ai Vi (MIA Membership Number: 37249)

Before me,

AMIR BIN ISMAIL
License No : W800
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LYC HEALTHCARE BERHAD
Registration No: 200401009170 (647673 - A)
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We were engaged to audit the financial statements of **LYC HEALTHCARE BERHAD**, which comprise the statements of financial position as at 31 March 2026 of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows 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 92 to 195.

We do not express an opinion on the accompanying financial statements of the Group and of the Company. Because of the significance of the matters described in the Basis of Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Going concern assumption

   As disclosed in Note 3 to the financial statements, the following events and conditions indicate that material uncertainties exist that may cast significant doubt on the Group and Company's ability to continue as a going concern: -

   (i) The Group and Company incurred losses of RM12,694,000 and RM52,488,000 respectively. As at 31 March 2026, the Group and Company's current liabilities exceeded their current assets by RM72,148,000 and RM6,230,000 respectively. The Group and Company's deficit in their equity attributable to owners of the Group and Company amounted to RM10,615,000 and RM4,813,000 respectively.

   (ii) The redeemable preference share 1 ("RPS 1") and redeemable preference share 2 ("RPS 2") amounted to RM15.0 million and RM42.0 million respectively as at 31 March 2026, as stated in Note 19 to the financial statements has expired in September 2025 and October 2025 respectively. As at the date the financial statements were authorised for issue by the Board of Directors an extension of the redemption period for both RPS 1 and RPS 2 in total amounted to RM57.0 million were granted verbally by the third-party subscriber until 23 September 2026 and 19 October 2026 respectively, subject to settlement of all dividends and related expenses. The extension of documents to be duly stamped. We were unable to obtain sufficient appropriate audit evidences on the granted extension of time by the third-party subscriber of RPS 1 and RPS2.

TO THE MEMBERS OF LYC HEALTHCARE BERHAD
Registration No: 200401009170 (647673 - A)
(Incorporated in Malaysia)

Basis for Disclaimer of Opinion (cont'd)

(iii) On 30 May 2025, the Company announced that the Company was classified as an affected listed issuer pursuant to Paragraph 2.1(a) of Guidance Note 3 ("GN3") of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), as the 25% of the shareholders' equity of the Group amounted to RM25,360,750 is lesser than the Company's issued share capital based on the latest unaudited financial statements for the financial year ended 31 March 2025. During the financial year ended 31 March 2026, 25% of the shareholders' equity of the Group amounted to RM25,729,500 is lesser than the Company's issued share capital. As an affected listed issuer, the Company is required to submit a proposed regularisation plan to the relevant authorities for approval and to implement the regularisation plan within the stipulated time frame.

The management of the Company is currently in the process of formulating a regularisation plan and consequently, there is insufficient information available on the eventual regularisation plan and how it would address the present financial conditions of the Group and of the Company.

The financial statements of the Group and of the Company are prepared on a going concern basis, which presumes that the realisation of assets and settlement of liabilities will occur in the ordinary course of business. The appropriateness of preparing the financial statements of the Group and of the Company on a going concern basis is dependent upon: -

a) Formulation of a viable plan to regularise the financial conditions of the Group and of the Company ("Regularisation Plan") for submission to Bursa Securities and other relevant authorities for approval;

b) Requisite announcement on the proposed regularisation plan;

c) Submission of the regularisation plan to the regulatory authorities for approval on or before 30 November 2026;

d) Approvals obtained from all relevant parties on the Regularisation Plan;

e) Timely and successful implementation of the Regularisation Plan, and

f) Ability of the Group and of the Company to achieve sustainable and viable operations to generate sufficient cash flows to enable them to meet their obligations as and when they fall due.

Basis for Disclaimer of Opinion (cont'd)

(iv) On 31 December 2024, the Company announced the proposed listing of a newly incorporated foreign subsidiary, namely LYC Healthcare (Cayman) Ltd ("LYCHCL"), being the proposed ultimate holding company of LYC Healthcare Berhad's operating subsidiaries, namely T&T Medical Group Pte. Ltd., and HC Orthopaedic Surgery Pte. Ltd., on the National Association of Securities Dealers Automated Quotations ("NASDAQ") Capital Markets. The proposed initial public offering is expected to raise between USD15 million up to USD25 million. No material development noted on the announced proposed listing of LYCHCL as at the date the financial statements of the Group and of the Company were authorised for issue by the Board of Directors.

We were provided with the cash flow forecast incorporating management's plan for the next 12 months to assess the ability of the Group and of the Company to continue as going concern. However, we were unable to obtain sufficient appropriate audit evidence to determine whether the management's use of going concern basis in the preparation of the financial statements of the Group and of the Company was appropriate.

In view of the matters set above, there are material uncertainties relating to the ability of the Group to realise its assets and settle its liabilities in the ordinary course of business.

We were unable to obtain sufficient appropriate audit evidence to support the assumptions used by the directors in preparing the financial statements on a going concern basis. Accordingly, we were unable to determine whether any adjustments might be necessary in respect of the recoverability and classification of assets, or the completeness and measurement of liabilities in the financial statements of the Group and of the Company.

TO THE MEMBERS OF LYC HEALTHCARE BERHAD
Registration No: 200401009170 (647673 - A)
(Incorporated in Malaysia)

Basis for Disclaimer of Opinion (cont'd)

2. International Standards on Auditing 510 – Initial Audit Engagements – Opening balances, on a component disposed in respect of prior financial year

   In accordance with International Standards on Auditing 510 – Initial Audit Engagements – Opening balances, we, SBY Partners PLT ("SBY"), requires to determine on whether the opening balances contain misstatements that materially affect the current year's financial statements of LYC Healthcare Berhad.

   The financial statements of the Group and of the Company for the financial year ended 31 March 2025 were audited by another firm of Chartered Accountants. The independent auditors' report to the members of LYC Healthcare Berhad dated 7 August 2025, expressed a modified opinion on disclaimer of opinion as the predecessor auditors were unable to obtain sufficient appropriate audit evidence to verify the accuracy and completeness of administrative expenses recorded for Elite Dental Group up to the date of disposal. The predecessor auditors were unable to obtain full access to the necessary underlying financial information of Elite Dental Group within the audit timeline, as required by ISA 600 (Revised), Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors). In particular, the predecessor auditors were unable to obtain sufficient appropriate audit evidence to verify the accuracy and completeness of administrative expenses recorded for Elite Dental Group up to the date of disposals. Accordingly, the predecessor auditors were unable to determine whether adjustments were necessary to the Group's consolidated financial statements in respect of this component.

   During the course of audit, we, SBY, were unable to obtain sufficient appropriate audit evidences to verify the accuracy and completeness of the gain on disposal amounted to RM1,805,000 which form part of the accumulated losses of the Group. We were also unable to verify the accuracy and completeness of net cash inflow arising from the disposal of the subsidiaries amounted to RM5,302,000 in respect of prior year.

   Consequently, we were unable to determine whether any adjustments were necessary in respect of the reported gain on disposal of the subsidiaries and the net cash inflow arising from the disposal of the subsidiaries, and the resulting impact on the financial performance and cash flows of the Group.

Basis for Disclaimer of Opinion (cont'd)

3. Investment in an associate

   The investment in an associate of the Company has a different financial year end from the Group. In applying the equity method of accounting, the financial statements of the associates for the financial year ended 31 December 2025 have been used.

   We were unable to obtain sufficient appropriate audit evidence to verify the accuracy and completeness of the share of result of the associate for the financial year ended 31 December 2025 and we were not able to obtain appropriate adjustments that should have been made for the effect of significant transaction between 1 January 2026 and 31 March 2026.

   In addition, we were not able to obtain sufficient appropriate audit evidence to justify the valuation of investment in an associate as we were not provided with the value in use of the said investment in an associate.

   Therefore, we could not determine whether any adjustments might have been necessary to the carrying amount of the investment in associate that may materially affect the financial statements of the Group for the financial year ended 31 March 2026.

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 responsibility is to conduct an audit of the Group and of the Company's financial statements in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, and to issue an auditors' report. However, because of the matters described in the Basis for Disclaimer Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ('By-Laws') and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that:

(i) the subsidiaries companies of which we have not acted as auditors, are disclosed in Note 5 to the financial statements;

(ii) the accounting and other records for the matters as described in the Basis for Disclaimer of Opinion section have not been properly kept by the Company in accordance with the provision of the Companies Act 2016 in Malaysia;

(iii) in our opinion, we have not obtained all the information and explanation that we required for the matters as described in the Basis for Disclaimer of Opinion.

TO THE MEMBERS OF LYC HEALTHCARE BERHAD
Registration No: 200401009170 (647673 - A)
(Incorporated in Malaysia)

Other Matters

(a) 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 for this report.

(b) The financial statements of the Group and of the Company for the financial year ended 31 March 2025 which were prepared in accordance with Malaysian Financial Reporting Standard, International Financial Reporting Standards were audited by another firm of Chartered Accountants whose report dated 7 August 2025 expressed a modified opinion.

SBY PARTNERS PLT
Reg. No: 202106000003 (LLP0026726-LCA) AF: 0660
Chartered Accountants

SUKHPAL SINGH A/L KAUR SINGH
03494/05/2028 J
Chartered Accountant

Kuala Lumpur,

Dated: 27 August 2026

STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

		The Group		The Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	*5*	-	-	1,410	33,037
Investment in an associate	*6*	267	293	-	-
Property and equipment	*7*	39,690	46,468	7	10
Investment properties	*8*	3,225	3,238	-	-
Right-of-use assets	*9*	27,299	54,818	-	-
Intangible assets	*10*	73,134	76,774	-	-
Deferred tax assets	*11*	25	37	-	-
		143,640	181,628	1,417	33,047
CURRENT ASSETS					
Inventories	*12*	8,279	8,866	-	-
Trade and other receivables	*13*	27,963	26,005	75	38
Contract assets	*14*	37	56	-	-
Amount due from subsidiaries	*15*	-	-	766	18,443
Current tax assets		596	1,032	-	-
Cash and short-term deposits	*16*	17,481	17,723	3	91
		54,356	53,682	844	18,572
TOTAL ASSETS		197,996	235,310	2,261	51,619

STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

		The Group		The Company	
		2026	**2025**	**2026**	**2025**
	Note	RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	*17*	102,918	101,443	102,918	101,443
Other reserves	*18*	(2,318)	2,055	-	-
Accumulated losses		(111,215)	(88,279)	(107,731)	(55,243)
Total equity attributable to owners of the Company		(10,615)	15,219	(4,813)	46,200
Non-controlling interests		49,455	40,517	-	-
TOTAL EQUITY		38,840	55,736	(4,813)	46,200
LIABILITIES					
NON-CURRENT LIABILITIES					
Loans and borrowings	*19*	3,012	4,401	-	-
Lease liabilities	*20*	26,706	55,245	-	-
Provisions	*21*	1,743	1,887	-	-
Deferred tax liabilities	*11*	1,191	843	-	-
		32,652	62,376	-	-
CURRENT LIABILITIES					
Trade and other payables	*22*	42,704	30,053	1,998	1,013
Contract liabilities	*14*	5,093	6,207	-	-
Provisions	*21*	177	600	-	-
Amount due to non-controlling shareholder/director of subsidiaries	*23*	162	210	-	-
Amount due to subsidiaries	*15*	-	-	5,076	4,406
Loans and borrowings	*19*	68,081	67,817	-	-
Lease liabilities	*20*	8,869	10,517	-	-
Current tax liabilities		1,418	1,794	-	-
		126,504	117,198	7,074	5,419
TOTAL LIABILITIES		159,156	179,574	7,074	5,419
TOTAL EQUITY AND LIABILITIES		197,996	235,310	2,261	51,619

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year ended 31 March 2026

		The Group		The Company	
		2026	**2025**	**2026**	**2025**
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	*24*	135,075	155,519	1,586	3,980
Cost of sales	*25*	(82,144)	(86,551)	-	-
Gross profit		52,931	68,968	1,586	3,980
Other income		4,467	4,171	6,506	446
Selling and distribution expenses		(10,178)	(8,977)	-	-
Administration and other expenses		(45,825)	(61,589)	(40,226)	(12,259)
(Finance costs)/Finance income, net	*26*	(10,066)	(10,554)	1,275	-
Net impairment losses on financial assets and contract assets		(184)	77	(21,445)	(8,042)
Share of result of an associate		26	(186)	-	-
Loss before taxation	*27*	(8,829)	(8,090)	(52,304)	(15,875)
Income tax expense	*28*	(3,865)	(4,125)	(184)	-
Loss for the financial year		(12,694)	(12,215)	(52,488)	(15,875)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year ended 31 March 2026

		The Group		The Company	
		2026	**2025**	**2026**	**2025**
	Note	RM'000	RM'000	RM'000	RM'000
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Revaluation of property and equipment		-	8	-	-
Items that will be reclassified subsequently to profit or loss:					
Foreign currency translation differences		(3,406)	(2,901)	-	-
Total other comprehensive expense		(3,406)	(2,893)	-	-
Total comprehensive expenses for the financial year		(16,100)	(15,108)	(52,488)	(15,875)
Loss after taxation for the financial year attributable to:-					
Owners of the Company		(22,936)	(17,068)	(52,488)	(15,875)
Non-controlling interests		10,242	4,853	-	-
		(12,694)	(12,215)	(52,488)	(15,875)
Total comprehensive expense attributable to:-					
Owners of the Company		(27,309)	(19,786)	(52,488)	(15,875)
Non-controlling interests		11,209	4,678	-	-
		(16,100)	(15,108)	(52,488)	(15,875)
Loss per share (sen)					
- Basic	*29*	(3.10)	(2.39)		
- Diluted	*29*	(3.10)	(2.39)		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2026

The Group	Note	Share capital	Other reserves	Accumulated losses	Attributable to owners of the Company	Non-controlling interests	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 01.04.2024, as restated		101,443	4,773	(71,211)	35,005	38,557	73,562
Loss after taxation for the financial year		-	-	(17,068)	(17,068)	4,853	(12,215)
Other comprehensive expense for the financial year		-	(2,718)	-	(2,718)	(175)	(2,893)
Total comprehensive expense for the financial year		-	(2,718)	(17,068)	(19,786)	4,678	(15,108)
Disposal of subsidiaries	30	-	-	-	-	(868)	(868)
Dividend paid to non-controlling shareholders of the subsidiaries		-	-	-	-	(1,850)	(1,850)
Total contributions by and distribution to owners		-	-	-	-	(2,718)	(2,718)
As at 31 March 2025		101,443	2,055	(88,279)	15,219	40,517	55,736

The Group	Note	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance as at 01.04.2025		101,443	2,055	(88,279)	15,219	40,517	55,736
Loss after taxation for the financial year		-	-	(22,936)	(22,936)	10,242	(12,694)
Other comprehensive expense for the financial year		-	(4,373)	-	(4,373)	967	(3,406)
Total comprehensive expense for the financial year		-	(4,373)	(22,936)	(27,309)	11,209	(16,100)
Issuance of shares pursuant to the exercise of private placement	*17*	1,475	-	-	1,475	-	1,475
Dividend paid to non-controlling shareholders of the subsidiaries		-	-	-	-	(2,271)	(2,271)
Total contributions by and distribution to owners		1,475	-	-	1,475	(2,271)	(796)
As at 31 March 2026		102,918	(2,318)	(111,215)	(10,615)	49,455	38,840

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2026

The Company	*Note*	Share capital	Accumulated losses	Total equity
		RM'000	RM'000	RM'000
Balance at 1.4.2024		101,443	(39,368)	62,075
Total comprehensive expenses for the financial year		-	(15,875)	(15,875)
Balance at 31.3.2024/1.4.2025		101,443	(55,243)	46,200
Transaction with owners:				
Issuance of shares pursuant to the exercise of private placement	*17*	1,475	-	1,475
Total comprehensive expenses for the financial year		-	(52,488)	(52,488)
Balance at 31.3.2026		102,918	(107,731)	(4,813)

