

12. FINANCIAL INFORMATION**12.1 HISTORICAL FINANCIAL INFORMATION**

Our historical financial information for the Financial Years/Period Under Review presented below has been extracted from the Accountants' Report included in **Section 13** of this Prospectus. Our historical combined financial statements have been prepared in accordance with the MFRS and IFRS.

The historical audited combined financial information included in this Prospectus does not reflect our Group's result of operations, financial position and cash flows in the future. Moreover, our Group's past operating results are not indicative of our Group's future operating performance.

The following historical combined financial information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" in **Section 12.3** of this Prospectus together with the Accountant's Report in **Section 13** of this Prospectus.

12.1.1 Selected financial information from the historical combined statements of profit or loss and other comprehensive income

	Audited			Unaudited	Audited
	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	191,830	302,409	346,961	160,937	204,857
Cost of sales	(35,872)	(49,942)	(62,999)	(26,395)	(34,140)
GP	155,958	252,467	283,962	134,542	170,717
Other income	315	1,836	5,868	2,639	7,056
Selling and distribution expenses	(53,377)	(82,066)	(90,907)	(43,224)	(48,414)
Administrative expenses	(34,902)	(49,555)	(63,557)	(27,384)	(35,869)
Other expenses	(1,016)	(1,301)	(635)	(64)	(552)
Profit from operations	66,978	121,381	134,731	66,509	92,938
Finance costs	(691)	(1,605)	(2,232)	(1,086)	(1,096)
PBT	66,287	119,776	132,499	65,423	91,842
Income tax expense	(16,036)	(30,108)	(35,447)	(15,979)	(24,172)
PAT	50,251	89,668	97,052	49,444	67,670
EPS (Sen) ⁽¹⁾					
Basic / diluted	2.21	3.94	4.26	2.17	2.97

Note:

- (1) Computed based on PAT divided by the number of enlarged Shares in issue as described under **Note 32** of the Accountants' Report in **Section 13** of this Prospectus.

12. FINANCIAL INFORMATION (CONT'D)

The following table sets out selected financial data for the Financial Years/Period Under Review:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2024</u>	<u>FPE 2025</u>
GP margin ⁽¹⁾	81.30	83.49	81.84	83.60	83.33
PBT margin ⁽²⁾ (%)	34.56	39.61	38.19	40.65	44.83
PAT margin ⁽³⁾ (%)	26.20	29.65	27.97	30.72	33.03

Notes:

- (1) Computed based on GP divided by revenue.
 (2) Computed based on PBT divided by revenue.
 (3) Computed based on PAT divided by revenue.

The following table sets out the computation in arriving at our EBITDA and EBITDA margin for the respective Financial Years/Period Under Review:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2024</u>	<u>FPE 2025</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
PAT	50,251	89,668	97,052	49,444	67,670
Less:					
- Interest income	(193)	(1,518)	(4,613)	(1,958)	(3,031)
Add:					
- Finance costs	691	1,605	2,232	1,086	1,096
- Income tax expense	16,036	30,108	35,447	15,979	24,172
- Depreciation and amortisation	11,413	17,511	26,536	9,811	10,851
EBITDA	78,198	137,374	156,654	74,362	100,758
EBITDA margin ⁽¹⁾ (%)	40.76	45.43	45.15	46.21	49.18

Note:

- (1) Computed based on EBITDA divided by revenue.

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12. FINANCIAL INFORMATION (CONT'D)**12.1.2 Selected financial information from the historical combined statements of financial position**

	Audited as at 31 December			Audited as at 30 June
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Total non-current assets	66,993	116,749	126,691	128,800
Total current assets	150,043	212,603	290,677	375,357
Total assets	217,036	329,352	417,368	504,157
Total non-current liabilities	8,330	13,703	6,496	5,912
Total current liabilities	181,836	263,377	353,458	373,187
Total liabilities	190,166	277,080	359,954	379,099
Net assets	26,870	52,272	57,414	125,058
Share capital	-	1	1	1
Invested equity	22	255	287	287
Retained earnings	26,848	52,016	69,067	136,737
Reserves	-	*	(11,941)	(11,967)
Total equity	26,870	52,272	57,414	125,058

* Less than RM1,000

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12. FINANCIAL INFORMATION (CONT'D)**12.2 CAPITALISATION AND INDEBTEDNESS**

The table below summarises our capitalisation and indebtedness as at 1 November 2025 and after adjusting for the effects of the Public Issue and the utilisation of IPO proceeds set out in **Section 4.4** of this Prospectus.

