

13. ACCOUNTANTS' REPORT

Asia OneHealthcare Berhad
(Registration No. 199401006748 (292427-H))
(Incorporated in Malaysia)
and its Malaysia and Vietnam operations

**Accountants' Report on the
Combined Financial Statements**



13. ACCOUNTANTS' REPORT (Cont'd)

1

Asia OneHealthcare Berhad

(Registration No. 199401006748 (292427-H))

(Incorporated in Malaysia)

and its Malaysia and Vietnam operations**Combined statements of financial position**

	Note	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Assets				
Property, plant and equipment	2	3,904,184	3,812,646	2,608,895
Right-of-use assets	3	472,838	437,307	322,012
Intangible assets	4	5,328,453	5,373,476	3,823,957
Investment in a joint venture	6	-	12	-
Deferred tax assets	7	12,395	9,112	11,908
Other receivables	8	1,109	2,987	1,109
Non-current assets		<u>9,718,979</u>	<u>9,635,540</u>	<u>6,767,881</u>
Inventories	9	125,283	117,423	93,641
Trade and other receivables	8	523,388	484,457	325,001
Amount owing from immediate holding company	10	-	-	2
Amount owing from related companies	11	19,461	111,812	44,746
Tax recoverable		4,092	3,529	325
Other investments	12	148,194	35,742	33,244
Cash and cash equivalents	13	499,919	410,706	526,421
Current assets		<u>1,320,337</u>	<u>1,163,669</u>	<u>1,023,380</u>
Total assets		<u>11,039,316</u>	<u>10,799,209</u>	<u>7,791,261</u>
Equity				
Share capital	14	8,136,792	8,097,246	6,031,543
Reserves	14	(864,989)	(753,104)	(1,073,195)
Retained earnings		355,802	11,432	58,159
Equity attributable to owner of the Company		<u>7,627,605</u>	<u>7,355,574</u>	<u>5,016,507</u>
Non-controlling interests		<u>127,923</u>	<u>103,170</u>	<u>1,393</u>
Total equity		<u>7,755,528</u>	<u>7,458,744</u>	<u>5,017,900</u>
Liabilities				
Loan and other borrowings	15	1,707,425	1,789,614	1,545,494
Medium Term Note Programme	16	44,786	129,300	225,451
Lease liabilities	17	132,179	89,912	116,029
Employee benefits	18	149	188	206
Deferred tax liabilities	7	496,257	499,749	323,768
Non-current liabilities		<u>2,380,796</u>	<u>2,508,763</u>	<u>2,210,948</u>



13. ACCOUNTANTS' REPORT (Cont'd)

2

Combined statements of financial position (continued)

	Note	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Liabilities				
Trade and other payables	20	602,483	565,750	428,595
Amount owing to immediate holding company	10	-	543	-
Loan and other borrowings	15	169,510	134,961	-
Medium Term Note Programme	16	84,514	96,093	93,593
Lease liabilities	17	20,328	11,308	7,374
Tax liabilities		26,157	23,047	32,851
Current liabilities		902,992	831,702	562,413
Total liabilities		3,283,788	3,340,465	2,773,361
Total equity and liabilities		11,039,316	10,799,209	7,791,261

The notes on pages 16 to 111 form an integral part of these combined financial statements.



13. ACCOUNTANTS' REPORT (Cont'd)

3

Asia OneHealthcare Berhad

(Registration No. 199401006748 (292427-H))

(Incorporated in Malaysia)

and its Malaysia and Vietnam operations**Combined statements of profit or loss and other comprehensive income**

	Note	2026 RM'000	2025 RM'000	2024 RM'000
Revenue	21	3,293,670	2,899,780	1,437,905
Other operating income		7,914	25,955	2,993
Cost of medicines and consumables		(1,056,549)	(897,417)	(382,125)
Employee benefits expense	22	(953,858)	(854,494)	(433,733)
Depreciation		(250,186)	(214,966)	(103,327)
Amortisation of intangible assets	4	(55,803)	(53,139)	(1,032)
Net loss on impairment of financial instruments		(19,148)	(15,663)	(4,531)
Other expenses		(372,494)	(737,572)	(208,434)
Results from operating activities		593,546	152,484	307,716
Finance income	23.1	15,260	20,405	13,691
Finance costs	23.2	(99,978)	(116,963)	(50,873)
Profit before tax		508,828	55,926	270,534
Tax expense	24	(155,329)	(149,422)	(83,787)
Profit/(Loss) for the year	25	353,499	(93,496)	186,747
Other comprehensive (loss)/income, net of tax				
Items that will not be reclassified subsequently to profit or loss				
Gain on revaluation of land and hospital buildings	26	-	249,767	-
		-	249,767	-
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	26	(13,040)	(9,962)	1,128
		(13,040)	(9,962)	1,128
Other comprehensive (loss)/income for the year, net of tax		(13,040)	239,805	1,128
Total comprehensive income for the year		340,459	146,309	187,875



13. ACCOUNTANTS' REPORT (Cont'd)

4

Combined statements of profit or loss and other comprehensive income (continued)

	Note	2026 RM'000	2025 RM'000	2024 RM'000
Profit/(Loss) attributable to:				
Owner of the Company		344,368	(85,846)	186,840
Non-controlling interests		<u>9,131</u>	<u>(7,650)</u>	<u>(93)</u>
Profit/(Loss) for the year		<u>353,499</u>	<u>(93,496)</u>	<u>186,747</u>
Total comprehensive income attributable to:				
Owner of the Company		332,417	154,703	187,968
Non-controlling interests		<u>8,042</u>	<u>(8,394)</u>	<u>(93)</u>
Total comprehensive income for the year		<u>340,459</u>	<u>146,309</u>	<u>187,875</u>
Earnings per share				
Basic and diluted earnings per share (sen)	27	<u>4.23</u>	<u>(1.17)</u>	<u>7.11</u>

The notes on pages 16 to 111 form an integral part of these combined financial statements.



13. ACCOUNTANTS' REPORT (Cont'd)

5

Asia OneHealthcare Berhad

(Registration No. 199401006748 (292427-H))

(Incorporated in Malaysia)

and its Malaysia and Vietnam operations**Combined statements of changes in equity**

Note	-----Attributable to the owner of the Company-----					
	----- Non-distributable-----		(Non-distributable)/ Distributable (Accumulated losses)/Retained earnings		Non- controlling interests	
	Share capital RM'000	Reserves RM'000		Total RM'000	RM'000	Total equity RM'000
At 1 April 2023	1,398,243	(80,424)	(128,681)	1,189,138	1,486	1,190,624
Foreign currency translation differences for foreign operations	-	1,128	-	1,128	-	1,128
Profit/(Loss) for the year	-	-	186,840	186,840	(93)	186,747
Total comprehensive income/(loss) for the year	-	1,128	186,840	187,968	(93)	187,875
Contribution by and distributions to owner of the Company						
- Issuance of ordinary shares	4,633,300	-	-	4,633,300	-	4,633,300
- Share based payments arrangement	-	679	-	679	-	679
Net equity of Indonesia Business Entities	-	(994,578)	-	(994,578)	-	(994,578)
Total transactions with owner of the Company	4,633,300	(993,899)	-	3,639,401	-	3,639,401
At 31 March 2024	6,031,543	(1,073,195)	58,159	5,016,507	1,393	5,017,900
	Note 14	Note 14				



13. ACCOUNTANTS' REPORT (Cont'd)

6

Combined statements of changes in equity (continued)

		-----Attributable to the owner of the Company----- (Non-distributable)/					
		----- Non-distributable-----		Distributable (Accumulated losses)/Retained earnings			
Note	Share capital RM'000	Reserves RM'000		RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 April 2024							
	6,031,543	(1,073,195)		58,159	5,016,507	1,393	5,017,900
Foreign currency translation differences for foreign operations	14	-	(9,218)	-	(9,218)	(744)	(9,962)
Gain on revaluation of land and hospital buildings	26	-	249,767	-	249,767	-	249,767
Loss for the year		-	-	(85,846)	(85,846)	(7,650)	(93,496)
Total comprehensive income/(loss) for the year							
	-	240,549		(85,846)	154,703	(8,394)	146,309



13. ACCOUNTANTS' REPORT (Cont'd)

7

Combined statements of changes in equity (continued)

	Note	-----Attributable to the owner of the Company----- (Non-distributable)/			Non-controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Reserves RM'000	----- Non-distributable----- Distributable (Accumulated losses)/Retained earnings RM'000		
Contribution by and distributions to owner of the Company						
- Acquisition of subsidiaries	33.1	1,997,234	63,803	-	93,382	2,154,419
- Dividend paid		-	-	(3,000)	(644)	(3,644)
- Disposal of a subsidiary	33.3	-	(12,427)	12,427	(1,263)	(1,263)
- Issuance of ordinary shares	14	68,469	-	-	-	68,469
- Share based payments arrangement	19	-	60,328	-	3,774	64,102
- Changes in ownerships interests in a subsidiary		-	(37,506)	29,692	14,922	7,108
Net equity of Indonesia Business Entities	14	-	5,244	-	-	5,244
Others		-	100	-	-	100
Total transactions with owner of the Company		2,065,703	79,542	39,119	110,171	2,294,535
At 31 March 2025		8,097,246	(753,104)	11,432	103,170	7,458,744
		Note 14	Note 14			



13. ACCOUNTANTS' REPORT (Cont'd)

8

Combined statements of changes in equity (continued)

Note	-----Attributable to the owner of the Company----- (Non-distributable)/			Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Reserves RM'000	Distributable (Accumulated losses)/Retained earnings RM'000			
At 1 April 2025	8,097,246	(753,104)	11,432	7,355,574	103,170	7,458,744
Foreign currency translation differences for foreign operations	-	(11,951)	-	(11,951)	(1,089)	(13,040)
Profit for the year	-	-	344,368	344,368	9,131	353,499
Total comprehensive (loss)/income for the year	-	(11,951)	344,368	332,417	8,042	340,459
Contribution by and distributions to owner of the Company						
- Dividend paid	-	-	-	-	(1,519)	(1,519)
- Issuance of ordinary shares	39,546	-	-	39,546	-	39,546
- Share based payments arrangement	-	66,385	-	66,385	3,864	70,249
- Changes in ownerships interests in a subsidiary	-	(16,800)	2	(16,798)	14,366	(2,432)
Net equity of Indonesia Business Entities	-	(149,519)	-	(149,519)	-	(149,519)
Total transactions with owner of the Company	39,546	(99,934)	2	(60,386)	16,711	(43,675)
At 31 March 2026	8,136,792	(864,989)	355,802	7,627,605	127,923	7,755,528
	Note 14	Note 14				

The notes on pages 16 to 111 form an integral part of these combined financial statements.



13. ACCOUNTANTS' REPORT (Cont'd)

9

Asia OneHealthcare Berhad

(Registration No. 199401006748 (292427-H))

(Incorporated in Malaysia)

and its Malaysia and Vietnam operations**Combined statements of cash flows**

	Note	2026 RM'000	2025 RM'000	2024 RM'000
Cash flows from operating activities				
Profit before tax		508,828	55,926	270,534
Adjustments for:				
Depreciation of:				
Property, plant and equipment	2	223,242	190,436	85,608
Right-of-use assets	3	26,944	24,530	17,719
Amortisation of intangible assets	4	55,803	53,139	1,032
Write-offs of:				
Property, plant and equipment	2	889	16,761	5,709
Intangible assets	4	-	-	305
Inventories		2,555	768	854
Trade receivables		3,196	1,819	193
Reversal of provision for stock obsolescence		-	(1,013)	-
Gain on disposal of property, plant and equipment		(630)	(1,056)	(65)
Impairment loss on:				
Property, plant and equipment	2	-	14,076	288
Goodwill	4	1	362,666	12,573
Investment in a joint venture	6	12	54	-
Loss allowance on:				
Trade receivables		15,952	13,844	4,338
(Reversal)/Provision for severance allowance	18	(17)	-	16
Loss on lease termination		51	201	202
Gain on lease modification		(55)	(8)	-
Gain on disposal of a subsidiary	33	-	(19,321)	-
Finance income	23.1	(15,260)	(20,405)	(13,691)
Finance costs	23.2	99,978	116,963	50,873
Share based payments arrangement	19	70,249	64,102	679
Investment income	12	(535)	-	-



13. ACCOUNTANTS' REPORT (Cont'd)

10

Combined statements of cash flows (continued)

	Note	2026 RM'000	2025 RM'000	2024 RM'000
Cash flows from operating activities (continued)				
Fair value loss	12	17	-	-
Unrealised loss/(gain) on foreign exchange	25	1,563	(974)	(1,847)
Cash flows from operations before working capital changes		992,783	872,508	435,320
Changes in working capital:				
Defined benefit plan		-	-	(741)
Inventories		(10,588)	(4,869)	(2,596)
Trade and other receivables		(56,142)	(1,476)	6,348
Trade and other payables		49,177	14,092	40,824
Related companies		1,697	(890)	2,125
Cash generated from operations		976,927	879,365	481,280
Income tax refunded		2,043	3,087	-
Income tax paid		(160,752)	(173,777)	(99,848)
Net cash from operating activities		818,218	708,675	381,432
Cash flows from investing activities				
Interest received		11,292	18,596	13,276
Proceeds from disposal of property, plant and equipment		749	8,419	65
Purchase of property, plant and equipment [#]		(329,631)	(359,789)	(202,581)
Purchase of right-of-use assets [#]		-	(19,505)	-
Acquisition of subsidiaries (net of cash acquired)	33	-	65,449	(4,643,559)
Proceeds from disposal of subsidiary	33	-	13,915	-
Purchase of intangible assets	4	(5,775)	(3,950)	(127)
Acquisition of non-controlling interest		(8,127)	-	-
Placement of investment in unit trust		(100,536)	-	-
Placement of deposits with licensed banks		(14,214)	(3,641)	(33,388)
Repayment from/(Loans to) related companies		57,147	(66,782)	(37,152)
Net cash used in investing activities		(389,095)	(347,288)	(4,903,466)



13. ACCOUNTANTS' REPORT (Cont'd)

11

Combined statements of cash flows (continued)

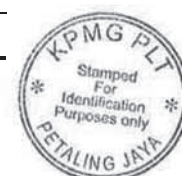
	Note	2026 RM'000	2025 RM'000	2024 RM'000
Cash flows from financing activities				
Finance costs paid		(96,447)	(114,337)	(50,784)
Drawdown of borrowings		363,287	75,578	1,185,492
Dividend paid to owner of the Company		-	(3,000)	-
Dividend paid to non-controlling interest		(1,519)	(644)	-
Proceeds from shares issuance	14	-	68,569	4,633,300
Repayment of bank borrowings		(411,438)	(395,435)	(43,455)
Repayment of Medium Term Note Programme		(96,589)	(94,138)	(74,204)
Repayment of hire purchase payables		(3,277)	(1,873)	(139)
Repayment of lease liabilities		(15,121)	(17,248)	(9,627)
Net equity of Indonesia Business Entities@*		(72,822)	5,244	(994,578)
Net cash (used in)/from financing activities		<u>(333,926)</u>	<u>(477,284)</u>	<u>4,646,005</u>
Net increase/(decrease) in cash and cash equivalents		95,197	(115,897)	123,971
Effects of exchange rate fluctuation on cash held		(5,984)	182	2,362
Cash and cash equivalents at 1 April		<u>410,706</u>	<u>526,421</u>	<u>400,088</u>
Cash and cash equivalents at 31 March	13	<u>499,919</u>	<u>410,706</u>	<u>526,421</u>

@ Represents net cash provided by the combining entities to the Indonesia Business Entities, whose financial results and cash flows are excluded from the Combined Financial Statements.

* During the financial year ended 31 March 2026, the Group's investment in equity of Indonesia Business Entities was RM149,519,000 of which RM39,546,000 was satisfied by way of share swap arrangement and RM37,151,000 was satisfied by way of capitalisation of amount owing from a related company.