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Year ended 31 March 2026

		The Group		The Company	
		2026	**2025**	**2026**	**2025**
	Note	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before taxation		(8,829)	(8,090)	(52,304)	(15,875)
Adjustments for:					
Amortisation of intangible assets		67	67	-	-
Amortisation of transaction costs		810	-	-	-
Bad debts written off		-	379	-	-
Deposits written off		9	-	-	-
Depreciation of investment properties		13	13	-	-
Depreciation of property and equipment		7,607	7,972	3	3
Depreciation of right-of-use assets		10,600	9,525	-	-
Impairment losses on:					
- Amount due from subsidiaries		-	-	26,783	8,042
- Intangible assets		1,500	1,874	-	-
- Investment in an associate		-	333	-	-
- Investment in an subsidiaries		-	-	35,364	7,407
- Property and equipment		-	818	-	-
- Right-of-use assets (net)		319	826	-	-
- Trade and other receivables		204	81	4	-
Interest expense		10,234	10,707	250	-
Interest income		(241)	(230)	(1,525)	-
Inventories written down		285	678	-	-
Loss/(Gain) on disposal of property and equipment		435	(55)	-	-
Gain on disposal of subsidiaries	*30*	-	(1,805)	-	-
Loss on lease expiration		109	-	-	-
Gain on lease modification		(3,694)	-	-	-
Loss on lease termination		2,995	-	-	-
Reversal of impairment losses:					
- Amount due from subsidiaries		-	-	(5,338)	(428)
- Trade and other receivables		(20)	(158)	-	-
- Property and equipment		(894)	-	-	-
Net provision for unutilised leave		(423)	255	-	-
Net provision for restoration costs		(103)	196	-	-
Fixed assets written off		209	224	152	-
Reversal of inventories written down		(65)	(30)	-	-
Unrealised (gain)/loss on foreign exchange		(236)	408	(21)	11
Unwinding of discount on provision for restoration costs		73	77	-	-
Share of result of an associate		26	186	-	-
Waiver of debts		(71)	-	(6,303)	-
Operating profit/(loss) before working capital changes		20,919	24,251	(2,935)	(840)

STATEMENTS OF CASH FLOWS

For the Financial Year ended 31 March 2026

	Note	The Group 2026 RM'000	The Group 2025 RM'000	The Company 2026 RM'000	The Company 2025 RM'000
Changes in:					
Decrease in inventories		367	1,977	-	-
(Increase)/Decrease in trade and other receivables		(1,879)	(6,990)	(41)	2
Increase in trade and other payables		12,767	13,590	1,050	524
Decrease in contract assets		19	66	-	-
(Decrease)/Increase in contract liabilities		(1,114)	(667)	-	-
Cash from/(for) operations		31,079	32,227	(1,926)	(314)
Income tax paid		(3,184)	(3,837)	(184)	-
Income tax refunded		576	-	-	-
Net cash from/(for) operating activities		28,471	28,390	(2,110)	(314)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		241	230	-	-
Net advances from subsidiaries		-	-	(662)	(206)
Withdrawal of deposits with licensed bank		-	575	-	-
Proceeds from disposal of:					
- Property and equipment		1,171	55	-	-
- Subsidiaries		-	5,302	-	-
Purchase of property and equipment		(1,999)	(5,648)	-	(3)
Purchase of right-of-use assets		(2,417)	-	-	-
Net cash from/(for) investing activities		(3,004)	514	(662)	(209)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issuance of ordinary shares		1,409	-	1,409	-
Interest paid		(10,234)	(8,278)	(250)	-
Interest received		-	-	1,525	
Redemption of redeemable preference shares		-	(5,547)	-	-
Repayment of term loans		(381)	(601)	-	-
Repayment of hire purchase payables		(1,421)	(2,120)	-	-
Payment of lease liabilities		(11,948)	(11,516)	-	-
Repayment to non-controlling shareholder/director of subsidiaries		(48)	(4,773)	-	-
Dividend paid to non-controlling shareholder/director of a subsidiary		(2,271)	(1,850)	-	-
Net cash (for)/from financing activities		(24,894)	(34,685)	2,684	-

STATEMENTS OF CASH FLOWS

For the Financial Year ended 31 March 2026

		The Group		The Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Net decrease in cash and cash equivalents		573	(5,781)	(88)	(523)
Effect of foreign exchange translation		(682)	(688)	-	-
Cash and cash equivalents at the beginning of the financial year		(2,295)	4,174	91	614
Cash and cash equivalents at the end of the financial year		(2,404)	(2,295)	3	91

Notes to statements of cash flows

(A) Purchase of property and equipment:				
Cost of property and equipment purchased	1,999	5,923	-	-
Less: Acquired through hire purchase agreements	-	(275)	-	-
	1,999	5,648	-	-
(B) Cash and cash equivalents comprise:				
Cash and bank balances	7,481	5,604	3	91
Deposits with licensed banks	10,000	12,119	-	-
	17,481	17,723	3	91
Less: bank overdrafts	(9,885)	(10,018)	-	-
Less: Non-short term deposits	(10,000)	(10,000)	-	-
	(2,404)	(2,295)	3	91

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business are as follows: -

The registered office is located at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan.

The principal place of business is located at 2nd & 3rd Floor, Podium Block Plaza VADS, No. 1, Jalan Tun Mohd Fuad, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 27 August 2026.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

3. BASIS OF PREPARATION (CONT'D)

3.1 During the current financial year, the Group and the Company have adopted the following amendments to accounting standard: -

Amendments to MFRSs

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above amendments to accounting standard did not have any material impact on the financial statements of the Group and of the Company.

3.2 The Group and the Company have not applied in advance the new MFRSs and amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year: -

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

3. BASIS OF PREPARATION (CONT'D)

The adoption of the above accounting standards are expected to have no material impact on the financial statements of the Group and of the Company upon their initial application, except as follows: -

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

3.3 Going concern

Guidance Note 3 ("GN3") status

On 30 May 2025, the Company announced that the Company was classified as an affected listed issuer pursuant to Paragraph 2.1(a) of Guidance Note 3 ("GN3") of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), as the 25% of the shareholders' equity of the Group amounted to RM25,360,750 is lesser than the Company's issued share capital based on the latest unaudited financial statements for the financial year ended 31 March 2025. During the financial year ended 31 March 2026, 25% of the shareholders' equity of the Group amounted to RM25,729,500 is lesser than the Company's issued share capital.

As an affected listed issuer, the Company is required to submit a proposed regularisation plan to the relevant authorities for approval and to implement the regularisation plan within the stipulated time frame. The Company has an extension of time of 6 months up to 30 November 2026 to submit its regularisation plan. The Company is in the midst of preparing and in the process of finalising its regularisation plan to address the financial condition of the Group for submission to Bursa Securities for approval.

The directors are of the opinion that the proposed regularisation plan once formulated and implemented, will enable the Group and the Company to operate profitably in the foreseeable future, and therefore continue as a going concern and to realise their assets and discharge their liabilities in the normal course of business.

3. BASIS OF PREPARATION (CONT'D)

3.3 Going concern (cont'd)

Guidance Note 3 ("GN3") status (cont'd)

The appropriateness of preparing the financial statements of the Group and of the Company on going concern basis is dependent upon: -

a) Formulation of a viable plan to regularise the financial conditions of the Group and of the Company ("Regularisation Plan") for submission to Bursa Securities and other relevant authorities for approval;

b) Requisite announcement on the proposed regularisation plan;

c) Submission of the regularisation plan to the regulatory authorities for approval on or before 30 November 2026;

d) Approvals obtained from all relevant parties on the Regularisation Plan;

e) Timely and successful implementation of the Regularisation Plan, and

f) Ability of the Group and of the Company to achieve sustainable and viable operations to generate sufficient cash flows to enable them to meet their obligations as and when they fall due.

Financial results of the Group and of the Company

The Group and Company incurred losses of RM12,694,000 and RM52,488,000 respectively. As at 31 March 2026, the Group and Company's current liabilities exceeded their current assets by RM72,148,000 and RM6,230,000 respectively. The Group and Company's deficit in their equity attributable to owners of the Group and Company amounted to RM10,615,000 and RM4,813,000 respectively.

The redeemable preference shares 1 ("RPS 1") and redeemable preference share 2 ("RPS 2") amounted to RM15.0 million and RM42.0 million respectively as at 31 March 2026, as stated in Note 19 to the financial statements has expired in September 2025 and October 2025 respectively. As at the date the financial statements were authorised for issue by the Board of Directors an extension of the redemption period for both RPS 1 and RPS 2 in total amounted to RM57.0 million were granted verbally by the third-party subscriber until 23 September 2026 and 19 October 2026 respectively, subject to settlement of all dividends and related expenses. The extension of documents to be duly stamped. We were unable to obtain sufficient appropriate audit evidences on the granted extension of time by the third-party subscriber of RPS 1 and RPS2.

The Group did not default on any repayment obligations as of the date when these financial statements were approved by the board of directors.

3. BASIS OF PREPARATION (CONT'D)

3.3 Going concern (cont'd)

Financial results of the Group and of the Company (cont'd)

On 31 December 2024, the Company announced the proposed listing of a newly incorporated foreign subsidiary, namely LYC Cayman Ltd ("LYCCL"), being the proposed ultimate holding company of LYC Healthcare Berhad's operating subsidiaries, namely T&T Medical Group Pte. Ltd., and HC Orthopaedic Surgery Pte. Ltd., on the National Association of Securities Dealers Automated Quotations ("NASDAQ") Capital Markets. The proposed initial public offering is expected to raise between USD15 million up to USD25 million. No material development noted on the announced proposed listing of LYCCL as at the date the financial statements of the Group and of the Company were authorised for issue by the Board of Directors.

The circumstances highlighted above indicate material uncertainties that may cast significant doubt over the abilities of the Group and of the Company to continue as a going concern and therefore, the Group and the Company may be unable to realise their assets and discharge their liabilities in the ordinary course of business.

The Group believes that the regularisation plan when formulated and successfully implemented, will enable the Group and the Company to generate sufficient cash flows to meet their financial obligations. The board of directors are of the opinion that the Group and the Company will be able to continue in operational existence for the foreseeable future and to realise their assets and settle their liabilities in the ordinary course of business. Accordingly, the preparation of the financial statements on a going concern basis is highly dependent on the approval and successful implementation of the regularisation plan.

The financial statements of the Group and of the Company do not include any adjustment and classification relating to the recorded assets and liabilities that may be necessary should the Group and the Company be unable to continue as going concern.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below: -

(a) Impairment of Investments in Subsidiaries and an Associate, Property and Equipment, Investment Properties and Right-of-Use Assets

The Group determines whether an item of its investments in subsidiaries, property and equipment, investment properties, right-of-use assets and investment in an associate is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of investments in subsidiaries and an associate, property and equipment, investment properties and right-of-use assets as at the reporting date are disclosed in Notes 5, 6, 7, 8 and 9 to the financial statements respectively.

(b) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date and the key assumptions and sensitivity analysis are disclosed in Note 10 to the financial statements.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's and the Company's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below: -

Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial Assets Through Other Comprehensive Income

The Group and the Company have elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(b) Financial Liabilities

Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

4.3 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

4.4 BASIS OF CONSOLIDATION

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

(c) Associates

Investment in an associate is accounted for in the consolidated financial statements of the Group using the equity method.

Contributions to associate are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the associate.

4.5 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.6 PROPERTY AND EQUIPMENT

All items of property and equipment are initially measured at cost including the estimated costs of dismantling and removing the items and restoring that site on which they are located.

Subsequent to the initial recognition, all property and equipment, other than freehold land and buildings, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land and buildings are stated at revalued amounts based on periodic valuations, at least once in every 3 or 5 years, less subsequent depreciation for building. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

Freehold land is not depreciated. Depreciation on other property and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are: -

Buildings	2.50%
Equipment	10% - 20%
Furniture and fittings	7% - 20%
Office and medical equipment and renovation	10% - 50%
Computer equipment	10% - 33%
Motor vehicles	10% - 20%

Capital work-in-progress represents leasehold improvement and renovation costs incurred on leased buildings. They are not depreciated until such time when the asset is available for use.

4.7 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation periods and rates are: -

Buildings	2%

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.8 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.9 INTANGIBLE ASSETS

Intangible assets other than goodwill (Note 4.3) are initially measured at cost. The cost of intangible assets recognised in a business combination is their fair values as at the date of acquisition. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Capitalised development costs are amortised on a straight-line basis by allocating their depreciable amount over their remaining useful lives of 5 years.

Intellectual property rights are amortised on a straight-line basis by allocating their depreciable amount over their remaining useful lives of 15 years.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.10 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows: -

- computer and electronic parts and healthcare supplies: the costs are assigned on a first-in first-out (FIFO) basis.
- nutraceutical supplements and ingredients: the costs are determined on the weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4.11 PREFERENCE SHARES

The Group classifies preference shares as financial liability as the preference shares are redeemable on a specific date at the option of the equity holders and the dividend payments are not discretionary. Dividends thereon are recognised as interest expense in profit or loss as accrued.

5. INVESTMENT IN SUBSIDIARIES

	The Company	
	2026	2025
	RM'000	RM'000
Unquoted shares, at cost		
At 1 April/31 March	33,182	33,182
Loans that are a part of net investment		
At 1 April	59,799	59,799
Additions	3,737	-
	63,536	59,799
Less : Accumulated impairment losses		
At 1 April	59,944	52,537
Additions	35,364	7,407
	95,308	59,944
At 31 March	1,410	33,037

During the current financial year, an impairment loss of RM35,364,000 (2025: RM7,407,000) is recognised on LYC Mother & Child Centre Sdn. Bhd. ("LYCM&C"), Mexter MSC Sdn. Bhd. (“MSC”), Mexter (M) Sdn. Bhd. (“MMSB”) and LYC Medicare Sdn. Bhd. (“LYCM”) (2025: LYCM&C and MSC) in "Administrative and Other Expenses" line item of the statement of profit or loss and other comprehensive income as its financial performance was deteriorating due to keen competition. This impairment loss belongs to the Healthcare services segment and Computing and Electronic services segment.

Loan that are part of net investment represent the amount owing by the subsidiaries which is non-trade in nature, unsecured and non-interest bearing. The settlement is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as a long-term source of capital to the subsidiary. As this amount is, in substance a part of the Company’s net investment in subsidiaries, it is stated at cost less accumulated impairment loss, if any.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: -