The pro forma financial information below does not represent actual capitalisation and indebtedness as at 1 November 2025 and is provided for illustrative purposes only.

	Unaudited	Pro forma I	Pro forma II
	As at	After Public	After (I) and
	1 November	Issue	utilisation of
	2025		IPO proceeds
	RM	RM	RM
Indebtedness:			
<u>Current</u>			
<u>Secured and guaranteed</u>			
Borrowings	1,023,899	1,023,899	[•]
Lease liabilities (under hire purchase arrangement)	416,584	416,584	416,584
<u>Unsecured and guaranteed</u>			
Borrowings	207,156	207,156	207,156
Lease liabilities (rental)	1,328,236	1,328,236	1,328,236
<u>Unsecured and unguaranteed</u>			
Lease liabilities (rental)	6,076,739	6,076,739	6,076,739
<u>Non-current</u>			
<u>Secured and guaranteed</u>			
Borrowings	26,457,134	26,457,134	[•]
Lease liabilities (under hire purchase arrangement)	532,047	532,047	532,047
<u>Unsecured and guaranteed</u>			
Lease liabilities (rental)	1,261,860	1,261,860	1,261,860
<u>Unsecured and unguaranteed</u>			
Lease liabilities (rental)	7,967,117	7,967,117	7,967,117
Total indebtedness	45,270,772	45,270,772	[•]
Total capitalisation	125,131,360	[•]	[•]
Total capitalisation and indebtedness	170,402,132	[•]	[•]
Gearing ratio (times)^	0.36	[•]	[•]

^ Calculated based on the total indebtedness divided by the total capitalisation.

12. FINANCIAL INFORMATION (CONT'D)

12.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of our Group's financial conditions and results of operations for the Financial Years/Period Under Review should be read in conjunction with the combined financial statements of our Group and the accompanying notes as set out in the Accountants' Report which are included in **Section 13** of this Prospectus.

There are no accounting policies that are peculiar to our Group due to the nature of the business and industry in which we are involved. Please refer to **Note 2** of the Accountants' Report as set out in **Section 13** of this Prospectus for further details on the accounting policies of the Group.

12.3.1 Significant accounting estimates and judgements

The operation of our business requires us to rely on certain accounting estimates and judgements, which are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made, and will seldom equal the estimated results. These include:

- (i) Determination of the lease term, where we consider all facts and circumstances that give rise to an economic incentive to exercise an extension option, or not exercise a termination option;
- (ii) Estimation of the incremental borrowing rate for calculating right-of-use assets and lease liabilities, where we use observable inputs such as market interest rates and asset yields when available, and make lessee-specific adjustments such as the entity's credit rating; and
- (iii) Revenue from contracts with customers, where we estimate the portion of package value likely to be redeemed after the validity period based on historical utilisation trends. This estimated amount remains classified as contract liabilities at the end of the contract term and is recognised as revenue systematically in the future based on the historical utilisation trend.

Please refer to **Note 2(d)** of the Accountants' Report as set out in **Section 13** of this Prospectus for further details.

12.3.2 Overview of our operations

We operate a multi-brand chain of beauty care centres in Malaysia and Singapore where we offer a range of beauty care services, including body, facial and hair care services. These services are complemented by our beauty care and related products.

The revenue from the provision of beauty care services is recognised at a point-in-time when the services are rendered. Billed amounts for services that have not been rendered as at the end of the reporting period are recognised as deferred revenue and classified as contract liabilities.

Meanwhile, revenue from the sales of products (including beauty care and related products) is recognised at a point-in-time when the risk and rewards of ownership of the goods have been transferred to the customer.