Purchase of property, plant and equipment and right-of-use assets by the Group during the financial year were made through the following:

	2026 RM'000	2025 RM'000	2024 RM'000
Property, plant and equipment			
Payment by cash	329,631	359,789	202,581
Other payables, unpaid	-	4,333	-
Prepayment	(2,784)	-	(3,037)
	<u>326,847</u>	<u>364,122</u>	<u>199,544</u>
Right-of-use assets			
Payment by cash	-	19,505	-
Addition of lease liabilities	66,863	13,075	7,401
	<u>66,863</u>	<u>32,580</u>	<u>7,401</u>



13. ACCOUNTANTS' REPORT (Cont'd)

12

Combined statements of cash flows (continued)**(a) Cash outflows for leases as a lessee**

	2026 RM'000	2025 RM'000	2024 RM'000
Included in net cash from operating activities:			
Payment relating to short-term leases and low-value assets	4,268	3,540	1,406
Payment relating to variable lease payments not included in the measurement of lease liabilities	-	-	416
Included in net cash from financing activities:			
Interest paid in relation to lease liabilities	7,602	9,103	9,564
Payment of lease liabilities	15,121	17,248	9,627
Total cash outflows leases	26,991	29,891	21,013

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

	Bank Note	Medium Term Note Programme	Lease liabilities RM'000	Hire purchase RM'000	Total RM'000
At 1 April 2023	121,718	392,761	118,878	138	633,495
Changes from financing activities					
Drawdown of bank borrowings	1,185,492	-	-	-	1,185,492
Repayment of hire purchase payables	-	-	-	(139)	(139)
Repayment of interest	(23,807)	(17,413)	(9,564)	-	(50,784)
Repayment of bank borrowings	(43,455)	-	-	-	(43,455)
Repayment of Medium Term Note Programme	-	(74,204)	-	-	(74,204)
Repayment of lease liabilities	-	-	(9,627)	-	(9,627)
Total changes from financing cash flows	1,118,230	(91,617)	(19,191)	(139)	1,007,283



13. ACCOUNTANTS' REPORT (Cont'd)

13

Combined statements of cash flows (continued)**(b) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)**

		Bank borrowings	Medium Term Note Programme	Lease liabilities	Hire purchase	Total
	Note	RM'000	RM'000	RM'000	RM'000	RM'000
Other changes						
Finance costs	23.2	23,408	17,900	9,564	1	50,873
Addition of new lease		-	-	7,401	-	7,401
Lease termination		-	-	(682)	-	(682)
Acquisition of subsidiaries	33	282,138	-	7,344	-	289,482
Effects of foreign exchange rate differences		-	-	89	-	89
Total liabilities related to other changes		305,546	17,900	23,716	1	347,163
At 31 March 2024/ 1 April 2024		1,545,494	319,044	123,403	-	1,987,941
Changes from financing activities						
Drawdown of bank borrowings		75,578	-	-	-	75,578
Repayment of hire purchase payables		-	-	-	(1,873)	(1,873)
Repayment of interest		(91,584)	(13,362)	(9,103)	(288)	(114,337)
Repayment of bank borrowings		(395,435)	-	-	-	(395,435)
Repayment of Medium Term Note Programme		-	(94,138)	-	-	(94,138)
Repayment of lease liabilities		-	-	(17,248)	-	(17,248)
Total changes from financing cash flows		(411,441)	(107,500)	(26,351)	(2,161)	(547,453)



13. ACCOUNTANTS' REPORT (Cont'd)

14

Combined statements of cash flows (continued)**(b) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)**

	Note	Bank borrowings RM'000	Medium Term Note Programme RM'000	Lease liabilities RM'000	Hire purchase RM'000	Total RM'000
Other changes						
Finance costs	23.2	93,723	13,849	9,103	288	116,963
Addition of new lease		-	-	13,075	-	13,075
Lease termination		-	-	27	-	27
Acquisition of subsidiaries	33	692,195	-	15,721	6,478	714,394
Disposal of a subsidiary	33	-	-	(33,572)	-	(33,572)
Effects of foreign exchange rate differences		-	-	(186)	(1)	(187)
Total liabilities related to other changes		785,918	13,849	4,168	6,765	810,700
At 31 March 2025/ 1 April 2025		1,919,971	225,393	101,220	4,604	2,251,188
Changes from financing activities						
Drawdown of bank borrowings		363,287	-	-	-	363,287
Repayment of hire purchase payables		-	-	-	(3,277)	(3,277)
Repayment of interest		(81,684)	(6,906)	(7,602)	(255)	(96,447)
Repayment of bank borrowings		(411,438)	-	-	-	(411,438)
Repayment of Medium Term Note Programme		-	(96,589)	-	-	(96,589)
Repayment of lease liabilities		-	-	(15,121)	-	(15,121)
Total changes from financing cash flows		(129,835)	(103,495)	(22,723)	(3,532)	(259,585)



13. ACCOUNTANTS' REPORT (Cont'd)

15

Combined statements of cash flows (continued)**(b) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)**

		Bank borrowings	Medium Term Note Programme	Lease liabilities	Hire purchase	Total
	Note	RM'000	RM'000	RM'000	RM'000	RM'000
Other changes						
Finance costs	23.2	84,719	7,402	7,602	255	99,978
Addition of new lease		-	-	66,863	-	66,863
Lease termination		-	-	(96)	-	(96)
Lease modification		-	-	372	-	372
Effects of foreign exchange rate differences		172	-	(731)	581	22
Total liabilities related to other changes		84,891	7,402	74,010	836	167,139
At 31 March 2026		1,875,027	129,300	152,507	1,908	2,158,742
		Note 15	Note 16	Note 17	Note 15	

The notes on pages 16 to 111 form an integral part of these combined financial statements.



13. ACCOUNTANTS' REPORT (Cont'd)

16

Asia OneHealthcare Berhad

(Registration No. 199401006748 (292427-H))

(Incorporated in Malaysia)

and its Malaysia and Vietnam operations**Notes to the combined financial statements**

Asia OneHealthcare Berhad (the "Company") is a public limited liability company, incorporated and domiciled in Malaysia. The address of the principal place of business and registered office of the Company are as follows:

Principal place of business and registered office

Suite W701, West Tower
7th Floor, Wisma Consplant 1
No. 2, Jalan SS16/4
47500 Subang Jaya
Selangor Darul Ehsan, Malaysia

The Company is principally engaged in the business of provision of management services, information technology services and development services to medical centres and other related medical centres, whilst the principal activities of its combining entities (Malaysia and Vietnam operations) are as stated in Note 5 to the combined financial statements.

The immediate and ultimate holding corporation during the financial years ended 31 March 2026, 31 March 2025 and 31 March 2024 is HLT Healthcare Holdings Singapore Ltd (formerly known as Asia OneHealthcare Ltd.) ("HSG"), a corporation incorporated in Singapore and HLT Healthcare Holdings Limited ("HLT"), a corporation incorporated in the Cayman Islands respectively.

1. Basis of preparation

The combined financial statements of the Company and its combining entities (together referred to as the "Group") for the financial years ended 31 March 2026, 31 March 2025 and 31 March 2024 have been prepared solely in connection with the proposed listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing") and for no other purposes.

The combined financial statements of the Group have been prepared to present the historical financial information of the Company and its combining entities as disclosed in Note 5 for the financial years ended 31 March 2026, 31 March 2025 and 31 March 2024. The legal group of Asia OneHealthcare Berhad includes Universal Medicare Pte. Ltd., PT Perdana Asia Medika, Surabaya Cancer Centers Pte Ltd, Affinity Health Care Holdings Pty Limited and CAH Affinity Sdn. Bhd. (collectively known as the "Indonesia Business Entities") which are not part of the Group under the Proposed Listing structure.

The financial information has been compiled from the Company's consolidated financial statements for the respective financial years and have been appropriately adjusted, where necessary, in order to present the financial information of the Group on a basis consistent with the Proposed Listing structure. The combined financial statements therefore present the financial position, financial performance and cash flows of the Group, as if the Group under the Proposed Listing structure had been in place throughout and for the financial years ended 31 March 2026, 31 March 2025 and 31 March 2024.



13. ACCOUNTANTS' REPORT (Cont'd)

17

1. Basis of preparation (continued)

(a) Statement of compliance

The combined financial statements of the Group for the financial years ended 31 March 2026, 31 March 2025 and 31 March 2024 have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MASB") ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the MASB but have not been adopted by the Group:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2029

- MFRS 20, *Regulatory Assets and Regulatory Liabilities*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*



13. ACCOUNTANTS' REPORT (Cont'd)

18

1. Basis of preparation (continued)**(a) Statement of compliance (continued)**

The Group plans to apply the abovementioned accounting standards, interpretations and amendments in the respective financial years when the abovementioned accounting standards, interpretations and amendments become effective, where applicable.

The initial application of the applicable accounting standards, interpretations and amendments is not expected to have any material financial impact to the current period and prior period combined financial statements of the Group, except as mentioned below:

MFRS 18, *Presentation and Disclosure in Financial Statements*

MFRS 18 will replace MFRS 101, Presentation of Financial Statements and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal.
- Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently assessing the impact of adopting MFRS 18.

(b) Basis of measurement

The combined financial statements have been prepared on the historical cost basis except for the following items, which are disclosed in respective notes to combined financial statements:

Items	Notes to combined financial statements
Property, plant and equipment - freehold land and hospital buildings	Note 2
Right-of-use assets - leasehold land and hospital buildings	Note 3
Employee benefits	Note 18



13. ACCOUNTANTS' REPORT (Cont'd)

19

1. Basis of preparation (continued)**(c) Functional and presentation currency**

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

(d) Use of estimates and judgements

The preparation of the combined financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the combined financial statements other than those disclosed in the following notes:

- *Note 2 and Note 3 – Valuation of land and hospital buildings*
- *Note 3.3 – Extension options and incremental borrowing rate used in relation to leases*
- *Note 4 – Measurement of the recoverable amounts of cash-generating units*
- *Note 19 – Share based payments arrangement*
- *Note 29.4 – Allowance for impairment loss on receivables*
- *Note 33 – Measurement of fair value of assets acquired and liabilities assumed in business combinations*



13. ACCOUNTANTS' REPORT (Cont'd)

20

2. Property, plant and equipment

	Note	-----At revaluation model-----				-----At cost model-----			
		Freehold land RM'000	Hospital Buildings RM'000	Renovation RM'000	Medical and hospital equipment RM'000	Computer equipment and software, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Construction work-in-progress RM'000	Total RM'000
Revalued/Cost									
At 1 April 2023		322,282	688,265	12,271	401,395	117,158	3,359	37,598	1,582,328
Additions		21,877	4,060	8,567	43,232	17,670	792	103,346	199,544
Write-offs		-	(5,517)	-	(6,711)	(7,014)	(150)	-	(19,392)
Disposals		-	-	-	(921)	(7)	-	-	(928)
Acquisition through business combinations	33.2	392,330	659,370	-	193,845	70,942	261	16,707	1,333,455
Reclassification from intangible assets	4	-	-	-	-	-	-	9	9
Reclassification		-	31	-	745	3,986	-	(4,762)	-
Effect of movements in exchange rates		-	354	17	291	45	1	-	708
At 31 March 2024		736,489	1,346,563	20,855	631,876	202,780	4,263	152,898	3,095,724



13. ACCOUNTANTS' REPORT (Cont'd)

21

2. Property, plant and equipment (continued)

	Note	-----At revaluation model-----				-----At cost model-----			
		Freehold land RM'000	Hospital Buildings RM'000	Renovation RM'000	Medical and hospital equipment RM'000	Computer equipment and software, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Construction work-in-progress RM'000	Total RM'000
Revalued/Cost									
At 1 April 2024		736,489	1,346,563	20,855	631,876	202,780	4,263	152,898	3,095,724
Additions		-	47,988	4,194	119,444	24,314	335	167,847	364,122
Write-offs		(16,193)	(46)	-	(9,732)	(3,877)	(157)	-	(30,005)
Disposals		(1,901)	(11,104)	(366)	(2,692)	(390)	-	-	(16,453)
Disposal of a subsidiary	33.3	-	(9,976)	(76)	(27,506)	(3,991)	(657)	(2,426)	(44,632)
Acquisition through business combinations	33.1	165,212	469,513	24,951	140,066	21,320	831	5,910	827,803
Reclassification to intangible assets	4	-	-	-	-	-	-	(2,667)	(2,667)
Reclassification		(4,722)	6,626	(35)	1,673	7,685	-	(11,227)	-
Revaluation		127,673	72,703	-	-	-	-	-	200,376
Effect of movements in exchange rates		-	(2,912)	(141)	(2,496)	(343)	(13)	(27)	(5,932)
At 31 March 2025		1,006,558	1,919,355	49,382	850,633	247,498	4,602	310,308	4,388,336



13. ACCOUNTANTS' REPORT (Cont'd)

22

2. Property, plant and equipment (continued)

	Note	-----At revaluation model-----				-----At cost model-----			Total RM'000
		Freehold land RM'000	Hospital Buildings RM'000	Renovation RM'000	Medical and hospital equipment RM'000	Computer equipment and software, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Construction work-in- progress RM'000	
Revalued/Cost									
At 1 April 2025		1,006,558	1,919,355	49,382	850,633	247,498	4,602	310,308	4,388,336
Additions		-	13,876	14,639	97,781	26,505	1,476	172,570	326,847
Write-offs		-	(9)	(3)	(12,192)	(1,956)	-	-	(14,160)
Disposals		-	-	-	(8,680)	(1,267)	(345)	-	(10,292)
Reclassification from right-of-use assets	3	-	-	-	751	-	-	-	751
Reclassification to intangible assets	4	-	-	-	-	-	-	(8,476)	(8,476)
Reclassification		-	217,050	5,222	26,504	7,743	-	(256,519)	-
Effect of movements in exchange rates		-	(9,293)	(171)	(3,281)	(449)	(60)	-	(13,254)
At 31 March 2026		1,006,558	2,140,979	69,069	951,516	278,074	5,673	217,883	4,669,752



13. ACCOUNTANTS' REPORT (Cont'd)

23

2. Property, plant and equipment (continued)

	Note	-----At revaluation model-----				-----At cost model-----			
		Freehold land RM'000	Hospital Buildings RM'000	Renovation RM'000	Medical and hospital equipment RM'000	Computer equipment and software, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Construction work-in-progress RM'000	Total RM'000
Accumulated depreciation									
At 1 April 2023		-	38,908	2,596	270,070	97,478	2,482	-	411,534
Depreciation for the year		-	22,377	1,026	46,625	15,319	261	-	85,608
Write-offs		-	(796)	-	(5,726)	(7,011)	(150)	-	(13,683)
Disposals		-	-	-	(921)	(7)	-	-	(928)
Reclassification		-	(80)	16	64	-	-	-	-
Effect of movements in exchange rates		-	94	5	228	45	2	-	374
At 31 March 2024		-	60,503	3,643	310,340	105,824	2,595	-	482,905



13. ACCOUNTANTS' REPORT (Cont'd)

24

2. Property, plant and equipment (continued)

	Note	----At revaluation model-----				-----At cost model-----			
		Freehold land RM'000	Hospital Buildings RM'000	Renovation RM'000	Medical and hospital equipment RM'000	Computer equipment and software, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Construction work-in-progress RM'000	Total RM'000
Accumulated depreciation									
At 1 April 2024		-	60,503	3,643	310,340	105,824	2,595	-	482,905
Depreciation for the year		-	53,548	3,700	101,189	31,400	599	-	190,436
Write-offs		-	(6)	(35)	(9,475)	(3,571)	(157)	-	(13,244)
Disposals		-	(6,282)	(359)	(2,062)	(387)	-	-	(9,090)
Disposal of a subsidiary	33.3	-	(726)	(1)	(21,186)	(3,599)	(482)	-	(25,994)
Reclassification		-	-	2	-	(2)	-	-	-
Revaluation		-	(63,881)	-	-	-	-	-	(63,881)
Effect of movements in exchange rates		-	(790)	(55)	(2,215)	(343)	(13)	-	(3,416)
At 31 March 2025		-	42,366	6,895	376,591	129,322	2,542	-	557,716



13. ACCOUNTANTS' REPORT (Cont'd)

25

2. Property, plant and equipment (continued)

	Note	----At revaluation model----				-----At cost model-----			Total RM'000
		Freehold land RM'000	Hospital Buildings RM'000	Renovation RM'000	Medical and hospital equipment RM'000	Computer equipment and software, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Construction work-in- progress RM'000	
Accumulated depreciation									
At 1 April 2025		-	42,366	6,895	376,591	129,322	2,542	-	557,716
Depreciation for the year		-	63,688	6,446	116,284	36,098	726	-	223,242
Write-offs		-	(9)	(3)	(11,368)	(1,891)	-	-	(13,271)
Disposals		-	-	-	(8,569)	(1,259)	(345)	-	(10,173)
Reclassification from right-of-use assets	3	-	-	-	218	-	-	-	218
Reclassification		-	-	-	(435)	435	-	-	-
Effect of movements in exchange rates		-	(5,887)	(70)	(3,267)	(823)	(60)	-	(10,107)
At 31 March 2026		-	100,158	13,268	469,454	161,882	2,863	-	747,625



13. ACCOUNTANTS' REPORT (Cont'd)

26

2. Property, plant and equipment (continued)

	-----At revaluation model-----				-----At cost model-----			
	Freehold land RM'000	Hospital Buildings RM'000	Renovation RM'000	Medical and hospital equipment RM'000	Computer equipment and software, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Construction work-in- progress RM'000	Total RM'000
Accumulated impairment loss								
At 1 April 2023	-	-	-	-	-	-	3,640	3,640
Impairment loss	-	19	64	200	5	-	-	288
Effect of movements in exchange rates	-	-	(1)	(3)	-	-	-	(4)
At 31 March 2024/ 1 April 2024	-	19	63	197	5	-	3,640	3,924
Impairment loss	4,854	8,047	1,175	-	-	-	-	14,076
Effect of movements in exchange rates	-	(2)	(6)	(18)	-	-	-	(26)
At 31 March 2025/ 1 April 2025	4,854	8,064	1,232	179	5	-	3,640	17,974
Effect of movements in exchange rates	-	(2)	(7)	(21)	(1)	-	-	(31)
At 31 March 2026	4,854	8,062	1,225	158	4	-	3,640	17,943



13. ACCOUNTANTS' REPORT (Cont'd)

27

2. Property, plant and equipment (continued)

	----At revaluation model----				-----At cost model-----			
	Freehold land RM'000	Hospital Buildings RM'000	Renovation RM'000	Medical and hospital equipment RM'000	Computer equipment and software, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Construction work-in- progress RM'000	Total RM'000
Carrying amounts								
At 1 April 2023	322,282	649,357	9,675	131,325	19,680	877	33,958	1,167,154
At 31 March 2024/ 1 April 2024	736,489	1,286,041	17,149	321,339	96,951	1,668	149,258	2,608,895
At 31 March 2025/ 1 April 2025	1,001,704	1,868,925	41,255	473,863	118,171	2,060	306,668	3,812,646
At 31 March 2026	1,001,704	2,032,759	54,576	481,904	116,188	2,810	214,243	3,904,184



13. ACCOUNTANTS' REPORT (Cont'd)

28

2. Property, plant and equipment (continued)**2.1 Freehold land and hospital buildings carried at revaluation**

The Group engaged independent qualified valuers to perform independent valuations on certain freehold land and hospital buildings as at 31 March 2025. The valuers have the appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations.

The land and hospital buildings were valued using the discounted cash flows approach and cost approach. Discounted cash flows approach considers the present value of the net cash flows expected to be generated from the land and hospital buildings. For cost approach, the land was valued by reference to recent sales or listings of comparable properties in the vicinity, or, where unavailable, within similar localities. As no two properties are identical, adjustments were made for differences in location, size and physical characteristics, timing, and other relevant factors. The hospital buildings were valued using the cost approach by reference to their depreciated replacement costs, being the current cost of replacing a specialised asset less deductions for physical deterioration to reflect the existing condition of the hospital buildings at the date of valuation.

The book values of the land and hospital buildings were adjusted to reflect the revaluation and the resultant surpluses were credited to revaluation reserve. These were all Level 3 in the fair value hierarchy.