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held by the Company				
Mexter (M) Sdn. Bhd. ("MMSB")	Malaysia	100	100	Provision of information technology ("IT") solution, IT outsourcing services and business management consultant services.
Mexter MSC Sdn. Bhd. ("MMSC")	Malaysia	100	100	Performing research and development and the provision of e-manufacturing solutions and IT outsourcing services.
Tonerex Technologies Sdn. Bhd. ("TTSB")	Malaysia	100	100	Temporarily ceased operation.
LYC Medicare Sdn. Bhd. ("LYCM")	Malaysia	100	100	Provision of healthcare related services.
LYC Mother & Child Centre Sdn. Bhd. ("LYCM&C")	Malaysia	100	100	Provision of confinement care services.
Mexter SunOasis Sdn. Bhd. ("MSO")	Malaysia	100	100	Temporarily ceased operation.
Locktech International Sdn. Bhd. ("LISB")	Malaysia	100	100	Temporarily ceased operation.
LYC Living Sdn. Bhd. ("LYCL")	Malaysia	100	100	Temporarily ceased operation.
LYC Senior Living Care Centre Sdn. Bhd. ("LYCSL")	Malaysia	100	100	Provision of senior nursing home care and related services.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held by the Company (cont'd)				
LYC Dental Laboratory Sdn. Bhd. ("LYCDL")	Malaysia	51	51	Dental and medical related institution for consultation and treatment, supporting digital and conventional methods in fabricating dental prostheses.
CVS Research Sdn. Bhd. ("CVS")	Malaysia	51	51	Activities to own and carry on business of running hospitals.
LYC Club Sdn. Bhd. ("LYCCSB")	Malaysia	100	100	Provision of assisted reproductive technology services, In Vitro fertilisation, specialist consultancy services, obstetrics and gynaecological services, and provision of relevant laboratory services in connection with investigate procedures and other medical and pharmaceutical services.
LYC Health Manufacturing Group ("LYCHMG")	Malaysia	100	100	Manufacture food and health supplements and activities of investment holding company.
LYC Health Manufacturing (NS) Sdn. Bhd. ("LYCHMNS")	Malaysia	60	60	Manufacture food and health supplements and activities of investment holding company.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held by the Company (cont'd)				
LYC Dental & Aesthetic Holdings Sdn. Bhd. ("LYCD&A")	Malaysia	100	100	Investment holding, dental and medical-related institution for consultation and treatment.
HTAR Sdn. Bhd. ("HTAR")	Malaysia	100	100	Investment holding.
Held through LYCHMG				
Nutrogreen Health Industries Sdn. Bhd. ("NHI")	Malaysia	75	75	Trading all kinds of pharmaceuticals and healthcare supplement products.
Held through MMSB				
Mexter DC Sdn. Bhd. ("MDC")	Malaysia	65	65	Provision of infrastructure for hosting, data processing services and related activities, data processing activities and research development on information communication technology ("ICT").
LYC Marketing and Trading Pte. Ltd. ("LYCM&T")*#	Singapore	100	100	Provision of IT solution and management consultancy services.
Held through LYCM&C				
LYC Child Care Centre Sdn. Bhd. ("LYCCCC")	Malaysia	100	100	Provision of child daycare services.
LYC Mother & Child (SG) Sdn. Bhd. ("LYCSG")	Malaysia	100	100	Provision of confinement care services.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held through LYCM				
LYC Medicare Singapore Limited ("LYCMS") *#	Singapore	64.5	64.5	Investment holding.
Held through LYCD&A				
LYC Dental Group Sdn. Bhd. ("LYCDG")	Malaysia	70	70	Investment holding and provision of dental treatment and consultation services.
LYC Beauty & Wellness Sdn. Bhd. ("LYCBW")	Malaysia	60	60	Provision of cosmetics personal care, wellness related products and services.
Held through HTAR				
LYC Medical Center Sdn. Bhd. ("LYCMC")	Malaysia	100	100	Consultation and treatment in the fields of general and specialist medicine, including dental, aesthetic and ambulatory.
LYC Prostate Centre Sdn. Bhd. ("LYCPC")	Malaysia	100	100	Specialised prostate cancer treatment, personalized care and related medical services to enhance patient well-being.
Held through LYCSG				
LYC Beauty Care Sdn. Bhd.	Malaysia	100	100	Provision of infrastructure for hosting, data processing services and related activities, information technology business activities of holding company.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held through LYCSG (cont'd)				
LYC Mother & Child (Singapore) Pte. Ltd. ("LYCMCSG")*#	Singapore	100	100	Provision of management consultancy services.
Held through LYCMS				
T&T Medical Group Pte. Ltd. ("T&T")*	Singapore	100	100	Provision of medical and surgical advisory services.
HC Orthopaedic Surgery Pte. Ltd. ("HCOS")*	Singapore	100	100	Provision of specialized medical services (including day surgical centres) and clinics and other general medical services (western).
Held through LYCMS				
LYC Nutrihealth (Singapore) Pte. Ltd. ("LYCNS")*#	Singapore	100	100	Wholesale of health supplements.
LYC Nutrihealth Sdn. Bhd. ("LYCN")	Malaysia	100	100	Manufacture, wholesale and retail sale of nutraceuticals, pharmaceutical and healthcare products.
Held through LYCDG				
KL Dental Sdn. Bhd. ("KLD")	Malaysia	100	100	Provision of dental Treatment and consultancy services.
KL Dental (Connaught) Sdn. Bhd. ("KLDC")	Malaysia	100	100	Provision of dental treatment and consultancy services.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held through LYCDG (cont'd)				
KL Dental (Kiara) Sdn. Bhd. ("KLDK")	Malaysia	100	100	Provision of dental treatment and consultancy services.
KL Dental (Cheras) Sdn. Bhd. ("KLD Cheras")	Malaysia	100	100	Provision of dental and medical related institution for consultation and treatment and activities of investment holding company.
LYC Cosmetic & Aesthetic Sdn. Bhd. ("LYCCA")	Malaysia	100	100	Provision of cosmetics personal care, wellness related products and services and medical aesthetic treatment.
Tao Global Ventures Sdn. Bhd. ("TGV")*	Malaysia	100	100	Provision of cosmetics personal care, wellness related products and services and medical aesthetic treatment.
Held through LYCN				
Aqurate Ingredients Intl (M) Sdn. Bhd. ("AQ")	Malaysia	70	70	Dealing in raw material finished, consumable food ingredients.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: - (cont'd)

Name of subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2026 %	2025 %	Principal activities
Held through LYCN (cont'd)				
Microbiome Intl (M) Sdn. Bhd. ("MB")	Malaysia	100	100	Retail sale of any kind of products over the internet, organization, promotion and/or management of event, export and import of other food products.
Clinical Nutrition Intl (M) Sdn. Bhd. ("CNI")	Malaysia	100	100	Supply of nutraceutical Ingredients.

* The subsidiaries were audited by other firms of chartered accountants.

Consolidated using unaudited management financial statements.

The auditors' report on the accounts of the subsidiaries that are available do not contain any qualification except that the auditor has concluded that a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern and the auditors' opinion is not modified in respect of this matter.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) The non-controlling interests at the end of reporting period comprise the following: -

	Effective Equity Interest		The Group	
	2026	2025	2026	2025
	%	%	RM'000	RM'000
LYCMS	35.50	35.50	27,474	24,715
T&T	35.50	35.50	2,203	1,697
HCOS	35.50	35.50	5,778	5,497
AQ	54.85	54.85	13,680	13,159
Other individually immaterial subsidiaries	-	-	320	(4,551)
			49,455	40,517

(b) The summarised financial information (before intra-group elimination) for the subsidiaries with non controllling interest that are material to the Group are as follows:

	The Group			
	LYCMS	T&T	HCOS	AQ
	RM'000	RM'000	RM'000	RM'000
At 31 March 2026				
Non-current assets	135,614	8,371	5,007	15,439
Current assets	3,735	3,297	11,275	16,600
Non-current liabilities	-	(1,970)	(2,278)	(3,207)
Current liabilities	(5,756)	(9,474)	(10,557)	(3,413)
Dividends received	133,593	224	3,447	25,419
Financial year ended 31 March 2026				
Revenue	195	22,281	45,003	41,029
Profit/(Loss) for the year	8,516	(28)	4,922	7,918
Total comprehensive income/(loss)	8,516	(28)	4,922	8,857
Total comprehensive income/(loss) attributable to non-controlling interests	3,023	(10)	1,747	4,871
Dividend paid to non-controlling interest	-	-	-	2,271
Net cash from operating activities	(513)	8,213	7,738	8,173
Net cash (for)/from investing activities	(850)	(801)	3,234	(1,045)
Net cash for financing activities	1,300	(7,602)	(10,171)	(7,893)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) The summarised financial information (before intra-group elimination) for the subsidiaries with non controllling interest that are material to the Group are as follows: - (cont'd)

	LYCMS RM'000	T&T RM'000	HCOS RM'000	AQ RM'000	EDT RM'000
At 31 March 2025					
Non-current assets	67,475	25,512	3,522	13,901	-
Current assets	2,735	4,750	16,582	17,415	-
Non-current liabilities	-	(17,067)	(1,759)	(2,943)	-
Current liabilities	(591)	(8,415)	(2,861)	(4,382)	-
Dividends received	69,619	4,780	15,484	23,991	-
Financial year ended 31 March 2025					
Revenue	2,120	21,455	36,903	41,340	15,551
Profit for the year	23,114	3,646	4,886	7,348	634
Total comprehensive income	24,694	1,524	2,543	7,348	634
Total comprehensive income attributable to non-controlling interests	59	944	1,340	4,030	285
Dividend paid to non-controlling interest	-	-	-	1,800	50
Net cash from operating activities	22,702	8,485	7,034	7,144	-
Net cash (for)/from investing activities	(12)	(691)	5,917	(352)	-
Net cash for financing activities	(22,901)	(8,125)	(13,573)	(6,463)	-

(c) The shareholders' agreements for LYCMS restrict LYCMS and its subsidiaries to declare dividends to shareholders unless approval is obtained from all the directors of the subsidiaries, which include the non-controlling shareholders. The assets to which such restriction applied are the cash and cash equivalents of these subsidiaries included in the consolidated financial statements amounting to RM6,862,699 (2025: RM6,929,907).

(d) In the previous financial year, the Group disposed of its subsidiaries, Sigma Dental Laboratory Sdn. Bhd., and Elite Dental Team Sdn. Bhd., for a total consideration of RM380,000 and RM6,500,000 respectively. The details of the disposal are disclosed in Note 30 to the financial statements.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) In the previous financial year, the audit for group reporting purposes of Elite Dental Team Sdn. Bhd. and its subsidiaries ("Elite Dental Group") for the financial year ended 31 March 2025 was not completed as at the date of this financial statements, due to the unavailability of supporting documents following its disposal. The absence of these documents has prevented the completion of the audit for group reporting purposes in respect of the contribution by Elite Dental Group up to the date of disposal. For the financial year ended 31 March 2025, the revenue, cost of sales, other operating income, and administrative expenses of Elite Dental Group represented approximately 10.0%, 2.3%, 10.2% and 18.4% of the Group's respective totals.

6. INVESTMENT IN AN ASSOCIATE

	The Group	
	2026	**2025**
	RM'000	**RM'000**
Unquoted shares, at cost	300	300
Loans that are a part of net investment	900	900
Share of post-acquisition profits	(600)	(574)
	600	626
Accumulated impairment losses	(333)	(333)
	267	293

Loans that are part of net investments represent amount due from associate which is non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Group to treat these amounts as long term source of capital to the associate. As these amounts are, in substance, a part of the Group's net investment in the associate, they are stated at cost less accumulated impairment loss, if any.

In prior financial year, impairment on investments in associates is recognized when the carrying amount of investment in associates exceeds the recoverable amount based on the value in use.

6. INVESTMENT IN AN ASSOCIATE (CONT'D)

(a) The details of the associate are as follows: -

Name of Associate	Principal Place of Business and Country of Incorporation	Percentage of Ownership 2026 %	2025 %	Principal activities
Held by the Company				
Sel Stem Sdn. Bhd. ("SSSB")	Malaysia	30	30	Investment holding with its subsidiary involves in medical and healthcare related fields which are strategic to the Group's

* This associate was audited by other firms of chartered accountants.

(i) SSSB has a different financial year end from the Group. In applying the equity method of accounting, the financial statements of the associate for the financial year ended 31 December 2025 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 January 2026 and 31 March 2026.

(ii) The shareholders' agreement provides that no distribution of dividends shall be made to the shareholders until all shareholders' advances have been paid and settled by SSSB, unless otherwise agreed by the shareholders.

(iii) Summarised financial information has not been presented as the associate was not individually material to the Group.

7. PROPERTY AND EQUIPMENT

The Group	At 1.4.2025 RM'000	Additions RM'000	Transfer RM'000	Reversal of impairment losses RM'000	Disposal RM'000	Written off RM'000	Exchange differences RM'000	Depreciation charges RM'000	At 31.3.2026 RM'000
2026									
Carrying Amount									
Freehold land	5,901	-	-	-	(170)	-	-	-	5,731
Buildings	2,233	-	-	-	(444)	-	-	(44)	1,745
Equipment	191	250	(1)	-	-	(1)	-	(350)	89
Furniture and fittings	7,732	4	111	-	-	(107)	-	(1,030)	6,710
Office and medical equipment and renovation	25,246	763	13	894	(992)	(83)	(379)	(5,613)	19,849
Computers equipment	515	275	7	-	-	(18)	-	(144)	635
Motor vehicles	1,916	707	-	-	-	-	-	(426)	2,197
Capital work-in-progress	2,734	-	-	-	-	-	-	-	2,734
	46,468	1,999	130	894	(1,606)	(209)	(379)	(7,607)	39,690

7. PROPERTY AND EQUIPMENT (CONT'D)

The Group	At 1.4.2024	Additions	Revaluation Reserve (Note 18)	Reclassification	Disposal of subsidiaries (Note 30)	Impairment loss	Written off	Exchange differences	Depreciation charges	At 31.3.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025										
Carrying Amount										
Freehold land	6,116	-	(215)	-	-	-	-	-	-	5,901
Buildings	2,052	-	226	-	-	-	-	-	(45)	2,233
Equipment	143	94	-	-	-	(11)	(10)	34	(59)	191
Furniture and fittings	8,925	95	-	(456)	(450)	(294)	(15)	821	(1,315)	7,311
Office and medical equipment and renovation	37,547	2,110	-	456	(6,575)	(485)	(191)	(1,199)	(5,996)	25,667
Computers equipment	562	321	-	-	(138)	(13)	(8)	(29)	(180)	515
Motor vehicles	2,155	569	-	-	-	(15)	-	(416)	(377)	1,916
Capital work-in-progress	-	2,734	-	-	-	-	-	-	-	2,734
	57,500	5,923	11	-	(7,163)	(818)	(224)	(789)	(7,972)	46,468

In the previous financial year, the Group has disposed of property and equipment with a nil carrying amount for total sales proceeds of RM55,000.

7. PROPERTY AND EQUIPMENT (CONT'D)

The Group	At cost RM'000	At valuation RM'000	Accumulated Depreciation and Impairment Losses RM'000	Carrying Amount RM'000
2026				
Freehold land	-	5,731	-	5,731
Buildings	-	1,890	(145)	1,745
Equipment	745	-	(656)	89
Furniture and fittings	12,086	-	(5,376)	6,710
Office and medical equipment and renovation	39,888	-	(20,039)	19,849
Computers equipment	2,165	-	(1,530)	635
Motor vehicles	4,489	-	(2,292)	2,197
Capital work-in-progress	2,734	-	-	2,734
	62,107	7,621	(30,038)	39,690
2025				
Freehold land	-	5,901	-	5,901
Buildings	-	2,340	(107)	2,233
Equipment	497	-	(306)	191
Furniture and fittings	12,077	-	(4,345)	7,732
Office and medical equipment and renovation	39,673	-	(14,427)	25,246
Computers equipment	1,901	-	(1,386)	515
Motor vehicles	3,782	-	(1,866)	1,916
Capital work-in-progress	2,734	-	-	2,734
	60,664	8,241	(22,437)	46,468

	At 1.4.2025 RM'000	Additions RM'000	Depreciation charges RM'000	Write off RM'000	At 31.3.2026 RM'000
The Company					
2026					
Carrying Amount					
Computer equipment	10	228	(79)	(152)	7

7. PROPERTY AND EQUIPMENT (CONT'D)

	At 1.4.2024	Transfer from subsidiaries	Depreciation charges	Written off	At 31.3.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
The Company					
2025					
Carrying Amount					
Computer equipment	10	152	(3)	(152)	7

	At cost	Accumulated depreciation	Carrying Amount
	RM'000	RM'000	RM'000
The Company			
2026			
Computer equipment	14	(7)	7
2025			
Computer equipment	14	(4)	10

(a) The carrying amounts of property and equipment have been pledged as securities to secure loans and borrowings of the Group as disclosed in Note 19 are as follows: -

	The Group	
	2026	2025
	RM'000	RM'000
Freehold land	1,161	1,161
Buildings	273	279
Motor vehicles	732	1,469
Office and medical equipment and renovation	1,431	4,137
	3,597	7,046

7. PROPERTY AND EQUIPMENT (CONT'D)

(b) The details of the Group's property and equipment carried at fair value are analysed as follows: -

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
The Group				
2026				
Freehold land	-	-	5,731	5,731
Buildings	-	-	1,895	1,895
	-	-	7,626	7,626
The Group				
2025				
Freehold land	-	-	5,901	5,901
Buildings	-	-	2,340	2,340
	-	-	8,241	8,241

The Level 3 fair values have been determined based on existing use method that makes reference to the indicative market value of similar properties in the vicinity on a price per square foot basis.

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

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Freehold land and buildings	Comparison method and cost method	Price per square foot of RM389 – RM672 and RM632 – RM774 (2025: RM389 – RM672 and RM632 – RM774).	The higher the price/ cost per square foot, the higher the fair

There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

The fair value measurements of the freehold land and buildings are based on the highest and best use which does not differ from their actual use.

7. PROPERTY AND EQUIPMENT (CONT'D)

(c) If the freehold land and buildings were measured using the cost model, the carrying amounts would be as follows: -

	The Group	
	2026 RM'000	2025 RM'000
Freehold land	5,360	5,379
Buildings	1,160	1,378
	6,520	6,757

(d) During the financial year, the Group has carried out a review of the recoverable amount of its property and equipment and right-of-use assets (Note 9) with net carrying amount of RM40,714,000 (2025: RM54,818,000 in view of the performance of the subsidiaries. An impairment loss of RM Nil and RM320,000 (2025: RM817,527 and RM826,000), in respect of certain property and equipment and right-of-use assets was recognised in "Administrative and Other Expenses" line item of the consolidated statement of profit or loss and other comprehensive income as disclosed in Note 27 to the financial statements. The recoverable amount was based on its value in use and the pre tax discount rate used was approximately 14% (2025: 14%).

(e) The Group has entered into non-cancellable operating lease arrangements for the use of office equipment. The leases are for a period of 5 years.