12. FINANCIAL INFORMATION (CONT'D)

Similarly, the billed amounts for goods that have not been delivered to customers as at the end of the reporting period are recognised as deferred revenue and classified as contract liabilities.

In line with our business model, we often sell our services in package deals, which require multiple visits by customers to our beauty care centres. These packages bundle various beauty care services and related products, and the customer is required to pay the full package amount in advance. The packages are generally valid up to 12 months from the date of purchase. We may, at our discretion, allow customers to redeem unutilised package value beyond the validity period.

The non-refundable upfront payments received in advance, prior to the fulfilment of performance obligations, is recognised as deferred revenue and included under contract liabilities. These contract liabilities are recognised as revenue within the subsequent 3 financial years after the expiry of the 12-month validity period. We estimate the portion of package value likely to be redeemed after the validity period, based on historical utilisation trends.

For the recognition of revenue and contract liabilities, we primarily adopt a portfolio approach that groups contracts with similar characteristics in accordance with MFRS 15. We review the utilisation pattern based on the services rendered to customers over a period of time and the utilisation pattern will be reassessed against the historical trends and updated, if required. Accordingly, the value of contract liabilities and recognition of revenue are reassessed periodically based on the change in the utilisation pattern. For further details on the portfolio approach practical expedient, please refer to **Note 24** of the Accountants' Report as set out in **Section 13** of this Prospectus.

For the Financial Years/Period Under Review, our beauty care centre operations were primarily in Malaysia. All of our revenue was derived from our beauty care services operations in Malaysia for FYE 2022 and FYE 2023, prior to the commencement of our beauty care services operations in Singapore in 2024. For FPE 2025, revenue from our beauty care services operations in Malaysia accounted for 98.89% of our total revenue, while the remaining 1.11% was derived from beauty care centre operations in Singapore.

The sales to our customers in Malaysia are denominated in RM and financial statements of our operations in Malaysia are prepared in RM. The sales to our customers in Singapore are denominated in SGD and financial statements for our operations in Singapore are prepared in SGD as the functional currency.

Our combined financial statements are presented in RM, which is our Group's functional and presentation currency.

The foreign currency exchange rates used in our Group's combined financial statements for conversion of values denominated in foreign currencies, namely SGD to RM are summarised in the following table:

Average exchange rate of RM relative to SGD	FYE 2024	FPE 2025
	RM	RM
SGD1.00 ⁽¹⁾	3.4208	3.3068

(Source: Bank Negara Malaysia)

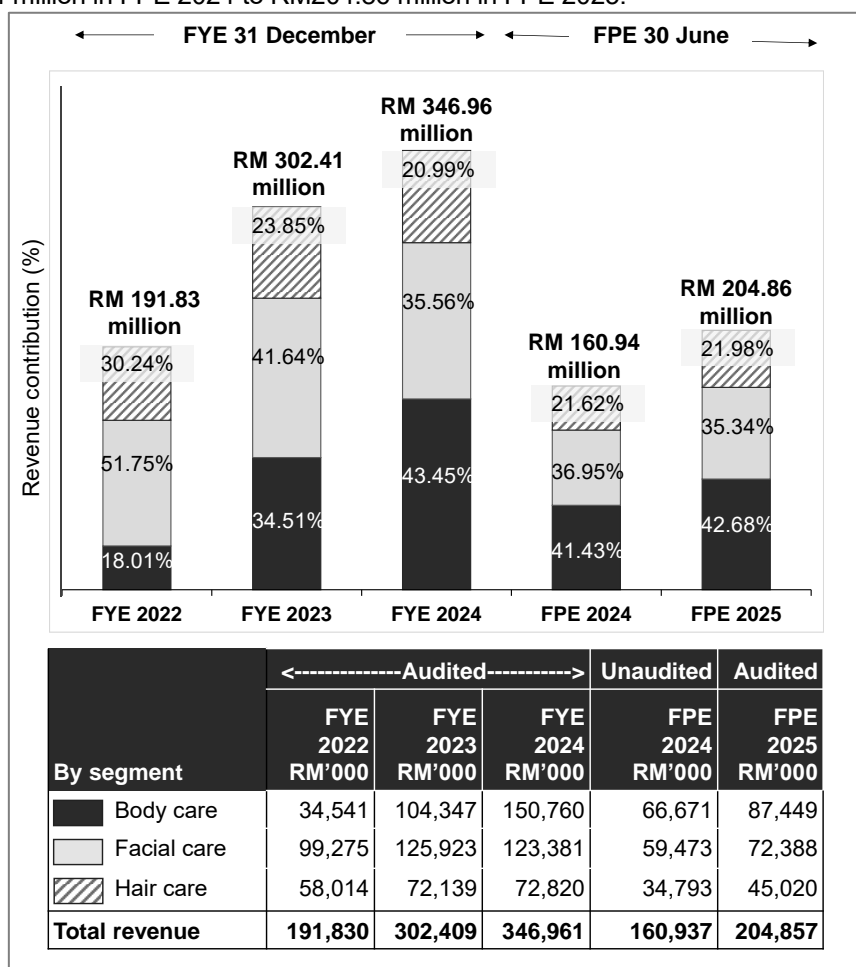
Note:

(1) Our beauty care services operations in Singapore commenced in August 2024.

Please refer to **Note 29 (c)** of the Accountants' Report set out in **Section 13** of this Prospectus for further details on the foreign currency risk.

12. FINANCIAL INFORMATION (CONT'D)

Between FYE 2022 and FYE 2024, our revenue increased at a CAGR of 34.49%, from RM191.83 million in FYE 2022 to RM346.96 million in FYE 2024. Our revenue grew by 27.29% from RM160.94 million in FPE 2024 to RM204.86 million in FPE 2025.



Our revenue from the body care segment increased at a CAGR of 108.92% between FYE 2022 and FYE 2024, from RM34.54 million in FYE 2022 to RM150.76 million in FYE 2024. Revenue from this segment accounted for 42.68% of our total revenue in FPE 2025.

This is followed by revenue from the facial care segment which increased at a CAGR of 11.48% between FYE 2022 and FYE 2024, from RM99.28 million in FYE 2022 to RM123.38 million in FYE 2024. Revenue from this segment accounted for 35.34% of our total revenue in FPE 2025.

Meanwhile revenue from hair care segment increased at a CAGR of 12.04% between FYE 2022 and FYE 2024, from RM58.01 million in FYE 2022 to RM72.82 million in FYE 2024. Revenue from this segment accounted for 21.98% of our total revenue in FPE 2025.

12. FINANCIAL INFORMATION (CONT'D)**12.3.3 Revenue****(i) Revenue segmentation by business activities and products**

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Body care	34,541	18.01	104,347	34.51	150,760	43.45
- Body care services	31,126	16.23	88,188	29.17	128,112	36.92
- Sales of body care and related products	3,415	1.78	16,159	5.34	22,648	6.53
Facial care	99,275	51.75	125,923	41.64	123,381	35.56
- Facial care services	85,860	44.76	102,096	33.76	101,125	29.15
- Sales of facial care and related products	13,415	6.99	23,827	7.88	22,256	6.41
Hair care	58,014	30.24	72,139	23.85	72,820	20.99
- Hair care services	48,740	25.41	55,109	18.22	57,065	16.45
- Sales of hair care and related products	9,274	4.83	17,030	5.63	15,755	4.54
Total revenue	191,830	100.00	302,409	100.00	346,961	100.00
	Unaudited		Audited			
	FPE 2024		FPE 2025			
	RM'000	%	RM'000	%		
Body care	66,671	41.43	87,449	42.68		
- Body care services	56,892	35.35	70,924	34.61		
- Sales of body care and related products	9,779	6.08	16,525	8.07		
Facial care	59,473	36.95	72,388	35.34		
- Facial care services	48,411	30.08	60,112	29.35		
- Sales of facial care and related products	11,062	6.87	12,276	5.99		
Hair care	34,793	21.62	45,020	21.98		
- Hair care services	27,152	16.87	35,970	17.56		
- Sales of hair care and related products	7,641	4.75	9,050	4.42		
Total revenue	160,937	100.00	204,857	100.00		