The amount of revaluation gain recognised in other comprehensive income is as follows:

	Note	2026 RM'000	2025 RM'000	2024 RM'000
Revaluation gain recognised in other comprehensive income	26	-	264,257	-
Deferred tax liabilities	26	-	(45,437)	-
Revaluation gain recognised in other comprehensive income, net of tax	26	-	218,820	-



13. ACCOUNTANTS' REPORT (Cont'd)

29

2. Property, plant and equipment (continued)

2.1 Freehold land and hospital buildings carried at revaluation (continued)

The quantitative information about the significant unobservable inputs used in fair value measurement as of the financial year ended 31 March 2025 were as follows:

	Significant unobservable inputs	Range of inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Freehold land	Price per square feet	RM66 - RM1,600/square feet*	The higher the price per square feet, the higher the fair value.
Hospital buildings	Replacement cost	RM173 - RM871/square feet* VND4,734,000/square feet# (approximates RM821/square feet)	The higher the replacement cost, the higher the fair value.
Freehold land and hospital buildings	Discount rate	10.0%*	The higher the discount rate, the lower the fair value.
	Terminal capitalisation rate	8.5%*	The higher the terminal capitalisation rate, the lower the fair value.

* Applicable to Malaysia entities

Applicable to Vietnam entity



13. ACCOUNTANTS' REPORT (Cont'd)

30

2. Property, plant and equipment (continued)**2.1 Freehold land and hospital buildings carried at revaluation (continued)**

Had the freehold land and hospital buildings been measured on a historical cost basis, their carrying amounts would have been as follows:

	31.3.2026	31.3.2025	31.3.2024
	RM'000	RM'000	RM'000
Freehold land	768,925	768,925	612,110
Hospital buildings	<u>1,963,068</u>	<u>1,721,436</u>	<u>1,149,468</u>

2.2 Security

Property, plant and equipment of the Group with net book value amounting to RM625,479,000 (31.3.2025: RM617,678,000; 31.3.2024: RM Nil) were pledged as security for bank borrowings as disclosed in Note 15.

2.3 Assets acquired under hire purchase

Included in property, plant and equipment of the Group are assets acquired under hire purchase arrangements with net book value of RM5,962,000 (31.3.2025: RM7,432,000; 31.3.2024: RM Nil).

2.4 Impairment loss

In the financial year 2026, no impairment loss was recognised for property, plant and equipment.

In the financial year 2025, an impairment loss of RM14,076,000 has been recognised for the property, plant and equipment of certain subsidiaries as the recoverable amounts are lower than their carrying amounts upon valuation performed by independent qualified valuers.

In the financial year 2024, an impairment loss of RM288,000 has been recognised for the property, plant and equipment of Columbia Asia (Vietnam) Ltd. as the entity had surrendered all its assets to the government and had ceased its operations in the same year upon expiration of the Investment Registration Certificate.



13. ACCOUNTANTS' REPORT (Cont'd)

31

2. Property, plant and equipment (continued)**2.5 Material accounting policy information****(a) Recognition and measurement**

The Group revalues its property comprising land and hospital buildings every 5 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying amount. Any revaluation surplus is credited to the revaluation reserve included within equity. The increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A revaluation deficit is first offset against unutilised previously recognised valuation surplus in respect of the same asset and the balance is thereafter recognised in profit or loss. When revalued assets are sold, the amount included in the revaluation surplus reserve are transferred to retained earnings. All other property, plant and equipment (including other buildings and renovation) are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under hire purchase arrangements are depreciated over their expected useful lives on the same basis as owned assets. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The annual depreciation rates for the current and comparative periods are as follows:

• Hospital buildings and renovation	5 - 50 years
• Medical and hospital equipment	3 - 10 years
• Computer, office equipment, furniture and fittings	3 - 10 years
• Motor vehicles	4 - 8 years



13. ACCOUNTANTS' REPORT (Cont'd)

32

3. Right-of-use assets

	Note	At cost model			At revaluation model		Total RM'000
		Other buildings RM'000	Lab equipment RM'000	Office equipment RM'000	Leasehold land RM'000	Hospital buildings RM'000	
Revalued/Cost							
At 1 April 2023		9,997	27,515	20	182,884	135,792	356,208
Additions		224	6,996	62	-	119	7,401
Lease termination		(7,669)	(996)	-	-	-	(8,665)
Acquisition through business combinations	33.2	519	5,954	702	-	-	7,175
Effect of movements in exchange rates		181	71	-	419	-	671
At 31 March 2024/1 April 2024		3,252	39,540	784	183,303	135,911	362,790
Additions		5,706	1,588	1,249	24,002	35	32,580
Reclassification		-	(66)	66	-	-	-
Revaluation		-	-	-	31,526	(7,646)	23,880
Lease termination		(3,458)	(24,800)	(769)	-	-	(29,027)
Lease modification		(398)	-	-	-	-	(398)
Acquisition through business combinations	33.1	90,145	293	1,323	27,991	-	119,752
Disposal of a subsidiary	33.3	(367)	-	-	(26,900)	(24,653)	(51,920)
Effect of movements in exchange rates		(20)	(541)	26	(3,273)	-	(3,808)
At 31 March 2025		94,860	16,014	2,679	236,649	103,647	453,849



13. ACCOUNTANTS' REPORT (Cont'd)

33

3. Right-of-use assets (continued)

	Note	At cost model			At revaluation model		Total RM'000
		Other buildings RM'000	Lab equipment RM'000	Office equipment RM'000	Leasehold land RM'000	Hospital buildings RM'000	
Revalued/Cost							
At 1 April 2025		94,860	16,014	2,679	236,649	103,647	453,849
Additions		2,134	58,590	6,139	-	-	66,863
Reclassification to property, plant and equipment	2	-	(751)	-	-	-	(751)
Reclassification		(839)	1,276	(437)	-	-	-
Lease termination		(1,698)	(4,053)	(531)	-	-	(6,282)
Lease modification		312	-	-	-	-	312
Effect of movements in exchange rates		(25)	(612)	-	(4,344)	-	(4,981)
At 31 March 2026		94,744	70,464	7,850	232,305	103,647	509,010



13. ACCOUNTANTS' REPORT (Cont'd)

34

3. Right-of-use assets (continued)

	Note	----- At cost model -----			----- At revaluation model -----		Total RM'000
		Other buildings RM'000	Lab equipment RM'000	Office equipment RM'000	Leasehold land RM'000	Hospital buildings RM'000	
Accumulated depreciation							
At 1 April 2023		7,503	21,155	20	890	1,067	30,635
Reclassification		4	-	-	(4)	-	-
Charge for the year		2,257	6,365	140	2,282	6,675	17,719
Lease termination		(7,099)	(682)	-	-	-	(7,781)
Effect of movements in exchange rates		137	35	-	33	-	205
At 31 March 2024/1 April 2024		2,802	26,873	160	3,201	7,742	40,778
Reclassification		(70)	-	-	(445)	515	-
Charge for the year		5,487	6,367	1,256	5,833	5,587	24,530
Revaluation		-	-	-	(3,852)	(12,779)	(16,631)
Lease termination		(3,284)	(24,800)	(769)	-	-	(28,853)
Lease modification		(269)	(137)	-	-	-	(406)
Disposal of a subsidiary	33.3	(361)	-	-	(1,026)	(961)	(2,348)
Effect of movements in exchange rates		(19)	(395)	14	(129)	1	(528)
At 31 March 2025		4,286	7,908	661	3,582	105	16,542



13. ACCOUNTANTS' REPORT (Cont'd)

35

3. Right-of-use assets (continued)

	Note	-----At cost model-----			-----At revaluation model-----		Total RM'000
		Other buildings RM'000	Lab equipment RM'000	Office equipment RM'000	Leasehold land RM'000	Hospital buildings RM'000	
Accumulated depreciation							
At 1 April 2025		4,286	7,908	661	3,582	105	16,542
Reclassification		(678)	796	(118)	-	-	-
Charge for the year		7,885	7,153	1,534	5,543	4,829	26,944
Reclassification to property, plant and equipment	2	-	(218)	-	-	-	(218)
Lease termination		(1,607)	(4,053)	(475)	-	-	(6,135)
Lease modification		(115)	-	-	-	-	(115)
Effect of movements in exchange rates		(37)	(534)	-	(275)	-	(846)
At 31 March 2026		9,734	11,052	1,602	8,850	4,934	36,172



13. ACCOUNTANTS' REPORT (Cont'd)

36

3. Right-of-use assets (continued)

	----- At cost model -----			----- At revaluation model -----		
	Other buildings RM'000	Lab equipment RM'000	Office equipment RM'000	Leasehold land RM'000	Hospital buildings RM'000	Total RM'000
Carrying amounts						
At 1 April 2023	2,494	6,360	-	181,994	134,725	325,573
At 31 March 2024/1 April 2024	450	12,667	624	180,102	128,169	322,012
At 31 March 2025/1 April 2025	90,574	8,106	2,018	233,067	103,542	437,307
At 31 March 2026	85,010	59,412	6,248	223,455	98,713	472,838

The majority of the Group's leasing activities comprise hospital land and buildings. The leases are between 2 years to 999 years and may have options to renew after expiry.



13. ACCOUNTANTS' REPORT (Cont'd)

37

3. Right-of-use assets (continued)**3.1 Leasehold land and hospital buildings carried at revaluation**

The Group engaged independent qualified valuers to perform independent valuation on certain leasehold land and hospital buildings as at 31 March 2025. The valuers have the appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations.

The leasehold land and hospital buildings were valued using the discounted cash flows approach and cost approach. Discounted cash flows approach considers the present value of the net cash flows expected to be generated from the leasehold land and hospital buildings. For cost approach, the land was valued by reference to recent sales or listings of comparable properties in the vicinity, or, where unavailable, within similar localities. As no two properties are identical, adjustments were made for differences in location, size and land apportionment, physical characteristics, timing, and other relevant factors. The buildings were valued using the cost approach by reference to their depreciated replacement costs, being the current cost of replacing a specialised asset less deductions for physical deterioration to reflect the existing condition of the buildings at the date of valuation.

The carrying value of the leasehold land and hospital buildings were adjusted to reflect the revaluation and the resultant surpluses were credited to revaluation reserve, and profit or loss where it reversed a previous impairment loss. These were all Level 3 in the fair value hierarchy.

The amount of revaluation gain recognised in other comprehensive income is as follows:

	Note	2026 RM'000	2025 RM'000	2024 RM'000
Revaluation gain recognised in other comprehensive income	26	-	40,511	-
Deferred tax liabilities	26	-	(9,564)	-
Revaluation gain recognised in other comprehensive income, net of tax	26	-	30,947	-



13. ACCOUNTANTS' REPORT (Cont'd)

38

3. Right-of-use assets (continued)

3.1 Leasehold land and hospital buildings carried at revaluation (continued)

The quantitative information about the significant unobservable inputs used in fair value measurement as of the financial year ended 31 March 2025 were as follows:

	Significant unobservable inputs	Range of inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Leasehold land	Price per square feet	RM82 - RM552/square feet* VND1,441,000/square feet#	The higher the price per square feet, the higher the fair value.
Hospital Buildings	Replacement cost	RM200 – RM300/square feet*	The higher the replacement cost, the higher the fair value.
Leasehold land and hospital buildings	Discount rate	10.0%*	The higher the discount rate, the lower the fair value.
	Terminal capitalisation rate	8.5%*	The higher the terminal capitalisation rate, the lower the fair value.

* Applicable to Malaysia entities

Applicable to Vietnam entity

Had the leasehold land and hospital buildings been measured on a historical cost basis, their carrying amounts would have been as follows:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Leasehold land	102,346	106,936	83,604
Hospital buildings	78,825	83,915	106,686



13. ACCOUNTANTS' REPORT (Cont'd)

39

3. Right-of-use assets (continued)**3.2 Security**

Leasehold land and hospital buildings of the Group with net book value amounting to RM126,079,000 (31.3.2025: RM131,044,000; 31.3.2024: RM Nil) were pledged as security for bank borrowings as disclosed in Note 15.

3.3 Significant judgements and assumptions in relation to leases

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security or economic environment of the respective leases.

3.4 Material accounting policy information**(a) Recognition and measurement**

The Group recognises right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The right-of-use asset is generally depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group revalues its leasehold land and hospital buildings every 5 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying amount. Any revaluation surplus is credited to the revaluation reserve included within equity. The increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A revaluation deficit is first offset against unutilised previously recognised valuation surplus in respect of the same asset and the balance is thereafter recognised in profit or loss. When revalued assets are sold, the amount included in the revaluation surplus reserve are transferred to retained earnings.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases with a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.



13. ACCOUNTANTS' REPORT (Cont'd)

40

4. Intangible assets

	Note	Goodwill RM'000	Computer software* RM'000	Customer relationship RM'000	Brands RM'000	Work-in- progress RM'000	Total RM'000
Cost							
At 1 April 2023		16,473	-	-	-	-	16,473
Acquisition through business combinations	33.2	3,152,121	13,401	257,293	398,076	273	3,821,164
Additions		-	5	-	-	122	127
Reclassification to property, plant and equipment	2	-	-	-	-	(9)	(9)
Write-offs		-	-	-	-	(305)	(305)
Effect of movements in exchange rates		112	-	-	-	-	112
At 31 March 2024/1 April 2024		3,168,706	13,406	257,293	398,076	81	3,837,562
Acquisition through business combinations	33.1	1,548,475	-	246,298	167,356	-	1,962,129
Additions		-	3,950	-	-	-	3,950
Disposal of a subsidiary	33.3	(3,422)	-	-	-	-	(3,422)
Reclassification from property, plant and equipment	2	-	-	-	-	2,667	2,667
Reclassification		-	2,748	-	-	(2,748)	-
At 31 March 2025/1 April 2025		4,713,759	20,104	503,591	565,432	-	5,802,886
Additions		-	2,473	-	-	3,302	5,775
Reclassification from property, plant and equipment	2	-	-	-	-	8,476	8,476
Reclassification		-	1,965	-	-	(1,965)	-
Adjustment		-	-	-	-	(3,470)	(3,470)
At 31 March 2026		4,713,759	24,542	503,591	565,432	6,343	5,813,667



13. ACCOUNTANTS' REPORT (Cont'd)

41

4. Intangible assets (continued)

	Note	Goodwill RM'000	Computer software* RM'000	Customer relationship RM'000	Brands RM'000	Work-in- progress RM'000	Total RM'000
Accumulated amortisation							
At 1 April 2023		-	-	-	-	-	-
Amortisation for the year		-	1,032	-	-	-	1,032
At 31 March 2024/1 April 2024		-	1,032	-	-	-	1,032
Amortisation for the year		-	4,557	48,582	-	-	53,139
At 31 March 2025/1 April 2025		-	5,589	48,582	-	-	54,171
Amortisation for the year		-	5,444	50,359	-	-	55,803
At 31 March 2026		-	11,033	98,941	-	-	109,974



13. ACCOUNTANTS' REPORT (Cont'd)

42

4. Intangible assets (continued)

	Note	Goodwill RM'000	Computer software* RM'000	Customer relationship RM'000	Brands RM'000	Work-in- progress RM'000	Total RM'000
Accumulated impairment loss							
At 1 April 2023		-	-	-	-	-	-
Impairment loss		12,573	-	-	-	-	12,573
At 31 March 2024/1 April 2024		12,573	-	-	-	-	12,573
Impairment loss	4.1	362,666	-	-	-	-	362,666
At 31 March 2025/1 April 2025		375,239	-	-	-	-	375,239
Impairment loss	4.1	1	-	-	-	-	1
At 31 March 2026		375,240	-	-	-	-	375,240
Carrying amounts							
At 1 April 2023		16,473	-	-	-	-	16,473
At 31 March 2024/1 April 2024		3,156,133	12,374	257,293	398,076	81	3,823,957
At 31 March 2025/1 April 2025		4,338,520	14,515	455,009	565,432	-	5,373,476
At 31 March 2026		4,338,519	13,509	404,650	565,432	6,343 [#]	5,328,453

* Effective from financial year 31 March 2024, the additions of computer software were recognised as intangible assets.

[#] In relation to patient portal and application, which are currently in development.



13. ACCOUNTANTS' REPORT (Cont'd)

43

4. Intangible assets (continued)

4.1 Impairment testing for cash-generating units containing goodwill and brands

The Group determines whether goodwill and brands is impaired on annual basis. This requires an estimation of the value in use of the cash-generating units ("CGUs") to which the brands and goodwill is allocated. Estimating value in use requires management to make an estimate of the expected future cash flows from the CGUs and also to choose a suitable discount rate in order to calculate the present value of the cash flows.

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The carrying amount of goodwill allocated to each unit as follows:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Malaysia's operations			
Columbia Asia Sdn. Bhd.	589	589	589
Columbia Pacific Healthcare (S'wak) Sdn. Bhd.	-	-	3,422
CPH Extended Care Sdn. Bhd.	-	1	1
CAH (Malaysia) Sdn. Bhd. ("CMC Malaysia")	2,789,455	2,789,455	3,152,121
A1H Super Specialty Centres ("ASC Entities")	1,548,475	1,548,475	-
	<u>4,338,519</u>	<u>4,338,520</u>	<u>3,156,133</u>

Malaysia's operations

Individual hospitals operated under CMC Malaysia and ASC entities are two separate group of CGUs which are expected to benefit from the synergies arising from their combination. The recoverable amount of these CGUs is determined based on a value in use calculation. Cash flow projections during the forecast period are based on the projected annual growth of patient visits, expected gross margins and price inflation throughout the forecast period.



13. ACCOUNTANTS' REPORT (Cont'd)

44

4. Intangible assets (continued)

4.1 Impairment testing for cash-generating units containing goodwill and brands (continued)

Malaysia's operations (continued)CMC Malaysia

For the financial years ended 31 March 2026 and 31 March 2025, the recoverable amount of CMC Malaysia was determined based on its value in use. As at 31 March 2026, the recoverable amount of CMC Malaysia exceeded the carrying amount. Accordingly, no impairment loss was recognised. However, for the financial year ended 31 March 2025, the recoverable amount of RM4,862,442,000 of CMC Malaysia was lower than its carrying amount and consequently, an impairment loss of RM362,666,000 was recognised.

Value in use was determined by discounting the future cash flows expected to be generated from the continuing use of the CMC Malaysia and was based on following key assumptions:

- Cash flows were projected based on past experience, actual operating results and the 6-year (31.3.2025: 6-year) business plan. Cash flows beyond the 6-year period were projected using 4% (31.3.2025: 4%) growth rate, which does not exceed the long-term average growth rate of the industry.
- Revenue was projected at about RM1,184,000,000 (31.3.2025: RM1,172,949,000) in the first year of business plan. The anticipated annual revenue growth included in the cash flow projections was between 5.3% - 9.3% (31.3.2025: 4.3% - 7.8%) for the years 2027 to 2032 (31.3.2025: 2026 to 2031).
- A pre-tax discount rate of 10.7% (31.3.2025: 10.3%) was applied in determining the recoverable amount of the unit. The discount rate was estimated based on an industry average weighted average cost of capital, adjusted for CMC Malaysia's cost of debts and equity.