As at the reporting date, the future minimum rentals payable under the non-cancellable operating leases are as follows: -

	The Group	
	2026 RM'000	2025 RM'000
Not later than one year	29	29
Later than one year but not later than five years	66	66
	95	95

8. INVESTMENT PROPERTIES

	The Group	
	2026	2025
	RM'000	RM'000
Cost:-		
At 1 April/31 March	3,263	3,263
Accumulated depreciation:-		
At 1 April	25	12
Depreciation during the financial year	13	13
At 31 March	38	25
	3,225	3,238

(a) The following are recognised in profit or loss in respect of investment properties: -

	The Group	
	2026	2025
	RM'000	RM'000
Rental income	(131)	(125)

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

	The Group	
	2026	2025
	RM'000	RM'000
Within 1 year	168	126
Between 1 and 2 year	336	21
	504	147

8. INVESTMENT PROPERTIES (CONT'D)

(b) The freehold land and buildings have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.

(c) The fair value of investment properties of the Group is:

	The Group	
	2026 RM'000	2025 RM'000
Freehold land	650	2,570
Freehold buildings	2,800	630
	3,450	3,200

9. RIGHT-OF-USE ASSETS

The Group	Building RM'000	Medical Equipment RM'000	Total RM'000
2026			
Carrying Amount			
At 1 April 2025	54,818	-	54,818
Additions	5,733	-	5,733
Expiry of lease	(109)	-	(109)
Modification of lease	(7,979)	-	(7,979)
Termination of lease	(12,339)	-	(12,339)
Depreciation charges	(10,600)	-	(10,600)
Impairment loss (Note 27)	(319)	-	(319)
Exchange differences	(1,906)	-	(1,906)
At 31 March 2026	27,299	-	27,299
2025			
Carrying Amount			
At 1 April 2024	42,395	-	42,395
Additions	32,577	-	32,577
Depreciation charges	(9,525)	-	(9,525)
Disposal	(8,916)	-	(8,916)
Disposal of subsidiaries (Note 30)	(1,156)	-	(1,156)
Impairment loss (Note 27)	(826)	-	(826)
Exchange differences	269	-	269
At 31 March 2025	54,818	-	54,818

(a) The Group leases office units and apartments for its office use, confinement care centres, clinics, childcare centre and staffs' hostels. The leases typically run for a period of 1 to 8 (2025: 1 to 8) years. The leases include renewal option for additional terms of 1 to 15 (2025: 1 to 15) years upon expiry of the initial term.

10. INTANGIBLE ASSETS

	Goodwill	Software Development	Patent	Total
	RM'000	RM'000	RM'000	RM'000
Cost:				
At 1 April 2024	83,239	1,942	2,000	87,181
Disposal of subsidiaries	(4,072)	-	-	(4,072)
Exchange differences	(2,365)	-	-	(2,365)
At 31 March 2025/1 April 2025	76,802	1,942	2,000	80,744
Exchange differences	(2,073)	-	-	(2,073)
At 31 March 2026	74,729	1,942	2,000	78,671
Accumulated amortisation and impairment losses:				
At 1 April 2024	43	1,942	44	2,029
Amortisation charge	-	-	67	67
Impairment loss	1,874	-	-	1,874
At 31 March 2025/1 April 2025	1,917	1,942	111	3,970
Amortisation charge	-	-	67	67
Impairment loss	1,500	-	-	1,500
At 31 March 2025/1 April 2025	3,417	1,942	178	5,537
Net carrying amount:				
31 March 2026	71,312	-	1,822	73,134
31 March 2025	74,885	-	1,889	76,774

10. INTANGIBLE ASSETS (CONT'D)

(a) Goodwill

The carrying amounts of goodwill allocated to each cash-generating unit are as follows: -

	The Group	
	2026 RM'000	2025 RM'000
Aqurate Ingredients Intl (M) Sdn. Bhd. ("AQ")	25,688	25,688
Clinical Nutrition Intl (M) Sdn. Bhd. ("CNI")	1,979	1,979
HC Orthopaedic Surgery Pte. Ltd. ("HCOS")	19,987	21,066
KL Dental (Connaught) Sdn. Bhd. ("KLDC")	1,270	1,270
KL Dental (Kiara) Sdn. Bhd. ("KLDK")	889	889
LYC Health Manufacturing (NS) Sdn. Bhd. ("LYCHMNS")	855	855
LYC Mother & Child (SG) Sdn. Bhd. ("LYCSG")	1,549	1,549
Tao Global Ventures Sdn. Bhd. ("TGV")	2,081	3,581
T&T Medical Group Pte. Ltd. ("T&T")	17,014	18,008
	71,312	74,885

Goodwill is assessed at each reporting date regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of each cash generating units ("CGUs").

The recoverable amount of CGUs has been determined based on value-in-use calculations using cash flows projection from financial budgets and forecasts approved by management covering a five-year period. Cash flows beyond five-year period are extrapolated.

The key assumptions used in the determination of the recoverable amounts are as follows: -

	Revenue Growth	Gross Margin	Discount Rate	Terminal Growth Rate
2026				
Healthcare services	10% - 30%	32% - 80%	9% - 11%	0% - 2%
Nutraceutical supplements and ingredients	10% - 11%	16% - 36%	7.5% - 9.5%	2%
2025				
Healthcare services	10% - 30%	32% - 80%	9% - 11%	0% - 2%
Nutraceutical supplements and ingredients	10% - 11%	16% - 36%	7.5% - 9.5%	2%

10. INTANGIBLE ASSETS (CONT'D)

(b) Goodwill (cont'd)

During the current financial year, an impairment loss of RM1,500,000 (2025: RM1,874,000) was recognised on TGV in "Administrative and Other Expenses" line item of the statement of profit or loss and other comprehensive income as its financial performance was deteriorating due to keen competition. This impairment loss belongs to the Healthcare services segment.

The Group has assessed the recoverable amounts of goodwill allocated and determined that no additional impairment is required. The recoverable amounts of the cash-generating units are determined using the value-in-use approach, and this is derived from the present value of the future cash flows from each cash-generating unit computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amounts are as follows: -

(i) Revenue growth – compound average growth rate based on strategies in place such as increase in number of patients and sales volumes.

(ii) Gross margin – average based on past experience and projected gross margin.

(iii) Discount rate – based on the industry weighted average cost of capital of the CGU. The discount rate applied to the cash flow projections is pre-tax and reflects estimate of the risk specific to the CGU at the date of assessment.

(iv) Terminal growth rate – based on forecasted Gross Domestic Product growth rate.

The values assigned to the key assumptions represent management's assessment of future trends in the cash-generating units and are based on both external sources and internal historical data.

Management believes that there is no reasonably possible change in the above key assumptions applied that is likely to materially cause the respective cash-generating unit carrying amount to exceed its recoverable amount.

(c) Patent

Intellectual property rights arose from the acquisition of a subsidiary and is in relation to the purchase of patent of the probiotic strain.

11. DEFERRED TAX ASSETS/(LIABILITIES)

	The Group	
	2026	2025
	RM'000	RM'000
At 1 April	(806)	(1,161)
Recognised in profit or loss (Note 28)	(362)	6
Recognised in revaluation reserve (Note 18)	-	(3)
Disposal of subsidiaries	-	328
Exchange differences	2	24
At 31 March	(1,166)	(806)

Presented after appropriate offsetting as follows: -

	The Group	
	2026	2025
	RM'000	RM'000
Deferred tax assets	25	37
Deferred tax liabilities	(1,191)	(843)
At 31 March	(1,166)	(806)

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

The estimated deferred tax assets and liabilities of the Group arising from temporary differences recognised in the financial statements are as follows:
-

The Group	At 1 April RM'000	Recognised in Profit or Loss (Note 28) RM'000	Recognised Revaluation Reserve (Note 18) RM'000	Disposal of subsidiaries (Note 30) RM'000	Exchange Differences RM'000	At 31 March RM'000
2026						
Contract liabilities	293	(33)	-	-	-	260
Intangible assets	(240)	-	-	-	-	(240)
Property and equipment	(2,060)	(329)	-	-	2	(2,387)
Right-of-use assets	1,336	-	-	-		1,336
Land and buildings^	(135)	-	-	-	-	(135)
	(806)	(362)	-	-	2	(1,166)
2025						
Contract liabilities	354	(61)	-	-	-	293
Intangible assets	(240)	-	-	-	-	(240)
Property and equipment	(2,542)	71	-	387	24	(2,060)
Right-of-use assets	1,399	(4)	-	(59)	-	1,336
Land and buildings^	(132)	-	(3)	-	-	(135)
	(1,161)	6	(3)	328	24	(806)

^ Being deferred tax recognised on the revaluation surplus of land and buildings.

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

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows: -

	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Unused tax losses				
- expires year of assessment ("YA") 2028	6,948	6,948	-	-
- expires YA 2029	855	855	-	-
- expires YA 2030	1,446	1,953	163	163
- expires YA 2031	1,819	3,030	166	166
- expires YA 2032	3,031	3,727	184	184
- expires YA 2033	6,284	6,284	192	192
- expires YA 2034	4,096	4,234	206	206
- expires YA 2035	11,241	11,154	846	846
- expires YA 2036	6,044	-	1,605	-
	41,764	38,185	3,362	1,757
Unabsorbed capital allowances	4,080	5,004	19	17
Difference between carrying amounts of property and equipment and their tax base	(3,414)	(1,183)	(4)	(5)
Right-of-use assets	2,369	2,097	-	-
	44,799	44,103	3,377	1,769

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas the unabsorbed capital allowances are allowed to be carried forward indefinitely.

12. INVENTORIES

	The Group	
	2026 RM'000	2025 RM'000
Computer and electronic parts	-	98
Nutraceutical supplements and ingredients	6,589	7,225
Healthcare supplies	1,690	1,543
	8,279	8,866
Recognised in profit or loss:-		
Inventories recognised as cost of sales	36,896	33,825
Amount written down to net realisable value	285	678
Reversal of inventories previously written down	(65)	(30)

13. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Trade				
External parties	9,315	13,081	-	-
Related parties	37	700	-	-
Less: Allowance for impairment losses	(420)	(913)	-	-
	8,932	12,868	-	-
Non-trade				
External parties	8,772	3,522	-	-
Related party	205	614	4	5
Less: Allowance for impairment losses	(118)	(739)	(4)	-
	8,859	3,397	-	5
Deposit	7,272	7,362	2	2
Prepayments	2,797	745	73	31
GST refundable	-	3	-	-
Advance payment to suppliers	-	1,630	-	-
Staff advance	41	-	-	-
Withholding tax receivables	3	-	-	-
Accrued interest income	59	-	-	-
	19,031	13,137	75	38
Total trade and other receivables	27,963	26,005	75	38

Movement in the allowance for impairment losses

The allowance account in respect of the trade receivables are used to record impairment losses. The creation and release of allowance for impaired receivables have been included in 'administrative expenses' in the profit or loss. Unless the Group is satisfied that recovery of the amount is possible, then the amount considered irrecoverable is written off against the receivable directly.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

13. TRADE AND OTHER RECEIVABLES (CONT'D)

Movement in the allowance for impairment losses (cont'd)

Movements in the accumulated impairment losses are as follows:

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Trade receivables				
At beginning of the financial year	913	1,025	-	-
Additions	131	41	-	-
Reversal	(10)	(144)	-	-
Reclassification	(609)	-	-	-
Exchange differences	(5)	(9)	-	-
At end of financial year	420	913	-	-
Other receivables				
At beginning of the financial year	739	713	-	-
Additions	73	40	4	-
Reclassification	(684)	-	-	-
Reversal	(10)	(14)	-	-
At end of financial year	118	739	4	-

(a) Trade receivables

The Group's and the Company's normal trade credit terms range from 7 to 90 (2025: 7 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

The related party refers to a company in which a major shareholder of the Company has substantial financial interest. The amount is scheduled to be settled on instalment basis within the financial year 2026 and is guaranteed by the director of the related party, who is also a major shareholder of the Company.

(b) Other receivables

The related party refers to a company in which a major shareholder of the Company has substantial financial interest. The amount is scheduled to be settled on instalment basis within the financial year 2025 and is guaranteed by the director of the related party, who is also a major shareholder of the Company. As at financial year 2026, the amount is fully impaired.

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(c) Deposits

Included in deposits of the Group are: -

(i) amounts of RM3,780,235 (2025: RM4,198,240) being rental, utilities and security deposits paid for rented properties; and

(ii) amounts of RM1,905,255 (2025: RM1,922,039) being advance payment for the purchase of property and equipment.

14. CONTRACT ASSETS/(LIABILITIES)

	The Group	
	2026	2025
	RM'000	RM'000
Contract assets		
Medical services	37	56
Contract liabilities		
Confinement services	(2,447)	(3,118)
Cosmetic services	-	(4)
Other services	(268)	(268)
Sale of goods	(2,378)	(2,817)
	(5,093)	(6,207)

No information is provided for the performance obligations that have original expected durations of 1 year or less, as allowed by MFRS 15.121(a).

15. AMOUNT DUE FROM/(TO) SUBSIDIARIES

	The Company	
	2026	2025
	RM'000	RM'000
Amount due from subsidiaries		
- Trade	1,586	3,980
- Non trade	33,307	27,653
Less: Allowance for impairment losses	(34,127)	(13,190)
	766	18,443
Amount due to subsidiaries		
- Non trade	(5,076)	(4,406)

The amount due from/(to) subsidiaries are non-trade in nature, unsecured, bear interest of 2.75% (2025: Nil), payable on demand and are expected to be settled in cash. Trade balances are in respect of unpaid management fees charged by the Company whereas the non-trade balances are in respect of advances to/from subsidiaries.

The movement in the accumulated impairment losses of amount due from subsidiaries during the following year are as follows:

	The Company	
	2026	2025
	RM'000	RM'000
At the beginning of financial year	13,190	5,577
Additions	26,782	8,041
Reversal	(5,845)	(428)
At the end of financial year	34,127	13,190

16. CASH AND SHORT-TERM DEPOSITS

	2026 RM'000	2025 RM'000
The Group		
Cash and bank balances	7,481	5,604
Deposits placed with licensed banks	10,000	12,119
	17,481	17,723
Less: Bank overdrafts (Note 19)	(9,885)	(10,018)
Less: Non short-term deposits	(10,000)	(10,000)
	(2,404)	(2,295)
The Company		
Bank balances	3	91

(a) The deposits placed with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 2.00% (2025: 2.60% to 3.10%) per annum. The fixed deposits have maturity periods ranging from 1 month to 12 months (2025: 1 month to 12 months) for the Group.

(b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM10,000,000 (2025: RM10,000,000) which has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.

17. SHARE CAPITAL

	The Group/The Company			
	2026	2025	2026	2025
	Number of ordinary shares		RM'000	RM'000
Ordinary Shares				
Issued and Fully Paid-Up				
At 1 April	714,946	714,946	101,443	101,443
Issued during the year	25,000	-	1,475	-
	739,946	714,946	102,918	101,443

(a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

17. SHARE CAPITAL (CONT'D)

(b) During the financial year, the Company issued a total of 25,000,000 new ordinary shares pursuant to private placements at issue price fixed at RM0.059 each mainly for the purpose of working capital.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

18. OTHER RESERVES

	Foreign Exchange Translation Reserve	Revaluation reserves	Total
	RM'000	RM'000	RM'000
At 1 April 2024	4,345	428	4,773
Other comprehensive income:-			
Items that will be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	(2,726)	-	(2,726)
Revaluation of property and equipment (Note 7)	-	11	11
Less: Deferred taxation (Note 11)	-	(3)	(3)
	-	8	8
At 31 March 2025/1 April 2025	1,619	436	2,055
Other comprehensive income:-			
Items that will be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	(4,373)	-	(4,373)
At 31 March 2026	(2,754)	436	(2,318)

a) Foreign exchange translation reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

18. OTHER RESERVES (CONT'D)

b) Revaluation reserve

The revaluation reserve represents the revaluation surpluses (net of deferred taxation) of the freehold land and buildings of the Group presented under property and equipment.

19. LOANS AND BORROWINGS

		The Group	
		2026	2025
	Note	RM'000	RM'000
Non-current			
Secured			
Term loans	(b)	2,599	2,942
Hire purchase payables	(d)	413	1,459
		3,012	4,401
Current			
Secured			
Bank overdrafts	(a)	9,885	10,018
Term loans	(b)	354	392
Redeemable preference shares	(c)	57,000	56,190
Hire purchase payables	(d)	842	1,217
		68,081	67,817
		71,093	72,218

(a) Bank Overdrafts

Bank overdraft bore an effective interest of 4.00% (2025: 4.60%) per annum and are secured by a pledge of fixed deposits.

(b) Term Loans

The term loans bore interest rate of 3.90% (2025: 3.90% to 5.75%) per annum.