12. FINANCIAL INFORMATION (CONT'D)**(ii) Revenue segmentation by brands and operational countries**

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Malaysia operations	191,830	100.00	302,409	100.00	345,960	99.71
- <i>One Doc x Hair Doc</i>	157,289	81.99	197,037	65.16	190,723	54.97
- <i>Slim Doc</i>	34,541	18.01	103,703	34.29	149,013	42.95
- <i>Perfect Doc</i>	-	-	1,669	0.55	6,224	1.79
Singapore operations ⁽¹⁾	-	-	-	-	1,001	0.29
- <i>One Doc x Hair Doc</i>	-	-	-	-	1,001	0.29
	191,830	100.00	302,409	100.00	346,961	100.00
	Unaudited		Audited			
	FPE 2024		FPE 2025			
	RM'000	%	RM'000	%		
Malaysia operations	160,937	100.00	202,591	98.89		
- <i>One Doc x Hair Doc</i>	92,803	57.66	111,046	54.20		
- <i>Slim Doc</i>	66,012	41.02	86,176	42.07		
- <i>Perfect Doc</i>	2,122	1.32	5,369	2.62		
Singapore operations ⁽¹⁾	-	-	2,266	1.11		
- <i>One Doc x Hair Doc</i>	-	-	2,266	1.11		
	160,937	100.00	204,857	100.00		

Note:

(1) Our beauty care services operations in Singapore commenced in August 2024.

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12. FINANCIAL INFORMATION (CONT'D)**(iii) Revenue segmentation by geographical markets**

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Malaysia operations	191,830	100.00	302,409	100.00	345,960	99.71
- Central region ⁽¹⁾	126,921	66.16	197,567	65.33	220,654	63.60
- Southern region ⁽²⁾	40,915	21.33	65,229	21.57	75,519	21.76
- Northern region ⁽³⁾	23,994	12.51	39,613	13.10	49,787	14.35
Singapore operations ⁽⁵⁾	-	-	-	-	1,001	0.29
	191,830	100.00	302,409	100.00	346,961	100.00
	Unaudited		Audited			
	FPE 2024		FPE 2025			
	RM'000	%	RM'000	%		
Malaysia operations	160,937	100.00	202,591	98.89		
- Central region ⁽¹⁾	102,674	63.80	129,144	63.04		
- Southern region ⁽²⁾	35,634	22.14	43,703	21.33		
- Northern region ⁽³⁾	22,629	14.06	29,021	14.17		
- East Coast ⁽⁴⁾	-	-	723	0.35		
Singapore operations ⁽⁵⁾	-	-	2,266	1.11		
	160,937	100.00	204,857	100.00		

Notes:

- (1) Consists of Kuala Lumpur and Selangor.
- (2) Consists of Johor, Melaka and Negeri Sembilan.
- (3) Consists of Penang, Perak and Kedah.
- (4) Refers to Pahang.
- (5) Our beauty care services operations in Singapore commenced in August 2024.

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12. FINANCIAL INFORMATION (CONT'D)**(iv) Number of centres by geographical markets**

The table below sets out the number of centres by geographical markets for the Financial Years/Period Under Review and as at LPD:

Number of centres by brands	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025	1 July 2025 up to the LPD
At the beginning of the period	21	34	44	44	49	52
Malaysia						
- <i>Central region</i>	13	23	29	29	32	32
- <i>Southern region</i>	5	7	9	9	10	10
- <i>Northern region</i>	3	4	6	6	6	8
- <i>East Coast region</i>	-	-	-	-	-	1
Singapore	-	-	-	-	1	1
Opened during the period	13	10	6	3	3	5
Malaysia						
- <i>Central region</i>	10	6	4	3	-	1
- <i>Southern region</i>	2	2	1	-	-	1
- <i>Northern region</i>	1	2	-	-	2	-
- <i>East Coast region</i>	-	-	-	-	1	-
Singapore	-	-	1	-	-	3
Closed during the period	-	-	1	-	-	-
Malaysia						
- <i>Central region</i>	-	-	1 ⁽¹⁾	-	-	-
- <i>Southern region</i>	-	-	-	-	-	-
- <i>Northern region</i>	-	-	-	-	-	-
- <i>East Coast region</i>	-	-	-	-	-	-
Singapore	-	-	-	-	-	-
At the end of the period	34	44	49	47	52	57
Malaysia						
- <i>Central region</i>	23	29	32	32	32	33
- <i>Southern region</i>	7	9	10	9	10	11
- <i>Northern region</i>	4	6	6	6	8	8
- <i>East Coast region</i>	-	-	-	-	1	1
Singapore	-	-	1	-	1	4