A reasonable possible change in the above key assumptions in the respective financial years would not result in an impairment loss.

For financial year ended 31 March 2024, the consideration paid to acquire CMC Malaysia represented subsidiary's fair value less cost to sell since there was no significant adverse events between the date of acquisition of 28 December 2023 until the year end.



13. ACCOUNTANTS' REPORT (Cont'd)

45

4. Intangible assets (continued)

4.1 Impairment testing for cash-generating units containing goodwill and brands (continued)

Malaysia's operations (continued)**ASC Entities – 2026 and 2025**

During the financial years, the recoverable amount of ASC Entities which was based on its value in use exceeded the carrying amount. Therefore, no impairment loss was recognised.

Value in use was determined by discounting the future cash flows expected to be generated from the continuing use of the ASC Entities and was based on the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and the 6-year (31.3.2025: 6-year) business plan. Cash flows beyond the 6-year (31.3.2025: 6-year) period were projected using 4% (31.3.2025: 4%) growth rate, which does not exceed the long-term average growth rate of the industry.
- Revenue was projected at about RM1,026,395,000 (31.3.2025: RM863,100,000) in the first year of business plan. The anticipated annual revenue growth included in the cash flow projections was between 8.6% - 17.3% (31.3.2025: 8.5% - 23.1%) for the years 2027 to 2032 (31.3.2025: 2026 to 2031).
- A pre-tax discount rate of 10.7% (31.3.2025: 8.9%) was applied in determining the recoverable amount of the unit. The discount rate was estimated based on an industry average weighted average cost of capital, adjusted for the Company's cost of debts and equity.

A reasonable possible change in the above key assumptions in the respective financial years would not result in an impairment loss.

Vietnam's operations - 2024

A subsidiary in Vietnam, Columbia Asia (Vietnam) Ltd. ("CAVL"), had surrendered all its assets to the government and had ceased its operations in prior year upon expiration of the Investment Registration Certificate. Accordingly, an impairment loss of RM12,573,000 was recognised in the financial year 2024 for goodwill attributable to the Vietnam's CGU.



13. ACCOUNTANTS' REPORT (Cont'd)

46

4. Intangible assets (continued)**4.2 Material accounting policy information****(a) Recognition and measurement**

Intangible assets, other than goodwill and brands, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(b) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The annual depreciation rates for the current and comparative periods are as follows:

• Computer software	2 - 10 years
• Licenses	3 years
• Customer relationship	10 years



13. ACCOUNTANTS' REPORT (Cont'd)

47

5. Combining entities

Details of the combining entities are as follows:

Name of entity	Country of incorporation	Principal activities	Effective ownership interest		
			31.3.2026 %	31.3.2025 %	31.3.2024 %
Columbia Asia Sdn. Bhd.	Malaysia	Operating hospitals and providing other related services	100	100	100
CAH Global Business Center Sdn. Bhd.	Malaysia	Providing management services, information technology and development services to medical centers within the group	100	100	100
CAH Medical Centres Sdn. Bhd.	Malaysia	Investment holding and providing healthcare management and consultancy services	100	100	100
ASC (Labuan) Ltd.	Labuan, Malaysia	Investment holding	100	100	-
Cardiac Vascular Sentral Holdings (Malaysia) Sdn. Bhd.	Malaysia	Investment holding and provision of management services	91.81	91.81	-
Peel Healthcare Sdn. Bhd.	Malaysia	Operating a specialist hospital	57.89	68.79	-
Malaysian Integrated Oncology Center Sdn. Bhd.	Malaysia	Investment holding	100	100	-
Integrated Oncology Center (Kuala Lumpur) Sdn. Bhd.	Malaysia	Operating a specialist hospital	55	61.17	-
HSC Healthcare Holdings Pte. Ltd.	Singapore	Investment holding	70.06	70.06	-



13. ACCOUNTANTS' REPORT (Cont'd)

48

5. Combining entities (continued)

Details of the combining entities are as follows (continued):

Name of entity	Country of incorporation	Principal activities	Effective ownership interest		
			31.3.2026 %	31.3.2025 %	31.3.2024 %
Subsidiaries of Columbia Asia Sdn. Bhd.					
CPH Extended Care Sdn. Bhd.	Malaysia	Operating a geriatric and rehabilitation centre	100	100	100
Columbia Pacific Healthcare (S'wak) Sdn. Bhd.	Malaysia	Investment holding	-	-	89.54
CAH Bukit Jalil Sdn. Bhd.	Malaysia	Providing healthcare services	100	100	100
Columbia Asia Binh Duong Limited	Vietnam	Provide healthcare services	100	100	100
Subsidiary of CPH Extended Care Sdn. Bhd.					
Pena Variasi Sdn. Bhd.	Malaysia	Dormant	100	100	100
Subsidiary of Columbia Asia Binh Duong Limited					
Columbia Asia (Vietnam) Limited	Vietnam	Dormant (In member's voluntary liquidation)	100	100	100



13. ACCOUNTANTS' REPORT (Cont'd)

49

5. Combining entities (continued)

Details of the combining entities are as follows (continued):

Name of entity	Country of incorporation	Principal activities	Effective ownership interest		
			31.3.2026 %	31.3.2025 %	31.3.2024 %
Subsidiaries of CAH Medical Centres Sdn. Bhd.					
CAH (Malaysia) Sdn. Bhd.	Malaysia	Investment holding	100	100	100
CAH Labuan Ltd.	Labuan, Malaysia	Investment holding	100	100	100
Subsidiaries of CAH (Malaysia) Sdn. Bhd.					
SJP Medical Centres Sdn. Bhd.	Malaysia	Management of healthcare facilities and the provision of related healthcare services and consultancy services	100	100	100
Ara Damansara Medical Centre Sdn. Bhd.	Malaysia	Management of a healthcare facility and the provision of related healthcare services	100	100	100
Bukit Tinggi Hospital Sdn. Bhd.	Malaysia	Operation of a specialist medical centre	100	100	100
Mediplex Sdn. Bhd.	Malaysia	Dormant	100	100	100
Subsidiaries of CAH Labuan Ltd.					
HKASC Dormant Entity Limited	Hong Kong, SAR	Investment holding (In member's voluntary liquidation)	100	100	100



13. ACCOUNTANTS' REPORT (Cont'd)

50

5. Combining entities (continued)

Details of the combining entities are as follows (continued):

Name of entity	Country of incorporation	Principal activities	Effective ownership interest		
			31.3.2026	31.3.2025	31.3.2024
			%	%	%
Subsidiaries of CAH Labuan Ltd. (continued)					
Hong Kong Ambulatory Surgical Centre Limited	Hong Kong, SAR	Dormant (In member's voluntary liquidation)	100	100	100
Subsidiaries of Cardiac Vascular Sentral Holdings (Malaysia) Sdn. Bhd.					
Cardiac Vascular Sentral (Kuala Lumpur) Sdn. Bhd.	Malaysia	Provision of medical services and medical diagnostic services	86.64	86.40	-
Subsidiaries of Cardiac Vascular Sentral (Kuala Lumpur) Sdn. Bhd.					
CVSKL F&B Sdn. Bhd.	Malaysia	Dormant	86.64	86.40	-
KL Digestive Health And Endoscopy Center Sdn. Bhd.	Malaysia	Dormant	86.64	86.40	-
CVSKL Gastro Sdn. Bhd.	Malaysia	Dormant	86.64	86.40	-



13. ACCOUNTANTS' REPORT (Cont'd)

51

5. Combining entities (continued)

Details of the combining entities are as follows (continued):

Name of entity	Country of incorporation	Principal activities	Effective ownership interest		
			31.3.2026	31.3.2025	31.3.2024
			%	%	%
Subsidiaries of Malaysian Integrated Oncology Center Sdn. Bhd.					
Beacon Healthcare Ventures GB Berhad ("BHVGB")	Malaysia	Investment holding	94.94	95.53	-
Subsidiary of Beacon Healthcare Ventures GB Berhad					
Beacon Hospital Sdn. Bhd.	Malaysia	Operation of medical centre	94.94	95.53	-
Subsidiaries of Beacon Hospital Sdn. Bhd.					
Beacon Cancer Centre (Kuantan) Sdn. Bhd.	Malaysia	Specialised in cancer diagnosis and treatment with the up-to-date technologies inclusive of specialist oncology consultation, diagnosis and treatment services which include chemotherapy, immuthery, radiotherapy with PET-CT services.	94.94	95.53	-
Beacon Rapha Sdn. Bhd.	Malaysia	Dormant	94.94	85.97	-



13. ACCOUNTANTS' REPORT (Cont'd)

52

5. Combining entities (continued)

Details of the combining entities are as follows (continued):

Name of entity	Country of incorporation	Principal activities	Effective ownership interest		
			31.3.2026	31.3.2025	31.3.2024
			%	%	%
Subsidiaries of Beacon Hospital Sdn. Bhd. (continued)					
Beacon Cancer Centre (Klang) Sdn. Bhd.	Malaysia	Specialised in cancer diagnosis and treatment with the up-to-date technologies inclusive of specialist oncology consultation, diagnosis and treatment services which include chemotherapy, immuthery, radiotherapy with PET-CT services.	94.94	95.53	-
Subsidiary of HSC Healthcare Holdings Pte. Ltd.					
HSC Healthcare International Sdn. Bhd.	Malaysia	Investment holding	70.06	70.06	-
Subsidiaries of HSC Healthcare International Sdn. Bhd.					
HSC Medical Center (KL) Sdn. Bhd.	Malaysia	Provision of medical related treatment and procedures	70.06	70.06	-
HSC Properties Sdn. Bhd.	Malaysia	Letting of property	70.06	70.06	-



13. ACCOUNTANTS' REPORT (Cont'd)

53

5. Combining entities (continued)

Details of the combining entities are as follows (continued):

Name of entity	Country of incorporation	Principal activities	Effective ownership interest		
			31.3.2026 %	31.3.2025 %	31.3.2024 %
Subsidiaries of HSC Healthcare International Sdn. Bhd. (continued)					
Tonik Asia Group Sdn. Bhd.	Malaysia	Investment holding	70.06	70.06	-
HSC Dermatology Sdn. Bhd.	Malaysia	Investment holding	70.06	70.06	-
Subsidiaries of Tonik Asia Group Sdn. Bhd.					
TAGS Healthcare (Malaysia) Sdn. Bhd.	Malaysia	Provision of chiropractic and healthcare services	70.06	70.06	-
Tonik (Cheras) Sdn. Bhd.	Malaysia	Investment holding and providing healthcare services	70.06	70.06	-
Tonik Medical Sdn. Bhd.	Malaysia	Trading orthotics and medical products	70.06	70.06	-
Tonik (Borneo) Sdn. Bhd.	Malaysia	Provision of chiropractic and healthcare services	70.06	70.06	-



13. ACCOUNTANTS' REPORT (Cont'd)

54

5. Combining entities (continued)

Details of the combining entities are as follows (continued):

Name of entity	Country of incorporation	Principal activities	Effective ownership interest		
			31.3.2026 %	31.3.2025 %	31.3.2024 %
Subsidiaries of TAGS Healthcare (Malaysia) Sdn. Bhd.					
Tonik (Subang) Sdn. Bhd.	Malaysia	Provision of chiropractic and healthcare services	70.06	70.06	-
Tonik (Seremban) Sdn. Bhd.	Malaysia	Provision of chiropractic and healthcare services	70.06	70.06	-
TAGS Integrated Healthcare (I) Sdn. Bhd.	Malaysia	Provision of chiropractic and healthcare services	70.06	70.06	-



13. ACCOUNTANTS' REPORT (Cont'd)

55

5. Combining entities (continued)

Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	Cardiac Vascular Sentral (Kuala Lumpur) Sdn. Bhd. RM'000	Integrated Oncology Center (Kuala Lumpur) Sdn. Bhd. RM'000	Peel Healthcare Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
31.3.2026					
NCI percentage of ownership interest and voting interest	13.36%	45.00%	42.11%		
Carrying amount of NCI	32,097	35,921	39,501	20,404	127,923
Total comprehensive income/(loss) allocated to NCI	1,682	3,549	3,030	(219)	8,042
Summarised financial information before intra-group elimination					
As at 31 March					
Non-current assets	349,426	266,761	194,073		
Current assets	77,217	70,398	21,767		
Non-current liabilities	(146,368)	(164,619)	(93,977)		
Current liabilities	(120,181)	(92,715)	(31,334)		
Net assets	160,094	79,825	90,529		
Year ended 31 March					
Revenue	243,255	150,366	100,413		
Total profit and comprehensive income	20,555	9,149	7,808		
Cash flows from operating activities	61,295	23,404	21,192		
Cash flows used in investing activities	(19,757)	(6,075)	(14,398)		
Cash flows used in financing activities	(36,149)	(4,341)	(14,733)		
Net increase/(decrease) in cash and cash equivalents	5,389	12,988	(7,939)		
Dividend paid to NCI	-	-	-	(1,519)	(1,519)



13. ACCOUNTANTS' REPORT (Cont'd)

56

5. Combining entities (continued)

Non-controlling interests in subsidiaries (continued)

	Cardiac Vascular Sentral (Kuala Lumpur) Sdn. Bhd. RM'000	Integrated Oncology Center (Kuala Lumpur) Sdn. Bhd. RM'000	Peel Healthcare Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
31.3.2025					
NCI percentage of ownership interest and voting interest	13.60%	38.83%	31.21%		
Carrying amount of NCI	29,809	24,693	29,023	19,645	103,170
Total comprehensive income/(loss) allocated to NCI	797	(5,231)	(1,044)	(2,916)	(8,394)
Summarised financial information before intra-group elimination					
As at 31 March					
Non-current assets	342,343	277,352	201,309		
Current assets	60,890	33,960	16,354		
Non-current liabilities	(233,744)	(180,432)	(105,575)		
Current liabilities	(38,724)	(65,171)	(30,095)		
Net assets	130,765	65,709	81,993		
Period from 1 August 2024 to 31 March 2025					
Revenue	139,431	52,989	49,643		
Total profit/(loss) and other comprehensive income/(loss)	11,373	(13,471)	(3,343)		
Cash flows from/(used in) operating activities	26,772	30,953	(3,506)		
Cash flows used in investing activities	(8,050)	(49,572)	(3,347)		
Cash flows (used in)/from financing activities	(20,010)	13,844	10,390		
Net (decrease)/increase in cash and cash equivalents	(1,288)	(4,775)	3,537		
Dividend paid to NCI	-	-	-	(644)	(644)



13. ACCOUNTANTS' REPORT (Cont'd)

57

5. Combining entities (continued)

- 5.1** In the financial year 2025, the Group has acquired the ASC Entities which comprised of Malaysian Integrated Oncology Center Sdn. Bhd. ("MIOC Group"), Cardiac Vascular Sentral Holdings (Malaysia) Sdn. Bhd. ("CVSH Group"), HSC Healthcare Holdings Pte. Ltd. ("HHHPL Group"), Peel Healthcare Sdn. Bhd. ("PHSB") and Integrated Oncology Center (Kuala Lumpur) Sdn. Bhd. ("IOCKL") (see Note 33.1).

In the financial year 2024, the Group has acquired the CAH Medical Centres Sdn. Bhd. ("CMC Group") for a consideration of RM5,683,300,000 (see Note 33.2). The consideration paid included the acquisition of Affinity Health Care Holdings Pty Limited and CAH Affinity Sdn. Bhd. of which was subsequently subject to reorganisation exercise as disclosed in Note 14.

- 5.2** In the financial year 2025, the Group completed the disposal of its 89.5% equity interest in Columbia Pacific Healthcare (S'wak) Sdn. Bhd (see Note 33.3).

- 5.3** 100,000,000 shares in CAH Medical Centres Sdn. Bhd. were pledged as security for bank borrowings as disclosed in Note 15.

5.4 Non-controlling interests in subsidiaries

In the financial year 2024, the summarised financial information of non-controlling interest have not been presented as there is no material NCI.

5.5 Material accounting policy information**(a) Acquisition of subsidiary with non-controlling interests**

The Group elects to measure the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

6. Investment in a joint venture

	Note	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
As at 1 April		12	-	-
Acquisition through business combination		-	66	-
Less: Impairment loss	6.1	(12)	(54)	-
As at 31 March		<u>-</u>	<u>12</u>	<u>-</u>



13. ACCOUNTANTS' REPORT (Cont'd)

58

6. Investment in a joint venture (continued)

Details of the Group's joint venture is as follows:

Name of joint venture	Country of incorporation	Principal activities	Effective ownership interest		
			31.3.2026 %	31.3.2025 %	31.3.2024 %
Oracle HSC Malaysia Sdn. Bhd.	Malaysia	Dormant (Struck off on 20 April 2026)	31.53	31.53	-

Nature of relationship with the joint venture and its summarised financial information has not been presented as the joint venture is not individually material to the Group. Oracle HSC Malaysia Sdn. Bhd. is the only joint arrangement in which the Group participates.

- 6.1** In the financial year 2026, an impairment loss of RM12,000 (31.3.2025: RM54,000; 31.3.2024: RM Nil) has been provided for the investment in a joint venture as the recoverable amount is lower than its carrying amount.