Term loan is secured by: -

(i) a corporate guarantee by a subsidiary of the Company;
(ii) freehold land and buildings of a subsidiary (Note 7); and
(iii) joint and several guarantee by a former director and director of the Company.

19. LOANS AND BORROWINGS (CONT'D)

(b) Term Loans (cont'd)

The repayment terms of the term loans are as follows: -

	The Group	
	2026	2025
	RM'000	RM'000
Within the next twelve months	354	392
After the next twelve months		
- not later than two years	368	722
- later than two years but not later than five years	1,222	2,072
- later than five years	1,009	148
	2,599	2,942
Total term loans	2,953	3,334

(c) Redeemable Preference Shares

	The Group	
	2026	2025
	RM'000	RM'000
Redeemable preference shares ("RPS")	57,000	57,000
Less: Transaction costs	-	(810)
Total term loans	57,000	56,190

Redeemable preference shares 1 ("RPS1")

On 15 October 2020, LYC Medicare Sdn. Bhd. ("LYCM"), a wholly-owned subsidiary of the Company, entered into a Subscription Agreement with a third party subscriber for the issuance and subscription of 45,000,000 RPS1 of RM1 each.

The proceeds raised from the RPS1 shall be utilised by LYCM for the following purposes: -

(i) to acquire shares in T&T and HCOS;
(ii) to pay for the fees and expenses incurred in the issuance of the RPS1;
(iii) as working capital of LYCM;
(iv) to reimburse the Company and/or its subsidiaries for any advances made to LYCM and/or expenses that were paid earlier by the Company and/or its subsidiaries on behalf of LYCM; and/or
(v) to pay for any other payments in the ordinary course of business.

19. LOANS AND BORROWINGS (CONT'D)

(c) Redeemable Preference Shares (cont'd)

Redeemable preference shares 1 (cont'd)

The salient features of the RPS1 are as follows: -

(i) The RPS1 does not carry any voting rights at any general meeting of LYCM, except in the following circumstances: -

(a) upon any resolution or proposal which varies or is deemed to vary the rights and privileges attaching to the RPS1;

(b) upon any resolution for the winding-up of LYCM and during the winding up of LYCM;

(c) during such period as any dividends on the RPS1 may have been proposed by the Board of LYCM and approved by the shareholders of LYCM but remains in arrears and unpaid for more than 6 months;

(d) on a proposal to reduce the share capital of the Company; and/or

(e) on a proposal for the disposal of the whole of the property, business and undertaking of the Company.

(ii) The holder of the RPS1 is not entitled to any conversion rights;

(iii) The RPS1 are not transferable by the RPS holder;

(iv) The holder of the RPS' is entitled to annual dividend payable on semi-annual basis of 9% per annum from year one to year three, annual dividend of 9.5% per annum from year four to year five and profit sharing equivalents to 15% of net profits of LYCM based on the latest audited accounts in year four to year five;

(v) No dividend shall be declared in respect of the ordinary shares unless all the dividends are first declared and paid to the RPS1 holder. All dividends declared shall be paid to the RPS1 holder in preference to any dividends declared over the ordinary shares or any other class of shares in the share capital of LYCM;

(vi) The RPS1 are to be redeemed by LYCM for cash at the redemption price (equivalent to the issue price of RM1.00 of each RPS) at the end of 5th year from the subscription date or such other extended period as mutually agreed by both parties;

(vii) Administrative fee equivalent to 1% of the Subscription Amount shall also be paid by LYCM to the RPS1 holder on redemption of the RPS1;

(viii) LYCM shall have the right to redeem all the subscription shares for cash at the redemption price at any time before the maturity date; and

19. LOANS AND BORROWINGS (CONT'D)

(c) Redeemable Preference Shares (cont'd)

Redeemable preference shares 1 (cont'd)

The salient features of the RPS1 are as follows: - (cont'd)

(ix) In the event of any liquidation, dissolution, winding up or other repayment of capital of LYCM, the RPS1 holder shall rank as first creditors and subject to insolvency laws, be entitled to receive, in preference to holders of all other ordinary shares and unsecured trade or financial creditors, plus any accrued but unpaid dividends in arrears.

The RPS1 are secured by corporate guarantee by the Company.

Redeemable preference shares 2 ("RPS2")

On 1 September 2021, LYCM, a wholly-owned subsidiary of the Company, entered into a Subscription Agreement with a third-party subscriber for the issuance and subscription of 42,000,000 RPS2 of RM1 each.

The proceeds raised from the RPS2 shall be utilised by LYCM for the following purposes: -

(i) to acquire shares in Aqurate Ingredients Intl (M) Sdn. Bhd. ("AQ") and Microbiome Intl (M) Sdn. Bhd. ("MB");

(ii) to pay for the fees and expenses incurred in the issuance of the RPS2;

(iii) as working capital of LYCM; and/or

(iv) to pay for any other payments in the ordinary course of business.

The salient features of the RPS2 are as follows: -

(i) The RPS2 does not carry any voting rights at any general meeting of LYCM, except in the following circumstances: -

   (a) upon any resolution or proposal which varies or is deemed to vary the rights and privileges attaching to the RPS2;

   (b) upon any resolution for the winding-up of LYCM and during the winding up of LYCM;

   (c) during such period as any dividends on the RPS2 may have been proposed by the Board of LYCM and approved by the shareholders of LYCM but remains in arrears and unpaid for more than 6 months;

   (d) on a proposal to reduce the share capital of the Company; and/or

   (e) on a proposal for the disposal of the whole of the property, business and undertaking of the Company.

19. LOANS AND BORROWINGS (CONT'D)

(c) Redeemable Preference Shares (cont'd)

Redeemable preference shares 2 (cont'd)

The salient features of the RPS2 are as follows: - (cont'd)

(ii) The holder of the RPS2 is not entitled to any conversion rights;

(iii) The RPS2 are not transferable by the RPS holder;

(iv) The holder of the RPS2 is entitled to annual dividend payable on semi-annual basis of 9% per annum in year one, annual dividend of 9.5% per annum in year two, annual dividend of 10% per annum in year three and profit sharing equivalents to 10% of net profits of LYCM based on the latest audited accounts in year three;

(v) No dividend shall be declared in respect of the ordinary shares unless all the dividends are first declared and paid to the RPS' holder. All dividends declared shall be paid to the RPS2 holder in preference to any dividends declared over the ordinary shares or any other class of shares in the share capital of LYCM;

(vi) The RPS2 are to be redeemed by LYCM for cash at the redemption price (equivalent to the issue price of RM1.00 of each RPS) at the end of 3rd year from the subscription date or such other extended period as mutually agreed by both parties;

(vii) Administrative fee equivalent to 1% of the Subscription Amount shall also be paid by LYCM to the RPS2 holder on redemption of the RPS;

(viii) LYCM shall have the right to redeem all the subscription shares for cash at the redemption price at any time before the maturity date; and

(ix) In the event of any liquidation, dissolution, winding up or other repayment of capital of LYCM, the RPS2 holder shall rank as first creditors and subject to insolvency laws, be entitled to receive, in preference to holders of all other ordinary shares and unsecured trade or financial creditors, plus any accrued but unpaid dividends in arrears.

The RPS2 are secured by corporate guarantee by the Company.

The redeemable preference shares of a subsidiary amounting to RM15.0 million and RM42.0 million respectively (totaling RM57.0 million), were originally due for redemption in September 2025 and October 2025, respectively. Subsequent to the reporting date, an extension of the redemption period for the RM15.0 million and RM42.0 million million redeemable preference shares will be granted by the third-party subscriber until 23 September 2026 and 19 October 2026 respectively, subject to settlement of all dividends and related expenses, and the extension documents being duly stamped.

19. LOANS AND BORROWINGS (CONT'D)

(d) Hire Purchase Payables

	The Group	
	2026	**2025**
	RM'000	**RM'000**
Minimum hire purchase payments		
- not later than one year	884	1,746
- later than one year and not later than five years	432	1,084
	1,316	2,830
Less: Future finance charges	(61)	(154)
Present value of minimum payments	1,255	2,676
Present value of minimum hire purchase payments: -		
- not later than one year	842	1,217
- later than one year and not later than five years	413	1,459
	1,255	2,676
Less: Amount due within 12 months	(842)	(1,217)
Amount due after 12 months	413	1,459

20. LEASE LIABILITIES

	The Group	
	2026	2025
	RM'000	RM'000
At 1 April	65,762	57,327
Additions (Note 9 and 31(b))	3,316	21,623
Disposal of subsidiaries (Note 30)	-	(979)
Interest expense recognised in profit or loss (Note 26)	2,910	2,982
Repayment of principal	(11,948)	(11,516)
Repayment of interest expense	(2,910)	(3,028)
Modification of lease agreements	(11,673)	-
Termination of lease	(9,344)	-
Exchange differences	(538)	(647)
At 31 March	35,575	65,762
Analyzed by: -		
Current liabilities	8,869	10,517
Non-current liabilities	26,706	55,245
At 31 March	35,575	65,762

21. PROVISION

	Restoration Costs RM'000	Unutilised Annual Leave RM'000	Total RM'000
At 1 April 2024	2,438	345	2,783
Acquisition of subsidiaries	(823)	-	(823)
Provisions made during the financial year	217	600	817
Provisions reversed during the financial year	(21)	(345)	(366)
Unwinding of discount factor (Note 26)	77	-	77
Exchange differences	(1)	-	(1)
At 31 March 2025/1 April 2025	1,887	600	2,487
Provisions reversed during the financial year	(103)	(423)	(526)
Unwinding of discount factor (Note 26)	73	-	73
Exchange differences	(114)	-	(114)
At 31 March 2026	1,743	177	1,920
Analyzed by: -			
Current liabilities	-	177	177
Non-current liabilities	1,743	-	1,743
At 31 March 2026	1,743	177	1,920
Current liabilities	-	600	600
Non-current liabilities	1,887	-	1,887
At 31 March 2025	1,887	600	2,487

22. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Trade				
Trade payable	9,257	7,896	-	-
Non-trade				
Other payables	13,056	10,829	486	249
Deposits	183	230	-	-
Accruals	18,924	9,986	1,512	764
GST payables	1,284	1,112	-	-
	33,447	22,157	1,998	1,013
Total trade and other payables	42,704	30,053	1,998	1,013

(a) Trade payables

Trade payables are non-interest bearing and the normal credit terms granted to the Group ranges from 30 to 90 days (2025: 30 to 90 days).

(b) Other payables

Included in other payables are: -

(i) an amount of RM579,279 (2025: RM656,215) in respect of the renovation costs owing to contractors;

(ii) an amount of RM1,799,220 in respect of the purchase consideration for the acquisition of remaining 49% equity interest in LYCSG in the previous financial year.

(c) Accruals

Included in accruals are: -

(i) an amount of RM75,200 in respect of the renovation costs in the previous financial year; and

(ii) an amount of RM5,760,384 (2025: RM2,954,007) in respect of accrued interest on redeemable preference shares.

23. AMOUNT DUE TO NON-CONTROLLING SHAREHOLDER/DIRECTOR OF SUBSIDIARIES

The amount due to non-controlling shareholder/director of subsidiaries is non-trade in nature, unsecured, interest free and repayable on demand (2025: repayable on demand) and is expected to be settled in cash. All non-trade balances are in respect of advances from non-controlling shareholder/director of subsidiaries.

24. REVENUE

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from Contracts with Customers				
Sales of goods	42,817	48,347	-	-
Rendering of services	92,258	107,172	1,586	3,980
	135,075	155,519	1,586	3,980
Timing of revenue recognition				
At a point in time	116,987	133,800	-	-
Over time	18,088	21,719	1,586	3,980
	135,075	155,519	1,586	3,980

(a) The information on the disaggregation of revenue by geographical market is disclosed in Note 34 to the financial statements.

(b) The information about the performance obligations in contracts with customers is summarised below: -

The Group and the Company do not have performance obligations that are unsatisfied for contracts that have an original duration of more than one year at the reporting date.

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and accordingly, do not disclose information about remaining performance obligations that have original expected durations of one year or less.

24. REVENUE (CONT'D)

(c) The information of the revenue is summarised below: -

(i) Sales of goods

Revenue from the sales of goods are recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods. Sales are made with a credit term ranging from 30 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

Revenue is recognised based on the price specified in the contract, net of any discounts, excluding amounts collected on behalf of third parties such as sales and services tax.

Where consideration is collected from customer in advance for sale of goods, a contract liability is recognised for the customer deposits. Contract liability would be recognised as revenue upon sales of goods to the customer.

No element of significant financing is deemed present as the sales are made with credit terms not exceeding 12 months which are consistent with prevailing market practice.

(ii) Rendering of services

Revenue from confinement, child daycare and dental services mainly are recognised as services rendered over time as customers simultaneously receive and consume the benefits provided by the Group's performance, measured using time elapsed method. Revenue from medical services is recognised as services rendered at a point in time upon completion of the specified services.

There is no significant financing component in the selling price as the sales of services are generally made on cash term.

Where consideration is collected from customer in advance for services, a contract liability is recognised for the customer deposits. Contract liability would be recognised as revenue upon rendering of services to the customer.

25. COST OF SALES

	The Group	
	2026	2025
	RM'000	RM'000
Cost of goods	36,860	45,488
Cost of services	45,284	41,063
	82,144	86,551

26. FINANCE COSTS/(FINANCE INCOME), NET

	The Group		The Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Interest income	(241)	(230)	(1,525)	-
Interest expenses on: -				
- amount due to subsidiaries	-	-	250	-
- lease liabilities	2,910	2,982	-	-
- hire purchase	111	219	-	-
- bank overdrafts	416	453	-	-
- term loans	132	146	-	-
- redeemable preference shares	6,665	6,907	-	-
- unwinding discount on provision for restoration costs (Note 21)	73	77	-	-
	10,307	10,784	250	-
	10,066	10,554	(1,275)	-

27. LOSS BEFORE TAXATION

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Loss before taxation is arrived at after charging/ (crediting): -				
Auditors' remuneration				
- audit fees: -				
- auditors of the Company	500	400	218	144
- other auditors	182	236	-	-
- non-audit fees: -*				
- auditors of the Company	100	6	100	6
- other auditors	16	-	-	-
Directors' remuneration: -				
- fees	426	498	426	498
- remunerations	993	924	993	924
- contribution to defined contribution plan	123	112	123	112
Subsidiaries' directors remuneration:				
- remunerations	9,334	10,453	-	-
- contribution to defined contribution plan	421	399	-	-
Material Expenses/(Income)				
Amortisation of intangible assets	67	67	-	-
Bad debts written off	-	379	-	-
Depreciation of investment properties	13	13	-	-
Depreciation of property and equipment	7,607	7,972	4	3
Depreciation of right-of-use assets	10,600	9,525	-	-
Expenses relating to: -				
- low value assets	62	52	-	-
Impairment losses on: -				
- property and equipment	-	818	-	-
- right-of-use assets	319	826	-	-
- investment in subsidiaries	-	-	35,364	7,407
- investment in an associate	-	333	-	-
- amount due from subsidiaries	-	-	26,783	8,042
- trade and other receivables	204	81	4	-
- intangible assets	1,500	1,874	-	-
Inventories written down	285	678	-	-

27. LOSS BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
(Gain)/Loss on foreign exchange: -				
- realised	(201)	222	2	-
- unrealised	(236)	408	12	11
Property and equipment written off	209	224	146	-
Loss/(Gain) on disposal of: -				
- subsidiaries	-	(1,805)	-	-
- property and equipment	435	(55)	-	-
Loss on lease expiration	109	-	-	-
Loss on lease termination	2,995	-	-	-
Gain on lease modification	(3,694)	-	-	-
Government wages subsidies	(29)	(57)	-	-
Rental income	(540)	(792)	-	-
Reversal of impairment losses on: -				
- amount due from subsidiaries	-	-	(32)	(428)
- property and equipment	(894)	-	-	-
- trade and other receivables	(20)	(158)	-	-
Reversal of inventories written down	(62)	(30)	-	-
Staff costs:-				
- wages, salaries and others	25,565	34,319	1,760	2,086
- contribution to defined contribution plan	2,313	3,116	346	413
Waiver of debts	(71)	-	6,947	-

* This amount comprised professional fees in relation to review of Statement of Risk Management and Internal Control, review of opening balance and foreign subsidiaries and support from component audit work for group auditor review.