12. FINANCIAL INFORMATION (CONT'D)**Note:**

- (1) Refers to the closure of *One Doc x Hair Doc* Bangsar in August 2024 due to its close proximity to our *One Doc x Hair* MidValley.

(v) Number of centres by brand

The table below sets out the number of centres by brand for the Financial Years/Period Under Review and as at the LPD:

Number of centres by brands	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025	1 July 2025 up to the LPD
At the beginning of the period	21	34	44	44	49	52
- <i>One Doc x Hair Doc</i>	21	22	23	23	25	27
- <i>Slim Doc</i>	-	12	17	17	18	18
- <i>Perfect Doc</i>	-	-	4	4	6	7
Opened during the period	13	10	6	3	3	5
- <i>One Doc x Hair Doc</i>	1	1	3	1	2	2
- <i>Slim Doc</i>	12	5	1	1	-	3
- <i>Perfect Doc</i>	-	4	2	1	1	-
Closed during the period	-	-	1	-	-	-
- <i>One Doc x Hair Doc</i>	-	-	1	-	-	-
- <i>Slim Doc</i>	-	-	-	-	-	-
- <i>Perfect Doc</i>	-	-	-	-	-	-
At the end of the period	34	44	49	47	52	57
- <i>One Doc x Hair Doc</i>	22	23	25	24	27	29
- <i>Slim Doc</i>	12	17	18	18	18	21
- <i>Perfect Doc</i>	-	4	6	5	7	7

(vi) Number of beauty care services provided

	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	No. of sessions	No. of sessions	No. of sessions	No. of sessions	No. of sessions
Body care services	71,860	155,329	199,920	84,803	118,045
Facial care services	132,917	149,291	165,981	76,693	92,598
Hair care services	98,431	102,312	102,387	47,539	53,924
Total	303,208	406,932	468,288	209,035	264,567

12. FINANCIAL INFORMATION (CONT'D)**(vii) SCSG**

For the Financial Years/Period Under Review, the SCSG of our beauty care centres that were in operation for at least 2 consecutive full financial years/periods is as follows:

SCSG ⁽¹⁾	Growth rate (%)		
	FYE 2022 to FYE 2023	FYE 2023 to FYE 2024	FPE 2024 to FPE 2025
Group beauty care centre operations	24.00	2.15	22.21
By brands:			
- <i>One Doc x Hair Doc</i>	24.00	(8.10)	16.66
- <i>Slim Doc</i>	-	23.12	26.94
- <i>Perfect Doc</i>	-	-	112.86
By geographical market:			
Malaysia	24.00	2.15	22.21
- Central region	19.79	1.69	21.48
- Southern region	34.15	4.05	21.63
- Northern region	25.13	1.31	26.32
Number of same-centres included in the calculation ⁽²⁾	21	33	43

Notes:

- (1) The SCSG is calculated only for centres that have 2 consecutive full financial years/periods of operations (referred to as “qualified centres”) and is calculated as follows:
- (i) Sum of total revenue from all qualified centres for the specified period (referred to as “B”);
 - (ii) Sum of total revenue from all qualified centres for the period before the specified period (referred to as “A”);
 - (iii) Same-centre growth for the specified period = $((B - A)/A) \times 100\%$; and
 - (iv) Note that the number of centres for “A” and “B” is the same.
- (2) The number of centres included in the same centre growth must have at least 2 consecutive full financial years/periods operations.