7. Deferred tax assets/(liabilities)

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Deferred tax assets	12,395	9,112	11,908
Deferred tax liabilities	(496,257)	(499,749)	(323,768)
	<u>(483,862)</u>	<u>(490,637)</u>	<u>(311,860)</u>

7.1 Movement of temporary differences during the year

The movements during the financial year relating to deferred tax assets/(liabilities) are as follows:

	Note	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
At 1 April		(490,637)	(311,860)	(75,363)
Acquisition through business combinations	33	-	(125,139)	(248,102)
Disposal of a subsidiary	33	-	(1,769)	-
Transfer to profit or loss	24	5,970	2,568	11,671
Transfer to other comprehensive income:				
Revaluation of land and hospital buildings		-	(55,001)	-
Effect of movements in exchange rates		805	564	(66)
At 31 March		<u>(483,862)</u>	<u>(490,637)</u>	<u>(311,860)</u>



13. ACCOUNTANTS' REPORT (Cont'd)

59

7. Deferred tax assets/(liabilities) (continued)

7.2 Recognised deferred tax assets/(liabilities)

Deferred tax assets and (liabilities) are attributable to the following:

	Assets			Liabilities			Net		
	31.3.2026	31.3.2025	31.3.2024	31.3.2026	31.3.2025	31.3.2024	31.3.2026	31.3.2025	31.3.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Provisions	41,432	15,430	20,104	-	-	-	41,432	15,430	20,104
Trade and other receivables	12,796	9,516	7,672	-	-	-	12,796	9,516	7,672
Property, plant and equipment	-	3,691	5,136	(249,117)	(209,289)	(81,117)	(249,117)	(205,598)	(75,981)
Intangible assets	-	-	-	(232,819)	(244,905)	(157,290)	(232,819)	(244,905)	(157,290)
Lease liabilities	2,910	19,422	28,716	-	-	-	2,910	19,422	28,716
Revaluation of land and hospital buildings	-	-	-	(66,280)	(74,427)	(79,823)	(66,280)	(74,427)	(79,823)
Right-of-use assets	-	-	-	(28,583)	(23,919)	(60,417)	(28,583)	(23,919)	(60,417)
Unutilised capital allowances	14,617	7,104	-	-	-	-	14,617	7,104	-
Unutilised investment tax allowances	16,913	-	-	-	-	-	16,913	-	-
Unutilised tax losses	4,269	6,740	5,159	-	-	-	4,269	6,740	5,159
Tax assets/(liabilities)	92,937	61,903	66,787	(576,799)	(552,540)	(378,647)	(483,862)	(490,637)	(311,860)
Set off of tax	(80,542)	(52,791)	(54,879)	80,542	52,791	54,879	-	-	-
Net tax assets/(liabilities)	12,395	9,112	11,908	(496,257)	(499,749)	(323,768)	(483,862)	(490,637)	(311,860)



13. ACCOUNTANTS' REPORT (Cont'd)

60

7. Deferred tax assets/(liabilities) (continued)**7.3 Unrecognised deferred tax assets**

The amounts of deductible temporary differences and unutilised tax losses for which no deferred tax assets are recognised in the combined financial statements are as follows:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Unutilised tax losses	163,564	152,473	98,765
Unabsorbed capital allowances	105,174	105,513	31,961
Provision	6,408	3,394	12,169
Unutilised investment tax allowances	118,550	189,719	189,719
	<u>393,696</u>	<u>451,099</u>	<u>332,614</u>
Deferred tax assets not recognised at 24% (31.3.2025: 10% to 24%, 31.3.2024: 10% to 24%)	<u>94,487</u>	<u>104,146</u>	<u>78,898</u>

The tax losses of subsidiaries are subject to agreement by the tax authorities and compliance with tax regulations in the countries in which the subsidiaries operate.

Unutilised capital allowances, provision and unutilised investment tax allowance have no expiry period.

Tax losses for which no deferred tax asset was recognised expire as follows:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Expiring in 2025	-	-	1,718
Expiring in 2026	-	-	1,305
Expiring in 2027	2,156	2,875	3,622
Expiring in 2028	50,894	50,894	46,072
Expiring in 2029	18,395	20,585	9,752
Expiring in 2030	11,072	11,082	-
Expiring in 2031	11,964	11,964	-
Expiring in 2032	10,996	11,000	7,198
Expiring in 2033	19,892	19,925	18,944
Expiring in 2034	13,262	13,626	10,154
Expiring in 2035	14,277	10,522	-
Expiring in 2036	10,656	-	-
	<u>163,564</u>	<u>152,473</u>	<u>98,765</u>



13. ACCOUNTANTS' REPORT (Cont'd)

61

8. Trade and other receivables

	Note	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Non-current				
Other receivables, deposits and prepaid expenses	8.1	1,109	2,987	1,109
Current				
Trade receivables		444,952	427,318	306,646
Accrued receivables		21,079	13,612	17,250
Less: Allowance for impairment loss		(65,305)	(53,537)	(34,553)
		400,726	387,393	289,343
Other receivables, deposits and prepaid expenses	8.1	122,662	97,064	35,658
		523,388	484,457	325,001
		524,497	487,444	326,110

8.1 Other receivables, deposits and prepaid expenses

Other receivables, deposits and prepaid expenses consist of the followings:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Non-current			
Refundable deposits	1,109	1,109	1,109
Other receivables	-	1,878	-
	1,109	2,987	1,109
Current			
Other receivables	24,386	19,581	4,851
Refundable deposits	6,688	7,095	3,881
Prepaid expenses and down payments	91,588	70,388	26,926
	122,662	97,064	35,658
	123,771	100,051	36,767



13. ACCOUNTANTS' REPORT (Cont'd)

62

9. Inventories

	31.3.2026	31.3.2025	31.3.2024
	RM'000	RM'000	RM'000
Consumables	58,144	61,256	56,021
Medicines	44,276	40,077	27,069
Medical supplies and others	22,863	16,090	10,551
	<u>125,283</u>	<u>117,423</u>	<u>93,641</u>
Recognised in profit or loss:			
Inventories recognised as cost of sales	1,056,549	897,417	382,125
Write-down to net realisable value	2,555	768	854
Reversal of provision for stock obsolescence	<u>-</u>	<u>(1,013)</u>	<u>-</u>

9.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using weighted average method.

10. Amount owing from/(to) immediate holding company

Amount owing from/(to) immediate holding company, which arose mainly from advances and payments made on behalf, was unsecured, interest-free and repayable on demand.

11. Amount owing from related companies

	Note	31.3.2026	31.3.2025	31.3.2024
		RM'000	RM'000	RM'000
Trade	11.1	1,075	527	1,574
Non-trade	11.2	<u>18,386</u>	<u>111,285</u>	<u>43,172</u>
		<u>19,461</u>	<u>111,812</u>	<u>44,746</u>

11.1 The trade amount owing from Indonesia related companies are unsecured, interest free and subject to trade terms of 60 days (31.3.2025: 60 days; 31.3.2024: 60 days) except for those overdue amounts which are subject to late payment interest at rates ranging at 2% above Kuala Lumpur Interbank Offered Rate KLIBOR (31.3.2025: 2% above money market rate; 31.3.2024: 2% above money market rate).

11.2 The non-trade amount owing from Indonesia related companies, which arose mainly relate to unsecured loan, advances and payments made on behalf which is unsecured, repayable on demand and interest-free, except for unsecured loan of RM9,636,441 (31.3.2025: RM103,934,175; 31.3.2024: RM37,151,485) which are subject to interest at rates ranging from 5.63% to 8.50% (31.3.2025: 3.90% to 8.97%; 31.3.2024: 4.01% to 4.60%) per annum and repayables on demand.



13. ACCOUNTANTS' REPORT (Cont'd)

63

12. Other investments

	Note	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Current assets				
Investments at fair value through profit or loss ("FVTPL")				
- Investment in fixed income unit trust	12.1	100,519	-	-
Investment at amortised cost ("AC")				
- Fixed deposits placed with licensed banks	12.2	47,675	35,742	33,244
		<u>148,194</u>	<u>35,742</u>	<u>33,244</u>

12.1 The unit trusts are valued based on Net Asset Value (NAV) of the fund, as reported by the managers of such funds.

In the financial year 2026, the weighted average effective interest rates of investment in unit trust was 3.2% (31.3.2025: Nil%; 31.3.2024: Nil%).

12.2 The fixed deposits placed with licensed banks earned interest at rates ranging from 1.9% to 7.3% (31.3.2025: 2.4% to 6.2%; 31.3.2024: 2.8% to 6.2%) per annum. Certain amounts included in fixed deposits placed with financial institutions are pledged to banks for bank facilities granted to the Group. The carrying amounts of the fixed deposits pledged to the banks are as follows:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Pledged deposits	<u>3,400</u>	<u>5,478</u>	<u>6,560</u>

13. Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following amounts:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Fixed deposits with licensed banks	23,350	112,226	251,425
Cash and bank balances	<u>476,569</u>	<u>298,480</u>	<u>274,996</u>
	<u>499,919</u>	<u>410,706</u>	<u>526,421</u>

Certain fixed deposits are pledged for banking facilities obtained from licensed banks as disclosed on Note 15. The maturity period for these fixed deposits pledged are less than 3 months.



13. ACCOUNTANTS' REPORT (Cont'd)

64

14. Capital and reserves

Share capital

	31.3.2026 RM'000	Amount 31.3.2025 RM'000	31.3.2024 RM'000
Issued and fully paid shares with no par value classified as equity instruments:			
<i>Ordinary shares</i>			
At 1 April	8,097,246	6,031,543	1,398,243
Issuance of shares during the year	39,546	2,065,703	4,633,300
At 31 March	<u>8,136,792</u>	<u>8,097,246</u>	<u>6,031,543</u>
		Number of shares	
	31.3.2026 '000	31.3.2025 '000	31.3.2024 '000
Issued and fully paid shares with no par value classified as equity instruments:			
<i>Ordinary shares</i>			
At 1 April	8,097,246	6,031,543	1,398,243
Issuance of shares during the year	39,546	2,065,703	4,633,300
At 31 March	<u>8,136,792</u>	<u>8,097,246</u>	<u>6,031,543</u>

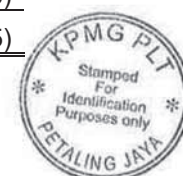
In the financial year 2026, the Company issued 39,546,224 new ordinary shares of RM1.00 per ordinary share to its immediate holding corporation, HSG, for the purpose of investment in equity of Indonesia Business Entities.

In the financial year 2025, the Company issued 2,065,703,775 new ordinary shares of RM1.00 per ordinary share to its immediate holding corporation, HSG, for the purpose to finance the acquisition of subsidiaries as disclosed in Note 33.1 and working capital purposes.

In the financial year 2024, the Company issued 4,633,300,000 new ordinary shares of RM1.00 per ordinary share to its immediate holding corporation, HSG to partially finance the acquisition of subsidiaries as disclosed in Note 33.2.

Reserves

	Note	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Translation reserve	14.1	(12,637)	(686)	8,532
Revaluation reserve	14.2	495,792	495,792	258,452
Capital reserve	14.3	35,060	35,060	34,960
Share option reserve	14.4	153,907	104,322	17,697
Net equity of Indonesia Business Entities	14.5	<u>(1,537,111)</u>	<u>(1,387,592)</u>	<u>(1,392,836)</u>
Reserves		<u>(864,989)</u>	<u>(753,104)</u>	<u>(1,073,195)</u>



13. ACCOUNTANTS' REPORT (Cont'd)

65

14. Capital and reserves (continued)**14.1 Translation reserve**

The translation reserve comprises all foreign currency differences arising from the translation of the combined financial statements of foreign operations.

14.2 Revaluation reserve

The revaluation reserve represents surplus from the revaluation of land and hospital buildings. Items of other comprehensive income included in the revaluation reserve will not be reclassified subsequently to profit or loss (Note 2.5 (a)).

14.3 Capital reserve

Capital reserve represents the reorganisation reserve arising from the Group's restructuring activities.

14.4 Share option reserve

Share option reserve refers to:

- a. the employee benefit expenses recognised to reflect the past service costs received by the Group from the participants as disclosed in Note 19 (i) and Note 19 (ii); and
- b. the share scheme issued to eligible doctors to reflect the past service costs received by the Group as disclosed in Note 19 (iii).

Share-based payment expenses recognised pertaining to various shares scheme implemented and awarded to certain officers, key employees and Directors of the Group during the financial years. The details are further disclosed in Note 19.

14.5 Net equity of Indonesia Business Entities

Net equity of Indonesia Business Entities represents investment in Indonesia that will be distributed to Sejahtera Healthcare Pte Ltd, a wholly-owned subsidiary of HSG, as part of the reorganisation exercise as disclosed in basis of preparation.

On 13 August 2026, the Group undertook a reorganisation involving the transfer of equity interests in Indonesia Business Entities - to Sejahtera Healthcare Pte. Ltd. for a total consideration of approximately RM1,521,575,374.



13. ACCOUNTANTS' REPORT (Cont'd)

66

15. Loans and other borrowings

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Non-current			
Secured			
Term loans	1,270,072	1,565,607	1,307,299
Revolving credits	48,900	78,660	-
Hire purchase	252	1,680	-
	<u>1,319,224</u>	<u>1,645,947</u>	<u>1,307,299</u>
Unsecured			
Revolving credits	<u>388,201</u>	<u>143,667</u>	<u>238,195</u>
	<u>1,707,425</u>	<u>1,789,614</u>	<u>1,545,494</u>
Current			
Secured			
Term loans	71,074	95,277	-
Revolving credit	96,780	36,760	-
Hire purchase	1,656	2,924	-
	<u>169,510</u>	<u>134,961</u>	<u>-</u>
	<u>1,876,935</u>	<u>1,924,575</u>	<u>1,545,494</u>

The maturity period of the bank borrowings as at the reporting date are as follows:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Within one year	169,510	134,961	-
More than 1 year and within 2 years	244,100	71,978	55,701
More than 2 years and within 5 years	1,315,125	894,373	591,748
More than 5 years	148,200	823,263	898,045
	<u>1,876,935</u>	<u>1,924,575</u>	<u>1,545,494</u>

The range of contractual interest rate per annum of bank borrowings as at the reporting date are as follows:

	31.3.2026 %	31.3.2025 %	31.3.2024 %
Term loans	3.93 to 5.03	4.28 to 6.38	4.58 to 4.64
Revolving credits	3.68 to 4.81	4.13 to 4.96	4.11
Hire purchase	<u>4.77 to 8.27</u>	<u>6.97 to 8.27</u>	<u>-</u>

The loans and other borrowings of the Group are secured by:

Term loans

- (i) Pledge of the property, plant and equipment as disclosed in Note 2;
- (ii) Pledge of leasehold land as disclosed in Note 3;
- (iii) Pledge of fixed deposits as disclosed in Note 12 and Note 13;
- (iv) 100,000,000 shares in CAH Medical Centres Sdn. Bhd. (31.3.2025: 100,000,000 shares; 31.3.2024: 100,000,000 shares);



13. ACCOUNTANTS' REPORT (Cont'd)

67

15. Loans and other borrowings (continued)**Term loans (continued)**

- (v) General debenture incorporating fixed and floating charges over present and future assets of CVSH Group, IOCKL and Beacon Hospital Sdn. Bhd. (Beacon Hospital Sdn Bhd is subject to an aggregate limit of RM30.0 million);
- (vi) Corporate guarantee issued by a subsidiary; and
- (vii) Joint guarantee issued by subsidiaries.

Revolving credits

- (i) Corporate guarantee issued by a subsidiary;
- (ii) Joint and several liability guarantee to be issued by five subsidiaries; and
- (iii) First party first open monies legal charge over a unit of 6 storey hospital building at Lot 13, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor.

Hire purchase

- (i) Medical equipment and facilities under hire purchase arrangement as disclosed in Note 2 to the combined financial statements.

16. Medium Term Note Programme

	31.3.2026	31.3.2025	31.3.2024
	RM'000	RM'000	RM'000
Secured			
Non-current	44,786	129,300	225,451
Current	84,514	96,093	93,593
	<u>129,300</u>	<u>225,393</u>	<u>319,044</u>

On 19 August 2020, Columbia Asia Sdn. Bhd. ("CASB"), a subsidiary of the Group entered into an unrated Medium Term Note ("MTN") Programme of up to RM720,000,000 in nominal value which is repayable over the next 2 years (31.3.2025: 3 years, 31.3.2024: 4 years).

The maturity period of the MTN financing as at the reporting date are as follows:

	31.3.2026	31.3.2025	31.3.2024
	RM'000	RM'000	RM'000
Within one year	84,514	96,093	93,593
More than 1 year and within 2 years	44,786	84,513	96,093
More than 2 years and within 5 years	-	44,787	129,358
	<u>129,300</u>	<u>225,393</u>	<u>319,044</u>

The range of contractual interest rate per annum of MTN as at the reporting date are as follows:

	31.3.2026	31.3.2025	31.3.2024
	%	%	%
Medium Term Notes	<u>3.68 - 4.53</u>	<u>4.53 - 4.84</u>	<u>4.72 - 4.88</u>



13. ACCOUNTANTS' REPORT (Cont'd)

68

17. Lease liabilities

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Non-current	132,179	89,912	116,029
Current	<u>20,328</u>	<u>11,308</u>	<u>7,374</u>
	<u>152,507</u>	<u>101,220</u>	<u>123,403</u>

The maturity period of the lease liabilities as at the reporting date are as follows:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Within one year	20,328	11,308	7,374
More than 1 year and within 2 years	17,779	10,147	5,223
More than 2 years and within 5 years	44,200	9,948	8,047
More than 5 years	<u>70,200</u>	<u>69,817</u>	<u>102,759</u>
	<u>152,507</u>	<u>101,220</u>	<u>123,403</u>

18. Employee benefits

		31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Non-current	Note			
Provision for severance allowance	18.1	<u>149</u>	<u>188</u>	<u>206</u>



13. ACCOUNTANTS' REPORT (Cont'd)

69

18. Employee benefits (continued)**18.1 Provision for severance allowance****Movement in provision for severance allowance**

The following table shows a reconciliation from the opening balance to the closing balance for provision for severance allowance:

	Note	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
At 1 April		188	206	912
Amount charged to profit or loss	25	(17)	-	16
Severance allowance paid		-	-	(741)
Effect of movements in exchange rates		(22)	(18)	19
At 31 March		<u>149</u>	<u>188</u>	<u>206</u>

The severance allowance relates to employees in Vietnam. In accordance with Vietnamese labour laws, employees who have worked regularly for full 12 months or longer, are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the subsidiary less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the subsidiary.

The severance allowance is accrued at the end of the reporting period on the basis that each employee is entitled to half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee's average salary for the six-month period prior to the reporting date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in accordance with current regulations.



13. ACCOUNTANTS' REPORT (Cont'd)

70

18. Employee benefits (continued)**18.1 Provision for severance allowance (continued)****Actuarial assumptions**

The actuarial provision valuation was carried out by management using the following key assumptions:

	31.3.2026	31.3.2025	31.3.2024
Discount rate	4.00%	1.89%	1.89%
Salary incremental rate (per annum)	5.00%	4.00%	5.00%
Expected length of employment for line worker	4 years	4 years	4 years
Expected length of employment for office staff	4 years	4 years	4 years
Expected length of employment for top management	<u>6 years</u>	<u>6 years</u>	<u>6 years</u>

19. Share-based payments arrangement

- (i) Senior Management Scheme and Long-Term Incentive Plan ("SM Scheme and LTIP")

SM Scheme and LTIP was granted to certain employees of the Group which includes the Directors. The options are exercisable over the ordinary shares of the immediate holding corporation, HSG.