28. INCOME TAX EXPENSE

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current tax expense: -				
Malaysian Income Tax: -				
- current financial year	2,738	2,520	-	-
- under provision in the previous financial year	198	13	-	-
Overseas Income Tax: -				
- current financial year	735	1,665	-	-
- (over)/under provision in the previous financial year	(168)	(67)	184	-
	3,503	4,131	184	-
Deferred tax (Note 11): -				
Malaysian Income Tax: -				
- origination and reversal of temporary differences	13	(2)	-	-
- over provision in the previous financial year	-	(4)	-	-
Overseas Income Tax: -				
- origination and reversal of temporary differences	(90)	-	-	-
- under provision in the previous financial year	439	-	-	-
	362	(6)	-	-
	3,865	4,125	184	-

28. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the loss before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows: -

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Loss before taxation	(8,829)	(8,090)	(52,304)	(15,875)
Tax at the statutory tax rate of 24% (2025: 24%)	(2,119)	(1,942)	(12,553)	(3,810)
Tax effects of: -				
Lower tax rates in foreign jurisdiction	(992)	(369)	-	-
Non-deductible expenses	14,955	4,073	14,965	3,713
Tax exemptions	(8,628)	(57)	(2,798)	-
Utilisation of deferred tax assets previously not recognised in prior years	(707)	-	-	-
Deferred tax assets not recognised during the financial year	874	2,478	386	97
Origination and reversal of temporary differences	13	-	-	-
Under/(Over) provision of current tax in the previous financial year	30	(54)	184	-
Under/(Over) provision of deferred taxation in the previous financial year	439	(4)	-	-
	3,865	4,125	184	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2025: 24%) on the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

29. LOSS PER SHARE

(a) Basic Loss Per Share

The basic loss per share is calculated by dividing the consolidated loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	The Group	
	2026	**2025**
	RM'000	**RM'000**
Loss attributable to owners of the Company (Basic)	(22,936)	(17,068)
Weighted average number of ordinary shares: -		
Number of shares in issue as of 1 April	714,946	714,946
Effect of issuance of ordinary shares pursuant to placement	25,000	-
	739,946	714,946
Basic and diluted loss per share (sen)	(3.10)	(2.39)

(b) Diluted Loss Per Share

During the financial year, the Company issued a total of 25,000,000 new ordinary shares pursuant to private placements at a fixed issue price of RM0.059 each.

30. DISPOSAL OF SUBSIDIARIES

In the previous financial year, the Group disposed of its subsidiaries, Sigma Dental Laboratory Sdn. Bhd. and Elite Dental Team Sdn. Bhd. ("EDT") for total considerations of RM380,000 and RM6,500,000 respectively.

The financial effects of the disposal at the date of disposal are summarised below: -

	The Group
	2025
	RM'000
Goodwill	4,072
Property and equipment	7,163
Right-of-use assets	1,156
Trade and other receivables	2,733
Current tax assets	359
Cash and bank balances	1,578
Trade and other payables	(7,825)
Loans and borrowings	(1,163)
Lease liabilities	(979)
Provision for restoration costs	(823)
Deferred tax liabilities	(328)
Non-controlling interests	(868)
	5,075
Gain on disposal of subsidiaries	1,805
Consideration received, satisfied in cash	6,880
Less: Cash and bank balances of subsidiaries disposed	(1,578)
Net cash inflow from the disposal of subsidiaries	5,302

31. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property and equipment, investment properties and the addition of right-of-use assets is as follows: -

	The Group	
	2026	2025
	RM'000	RM'000
Property and Equipment		
Cost of property and equipment purchased (Note 7)	1,999	5,923
Less: Acquired through hire purchase arrangements (Note 31 (b))	-	(275)
	1,999	5,648

	The Group	
	2026	2025
	RM'000	RM'000
Right-of-use Assets		
Cost of right-of-use assets acquired (Note 9)	5,733	32,577
Less: Addition of new lease liabilities (Note 31 (b))	(3,316)	(21,623)
Less: Reclassification from prepayments/advances	-	(2,038)
Less: Disposal during the financial year	-	(8,916)
	2,417	-

31. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliation of liabilities arising from financing activities are as follows: -

	Term loans	Hire purchase payables	RPSs	Lease liabilities	Total
The Group	RM'000	RM'000	RM'000	RM'000	RM'000
2026					
At 1 April 2025	3,334	2,676	56,190	65,762	127,962
Changes in Financing Cash Flows					
Repayment in principals	(381)	(1,421)	-	(11,948)	(13,750)
Repayment of interests	(132)	(93)	(1,713)	(2,910)	(4,848)
	(513)	(1,514)	(1,713)	(14,858)	(18,598)
Non-cash changes					
Acquisition of new leases (Notes 9 and 20)	-	-	-	3,316	3,316
Termination of leases	-	-	-	(9,344)	(9,344)
Interest expense recognised in profit or loss	132	93	6,665	2,910	9,800
Others	-	-	(4,142)	(12,211)	(16,353)
	132	93	2,523	(15,329)	(12,581)
At 31 March 2026	2,953	1,255	57,000	35,575	96,783

31. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliation of liabilities arising from financing activities are as follows: - (cont'd)

	Term loans	Hire purchase payables	RPSs	Lease liabilities	Total
The Group	RM'000	RM'000	RM'000	RM'000	RM'000
2025					
At 1 April 2024	4,373	5,256	56,250	57,327	123,206
Changes in Financing Cash Flows					
Repayment in principals	(601)	(2,120)	(5,547)	(11,516)	(19,784)
Repayment of interests	(146)	(219)	(4,885)	(3,028)	(8,278)
	(747)	(2,339)	(10,432)	(14,544)	(28,062)
Non-cash changes					
Acquisition of new leases (Notes 9 and 20)	-	-	-	21,623	21,623
Acquisition of property and equipment	-	275	-	-	275
Disposal of subsidiaries	(438)	(725)	-	(979)	(2,142)
Interest expense recognised in profit or loss	146	219	6,907	2,982	10,254
Others	-	(10)	3,465	(647)	2,808
	(292)	(241)	10,372	22,979	32,818
At 31 March 2025	3,334	2,676	56,190	65,762	127,962

31. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflows for leases as a lessee are as follows: -

	The Group	
	2026	2025
	RM'000	RM'000
Payment of low-value assets	62	52
Interest paid on lease liabilities	2,910	3,028
Payment of lease liabilities	11,948	11,516
	14,920	14,596

32. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group.

The key management personnel compensation during the financial year are as follows: -

	The Group		The Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
(a) Directors				
Directors of the Company				
Short-term employee benefits: -				
- fees	426	498	426	498
- remunerations	993	924	993	924
	1,419	1,422	1,419	1,422
Defined contribution plan	123	112	123	112
	1,542	1,534	1,542	1,534
Directors of the Subsidiaries				
Short-term employee benefits: -				
- remunerations	9,335	10,453	-	-
	9,335	10,453	-	-
Defined contribution plan	420	399	-	-
	9,755	10,852	-	-
Total directors' remuneration (Note 27)	11,297	12,386	1,542	1,534

32. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows: - (cont'd)

	The Group		The Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
(b) Other Key Management Personnel				
Short-term employee benefits	591	848	364	621
Defined contribution plan	74	106	45	78
Total compensation for other key management personnel	665	954	409	699

33. RELATED PARTY DISCLOSURE

(a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year: -

	The Group	
	2026	2025
	RM'000	RM'000
Transactions with firms which directors are sole proprietor		
Professional fees	-	(3)
Transactions with a director of the subsidiary		
License fee	(10)	(20)

	The Company	
	2026	2025
	RM'000	RM'000
Transactions with subsidiaries		
Management services	1,586	3,980

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in Notes 13, 15, 22 and 23 to the financial statements.

34. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Managing Director as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purpose, the Group is organised into business units based on their services provided.

The Group is organised into three (3) main reportable segments as follows: -

(1) Healthcare services segment

- involved in the provision of mother and child care related services such as postnatal and postpartum care, post-delivery confinement care and aesthetics, provision of healthcare related services, provision of cosmetics related services and medical aesthetic treatment, provision of child daycare services, provision of medical and surgical advisory services, provision of dental treatment and consultancy services, dealing in raw and finished consumable and non-consumable food ingredients.

(2) Computing and electronic segment

- performing research and development and provision of e-manufacturing solutions and IT outsourcing service, dealers of computers and its related products.

(3) Other segments

- investment holding and provision of management services.

(a) The Group Managing Director assesses the performance of the reportable segments based on their profit earned or loss incurred before finance income/costs and income tax expense. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Borrowings and investment-related activities are managed on a group basis by the central treasury function and are not allocated to reportable segments.

(b) Each reportable segment assets is measured based on all assets of the segment other than investments in associates and tax-related assets.

(c) Each reportable segment liabilities is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.

(d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.

Inter-segment transactions are conducted on mutually agreed terms and are eliminated upon consolidation.

34. OPERATING SEGMENTS (CONT'D)

34.1 BUSINESS SEGMENTS

	Healthcare Services		Computing and Electronic Services		Other Segments		Consolidation Adjustments		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External revenue	134,686	152,290	389	2,723	-	506	-	-	135,075	155,519
Inter-segment revenue	9	854	-	112	2,790	7,057	(2,799)	(8,023)	-	-
Total revenue	134,695	153,144	389	2,835	2,790	7,563	(2,799)	(8,023)	135,075	155,519
Results:										
Results from operating activities	5,498	12,135	(749)	(134)	(3,538)	(9,351)	-	-	1,211	2,650
Interest income	19	-	222	230	-	-	-	-	241	230
Finance costs	(9,863)	(10,240)	(416)	(453)	(28)	(91)	-	-	(10,307)	(10,784)
Share of results on an associate, net of tax	26	(186)	-	-	-	-	-	-	26	(186)
Loss before tax	(4,320)	1,709	(943)	(357)	(3,566)	(9,442)	-	-	(8,829)	(8,090)
Income tax expense	(3,681)	(4,097)	-	-	(184)	4	-	(32)	(3,865)	(4,125)
Loss for the financial year	(8,001)	(2,388)	(943)	(357)	(3,750)	(9,438)	-	(32)	(12,694)	(12,215)

34. OPERATING SEGMENTS (CONT'D)

34.1 BUSINESS SEGMENTS (CONT'D)

	Healthcare Services		Computing and Electronic Services		Other Segments		Consolidation Adjustments		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Other information										
Capital expenditure	1,814	38,497	-	2	185	1	-	-	1,999	38,500
Depreciation of investment properties	13	13	-	-	-	-	-	-	13	13
Depreciation of property and equipment	7,386	7,725	6	29	215	218	-	-	7,607	7,972
Depreciation of right-of-use assets	10,417	8,916	-	-	183	609	-	-	10,600	9,525
Other material non-cash items other than depreciation										
Bad debt written off	-	379	-	-	-	-	-	-	-	379
Deposit written off	6	-	3	-	-	-	-	-	9	-
Loss/(Gain) on disposal of property and equipment	1,880	(55)	-	-	-	-	-	-	1,880	(55)
Impairment losses on:-										
- property and equipment	-	818	-	-	-	-	-	-	-	818
- right-of-use assets	-	826	-	-	320	-	-	-	320	826
- trade and other receivables	162	40	20	-	4	41	18	-	204	81
Inventories written down	80	678	205	-	-	-	-	-	285	678
Property and equipment written off	57	224	-	-	152	-	-	-	209	224

34. OPERATING SEGMENTS (CONT'D)

34.1 BUSINESS SEGMENTS (CONT'D)

The Group	Healthcare Services 2026 RM'000	Healthcare Services 2025 RM'000	Computing and Electronic Services 2026 RM'000	Computing and Electronic Services 2025 RM'000	Other Segments 2026 RM'000	Other Segments 2025 RM'000	Consolidation Adjustments 2026 RM'000	Consolidation Adjustments 2025 RM'000	Total 2026 RM'000	Total 2025 RM'000
Reversal of impairment losses on:-										
- amount due from subsidiaries	(8)	(160)	(26)	-	(5,355)	(427)	5,389	587	-	-
- property and equipment	894	-	-	-	-	-		-	894	-
- trade and other receivables	(10)	(49)	-	-	(10)	(109)	-	-	(20)	(158)
Reversal of inventories written down	(13)	(22)	(33)	(8)	(19)	-	-	-	(65)	(30)
Assets										
Segment assets	304,646	299,296	17,922	15,355	146,013	211,647	(269,561)	(290,988)	199,020	235,310
Unallocated assets	-	-	-	-	-	-	-	-	-	-
Total assets	304,646	299,296	17,922	15,355	146,013	211,647	(269,561)	(290,988)	199,020	235,310
Liabilities										
Segment liabilities	254,169	226,288	16,821	12,062	17,979	30,282	(129,728)	(89,058)	159,241	179,574
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	254,169	226,288	16,821	12,062	17,979	30,282	(129,728)	(89,058)	159,241	179,574

34. OPERATING SEGMENTS (CONT'D)

34.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	Revenue		Non-current assets	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Malaysia	67,810	97,117	93,817	152,583
Singapore	67,265	58,402	50,404	29,008
	135,075	155,519	144,221	181,591

34.3 MAJOR CUSTOMERS

There is no single customer that contributed 10% or more to the Group's revenue.

35. CAPITAL COMMITMENTS

	The Group	
	2026 RM'000	2025 RM'000
Purchase of property and equipment	13,015	13,243

36. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Group's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows: -

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily Singapore Dollar ("SGD"), United States Dollar ("USD"), Europe ("EURO") and Japanese Yen ("JPY"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. In the management of foreign currency risk, the Group does not hedge these exposures by purchasing forward currency contracts.

The Group is also exposed to foreign currency risk in respect of its investment in foreign subsidiaries. The Company does not hedge this exposure by having foreign currency loans and borrowings in view of the insignificant amount of investment in the foreign subsidiaries.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below: -

Foreign Currency Exposure

The Group	SGD RM'000	USD RM'000	EURO RM'000	JPY RM'000	Total RM'000
2026					
Financial Assets					
Trade and other receivables	110	1,149	91	132	1,482
Cash and short-term deposits	272	346	346	-	964
	382	1,495	437	132	2,446
Financial Liabilities					
Trade and other payables	(14,334)	(277)	-	-	(14,611)
Net Financial Assets/ Currency Exposure	(13,952)	1,218	437	132	(12,165)

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

Foreign Currency Exposure (cont'd)

The Group	SGD RM'000	USD RM'000	EURO RM'000	JPY RM'000	Total RM'000
Financial Assets					
Trade and other receivables	2	1,454	60	-	1,516
Cash and short-term deposits	1,097	135	287	-	1,519
	1,099	1,589	347	-	3,035
Financial Liabilities					
Trade and other payables	-	(382)	(45)	-	(427)
Net Financial Assets/ Currency Exposure	1,099	1,207	302	-	2,608

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group does not have a material impact on the loss after taxation and equity of the Group and hence, no sensitivity analysis is presented.

(ii) Interest Rate

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 exposure to interest rate risk arises mainly from borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates/Islamic profit rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 19 to the financial statements.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (cont'd)

(ii) Interest Rate (cont'd)

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant: -

	The Group	
	2026	**2025**
	RM'000	RM'000
Effects on Loss After Taxation		
Increase of 50 basis points	49	51
Decrease of 50 basis points	(49)	(51)

There is no impact on the Group's equity.

(iii) Equity Price Risk

The Group and the Company does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. Credit quality of a customer is assessed based on an individual credit limits are defined in accordance with this assessment.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

The Group does not have any significant credit risk related to any individual or counterparty.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

The Group's exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group closely monitors the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group evaluates whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred: -

- Significant financial difficulties of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; and
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

For certain large customers or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on indicators such as changes in financial capability of the receivables, payment trends of the receivable and default or significant delay in payments.