We recorded SCSG of 24.00% for FYE 2023. The high SCSG was primarily driven by higher number of beauty care services provided at existing centres during the post-COVID period, mainly from *One Doc x Hair Doc* operations in Malaysia.

We recorded SCSG of 2.15% for FYE 2024, compared to the SCSG of 24.00% for FYE 2023. The decline in SCSG for FYE 2024 was primarily attributed to the decrease in revenue from the existing beauty care centres for the *One Doc x Hair Doc* operations in Malaysia, as reflected in the lower average revenue per existing centre. Under the *One Doc x Hair Doc* operations, the average revenue per existing centre decreased from RM9.07 million per centre in FYE 2023 to RM8.33 million per centre in FYE 2024, mainly arising from a decrease in sales of facial care and related products as well as lower number of high-priced light pulse services provided in FYE 2024.

12. FINANCIAL INFORMATION (CONT'D)

In FPE 2025, we recorded SCSG of 22.21%, mainly attributed to higher number of beauty care services provided at existing centres, primarily from *Slim Doc* and *One Doc x Hair Doc* operations. This was reflected in the growth in average revenue per existing centre of the overall beauty care centre operations, which increased from RM3.64 million per centre in FPE 2024 to RM4.45 million per centre in FPE 2025.

FYE 2023 compared to FYE 2022

Our total revenue increased by RM110.58 million or 57.64% to RM302.41 million in FYE 2023 (FYE 2022: RM191.83 million), which was attributed to higher revenue from our existing beauty care centres including *Slim Doc* and *One Doc x Hair Doc* operations. This was reflected in our SCSG of 24.00% for FYE 2023. In addition, the increase in revenue was also contributed by the revenue generated from the 10 new beauty care centres opened in FYE 2023.

(i) Body care segment

Our revenue from the body care segment increased by RM69.81 million or 202.10% to RM104.35 million in FYE 2023 (FYE 2022: RM34.54 million). This was mainly attributed to higher revenue from our existing *Slim Doc* centres, which commenced operations in FYE 2022.

Our revenue growth was also partly contributed by additional revenue from new beauty care centres opened during FYE 2023, comprising 5 new *Slim Doc* centres in the southern, northern and central regions, as well as 4 new *Perfect Doc* centres in the central region.

The increase in revenue was reflected in the higher number of body care services provided, which increased by 116.16% to 155,329 sessions in FYE 2023 (FYE 2022: 71,860 sessions).

The increase in revenue was complemented by higher sales generated from body care and related products, which increased by RM12.74 million or 373.18% to RM16.16 million in FYE 2023 (FYE 2022: RM3.42 million). This was mainly driven by sales from both existing and new *Slim Doc* centres opened in FYE 2023, as discussed above.

(ii) Facial care segment

Our revenue from the facial care segment increased by RM26.65 million or 26.84% to RM125.92 million in FYE 2023 (FYE 2022: RM99.28 million). This was mainly attributed to higher revenue from our existing *One Doc x Hair Doc* centres, as reflected in the SCSG of 24.00% from *One Doc x Hair Doc* operations in FYE 2023.

Our revenue growth was also partly contributed by additional revenue from new beauty care centres opened during FYE 2023, comprising 4 new *Perfect Doc* centres and 1 new *One Doc x Hair Doc* centre in the central region.

The increase in revenue was reflected in the higher number of facial care services provided, which increased by 12.32% to 149,291 sessions in FYE 2023 (FYE 2022: 132,917 sessions).

The increase in revenue was also complemented by higher sales generated from facial care and related products, which increased by RM10.41 million or 77.61% to RM23.83 million in FYE 2023 (FYE 2022: RM13.42 million). This was mainly driven by higher sales from our existing beauty care centres.

12. FINANCIAL INFORMATION (CONT'D)**(iii) Hair care segment**

Our revenue from the hair care segment increased by RM14.13 million or 24.35% to RM72.14 million in FYE 2023 (FYE 2022: RM58.01 million). This was mainly attributed to higher revenue from our existing *One Doc x Hair Doc* centres, as well as additional revenue from services provided at the new *One Doc x Hair Doc* centre as discussed above. The increase in revenue was reflected in the higher number of hair care services provided, which increased by 3.94% to 102,312 sessions in FYE 2023 (FYE 2022: 98,431 sessions).