The options are granted on a one option for one new share basis and may only be settled by the issuance and allotment of new ordinary shares of the immediate holding corporation or via cash settlement contingent on the outcome of certain events. Upon assessment, the SM Scheme and LTIP is treated as equity-settled under which the Group receives services from employees as consideration for equity instruments (options) of the Group.

There are different types of share options being awarded which would vest depending on the conditions as detailed below.

Restricted Stock Units ("RSUs"), Exit Options and Performance Based Options ("PBO")

The RSUs and Exit Options would vest contingent upon a liquidation event taking place whereas the PBO would vest upon the immediate holding achieving the targeted earnings before income taxes, depreciation and amortisation ("EBITDA") results set by the Board of Directors.



13. ACCOUNTANTS' REPORT (Cont'd)

71

19. Share-based payments arrangement (continued)**(i) Senior Management Scheme ("SM Scheme and LTIP") (continued)**

The movement of the options during the financial year are as follows:

	1 April 2023 Unit	Granted Unit	31 March 2024/ 1 April 2024 Unit	Granted Unit	Exercised Unit
SM Scheme and LTIP	3,769,614	475,436	4,245,050	5,853,926	(2,849,994)

	31 March 2025/ 1 April 2025 Unit	Granted Unit	31 March 2026 Unit
SM Scheme and LTIP	7,248,982	174,840	7,423,822



13. ACCOUNTANTS' REPORT (Cont'd)

72

19. Share-based payments arrangement (continued)

(i) Senior Management Scheme ("SM Scheme and LTIP") (continued)

Restricted Stock Units ("RSUs"), Exit Options and Performance Based Options ("PBO") (continued)

The fair value of the SM Scheme and LTIP granted in which MFRS 2 applies, were determined using the Black-Scholes valuation model. The significant inputs in the model are as follows:

-----Senior Management Scheme-----									
	RSU	Exit Options	PBO						
Grant date	28 June 2021	28 June 2021	31 May 2021; 28 Jun 2021	27 April 2023	15 October 2024	15 October 2024	20 December 2024	17 April 2025	14 July 2025
Fair value	USD3.85	USD0.41- USD0.73	USD0.85	USD1.71- USD1.89	USD2.07- USD2.21	USD1.96- USD2.10	USD1.94- USD2.10	USD1.87- USD2.33	USD1.79- USD2.27
Exercise price	-	USD4.08	USD4.08	USD6.31	USD6.89	USD7.15	USD7.15	USD7.15	USD7.15
Option life	-	5 years	5 years (Final vesting date on 31 Jul 2025; 31 Jul 2026)	2.76 to 3.38 years (Final vesting date on 15 Sep 2026)	4 years (Final vesting date on 15 Sep 2028)	4 years (Final vesting date on 15 Sep 2028)	4 years (Final vesting date on 15 Sep 2028)	4 years (Final vesting date on 15 Sep 2029)	4 years (Final vesting date on 15 Sep 2029)



13. ACCOUNTANTS' REPORT (Cont'd)

73

19. Share-based payments arrangement (continued)

(i) Senior Management Scheme ("SM Scheme and LTIP") (continued)

Restricted Stock Units ("RSUs"), Exit Options and Performance Based Options ("PBO") (continued)

		-----Senior Management Scheme-----							
	RSU	Exit Options	-----PBO-----						
Expected dividend yield	-	0%	0%	0%	0%	0%	0%	0%	0%
Risk free interest rates	-	0.79%	0.30% - 0.68%; 0.37% - 0.93%	3.67% - 3.79%	3.86%	3.86%	4.32% - 4.34%	3.82% - 3.91%	3.87%-3.93%
Expected volatility	-	35%	35%	35%	30%	30%	30%	30%	30%



13. ACCOUNTANTS' REPORT (Cont'd)

74

19. Share-based payments arrangement (continued)**(ii) Phantom Share Scheme ("PSS")**

Two (2) Phantom Share Schemes were granted to eligible employees of CVSKL and BHSB, to be satisfied by HSG's shares.

These Phantom Shares shall be vested in accordance with the terms in the PSS. Vesting is conditional upon the grantees' continuous full-time employment with the respective subsidiaries through the vesting dates.

The movement of the Phantom Shares during the financial year are as follows:

	1 April 2023	Granted	31 March 2024/ 1 April 2024	Granted	31 March 2025
	Unit	Unit	Unit	Unit	Unit
PSS	-	-	-	3,349,932	3,349,932
	31 March 2025/ 1 April 2025	Granted	31 March 2026		
	Unit	Unit	Unit		
PSS	3,349,932	-	3,349,932		

The fair values of the shares granted were estimated using a Monte Carlo simulation model. The significant inputs in the model are as follows:

Fair value	USD7.14
Exercise price	-
Option life	3.33 years
Expected dividend yield	0%
Risk free interest rates	4.08%
Expected volatility	30%

(iii) Doctors' Schemes

Two practice-linked share scheme namely, Scheme A and Scheme B, were granted by its subsidiaries.

Scheme A

Scheme A was granted to the eligible doctors of BHVGB satisfied by a subsidiary's shares. The Scheme A is for a period of 1.08 - 2.08 years. Vesting is conditional upon the grantees' continuous practicing with the subsidiary through the vesting dates.



13. ACCOUNTANTS' REPORT (Cont'd)

75

19. Share-based payments arrangement (continued)**(iii) Doctors' Schemes (continued)**Scheme A (continued)

The movement of the Scheme A shares during the financial year are as follows:

	1 April 2023 Unit	Granted Unit	31 March 2024/ 1 April 2024 Unit	Granted Unit	31 March 2025 Unit
Scheme A	-	-	-	2,179,749	2,179,749

	31 March 2025/ 1 April 2025 Unit	Exercised Unit	Forfeited Unit	31 March 2026 Unit
Scheme A	2,179,749	(1,297,316)	(17,560)	864,873

The fair values of the shares granted were estimated using a Monte Carlo simulation model. The significant inputs in the model are as follows:

Fair value	RM12.78 - RM12.95
Exercise price	-
Option life	1.08 - 2.08 years
Expected dividend yield	1.5%
Risk free interest rates	3.32% - 3.45%
Expected volatility	30%



13. ACCOUNTANTS' REPORT (Cont'd)

76

19. Share-based payments arrangement (continued)**(iii) Doctors' Schemes (continued)****Scheme B**

As part of the sales and purchase agreement for the acquisition of the ASC Entities, Scheme B was granted to the eligible doctors which was satisfied by HSG's shares and BHVGB's shares (see Note 33.1).

The movement of the Scheme B shares during the financial year are as follows:

	1 April 2023 Unit	Granted Unit	31 March 2024/ 1 April 2024 Unit	Granted Unit	Exercised Unit
Scheme B	-	-	-	832,634	(832,634)
	31 March 2025/ 1 April 2025 Unit	Grant/ Accepted Unit	31 March 2026 Unit		
Scheme B	-	-	-		

The fair values of the shares granted is expected to approximate the share price of HSG at fair value of USD7.15 and BHVGB at fair value of RM13.16 as the Scheme B has been granted without any vesting conditions. There is no further unit granted under Scheme B during the year.

Value of employee/doctor services received for issue of share options

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Senior Management Scheme	8,289	17,075	679
Phantom Share Scheme	51,612	31,290	-
Doctor Scheme A	10,348	15,737	-
	<u>70,249</u>	<u>64,102</u>	<u>679</u>

All the share options expenses are recognised under the employee benefits expense in the profit or loss of the Group except for Doctor Scheme A which is recognised in other expenses.



13. ACCOUNTANTS' REPORT (Cont'd)

77

20. Trade and other payables

	Note	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Current				
Trade payables		142,612	117,427	74,882
Accrued expenses		256,632	249,053	211,054
Specialist consultant fees	20.1	126,649	137,329	93,948
Deposits received		18,532	11,007	2,229
Service tax and withholding tax		1,278	894	534
Other payables		56,780	50,040	45,948
		<u>602,483</u>	<u>565,750</u>	<u>428,595</u>

20.1 Specialist consultant fees

Specialist consultant fees relate to doctors' consultant fee charged to inpatients and outpatients.

21. Revenue

	2026 RM'000	2025 RM'000	2024 RM'000
Medical services rendered	1,768,735	1,611,924	779,182
Sales of goods	1,435,715	1,195,932	599,882
Others	89,220	91,924	58,841
Total revenue	<u>3,293,670</u>	<u>2,899,780</u>	<u>1,437,905</u>



13. ACCOUNTANTS' REPORT (Cont'd)

78

21. Revenue (continued)**Disaggregation of revenue from contracts with customers**

In the following table, the Group's revenue from contracts with customers is disaggregated by geographical markets.

21.1 Disaggregation of revenue

	2026	2025	2024
	RM'000	RM'000	RM'000
Primary geographical markets			
Malaysia	3,232,903	2,841,613	1,373,951
Vietnam	46,818	44,952	52,841
Others	13,949	13,215	11,113
	<u>3,293,670</u>	<u>2,899,780</u>	<u>1,437,905</u>

21.2 Nature of goods and services**(i) Medical services rendered**

Medical services rendered comprising of:

Imaging and laboratory services

The Group provides imaging and laboratory services to patients. The performance obligations are generally satisfied over a short period, and revenue equivalent to the price of imaging and laboratory services is recorded when the services are performed. The Group has a range of credit terms which are typically short term, in line with market practice, and without any financing component. There are no variable considerations for imaging and laboratory services.

Consultancy fees

Revenue from consultancy fees represents doctors' consultation fee charged to inpatients and outpatients, as determined by a principal or agent assessment under MFRS 15 between the hospital and the doctor. Where the hospital is a principal, consultancy fees received from patients will be recognised at gross amount. Where the hospital is an agent, the doctors' consultancy fees received from patients will be recognised net of the doctors' fees. The performance obligations for consultancy services are generally satisfied over a short period, and revenue is recorded when the consultancy services are performed. The Group has a range of credit terms which are typically short term, in line with market practice, and without any financing component. There are no variable considerations for consultancy services.



13. ACCOUNTANTS' REPORT (Cont'd)

79

21. Revenue (continued)

21.2 Nature of goods and services (continued)

(i) Medical services rendered (continued)

Related hospital income

Related hospital income mainly comprises room charges, nursing and medical equipment charges.

The performance obligations for inpatient services are generally satisfied over a short period, and revenue from inpatient services is recorded when the inpatient services are performed. The performance obligations for outpatient and daycare services are generally satisfied over a period of less than one day, and revenue is also recorded when the outpatient services are performed. The Group has a range of credit terms which are typically short term, in line with market practice, and without any financing component. There are no variable considerations for inpatient and outpatient services.

(ii) Sales of goods

Revenue from sale of goods in the ordinary course of business is recognised at a point in time when the Group satisfies a performance obligation by transferring control of the pharmaceutical or medical product to the customers. Revenue equivalent to the price of the pharmaceutical or medical product sold is recognised when control has been transferred. The Group has a range of credit terms which are typically short term, in line with market practice, and without any financing component. There are no variable considerations, and no obligation for returns or refunds or warranties for sale of pharmaceutical and medical products.

(iii) Others

Other income mainly comprises rental income and administrative fee income from consultants, which represents administrative fees charged to certain consultant specialists who operate as independent contractors. The performance obligations in respect of administrative fee income are generally satisfied over time, and the related income is recognised as the services are performed. Rental income is recognised on a straight-line basis over the lease term. The Group generally provides short-term credit terms to its customers, which are in line with market practice and do not contain a significant financing component. There is no material variable consideration associated with the Group's other income.

Other income also include management fee and information technology ("IT") services fees which the Group charge its related companies in Indonesia for providing support function. Revenue equivalent to amount charged on a monthly basis is recognised over time as management satisfied its performance obligation to provide a support role to those other related parties. The credit terms are 60 days from invoice date and there are no variable considerations for management fees and IT services fee.



13. ACCOUNTANTS' REPORT (Cont'd)

80

22. Employee benefits expense

	Note	2026 RM'000	2025 RM'000	2024 RM'000
Short-term employee benefits		831,078	737,381	401,007
Defined contribution plan		62,879	68,748	32,047
Share-based payment expenses	22.1	59,901	48,365	679
		<u>953,858</u>	<u>854,494</u>	<u>433,733</u>

22.1 Share-based payment expenses recognised pertaining to various shares scheme implemented and awarded to certain officers, key employees and Directors of the Group during the financial years. The details are further disclosed in Note 19.

Included in the employee benefits expenses above are the Directors' and other key management personnels' remuneration as follows:

Directors' remuneration

	2026 RM'000	2025 RM'000	2024 RM'000
Short-term employee benefits	11,180	11,154	8,808
Defined contribution plans	244	218	92
Share-based payment expenses	5,530	13,369	144
	<u>16,954</u>	<u>24,741</u>	<u>9,044</u>

Other key management personnel

Other key management personnel are senior management having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

The remuneration of other key management personnel during the financial year are as follows:

	2026 RM'000	2025 RM'000	2024 RM'000
Short-term employee benefits	19,573	18,288	10,292
Defined contribution plans	2,000	2,005	1,119
Share-based payment expenses	2,356	3,358	410
	<u>23,929</u>	<u>23,651</u>	<u>11,821</u>



13. ACCOUNTANTS' REPORT (Cont'd)

81

23. Finance income and finance costs**23.1 Finance income**

	2026 RM'000	2025 RM'000	2024 RM'000
Interest income of financial assets calculated using the effective interest method that are at amortised cost			
- Amount owing from related companies	4,187	3,050	385
- Fixed deposits placed with licensed banks	11,073	17,355	13,306
	<u>15,260</u>	<u>20,405</u>	<u>13,691</u>

23.2 Finance costs

	2026 RM'000	2025 RM'000	2024 RM'000
Interest expenses of financial liabilities that are not at fair value through profit or loss			
- Term loans	67,348	80,322	19,846
- Hire purchase	255	288	1
- Medium Term Note Programme	6,905	13,362	17,413
- Revolving credits	13,767	10,992	2,668
- Amortisation of upfront fee	4,101	2,896	1,381
Interest expenses on lease liabilities	7,602	9,103	9,564
	<u>99,978</u>	<u>116,963</u>	<u>50,873</u>



13. ACCOUNTANTS' REPORT (Cont'd)

82

24. Tax expense

24.1 Recognised in profit or loss

	2026 RM'000	2025 RM'000	2024 RM'000
Current tax expense			
Current year	159,651	153,643	96,087
Under/(Over) provision in prior year	1,648	(1,653)	(629)
Total current tax recognised in profit or loss	161,299	151,990	95,458
Deferred tax expenses			
Reversal of temporary differences	(14,676)	(1,727)	(11,807)
Under/(Over) provision in prior year	8,706	(841)	136
Total deferred tax recognised in profit or loss	(5,970)	(2,568)	(11,671)
Total income tax expense	155,329	149,422	83,787
Reconciliation of tax expense			
Profit before tax	508,828	55,926	270,534
Income tax calculated using Malaysian tax rate of 24% (2025: 24%; 2024: 24%)	122,119	13,422	64,928
Effect of tax rates in foreign jurisdictions	(295)	182	868
Non-deductible expenses	35,581	119,640	24,061
Tax exempt income	(2,771)	(6,576)	(1,334)
Recognition of previously unrecognised deferred tax asset	(9,659)	-	(4,243)
Effect of deferred tax asset unrecognised	-	25,248	-
Under/(Over) provision in prior year	10,354	(2,494)	(493)
	155,329	149,422	83,787

24.1.1 Income tax for other jurisdictions are calculated at the rates prevailing in the respective jurisdictions. The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

24.1.2 Non-deductible expenses include impairment of goodwill amounting to RM362,666,000 (pre-tax) in the financial year ended 31 March 2025.



13. ACCOUNTANTS' REPORT (Cont'd)

83

25. Profit/(Loss) for the year

	Note	2026 RM'000	2025 RM'000	2024 RM'000
Profit/(Loss) for the year is arrived at after charging/(crediting):				
Material expenses/(income)				
Acquisition related costs	33	-	14,068	48,906
Depreciation of:				
Property, plant and equipment	2	223,242	190,436	85,608
Right-of-use assets	3	26,944	24,530	17,719
Amortisation of intangible assets	4	55,803	53,139	1,032
Write-offs of:				
Property, plant and equipment	2	889	16,761	5,709
Inventories	9	2,555	768	854
Trade receivables		3,196	1,819	193
Intangible assets	4	-	-	305
Reversal of provision for stock obsolescence	9	-	(1,013)	-
Impairment loss on:				
Goodwill	4	1	362,666	12,573
Property, plant and equipment	2	-	14,076	288
Investment in a joint venture	6	12	54	-
Loss allowance on:				
Trade receivables		15,952	13,844	4,338
(Reversal)/Provision for severance allowance	18	(17)	-	16
Gain on disposal of property, plant and equipment		(630)	(1,056)	(65)
Investment income		(535)	-	-
Fair value loss		17	-	-
Gain on disposal of a subsidiary	33	-	(19,321)	-
Loss on lease termination		51	201	202
Gain on lease modification		(55)	(8)	-
Loss/(Gain) on foreign exchange:				
Realised		452	(50)	322
Unrealised		1,563	(974)	(1,847)



13. ACCOUNTANTS' REPORT (Cont'd)

84

26. Other comprehensive income

	Before tax RM'000	2026 Tax expense RM'000	Net of tax RM'000	Before tax RM'000	2025 Tax expense RM'000	Net of tax RM'000	Before tax RM'000	2024 Tax expense RM'000	Net of tax RM'000
Items that will not be reclassified subsequently to profit or loss									
Revaluation of property, plant and equipment	-	-	-	264,257	(45,437)	218,820	-	-	-
Revaluation of right-of-use assets	-	-	-	40,511	(9,564)	30,947	-	-	-
	-	-	-	304,768	(55,001)	249,767	-	-	-
Items that are or may be reclassified subsequently to profit or loss									
Foreign currency translation differences for foreign operations	(13,040)	-	(13,040)	(9,962)	-	(9,962)	1,128	-	1,128



13. ACCOUNTANTS' REPORT (Cont'd)

85

27. Earnings per ordinary share**Basic earnings per ordinary share**

The basic earnings per share is calculated based on the profit for the financial year attributable to owner of the Company and the weighted average number of ordinary shares in issue during the financial year ended 31 March 2026, 31 March 2025 and 31 March 2024.