The determination of impairment losses also incorporates economic conditions during the period of historical data, current conditions and forward-looking information on the economic conditions over the expected settlement period of the receivables. The Group believes that changes in economic conditions, over these periods would not materially impact the impairment calculation of the receivables.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

Trade Receivables and Contract Assets (cont'd)

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows: -

The Group	Gross Amount RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Carrying Amount RM'000
2026				
Current (not past due)	27	-	-	27
1 to 30 days past due	2,199	(4)	-	2,195
31 to 60 days past due	1,285	(4)	-	1,281
61 to 120 days past due	5,151	(104)	(216)	4,831
More than 120 days	690	(92)	-	598
Trade receivables	9,352	(204)	(216)	8,932
Contract assets	37	-	-	37
	9,389	(204)	(216)	8,969
2025				
Current (not past due)	4,386	-	-	4,386
1 to 30 days past due	3,491	-	-	3,491
31 to 60 days past due	2,215	-	(2)	2,213
61 to 120 days past due	1,602	-	-	1,602
More than 120 days	2,087	(710)	(201)	1,176
Trade receivables	13,781	(710)	(203)	12,868
Contract assets	56	-	-	56
	13,837	(710)	(203)	12,924

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

Trade Receivables and Contract Assets (cont'd)

Allowance for Impairment Losses (cont'd)

Trade receivables and contract assets that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables and contract assets that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

The movement of allowance for impairment losses is as follows: -

	The Group	
	2026	**2025**
	RM'000	RM'000
Trade Receivables		
Balance at 1 April	913	1,025
Impairment loss during the financial year		
- Individually assessed	104	10
- Collectively assessed	27	31
Reversal	(10)	(144)
Reclassification	(609)	-
Exchange differences	(5)	(9)
Balance at 31 March	420	913

The Group believes that no impairment allowance is necessary in respect of its contract assets because the probability of default by these receivables were negligible.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

Other Receivables

For other receivables and other financial assets (including deposits and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Intercompany loans between entities within the Group are repayable on demand. The Group monitors the results of the subsidiaries in determining the recoverability of intercompany balances. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient liquid reserves when the loan is demanded, the Group will consider the expected manner of recovery and recovery period of the advances.

Allowance for Impairment Losses

The movement of allowance for impairment losses is as follows: -

	The Group		The Company	
	2026	**2025**	**2026**	**2025**
	RM'000	RM'000	RM'000	RM'000
Other Receivables				
Balance at 1 April	739	713	-	-
Impairment loss during the financial year	73	40	4	
Reversal	(10)	(14)	-	-
Reclassification	(684)	-	-	-
Balance at 31 March	118	739	4	-

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

<u>Other receivables (cont'd)</u>

Allowance for Impairment Losses (cont'd)

The allowance for impairment losses (determined on an individual basis) relates to credit impaired other receivables who are in significant financial difficulties and have defaulted on payments. No impairment losses are provided for the remaining other receivables because there have been no significant changes in their credit quality and the amounts are considered recoverable but with slower repayment records.

There has not been any significant change in the gross amounts of other receivables that impacted the allowance for impairment losses.

<u>Fixed Deposits with Licensed Banks, Cash and Bank Balances</u>

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

<u>Amount Due from Subsidiaries (Non-trade Balances)</u>

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. 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 loans and 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.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

Amount Due from Subsidiaries (Non-trade Balances) (cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (cont'd)

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The movement of allowance for impairment losses is as follows: -

	The Company	
	2026	**2025**
	RM'000	RM'000
Amount due from subsidiaries		
Balance at 1 April	13,190	5,576
Impairment loss during the financial year	26,782	8,042
Reversal	(5,845)	(428)
Balance at 31 March	34,127	13,190

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when: -

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period): -

	Interest Rate	Carrying Amount	Contractual Undiscounted Cash Flows	Within 1 Year	1 - 5 Years	Over 5 Years
The Group	%	RM'000	RM'000	RM'000	RM'000	RM'000
2026						
Non-derivative Financial Liabilities						
Trade and other payables #		41,420	41,420	41,420	-	-
Amount due to non-controlling shareholder/director of subsidiaries		162	162	162	-	-
Loans and borrowings	3.90	71,093	72,001	68,232	2,744	1,025
Lease liabilities	4.15 - 6.40	35,575	41,576	9,973	20,046	11,557
		148,250	155,159	119,787	22,790	12,582

 # Exclude GST payables.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (cont'd)

Maturity Analysis (cont'd)

The Group	**Interest Rate** %	**Carrying Amount** RM'000	**Contractual Undiscounted Cash Flows** RM'000	**Within 1 Year** RM'000	**1 - 5 Years**	**Over 5 Years** RM'000
2025						
Non-derivative Financial Liabilities						
Trade and other payables #		28,941	28,941	28,941	-	-
Amount due to non-controlling shareholder/director of subsidiaries		210	210	210	-	-
Loans and borrowings	3.90 - 5.75	72,218	72,943	68,472	3,396	1,075
Lease liabilities	4.15 - 6.40	65,762	81,732	12,131	47,062	22,539
		167,131	183,826	109,754	50,458	23,614

 # Exclude GST payables.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (cont'd)

Maturity Analysis (cont'd)

The Company	Carrying Amount RM'000	Contractual Undiscounted Cash Flows Impairment RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2026					
Non-derivative Financial Liabilities					
Other payables	1,998	1,998	1,998	-	-
Amount due to subsidiaries	5,076	5,076	5,076	-	-
Financial guarantee contracts	-	57,000	57,000	-	-
	7,074	64,074	64,074	-	-
2025					
Non-derivative Financial Liabilities					
Other payables	1,013	1,013	1,013	-	-
Amount due to subsidiaries	4,406	4,406	4,406	-	-
Financial guarantee contracts	-	60,094	60,094	-	-
	5,419	65,513	65,513	-	-

The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair values on initial recognition were not material.

36.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group 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.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.2 CAPITAL RISK MANAGEMENT (CONT'D)

The Group managed its capital based on gearing ratio that complies with debt covenants and regulatory, if any. The gearing ratio is calculated as net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings from financial institutions less cash and short-term deposits. Capital includes equity attributable to the owners of the Company.

The gearing ratio of the Group at the end of the reporting period was as follows: -

	The Group	
	2026 RM'000	2025 RM'000
Loans and borrowings (Note 19)	71,093	72,218
Less: Cash and short-term deposits (Note 16)	(17,481)	(17,723)
Net debt	53,612	54,495
Equity attributable to the owners of the Company	(10,615)	15,219
Capital and net cash	42,997	69,714
Debt-to-equity ratio	1.25	0.78

There were no changes in the Group's approach to capital management during the financial year.

36.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Financial Assets				
Amortised Cost				
Trade and other receivables*	25,166	23,627	-	7
Amount due from subsidiaries	-	-	766	18,443
Cash and short-term deposits	17,469	17,723	3	91
	42,635	41,350	769	18,541

36. FINANCIAL INSTRUMENTS (CONT'D)

36.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	The Group		The Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Financial Liabilities				
Amortised Cost				
Loans and borrowings	71,093	72,218	-	-
Trade and other payables#	41,420	28,941	1,998	1,013
Amount due to subsidiaries	-	-	5,076	4,406
Amount due to non-controlling shareholder/director of subsdiaries	162	210	-	-
	112,675	101,369	7,074	5,419

* Exclude prepayments, GST refundable and advance payment to suppliers.
* Exclude GST payables.

36.4 LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Amortised Cost				
Net losses recognised in profit or loss	(7,532)	(10,303)	(19,188)	(7,624)

36.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.5 FAIR VALUE INFORMATION (CONT'D)

As the Group and the Company do not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period: -

	Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	**Level 2**	**Level 3**		
The Group	RM'000	RM'000	RM'000	RM'000	RM'000
2026					
Financial Liabilities					
Redeemable preference shares	-	-	57,000	57,000	57,000
Hire purchase payables	-	-	1,255	1,255	1,255
2025					
Financial Liabilities					
Redeemable preference shares	-	-	56,190	56,190	56,190
Hire purchase payables	-	-	2,651	2,651	2,676

Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis: -

(i) Cash and bank balances, trade and other receivables and payables

The carrying amounts of cash and bank balances, trade and other receivables and payables are reasonable approximation of fair values due to short term nature of these financial instruments.

The carrying amounts of long-term amount due from/(to) non-controlling shareholder/director of subsidiaries is estimated using discounted cash flow analysis, based on current lending rate for similar types of instruments.

36. FINANCIAL INSTRUMENTS (CONT'D)

36.5 FAIR VALUE INFORMATION (CONT'D)

Fair Value of Financial Instruments Not Carried at Fair Value (cont'd)

(ii) Loans and borrowings

The carrying amounts of the current portion of borrowings are reasonable approximation of fair values due to the insignificant impact of discounting.

The carrying amounts of long-term floating rate loans are reasonable approximation of fair values as the loans will be re-priced to market interest rate on or near reporting date.

The fair value of redeemable preferences shares is estimated using discounted cash flow analysis, based on current lending rate for similar types of borrowings.

37. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

a) On 15 April 2025, the Company issued 25,000,000 new ordinary shares of RM0.0590 each arising from the exercise of private placement.

b) On 23 April 2025, the Company received a winding-up petition served by SOG Mummy & Baby Centre Pte. Ltd. On 24 April 2025, the Company made full payment of RM600,000 to the petitioner to settle the matter.

c) On 30 May 2025, the Company announced that the Company was classified as an affected listed issuer pursuant to Paragraph 2.1(a) of Guidance Note 3 ("GN3") of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), as the 25% of the shareholders' equity of the Group amounted to RM25,360,000 is lesser than the Company's issued share capital based on the latest unaudited financial statements for the financial year ended 31 March 2026.

   As an affected listed issuer, the Company is required to submit a proposed regularisation plan to the relevant authorities for approval and to implement the regularisation plan within the stipulated time frame.

d) On 13 November 2025, the Company wishes to announce that the proposed listing of a newly incorporated foreign subsidiary, namely LYC Cayman Ltd ("LYCCL") at National Association of Securities Dealers Automated Quotations ("NASDAQ") Capital Markets shall form part of the regularisation plan that is the midst of being formulated together with its Sponsor, as part of an overall effort to address the Company's financial condition and to regularise its GN3 status.

37. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR (CONT'D)

e) LYC Healthcare Berhad ("Company") and its subsidiaries namely, LYC Beauty & Wellness Sdn. Bhd. ("LYCBW"), and LYC Dental & Aesthetic Holdings Sdn. Bhd. ("LYCD&A"), including Sui Diong Hoe and Soh Hoo Hong ("Respondents") were served with an originating summons by Dr Dinesh A/L Kanasen ("Applicant") for the following reliefs: -

(i) The affairs of the Company and LYCBW are conducted or the power of the director is being exercised in a manner oppressive and /or in disregard of the Applicant's interests as a member and/or shareholder of the LYCBW;

(ii) The various acts of the Company, LYCD&A, Sui Diong Hoe and Soh Hoo Hong have been done or are threatened to be done which have and/or will unfairly discriminate against and/or which are and/or will be otherwise prejudicial to the Applicant;

(iii) A declaration that the Service Agreement dated 4.10.2022 between Tao Global Ventures and Dr. Sarahanna to be null and void ab initio;

(iv) An order that LYCBW to be wound up by the Honourable Court under the provisions of the Companies Act 2016 and Ng Choon Jin of Messrs S.L. Ng Corporate Solutions PLT be appointed as its liquidator;

(v) An order for damages to be assessed and/or equitable compensation to be paid by the Respondents to the Applicant, whether jointly or severally, to the Applicant; and

(vi) An order that the Respondents, whether jointly or severally, do pay the costs on an indemnity basis of this action incurred by the Applicant.

On 14 April 2026 the originating summons has been withdrawn with liberty to file afresh.

38. SIGNIFICANT EVENT OCCURING AFTER THE REPORTING PERIOD

The significant event subsequent to the financial year is that Bursa Securities had, vide its letter dated 5 June 2026, resolved to grant the Company an extension of 6 months of up 30 November 2026 to submit its regularisation plan to Bursa Securities.

39. MATERIAL LITIGATIONS

The Company's subsidiary, namely LYC Mother & Child Centre Sdn Bhd. ("LYCM&C"), was involved in a defamation case against a third-party individual. In November 2024, the court ruled in favour of the LYCM&C and awarded RM550,000 in damages, along with orders to stop and remove defamatory content and publish an apology.

The third-party individual appealed the decision. In May 2025, the High Court reduced the general damages from RM500,000 to RM250,000 but kept the rest of the orders, including RM50,000 in aggravated damages and RM40,000 in legal costs.

The third-party individual filed a notice of appeal to the Court of Appeal Putrajaya.

On 7 November 2025, parties agreed to enter consent judgement before the Court of Appeal judges and the terms herein agreed are as follows: -

a) The third-party individual agreed to pay LYCM&C a sum of RM358,178 as full and final settlement of the Judgment Sum based on the Ampang Sessions Court Judgement dated 1 November 2024 and the Shah Alam High Court Order dated 16 May 2025 in 7 instalments;
b) In the event of a default of the instalment payment by the third-party individual, the whole settlement sum will be due and payable with immediate effect; and
c) No order as to costs.

On 23 March 2026, the third-party individual has fully paid all the instalments pursuant to the settlement sum.

LYC Healthcare Berhad ("Company") was served with a winding-up petition filed by SOG Mummy & Baby Centre Pte. Ltd., ("SOG Mummy") against the Company. The petition arose from a payment dispute under a Share Sale Agreement dated 30 December 2023, involving a total settlement sum of RM3.3 million.

Although partial payments have been made, delays in February and March 2025 instalments led to the filing of the petition on 18 April 2025. Subsequent payments were made, and the Company has requested withdrawal of the petition. As of 6 June 2025, the hearing is scheduled for 8 July 2025, and the petitioner has indicated intent to withdraw but reserves the right to claim legal costs.

On 24 April 2025, the Company had made a full payment to the petitioner. On 19 June 2025, the Registrar of the High Court approved the withdrawal of the winding-up petition by SOG Mummy.

The estimated remaining liability is RM900,000 (covering May to July 2025 instalments). The outstanding liability of RM900,000 has been fully settled on 28 July 2025.

39. MATERIAL LITIGATIONS (CONT'D)

LYC Healthcare Berhad ("Company") and its subsidiaries namely, LYC Beauty & Wellness Sdn. Bhd. ("LYCBW"), and LYC Dental & Aesthetic Holdings Sdn. Bhd. ("LYCD&A"), including Sui Diong Hoe and Soh Hoo Hong ("Respondents") were served with an originating summons by Dr Dinesh A/L Kanasen ("Applicant") for the following reliefs: -

a) The affairs of the Company and LYCBW are conducted or the power of the director is being exercised in a manner oppressive and /or in disregard of the Applicant's interests as a member and/or shareholder of the LYCBW;
b) The various acts of the Company, LYCD&A, Sui Diong Hoe and Soh Hoo Hong have been done or are threatened to be done which have and/or will unfairly discriminate against and/or which are and/or will be otherwise prejudicial to the Applicant;
c) A declaration that the Service Agreement dated 4.10.2022 between Tao Global Ventures and Dr. Sarahanna to be null and void ab initio;
d) An order that LYCBW to be wound up by the Honourable Court under the provisions of the Companies Act 2016 and Ng Choon Jin of Messrs S.L. Ng Corporate Solutions PLT be appointed as its liquidator;
e) An order for damages to be assessed and/or equitable compensation to be paid by the Respondents to the Applicant, whether jointly or severally, to the Applicant; and
f) An order that the Respondents, whether jointly or severally, do pay the costs on an indemnity basis of this action incurred by the Applicant.

On 14 April 2026 the originating summons has been withdrawn with liberty to file afresh.

40. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

These financial statements were authorised for issue on 27 August 2026 by the Board of Directors.

LIST OF PROPERTIES HELD

The details of the properties of LYC Group as at 31 March 2026:

Location	Description/ Existing use	Tenure	Date of acquisition	Approximate age of building (years)	Land area (square feet)	Built-up area (square feet)	Audited NBV as at 31.3.2026 (RM'000)
Geran 204917, Lot 32008, Pekan Cheras, District of Ulu Langat, Selangor Darul Ehsan. Bearing the postal address No. 33, Jalan Awana 15, Taman Cheras Awana Batu 9, 43200 Cheras, Selangor Darul Ehsan.	1 1/2 storey Mid Terraced Factory used as office	Freehold	18.12.2018	7	2,691	5,930	2,354
Geran 204918, Lot 32009, Pekan Cheras, District of Ulu Langat, Selangor Darul Ehsan. Bearing the postal address No. 31 Jalan Awana 15, Taman Cheras Awana Batu 9, 43200 Cheras, Selangor Darul Ehsan.	1 1/2 storey Mid Terraced Factory used as office	Freehold	18.12.2018	7	2,002	5,050	1,663
Geran 204921, Lot 32012, Pekan Cheras, District of Ulu Langat, Selangor Darul Ehsan. Bearing the postal address No. 25 Jalan Awana 15, Taman Cheras Awana Batu 9, 43200 Cheras, Selangor Darul Ehsan.	1 1/2 storey Mid Terraced Factory used as office	Freehold	20.06.2014	11	2,002	3,250	1,476
Geran 204922, Lot 32013, Pekan Cheras, District of Ulu Langat, Selangor Darul Ehsan. Bearing the postal address No. 23 Jalan Awana 15, Taman Cheras Awana Batu 9, 43200 Cheras, Selangor Darul Ehsan.	1 1/2 storey Mid Terraced Factory used as office	Freehold	20.06.2014	11	2,002	2,750	1,430

The details of the properties of LYC Group as at 31 March 2025: (Continued)

Location	Description/ Existing use	Tenure	Date of acquisition	Approximate age of building (years)	Land area (square feet)	Built-up area (square feet)	Audited NBV as at 31.3.2026 (RM'000)
Geran 204914, Lot 32005, Pekan Cheras, District of Ulu Langat, Selangor Darul Ehsan. Bearing the postal address No. 30 Jalan Awana 14, Taman Cheras Awana Batu 9, 43200 Cheras, Selangor Darul Ehsan.	1 1/2 storey Mid Terraced Factory used as office	Freehold	25.05.2023	2	2,002	2,750	1,433
Geran 204915, Lot 32006, Pekan Cheras, District of Ulu Langat, Selangor Darul Ehsan. Bearing the postal address No. 32 Jalan Awana 14, Taman Cheras Awana Batu 9, 43200 Cheras, Selangor Darul Ehsan.	1 1/2 storey Mid Terraced Factory used as office	Freehold	25.05.2023	2	2,002	2,750	1,432
Geran 204916, Lot 32007, Pekan Cheras, District of Ulu Langat, Selangor Darul Ehsan. Bearing the postal address No. 34 Jalan Awana 14, Taman Cheras Awana Batu 9, 43200 Cheras, Selangor Darul Ehsan.	1 1/2 storey Mid Terraced Factory used as office	Freehold	25.05.2023	2	2,691	3,405	1,979

ANALYSIS OF SHAREHOLDINGS

As at 1 July 2026

SHARE CAPITAL

Total Number of Issued Shares : 739,946,240
Class of Shares : Ordinary Shares
Voting Rights : One vote per share

DISTRIBUTION OF SHAREHOLDERS

Holdings	No. of Holders	%	Total Holdings	%
Less than 99	21	0.70	674	0.00
100 to 1,000	365	12.23	199,775	0.03
1,001 to 10,000	1,139	38.17	7,096,005	0.96
10,001 to 100,000	1,115	37.37	43,082,851	5.82
100,001 to <5% of issued shares	339	11.360	392,032,435	52.98
5% and above	5	0.17	297,534,500	40.21
TOTAL	**2,984**	**100.00**	**739,946,240**	**100.00**

LIST OF DIRECTORS' SHAREHOLDINGS

		No. of Ordinary Shares			
No.	Name	Direct Interest	%	Indirect Interest	%
1.	Dato' Seri Abdul Azim Bin Mohd Zabidi	-	-	-	-
2.	Sui Diong Hoe	-	-	37,000,000*	5.00
3.	Mohd Khasan Bin Ahmad	-	-	-	-
4.	Kong Sin Seng	-	-	-	-
5.	Zalina Binti Jaflus	-	-	-	-

Note
* *Deemed interested by virtue of his direct interest in Suicap Venture Sdn Bhd pursuant to Section 8 of the Companies Act 2016.*

LIST OF SUBSTANTIAL SHAREHOLDERS

		No. of Ordinary Shares			
No.	Name	Direct Interest	%	Indirect Interest	%
1.	LYC Capital Sdn. Bhd.	95,432,000	12.90	-	-
2.	Lim Yin Chow	12,773,700	1.73	95,432,000^	12.90
3.	RHB Trustees Berhad	68,650,000	9.28	-	-
4.	Exempt AN For Kenanga Islamic Investors Berhad	50,000,000	6.76	-	-
5.	Kenanga Investors Berhad for BLM Holdings Sdn. Bhd.	46,452,500	6.28	-	-
6.	Suicap Venture Sdn. Bhd.	37,000,000	5.00	-	-
7.	Sui Diong Hoe	-	-	37,000,000*	5.00

^ *Deemed interested by virtue of his direct interest in LYC Capital Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.*
* *Deemed interested by virtue of his direct interest in Suicap Venture Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.*

THIRTY (30) LARGEST SHAREHOLDERS AS AT 1 JULY 2026

	Name	No. of Shares	%
1.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. KENANGA INVESTORS BERHAD FOR LYC CAPITAL SDN. BHD.	95,432,000	12.90
2.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. RHB TRUSTEES BERHAD FOR KENANGA ISLAMIC ABSOLUTE RETURN FUND	68,650,000	9.28
3.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR KENANGA ISLAMIC INVESTORS BERHAD	50,000,000	6.76
4.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. KENANGA INVESTORS BERHAD FOR BLM HOLDINGS SDN. BHD.	46,452,500	6.28
5.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. KENANGA INVESTORS BERHAD FOR SUICAP VENTURE SDN. BHD.	37,000,000	5.00
6.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR KENANGA INVESTORS BHD	30,000,000	4.05
7.	HLB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WONG AH CHIEW	25,170,000	3.40
8.	AU CHUN CHOONG	25,000,000	3.38
9.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KOO WENG SENG	16,507,000	2.23
10.	CHONG YOKE BEEY	13,306,600	1.80
11.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR LIM YIN CHOW (PB)	12,773,700	1.73
12.	KOH ALAN	9,503,100	1.28
13.	KOH KIN LIP	8,700,000	1.18
14.	GUNUNG RESOURCES SDN. BHD.	8,662,300	1.17
15.	CHONG KWEE SIONG	8,120,000	1.10
16.	LIM SIN KHONG	7,200,000	0.97
17.	LU WEI	7,100,000	0.96
18.	TEE CHEE CHIANG	6,679,300	0.90
19.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. KONG TIONG KIAN	6,440,000	0.87
20.	WING KWONG @ CHAN WING KWONG	6,349,900	0.86
21.	MAXXILLION CAPITAL PTE. LTD.	6,346,000	0.86
22.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MOHAMMED AMIN BIN MAHMUD (MM1004)	5,409,000	0.73
23.	LEE CHOONG KONG	4,608,500	0.62
24.	LEE CHOONG KONG	4,330,300	0.59
25.	LIM SOOK NYI	4,000,000	0.54
26.	SOUTHERN REALTY RESOURCE SDN. BHD.	3,440,000	0.46
27.	LIEW THAU SEN	3,319,800	0.45
28.	CHOO KWANG WAH	3,300,000	0.45
29.	LOO KUAN CHIN	3,290,000	0.44
30.	KAO NENG WEAI	3,009,000	0.41

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Second Annual General Meeting ("**22nd AGM**") of LYC Healthcare Berhad ("**LYC**" or "**Company**") will be conducted at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Monday, 28 September 2026 at 10.00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the resolutions set out in this Notice.

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Reports of the Directors and Auditors thereon. — **Please refer to Note 1**

2. To approve the payment of Directors' fees and benefits payable to the Directors of the Company up to RM850,000.00 for the period from 29 September 2026 until the conclusion of the next Annual General Meeting of the Company. — **Ordinary Resolution 1**

3. To re-elect the following Directors retiring in accordance with the Constitution of the Company, and who being eligible, offered themselves for re-election:-

   a) Mohd Khasan Bin Ahmad (Clause 104(1)) — **Ordinary Resolution 2**
   b) Zalina Binti Jaflus (Clause 111) — **Ordinary Resolution 3**

4. To re-appoint Messrs SBY Partners PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. — **Ordinary Resolution 4**

As Special Business

To consider and, if thought fit, to pass the following resolution :-

5. **AUTHORITY TO ALLOT AND ISSUE SHARES BY THE DIRECTORS AND WAIVER OF PREEMPTIVE RIGHTS PURSUANT TO THE COMPANIES ACT 2016** — **Ordinary Resolution 5**

   "THAT pursuant to Section 75 and Section 76 of the Companies Act 2016 ("**the Act**"), the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued share/ total number of voting shares of the Company (excluding treasury shares) at the time of issue.

   THAT pursuant to Section 85 of the Act, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued Company's shares arising from any issuance of new Company's shares pursuant to Sections 75 and 76 of the Act.

   THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

6. **PROPOSED CONTINUATION IN OFFICE OF MOHD KHASAN BIN AHMAD AS INDEPENDENT NON-EXECUTIVE DIRECTOR** — **Ordinary Resolution 6**

   "THAT approval be and is hereby given to Mohd Khasan Bin Ahmad who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance."

7. To transact any other business for which due notice shall have been given.

By Order of the Board

CHIN WAI YI (MAICSA 7069783) (SSM PC No. 202008004409)
LIM ZHI XUAN (MAICSA 7076624) (SSM PC No. 202408000432)
Company Secretaries

Kuala Lumpur
Date: 5 August 2026

Explanatory Notes on Ordinary and Special Businesses:

1. **Item 1 of the Agenda**

   Agenda item no. 1 is meant for discussion only as the provisions of Section 340 of the Companies Act 2016, it does not require a 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**

   Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

   Resolution 1 is to seek shareholders' approval to allow the Company to pay Directors' fees and benefits on a current financial year basis and calculated based on the current Board size and number of scheduled Board and Board Committee meetings for the period from this 22nd Annual General Meeting ("**AGM**") until the next AGM. In the event the proposed amount is insufficient (e.g. due to enlarged Board size or increased responsibility), approval will be sought at the next AGM for the shortfall.

3. **Item 3 of the Agenda**

   The Nomination Committee ("**NC**") have considered the performance and contribution of each of the retiring Directors and have also assessed the independence of the Independent Non-Executive Directors seeking for re-election. Based on the results of the Board Evaluation conducted for the financial year ended 31 March 2026, the performance of each of the retiring Directors was found to be satisfactory. In addition, each of the retiring Directors had provided their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

   Based on the recommendation of the NC, the Board supports the re-election of the Directors based on the following justifications:

Mohd Khasan Bin Ahmad	:	Mohd Khasan Bin Ahmad fulfils the requirements of independence set out in Listing Requirements of Bursa Securities. He remains objective and independent in expressing his view and participating in Board's deliberations and decision-making process. Mohd Khasan Bin Ahmad has exercised his due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Director of the Company.
Zalina Binti Jaflus	:	Zalina Binti Jaflus fulfils the requirements of independence set out in Listing Requirements of Bursa Securities. She remains objective and independent in expressing her view and participating in Board's deliberations and decision-making process. Zalina Binti Jaflus has exercised her due care and carried out her professional duties proficiently during her tenure as Independent Non-Executive Director of the Company.

4. **Items 4 of the Agenda**

The Board has through the Audit Committee assessed the suitability and independence of the External Auditors, Messrs SBY Partners PLT and considered the re-appointment of Messrs SBY Partners PLT as Auditors of the Company. The Board and Audit Committee collectively agreed and satisfied that Messrs SBY Partners PLT has the relevant criteria prescribed by Rule 15.21 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Board approved the Audit Committee's recommendation to seek the shareholders' approval for the re-appointment of Messrs SBY Partners PLT as Auditors of the Company.

5. **Item 5 of the Agenda**

The Company had, during its Twenty First Annual General Meeting held on 29 September 2025, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 75 and Section 76 of the Companies Act 2016. The Company did not issue any shares pursuant to this mandate obtained.

The Ordinary Resolution 5 proposed under item 5 of the agenda is a renewal of the general mandate for issuance of shares by the Company under Section 75 and Section 76 of the Companies Act 2016. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued shares/ total number of voting shares of the Company capital for such purpose as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting. The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s) and/or working capital.

The waiver of pre-emptive rights pursuant to Section 85 of the Companies Act 2016 will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate.

6. **Item 6 of the Agenda**

The Board had through the NC conducted an annual performance evaluation and assessment of Mohd Khasan Bin Ahmad, who will have served on the Board as an Independent Non-Executive Director ("**INED**") for a cumulative term of nine (9) years. The Board recommended that he shall continue to act as INED based on the following justifications:

a) He fulfils the criteria under the definition of "Independent Director" as stated in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, he would be able to function as a check and balance, bringing an element of objectivity to the Board;

b) His tenure with the Company has neither impaired nor compromised his independent judgement and ability to act in the best interests of the Company. He continues to remain objective and is able to exercise his independent judgement in expressing his view and participating in the deliberations and decision-making of the Board and Board Committee in the best interest of the Company;

c) He has vast experience in a diverse range of businesses and have a good understanding of the Company's business operations;

d) He continues to exercise due care during his tenure as INED of the Company and carries out his professional duties in the interest of the Company and shareholders;

e) He has devoted sufficient time and commitment to discharge his responsibilities and professional obligations as INED; and

f) He does not have any business dealings with the Company.

Notes:

1. *A member of the Company who is entitled to attend, speak and vote at this 22nd 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, and a member may appoint any person to be his(her) proxy without limitation.*

2. *Where a member appoints more than one (1) proxy to attend and vote at the same 22nd AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.*

3. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.*

4. *Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

   An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. *The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.*

6. *The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited with GAP Advisory Sdn. Bhd. at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or email to ir.shareregistry@gapadvisory.my not less than forty eight (48) hours before the time appointed for holding the 22nd AGM (no later than Saturday, 26 September 2026 at 10.00 a.m.) or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.*

7. *The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.*

8. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 September 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 22nd AGM.*

9. *Any alteration in the Proxy Form must be initialed.*

10. *Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of 22nd AGM will be put to the vote by poll.*

PERSONAL DATA PRIVACY:
By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 22nd AGM and/ or any adjournment thereof, a member of the Company:

(i) *consents to the collection, use and disclose 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 22nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 22nd AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");*
(ii) *warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), 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.*

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PROXY FORM

LYC HEALTHCARE BERHAD
Registration No. 200401009170 (647673-A)
(Incorporated in Malaysia)

CDS Account No.	No. of Shares Held

I/We ______________________________ NRIC/Passport No. ____________________
(FULL NAME IN BLOCK LETTERS)

of ____
(FULL ADDRESS)

____

contact no. ______________ email address ____________________ being a member/members of **LYC Healthcare Berhad ("Company")** hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Twenty-Second ("**22nd**") Annual General Meeting ("**AGM**") of the Company will be conducted at the Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Monday, 28 September 2026 at 10.00 a.m. and at any adjournment thereof.

IMPORTANT NOTES:
Please (i) tick [ü] either ONE of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [ü] option (c) if you would like to appoint the Chairman of the 22nd AGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option	Name of proxy(ies)	NRIC/ Passport No.	Email Address & Phone Number	Proportion of shareholding to be represented
(a)	**Appoint ONE proxy only** *(Please complete details of proxy below)*			
				100%
(b)	**Appoint MORE THAN ONE proxy** *(Please complete details of proxies below)*			
Proxy 1				%
Proxy 2				%
				100%
(c)	**The Chairman of the 22nd AGM as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf**			

My/our proxy/proxies is/are to vote as indicated below:

Please indicate with an "X" in the appropriate box provided to indicate how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on the Resolutions, the proxy shall vote at his/her discretion, or abstain from voting as the proxy thinks fit.

NO	RESOLUTIONS	FOR	AGAINST
Ordinary Resolution 1	To approve the Directors' fees and benefits payable to the Directors of the Company up to RM850,000.00 for the period from 29 September 2026 until the conclusion of the next Annual General Meeting of the Company.		
Ordinary Resolution 2	To re-elect Mohd Khasan Bin Ahmad.		
Ordinary Resolution 3	To re-elect Zalina Binti Jaflus.		
Ordinary Resolution 4	To re-appoint Messrs SBY Partners PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
	SPECIAL BUSINESS		
Ordinary Resolution 5	To approve the authority to allot and issue shares by the Directors and waiver of pre-emptive rights pursuant to the Companies Act 2016.		
Ordinary Resolution 6	To grant authority for the proposed continuation in office of Mohd Khasan Bin Ahmad as Independent Non-Executive Director.		

Dated this __________ day of ______________ 2026

____
Signature / Common Seal of Shareholder

NOTES:

1. *A member of the Company who is entitled to attend, speak and vote at this 22nd 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, and a member may appoint any person to be his(her) proxy without limitation.*

2. *Where a member appoints more than one (1) proxy to attend and vote at the same 22nd AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.*

3. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.*

4. *Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

5. *An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*

6. *The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.*

7. *The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited with GAP Advisory Sdn. Bhd. at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or email to ir.shareregistry@gapadvisory.my not less than forty eight (48) hours before the time appointed for holding the 22nd AGM (no later than Saturday, 26 September 2026 at 10.00 a.m.) or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.*

8. *The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.*

9. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 September 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 22nd AGM.*

10. *Any alteration in the Proxy Form must be initialed.*

11. *Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of 22nd AGM will be put to the vote by poll.*

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AFFIX
STAMP

The Share Registrar

LYC HEALTHCARE BERHAD
Registration No. 200401009170 (647673-A)
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
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LYC Healthcare

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