	2026 RM'000	2025 RM'000	2024 RM'000
Profit/(Loss) for the year attributable to owner	<u>344,368</u>	<u>(85,846)</u>	<u>186,840</u>
Weighted average number of ordinary share in issue (in thousand of shares)	<u>8,133,512</u>	<u>7,330,969</u>	<u>2,626,194</u>
Basic earnings per ordinary share (sen)	<u>4.23</u>	<u>(1.17)</u>	<u>7.11</u>

Diluted earnings per ordinary share

Diluted earnings per ordinary share are identical with basic earnings per ordinary share as the Group does not have any dilutive potential ordinary shares.

28. Operating segments

The Group is organised into two reportable segments based on the nature of products and services. The strategic business units offer hospital services in different locations, and are managed separately. Others comprise the non hospital services, Group's corporate office as well as other investment holding entities. For each of the strategic business units, the Group's Chief Operating Decision Maker ("CODM") reviews internal management reports on at least a quarterly basis. The reportable segment are summarised as follows:

Hospital services	Operation of hospitals and of its related services.
Others	Operation of standalone oncology, recovery and rehabilitation centre, investment holding activities, provision of shared and integrated support services and product distributor.

Management monitors the operating results of each of its business units for the purpose of making decisions on resource allocation and performance assessment. Performance is measured based on segment EBITDA or loss before income taxes, depreciation and amortisation ("LBITDA").

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Inter-segment pricing is determined on negotiated basis.

The Group does not have any single external customer contributing 10% or more of total revenue.



13. ACCOUNTANTS' REPORT (Cont'd)

86

28. Operating segments (continued)

	Hospital Services RM'000	Others RM'000	Eliminations RM'000	Total RM'000
2026				
Revenue				
Sales to external customers	3,257,395	36,275	-	3,293,670
Inter-segment sales	6,631	57,275	(63,906)	-
	<u>3,264,026</u>	<u>93,550</u>	<u>(63,906)</u>	<u>3,293,670</u>
Results				
EBITDA	918,275	(69,390)	50,650	899,535
Depreciation of property, plant and equipment	(212,900)	(6,200)	(4,142)	(223,242)
Depreciation of right-of-use asset	(25,024)	(1,920)	-	(26,944)
Amortisation of intangible asset	(4,972)	(472)	(50,359)	(55,803)
Finance income	9,219	8,643	(2,602)	15,260
Finance costs	(59,560)	(43,121)	2,703	(99,978)
Profit/(Loss) before tax	625,038	(112,460)	(3,750)	508,828
Income tax expense	(165,477)	(3,354)	13,502	(155,329)
Profit/(Loss) for the year	<u>459,561</u>	<u>(115,814)</u>	<u>9,752</u>	<u>353,499</u>
Assets				
Segment assets	<u>5,209,317</u>	<u>10,802,919</u>	<u>(4,972,920)</u>	<u>11,039,316</u>
Included in the measure of segment assets are:				
Additions to non-current assets other than financial instruments and deferred tax assets	<u>395,859</u>	<u>3,626</u>	<u>-</u>	<u>399,485</u>
Liabilities				
Segment liabilities	<u>2,487,297</u>	<u>845,933</u>	<u>(49,442)</u>	<u>3,283,788</u>



13. ACCOUNTANTS' REPORT (Cont'd)

87

28. Operating segments (continued)

	Hospital Services RM'000	Others RM'000	Eliminations RM'000	Total RM'000
2025				
Revenue				
Sales to external customers	2,869,633	30,147	-	2,899,780
Inter-segment sales	279	53,400	(53,679)	-
	<u>2,869,912</u>	<u>83,547</u>	<u>(53,679)</u>	<u>2,899,780</u>
Results				
EBITDA	790,889	765,882	(1,136,182)	420,589
Depreciation of property, plant and equipment	(181,245)	(5,601)	(3,590)	(190,436)
Depreciation of right-of-use asset	(22,948)	(1,582)	-	(24,530)
Amortisation of intangible asset	(4,439)	(118)	(48,582)	(53,139)
Finance income	12,788	11,860	(4,243)	20,405
Finance costs	(59,344)	(61,926)	4,307	(116,963)
Profit before tax	535,701	708,515	(1,188,290)	55,926
Income tax expense	(160,140)	(2,480)	13,198	(149,422)
Profit/(Loss) for the year	<u>375,561</u>	<u>706,035</u>	<u>(1,175,092)</u>	<u>(93,496)</u>
Assets				
Segment assets	<u>5,057,415</u>	<u>10,558,524</u>	<u>(4,816,730)</u>	<u>10,799,209</u>
Included in the measure of segment assets are:				
Additions to non-current assets other than financial instruments and deferred tax assets	<u>392,314</u>	<u>8,338</u>	<u>-</u>	<u>400,652</u>
Liabilities				
Segment liabilities	<u>2,224,645</u>	<u>1,122,136</u>	<u>(6,316)</u>	<u>3,340,465</u>



13. ACCOUNTANTS' REPORT (Cont'd)

88

28. Operating segments (continued)

	Hospital Services RM'000	Others RM'000	Eliminations RM'000	Total RM'000
2024				
Revenue				
Sales to external customers	1,410,389	27,516	-	1,437,905
Inter-segment sales	-	29,081	(29,081)	-
	<u>1,410,389</u>	<u>56,597</u>	<u>(29,081)</u>	<u>1,437,905</u>
Results				
EBITDA/LBITDA	493,322	(56,560)	(24,687)	412,075
Depreciation of property, plant and equipment	(81,060)	(4,548)	-	(85,608)
Depreciation of right-of-use asset	(15,729)	(1,990)	-	(17,719)
Amortisation of intangible asset	(1,032)	-	-	(1,032)
Finance income	10,510	4,094	(913)	13,691
Finance costs	<u>(36,331)</u>	<u>(15,455)</u>	<u>913</u>	<u>(50,873)</u>
Profit/(Loss) before tax	369,680	(74,459)	(24,687)	270,534
Income tax expense	<u>(82,514)</u>	<u>(1,273)</u>	<u>-</u>	<u>(83,787)</u>
Profit/(Loss) for the year	<u>287,166</u>	<u>(75,732)</u>	<u>(24,687)</u>	<u>186,747</u>
Assets				
Segment assets	<u>3,715,974</u>	<u>7,674,403</u>	<u>(3,599,116)</u>	<u>7,791,261</u>
Included in the measure of segment assets are:				
Additions to non-current assets other than financial instruments and deferred tax assets	<u>197,454</u>	<u>9,618</u>	<u>-</u>	<u>207,072</u>
Liabilities				
Segment liabilities	<u>1,533,751</u>	<u>1,610,108</u>	<u>(370,498)</u>	<u>2,773,361</u>



13. ACCOUNTANTS' REPORT (Cont'd)

89

28. Operating segments (continued)

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on geographical location of the assets. The amount of non-current assets do not include financial instruments and deferred tax assets.

	External revenue RM'000	Non-current assets RM'000
Geographical information		
2026		
Malaysia	3,232,903	9,652,485
Vietnam	46,818	52,990
Others	13,949	-
	<u>3,293,670</u>	<u>9,705,475</u>
2025		
Malaysia	2,841,613	9,561,958
Vietnam	44,952	61,483
Others	13,215	-
	<u>2,899,780</u>	<u>9,623,441</u>
2024		
Malaysia	1,373,951	6,691,094
Vietnam	52,841	63,770
Others	11,113	-
	<u>1,437,905</u>	<u>6,754,864</u>



13. ACCOUNTANTS' REPORT (Cont'd)

90

29. Financial instruments

29.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC") and fair value through profit or loss ("FVTPL").

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Financial assets at amortised cost			
Trade receivables	400,726	387,393	289,343
Other receivables and refundable deposits	32,183	29,663	9,841
Amount owing from immediate holding company	-	-	2
Amount owing from related companies	19,461	111,812	44,746
Other investment – fixed deposits placed with licensed banks	47,675	35,742	33,244
Cash and cash equivalents	499,919	410,706	526,421
	<u>999,964</u>	<u>975,316</u>	<u>903,597</u>
Financial assets at fair value through profit or loss			
Other investment – unit trust	<u>100,519</u>	<u>-</u>	<u>-</u>
Financial liabilities at amortised cost			
Trade and other payables (exclude service tax and withholding tax)	601,205	564,856	428,061
Amount owing to immediate holding company	-	543	-
Loans and other borrowings	1,876,935	1,924,575	1,545,494
Medium Term Note Programme	129,300	225,393	319,044
	<u>2,607,440</u>	<u>2,715,367</u>	<u>2,292,599</u>



13. ACCOUNTANTS' REPORT (Cont'd)

91

29. Financial instruments (continued)**29.2 Net gains and losses arising from financial instruments**

	2026 RM'000	2025 RM'000	2024 RM'000
Net gains/(losses) on:			
Financial assets at AC	(3,888)	4,742	9,160
Financial liabilities at AC	(94,391)	(106,836)	(39,784)
Financial assets at FVTPL	518	-	-
	<u>(97,761)</u>	<u>(102,094)</u>	<u>(30,624)</u>

29.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

29.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. There are no significant changes as compared to prior periods.

Trade receivables and accrued receivables*Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The risk is managed through the application of the Group's credit management procedures which include the application of credit evaluations or approvals and follow up procedures.

The Group actively monitors the utilisation of credit limits to manage the risk of any material loss from the non-performance of its counterparties.

At each reporting date, the Group assesses whether any of the trade receivables and accrued receivables are credit impaired.



13. ACCOUNTANTS' REPORT (Cont'd)

92

29. Financial instruments (continued)

29.4 Credit risk (continued)

Trade receivables and accrued receivables (continued)

Risk management objectives, policies and processes for managing the risk (continued)

The gross carrying amounts of credit impaired trade receivables and accrued receivables are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and accrued receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to prior periods.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and accrued receivables are represented by the carrying amounts in the statement of financial position.

Concentration of credit risk

The exposure of credit risk for trade receivables and accrued receivables as at the end of the reporting period by geographic region was:

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Malaysia	399,520	386,375	288,496
Vietnam	1,206	1,018	847
	<u>400,726</u>	<u>387,393</u>	<u>289,343</u>

The Group applies the simplified approach to provide for expected credit losses ("ECL") prescribed by MFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables including accrued receivables. The Group accounts for its credit risk by appropriately providing for expected credit losses on timely basis. In calculating credit loss rate, the trade receivables and accrued receivables have been assessed based on credit risk categories and the days past due and adjusted for forward looking information.



13. ACCOUNTANTS' REPORT (Cont'd)

93

29. Financial instruments (continued)

29.4 Credit risk (continued)

Trade receivables and accrued receivables (continued)

Recognition and measurement of impairment losses

The expected loss rates are based on historical payment profiles of sales over 36 months before the reporting date and the corresponding historical credit losses experienced within these periods. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the following to be the most relevant factors applicable to each of the three regions in the Group, and accordingly the correlation between historical loss rates against these macroeconomic variables are being applied as a basis in forecasting forward looking expected loss rate based and the expected changes in these factors.

Malaysia	-	Average wages or salary, Malaysia Consumer Price Index ("CPI") and Real Gross Domestic Product
Vietnam	-	Producer Price Index Value and Vietnam CPI

No significant changes to estimation techniques or assumptions were made during the reporting period compared to those applied in previous financial period.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a receivable for write off when a debtor fails to make contractual payments and the recoverability of the receivables is remote. Where trade receivables have been written off, the Group continues to engage in enforcement activity to attempt to receive the receivable due. Where recoveries are made, these are recognised in profit or loss.



13. ACCOUNTANTS' REPORT (Cont'd)

94

29. Financial instruments (continued)

29.4 Credit risk (continued)

Trade receivables and accrued receivables (continued)

Recognition and measurement of impairment losses (continued)

General 3-stage approach for other debt instruments financial assets

The Group uses four categories to reflect their credit risk and how the loss allowance is determined for other debt instruments which are subject to expected credit losses under the 3-stage general approach. A summary of the assumptions which underpin the Group's expected credit losses model is as follows:

Category	Company's definition of category	Basis of recognising ECL
Performing	Debtors have a low risk of default and a strong capacity to meet contractual cash flows.	12 month ECL
Underperforming	Debtors for which there is a significant increase in credit risk or significant increase in credit risk is presumed if interest and/or principal repayments are past due.	Lifetime ECL
Non performing	There is evidence indicating the asset is credit-impaired.	Lifetime ECL (credit impaired)
Write-offs	There is evidence indicating that there is no reasonable expectation of recovery based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.	Asset is written off

Based on the above, loss allowance is measured on either 12-month ECL or lifetime ECL using a PD x LGD x EAD methodology where:

PD ('probability of default') - the likelihood that the debtor would not be able to repay during the contractual period;

LGD ('loss given default') - the percentage of contractual cash flows that will not be collected if default happens; and

EAD ('exposure at default') - the outstanding amount that is exposed to default risk.



13. ACCOUNTANTS' REPORT (Cont'd)

95

29. Financial instruments (continued)

29.4 Credit risk (continued)

Trade receivables and accrued receivables (continued)

Recognition and measurement of impairment losses (continued)

In deriving the PD and LGD, the Group considers historical data by each debtor by category and adjust for forward-looking macroeconomic data. Loss allowance is measured at a probability-weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs. No significant changes to estimation techniques or assumptions were made during the reporting period.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and accrued receivables which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
31.3.2026			
Current (not past due)	248,915	(391)	248,524
1 - 30 days past due	79,788	(1,940)	77,848
31 - 60 days past due	36,094	(1,823)	34,271
61 - 90 days past due	17,008	(1,556)	15,452
91 - 120 days past due	11,393	(2,395)	8,998
>120 days past due	72,833	(57,200)	15,633
	<u>466,031</u>	<u>(65,305)</u>	<u>400,726</u>
Trade receivables	444,952	(65,305)	379,647
Accrued receivables	21,079	-	21,079
	<u>466,031</u>	<u>(65,305)</u>	<u>400,726</u>
31.3.2025			
Current (not past due)	239,506	(391)	239,115
1 - 30 days past due	73,697	(1,245)	72,452
31 - 60 days past due	35,257	(1,211)	34,046
61 - 90 days past due	14,292	(1,107)	13,185
91 - 120 days past due	12,128	(1,194)	10,934
>120 days past due	66,050	(48,389)	17,661
	<u>440,930</u>	<u>(53,537)</u>	<u>387,393</u>
Trade receivables	427,318	(53,537)	373,781
Accrued receivables	13,612	-	13,612
	<u>440,930</u>	<u>(53,537)</u>	<u>387,393</u>



13. ACCOUNTANTS' REPORT (Cont'd)

96

29. Financial instruments (continued)

29.4 Credit risk (continued)

Trade receivables and accrued receivables (continued)

Recognition and measurement of impairment losses (continued)

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
31.3.2024			
Current (not past due)	198,769	(229)	198,540
1 - 30 days past due	39,492	(763)	38,729
31 - 60 days past due	17,340	(682)	16,658
61 - 90 days past due	6,082	(947)	5,135
91 - 120 days past due	5,352	(1,010)	4,342
>120 days past due	56,861	(30,922)	25,939
	<u>323,896</u>	<u>(34,553)</u>	<u>289,343</u>
Trade receivables	306,646	(34,553)	272,093
Accrued receivables	17,250	-	17,250
	<u>323,896</u>	<u>(34,553)</u>	<u>289,343</u>

The movements in the allowance for impairment in respect of trade receivables and accrued receivables during the year are shown below.

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
At 1 April	53,537	34,553	3,562
Amount recognised during the year	15,952	13,844	4,338
Amount written off during the year	(4,181)	(344)	(2,147)
Acquisition through business combinations	-	6,415	28,798
Disposal of a subsidiary	-	(929)	-
Effect of movements in exchange rates	(3)	(2)	2
At 31 March	<u>65,305</u>	<u>53,537</u>	<u>34,553</u>



13. ACCOUNTANTS' REPORT (Cont'd)

97

29. Financial instruments (continued)

29.4 Credit risk (continued)

Cash and cash equivalents and deposits with licensed banks and Other investments

The cash and cash equivalents, deposits and other investments are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables are mainly arising from deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Consequently, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

Amount due from related companies

The Group provides management and IT services which are trade in nature. The Group also provides unsecured loans and advances to Indonesia related companies. The Group monitors the ability of the related companies to repay the trade and non-trade amount on an individual basis.

Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Consequently, the Group are of the view that the loss allowance is not material and hence, it is not provided for.



13. ACCOUNTANTS' REPORT (Cont'd)

98

29. Financial instruments (continued)**29.4 Credit risk (continued)****Amount due from related companies (continued)**

Generally, the Group considers loans and advances to related parties have low credit risk. The Group assumes that there is a significant increase in credit risk when a related party's financial position deteriorates significantly. As the Group is able to determine the timing of payments of the related parties' loans and advances when they are payable, the Group considers the loans and advances to be in default when the related parties are not able to pay when demanded.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

29.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity from its operations and unutilised banking facilities to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.



13. ACCOUNTANTS' REPORT (Cont'd)

99

29. Financial instruments (continued)

29.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

	Carrying amount RM'000	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
31.3.2026						
Financial liabilities						
Non-interest bearing:						
Trade and other payables (exclude service tax and withholding tax)	601,205	601,205	601,205	-	-	-
Interest/profit bearing:						
Loans and other borrowings	1,876,935	2,206,082	249,931	316,753	1,480,630	158,768
Medium Term Note Programme	129,300	135,108	89,470	45,638	-	-
Lease liabilities	152,507	248,431	34,292	25,619	63,404	125,116



13. ACCOUNTANTS' REPORT (Cont'd)

100

29. Financial instruments (continued)

29.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
31.3.2025						
Financial liabilities						
Non-interest bearing:						
Trade and other payables (exclude service tax and withholding tax)	564,856	564,856	564,856	-	-	-
Amount owing to immediate holding company	543	543	543	-	-	-
Interest/profit bearing:						
Loans and other borrowings	1,924,575	2,359,953	209,634	188,035	1,066,160	896,124
Medium Term Note Programme	225,393	240,316	105,208	89,470	45,638	-
Lease liabilities	101,220	183,021	16,990	17,695	25,586	122,750



13. ACCOUNTANTS' REPORT (Cont'd)

101

29. Financial instruments (continued)

29.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
31.3.2024						
Financial liabilities						
Non-interest bearing:						
Trade and other payables (exclude service tax and withholding tax)	428,061	428,061	428,061	-	-	-
Interest/profit bearing:						
Loans and other borrowings	1,545,494	1,869,822	58,440	116,983	744,447	949,952
Medium Term Note Programme	319,044	347,947	107,630	105,208	135,109	-
Lease liabilities	123,403	340,810	16,212	13,859	13,236	297,503



13. ACCOUNTANTS' REPORT (Cont'd)

102

29. Financial instruments (continued)

29.6 Market risk

Market risk is the risk that changes in market prices, such as interest rates and other prices that will affect the Group's financial position or cash flows.

The Group's exposure to currency risk on this business is limited to other payables and cash and bank balances denominated in USD, of which has an insignificant effect on the combined financial statements.

29.6.1 Interest rate risk

The Group's investments in fixed rate instruments, its fixed rate borrowings and lease liabilities are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

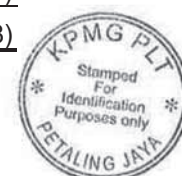
The Group's interest-bearing assets are primarily fixed deposits with licensed banks. The interest rates on these deposits are monitored closely to ensure they are maintained at favourable rates. The Group considers the risk of significant changes to interest rates on deposits to be unlikely.

Surplus funds are placed with licensed financial institutions to earn interest income based on prevailing market rates. The Group manages its interest rate risks by placing such funds on short tenures of 12 months or less.

The Group's exposure to interest/profit rate risks relates primarily to the Group's interest-bearing borrowings, which are principally denominated in the functional currencies of the Group entities.

The Group generally borrows principally on a floating rate basis and ensure that interest rates obtained are competitive. The interest rate profile of the Group's significant interest-bearing financial instrument has been presented in Note 15 and 16.

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Fixed rate instruments			
Hire purchase	(1,908)	(4,604)	-
Lease liabilities	(152,507)	(101,220)	(123,403)
Fixed deposits with licensed banks	23,350	112,226	251,425
Other investment – fixed deposits placed with licensed banks	47,675	35,742	33,244
	<u>(83,390)</u>	<u>42,144</u>	<u>161,266</u>
Floating rate instruments			
Term loan	(1,341,146)	(1,660,884)	(1,307,299)
Revolving credit	(533,881)	(259,087)	(238,195)
Medium Term Note Programme	<u>(129,300)</u>	<u>(225,393)</u>	<u>(319,044)</u>
	<u>(2,004,327)</u>	<u>(2,145,364)</u>	<u>(1,864,538)</u>



13. ACCOUNTANTS' REPORT (Cont'd)

103

29. Financial instruments (continued)

29.6 Market risk (continued)

29.6.1 Interest rate risk (continued)

Exposure to interest rate risk

At the reporting date, the interest rate profile of the interest-bearing financial instruments, as reported to the management, was as follows:

(a) *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, in respect of the fixed rate instrument a change in interest rates at the end of the reporting period would not affect profit or loss.

(b) *Cash flow sensitivity analysis for variable rate instruments*

A change of 50 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Equity		Profit or loss	
	50 bp increase RM'000	50 bp decrease RM'000	50 bp increase RM'000	50 bp decrease RM'000
31.3.2026				
Floating rate instruments	<u>(7,616)</u>	<u>7,616</u>	<u>(7,616)</u>	<u>7,616</u>
31.3.2025				
Floating rate instruments	<u>(8,152)</u>	<u>8,152</u>	<u>(8,152)</u>	<u>8,152</u>
31.3.2024				
Floating rate instruments	<u>(7,085)</u>	<u>7,085</u>	<u>(7,085)</u>	<u>7,085</u>



13. ACCOUNTANTS' REPORT (Cont'd)

104

29. Financial instruments (continued)

29.7 Fair value

The carrying amounts of financial assets and liabilities of the Group classified within current assets and current liabilities respectively approximate their fair values due to the relatively short-term nature of these financial instruments.

The carrying amount of floating rate term loans, revolving credits, and Medium Term Note Programme are approximate their fair values as their effective interest rates change according to movements in the market interest rates.

Carrying amount of other investment – unit trust of the Group and of the Company approximates fair value as these are based on observable inputs such as a published Net Asset Value (NAV) provided by the fund manager, hence are within level 2 of the fair value hierarchy.

There has been no transfer between Level 1 and Level 2 fair values during the financial years.

	Carrying amount RM'000	Total fair value RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
31.3.2026					
Financial assets					
Measured at fair value					
Other investments – unit trust	100,519	100,519	-	100,519	-
Financial liabilities					
Not measured at fair value					
Hire purchase	1,908	1,908	-	-	1,908
31.3.2025					
Financial liabilities					
Not measured at fair value					
Hire purchase	4,604	4,604	-	-	4,604



13. ACCOUNTANTS' REPORT (Cont'd)

105

30. Capital management

There was no change in the Group's approach to capital management during the financial years ended 31 March 2026, 31 March 2025 and 31 March 2024.

For the purpose of the Group's capital management, capital includes share capital and all other equity reserves attributable to the equity holders of the parent.

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants.

The debt-to-equity ratios at 31 March 2026, 31 March 2025 and 31 March 2024 were as follows:

	31.3.2026	31.3.2025	31.3.2024
	RM'000	RM'000	RM'000
Loans and borrowings (including Medium Term Note Programme)	2,006,235	2,149,968	1,864,538
Lease liabilities	152,507	101,220	123,403
Total debts	<u>2,158,742</u>	<u>2,251,188</u>	<u>1,987,941</u>
Total equity	<u>7,755,528</u>	<u>7,458,744</u>	<u>5,017,900</u>
Debt-to-equity ratios	<u>0.28</u>	<u>0.30</u>	<u>0.40</u>

The Group is also required to maintain an optimal gearing ratio that complies with the financial covenants for the outstanding loan facilities provided to the other subsidiaries. At 31 March 2026, 31 March 2025 and 31 March 2024, the Group was in compliance with all financial covenants required.



13. ACCOUNTANTS' REPORT (Cont'd)

106

31. Capital commitments

	31.3.2026 RM'000	31.3.2025 RM'000	31.3.2024 RM'000
Capital expenditure commitments			
Plant and equipment			
Contracted but not provided for	<u>740,652</u>	<u>357,571</u>	<u>373,745</u>
Intangible assets			
Contracted but not provided for	<u>22,951</u>	<u>-</u>	<u>-</u>

32. Related parties**Significant related party transactions**

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group are shown below. The balances related to the below transactions are shown in Note 10, 11 and 33.

	2026 RM'000	2025 RM'000	2024 RM'000
Related Companies			
Management fee income	9,539	9,637	8,415
IT service fee income	4,410	3,578	2,698
Interest income	4,187	3,050	385
Loan	5,968	66,782	37,152
Secondment of staffs	266	184	-
Acquisition of ASC entities	<u>-</u>	<u>1,997,234</u>	<u>-</u>

The remuneration of the Directors and other key management personnel are disclosed in Note 22.



13. ACCOUNTANTS' REPORT (Cont'd)

107

33. Acquisition/Disposal of subsidiaries**33.1 Acquisition of subsidiaries - A1H Super Specialty Centres ("ASC Entities") - 2025**

On 1 August 2024, the Group completed the acquisition of the effective interest of 100% in Malaysian Integrated Oncology Center Sdn. Bhd. and 98.25% in Beacon Healthcare Ventures GB Sdn. Bhd. ("collectively, MIOC Group"), 91.81% in Cardiac Vascular Sentral Holdings (Malaysia) Sdn. Bhd. and 86.40% in Cardiac Vascular Sentral (Kuala Lumpur) Sdn. Bhd. ("collectively, CVSH Group"), 70.06% of the shares in HSC Healthcare Holdings Pte. Ltd. ("HHHPL Group"), 68.79% in Peel Healthcare Sdn. Bhd. ("PHSB") and 61.17% in Integrated Oncology Center (Kuala Lumpur) Sdn. Bhd. ("IOCKL"), also collectively known as A1H Super Specialty Centres ("ASC Entities") through issuance of the Company's shares and share based payments arrangement - Doctors' Scheme B.

The acquisition integrates ASC Entities' specialised oncology expertise into a broader network to improve care coordination, achieve operational efficiencies, and to build a premier healthcare group.

Upon finalisation of the purchase price allocation, the details of the fair value of the net assets acquired in accordance with MFRS 3 were as follows:

	Note	Amount RM'000
Property, plant and equipment	2	827,803
Right-of-use assets	3	119,752
Intangible assets	4	413,654
Investment in a joint venture		66
Deferred tax assets	7	3
Inventories		21,383
Trade and other receivables		182,574
Cash and cash equivalents		65,449
Loan and other borrowings		(698,673)
Lease liabilities		(15,721)
Deferred tax liabilities	7	(125,142)
Trade and other payables		(179,481)
Tax liabilities		(5,723)
Net identifiable asset and liabilities		605,944
Add: Goodwill on acquisition		1,548,475
Less: Non-controlling interest		(93,382)
Fair value of purchase consideration:		2,061,037
- via issuance of share		1,997,234
- via share based payments arrangement to be satisfied by HSG's shares	19 (iii)	26,297
- via share based payments arrangement to be satisfied by BHVGB's shares	19 (iii)	37,506
Less: Cash and cash equivalents acquired		(65,449)
Consideration for acquisition, net of cash acquired		1,995,588



13. ACCOUNTANTS' REPORT (Cont'd)

108

33. Acquisition/Disposal of subsidiaries (continued)**33.1 Acquisition of subsidiaries - A1H Super Specialty Centres ("ASC Entities") - 2025 (continued)**

The fair value of the net identifiable assets have been determined as follows:

Combined financial statement caption	Method
Property, plant and equipment	The independent valuers adopted income, cost and comparison method to value the properties
Intangible assets – brands	Income approach - relief-from-royalty method was adopted
Intangible assets – customer relationship	Income approach - multi-period excess earnings method was adopted

The goodwill is attributable mainly to the skills and technical talent of ASC Entities workforce, and the synergies expected to be achieved from integrating the company into the Group's existing healthcare group. None of the goodwill recognised is expected to be deductible for income tax purposes.

Acquisition-related costs

The Group incurred acquisition-related costs amounted to RM22,562,000 of which RM14,068,000 (31.3.2024: RM8,494,000) has been included in other expenses in the Group's statement of profit or loss and other comprehensive income.

In the 8 months to 31 March 2025, the subsidiaries contributed revenue of RM475,692,000 and loss after tax of RM17,611,000. If the acquisition had occurred on 1 April 2024, management estimates that statement of profit or loss and other comprehensive income of the Group for the financial year 2025 would be as follows:

	Amount RM'000
Revenue	3,110,302
Other operating income	26,800
Cost of medicines and consumables	(990,746)
Employee benefits expense	(903,477)
Depreciation	(229,210)
Amortisation of intangible assets	(61,349)
Net loss on impairment of financial instruments	(18,181)
Other expenses	(811,876)
Results from operating activities	122,263
Finance income	21,593
Finance costs	(130,102)
Profit before tax	13,754
Tax expense	(155,135)
Loss for the year	(141,381)



13. ACCOUNTANTS' REPORT (Cont'd)

109

33. Acquisition/Disposal of subsidiaries (continued)**33.2 Acquisition of subsidiaries - CAH Medical Centres Sdn. Bhd. ("CMC Group") - 2024**

On 28 December 2023, the Group acquired 100% of the share capital of CMC Group for a consideration of RM5,683,300,000. The consideration paid included the acquisition of Affinity Health Care Holdings Pty Limited and CAH Affinity Sdn. Bhd. which was subsequently subject to reorganisation exercise as disclosed in Note 14.5.

The acquisition enable the Group to deeply expand its footprint in Southeast Asia by combining Columbia Asia's mid-sized hospital network with CMC Group's premium tertiary facilities across Malaysia.

Upon the finalisation of the purchase price allocation, the details of the fair value of the net assets acquired in accordance with MFRS 3 were as follows:

	Note	Amount RM'000
Property, plant and equipment	2	1,333,455
Right-of-use assets	3	7,175
Intangible assets	4	669,043
Inventories		49,659
Trade and other receivables		149,350
Amount owing from related companies		8,302
Cash and cash equivalents		45,163
Loan and borrowings		(282,138)
Deferred tax liabilities	7	(248,102)
Lease liabilities		(7,344)
Tax liabilities		(19,310)
Trade and other payables		(168,652)
Net identified assets and liabilities		1,536,601
Add: Goodwill on acquisition		3,152,121
Purchase consideration		4,688,722
Less: Cash and cash equivalents acquired		(45,163)
Payment for acquisition, net of cash acquired		4,643,559
Purchase consideration allocated to:		
- Malaysia entities		4,688,722
- Indonesia Business Entities (Affinity Health Care Holdings Pty Limited and CAH Affinity Sdn. Bhd.)		994,578
		5,683,300



13. ACCOUNTANTS' REPORT (Cont'd)

110

33. Acquisition/Disposal of subsidiaries (continued)**33.2 Acquisition of subsidiaries - CAH Medical Centres Sdn. Bhd. ("CMC Group") - 2024 (continued)**

The fair value of the net identifiable assets have been determined as follows:

Combined financial statement caption	Method
Property, plant and equipment	Income approach was adopted by independent valuers to value the properties
Intangible assets – brands	Income approach - relief-from-royalty method was adopted
Intangible assets – customer relationship	Income approach - multi-period excess earnings method was adopted

The goodwill is attributable mainly to the skills and technical talent of CMC Group's workforce, and the synergies expected to be achieved from integrating the company into the Group's existing healthcare group. None of the goodwill recognised is expected to be deductible for income tax purposes.

Acquisition-related costs

The Group incurred acquisition-related costs of RM40,412,000 which have been included in the other expenses in the Group's statement of profit or loss and other comprehensive income for the financial year 2024.

In the 3 months to 31 March 2024, the subsidiaries contributed revenue of RM271,689,000 and profit after tax of RM39,630,000. If the acquisition had occurred on 1 April 2023, management estimates that statement of profit or loss and other comprehensive income of the Group for the financial year 2024 would be as follows:

	Amount RM'000
Revenue	2,224,850
Other operating income	4,247
Cost of medicines and consumables	(648,625)
Employee benefits expense	(657,354)
Depreciation	(167,139)
Amortisation of intangible assets	(29,831)
Net loss on impairment of financial instruments	(9,368)
Other expenses	(309,239)
Results from operating activities	407,541
Finance income	15,599
Finance costs	(99,903)
Profit before tax	323,237
Tax expense	(110,341)
Profit for the year	212,896



13. ACCOUNTANTS' REPORT (Cont'd)

111

33. Acquisition/Disposal of subsidiaries (continued)**33.3 Disposal of a subsidiary - 2025**

On 1 November 2024, Columbia Asia Sdn. Bhd., a wholly-owned subsidiary, completed the disposal of its 89.50% equity interest in Columbia Pacific Healthcare (S'wak) Sdn. Bhd. for a total consideration of RM41,999,015.

Effect of disposal on the financial position of the Group as at 31 March 2025

	Note	Amount RM'000
Property, plant and equipment	2	18,638
Right-of-use assets	3	49,572
Intangible assets	4	3,422
Deferred tax assets	7	1,769
Inventories		2,591
Trade and other receivables		6,916
Cash and cash equivalents		28,084
Lease liabilities		(33,572)
Trade and other payables		(53,479)
Net assets and liabilities		23,941
Non-controlling interest, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree		(1,263)
Gain on disposal		19,321
Consideration received, satisfied in cash		41,999
Cash and cash equivalents disposed of		(28,084)
Net cash inflow		13,915
Gain on disposal of subsidiary		
- Attributable to gain on disposed interest		19,321



13. ACCOUNTANTS' REPORT (Cont'd)

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 Selangor Darul Ehsan, Malaysia

FOR THE PURPOSE OF INCLUSION
 IN THE PROSPECTUS EXPOSURE

Date: [·] 2026

Dear Sir/Madam,

Reporting Accountant's opinion on the combined financial statements contained in the Accountants' Report of Asia OneHealthcare Berhad

Opinion

We have audited the combined financial statements of Asia OneHealthcare Berhad ("A1H" or the "Company") and its combining entities (collectively, the "Group"), which comprise the combined statements of financial position as at 31 March 2026, 31 March 2025 and 31 March 2024, and the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows for the years then ended, and notes to the combined financial statements, including material accounting policy information, as set out on pages 1 to 111. The combined financial statements of the Group have been prepared for inclusion in the Company's draft prospectus in connection with the proposed listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and for no other purposes.

In our opinion, the combined financial statements give a true and fair view of the financial positions of the Group as at 31 March 2026, 31 March 2025 and 31 March 2024, and of its financial performance and its cash flows for the years then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountant's Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

13. ACCOUNTANTS' REPORT (Cont'd)

Asia OneHealthcare Berhad
Reporting Accountant's opinion on the combined financial statements
contained in the Accountants' Report

FOR THE PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

Basis for Opinion (continued)*Independence and Other Ethical Responsibilities*

We are independent of the Group 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.

Responsibilities of the Directors for the Combined Financial Statements

The Board of Directors of the Company (the "Directors") are responsible for the preparation of the combined financial statements of the Group that give a true and fair view in accordance with MFRS Accounting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of combined financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements of the Group, the Directors are responsible for assessing the ability of the Group 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 to cease operations, or have no realistic alternative but to do so.

Reporting Accountant's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined financial statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

13. ACCOUNTANTS' REPORT (Cont'd)

Asia OneHealthcare Berhad
*Reporting Accountant's opinion on the combined financial statements
 contained in the Accountants' Report*

FOR THE PURPOSE OF INCLUSION
 IN THE PROSPECTUS EXPOSURE

**Reporting Accountant's Responsibilities for the Audit of the Combined Financial Statements
 (continued)**

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the combined financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Reporting Accountants' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis forming an opinion on the combined financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on Distribution and Use

This report is made solely to the Company and for inclusion in the Company's draft prospectus in connection with the proposed listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Securities Berhad and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
 (LLP0010081-LCA & AF 0758)
 Chartered Accountants

Vengadesh A/L Jogarajah
 Approval Number: 03337/12/2027 J
 Chartered Accountant