The increase in our revenue was also complemented by higher sales generated from hair care and related products, which increased by RM7.76 million or 83.63% to RM17.03 million in FYE 2023 (FYE 2022: RM9.27 million). This was mainly driven by higher sales from our existing beauty care centres.

On a geographical market basis:

- (i) Revenue from the central region increased by RM70.65 million or 55.66% to RM197.57 million in FYE 2023 (FYE 2022: RM126.92 million). This was mainly attributed to higher revenue from our existing *Slim Doc* and *One Doc x Hair Doc* centres providing body care, facial care and hair care services.
- (ii) In addition, the increase was also partly attributed to the opening of 6 new beauty care centres comprising 4 *Perfect Doc* centres, 1 *Slim Doc* centre and 1 *One Doc x Hair Doc* centre in this region in FYE 2023.
- (iii) Revenue from the southern region increased by RM24.31 million or 59.43% to RM65.23 million in FYE 2023 (FYE 2022: RM40.92 million). This was mainly attributed to higher revenue from our existing *One Doc x Hair Doc* and *Slim Doc* centres providing body care, facial care and hair care services. In addition, the increase was also partly attributed to the opening of 2 new *Slim Doc* centres in this region in FYE 2023.
- (iv) Revenue from the northern region also increased by RM15.62 million or 65.10% to RM39.61 million in FYE 2023 (FYE 2022: RM23.99 million), which was mainly attributed to higher revenue from our existing *Slim Doc* and *One Doc x Hair Doc* centres providing body care, facial care and hair care services. In addition, the increase was partly attributed to the opening of 2 new *Slim Doc* centres in this region in FYE 2023.

FYE 2024 compared to FYE 2023

Our total revenue increased by RM44.55 million or 14.73% to RM346.96 million in FYE 2024 (FYE 2023: RM302.41 million), mainly attributed to higher revenue from our existing beauty care centres primarily from *Slim Doc* operations. This was also reflected in our SCSG of 2.15% for FYE 2024. In addition, the increase in revenue was also contributed by the net increase of 5 beauty care centres in FYE 2024.

(i) Body care segment

Our revenue from the body care segment increased by RM46.41 million or 44.48% to RM150.76 million in FYE 2024 (FYE 2023: RM104.35 million). This was mainly attributed to higher revenue from our existing *Slim Doc* centres, as reflected in the SCSG of 23.12% from *Slim Doc* operations in FYE 2024.

Our revenue growth was also partly contributed by additional revenue from 3 new beauty care centres opened in the central and southern regions during FYE 2024, comprising 1 *Slim Doc* centre and 2 *Perfect Doc* centres.

12. FINANCIAL INFORMATION (CONT'D)

The increase in revenue was reflected in the higher number of body care services provided, which increased by 28.71% to 199,920 sessions in FYE 2024 (FYE 2023: 155,329 sessions).

The increase in revenue was also complemented by higher sales generated from body care and related products, which increased by RM6.49 million or 40.16% to RM22.65 million in FYE 2024 (FYE 2023: RM16.16 million). This was mainly driven by sales from both existing and new beauty care centres as discussed above.

(ii) Facial care segment

Our revenue from the facial care segment decreased by RM2.54 million or 2.02% to RM123.38 million in FYE 2024 (FYE 2023: RM125.92 million). This was mainly attributed to lower revenue from our existing *One Doc x Hair Doc* centres, as reflected in the negative SCSG of 8.10% for FYE 2024.

The lower revenue from our facial care segment was due to:

- (a) decrease in revenue from facial care services by RM0.97 million or 0.95% to RM101.13 million in FYE 2024 (FYE 2023: RM102.10 million), mainly attributed to a shift towards lower-value facial care services. In FYE 2024, revenue from facial care services decreased despite the number of facial care services increasing by 11.18% to 165,981 sessions in FYE 2024 (FYE 2023: 149,291 sessions). This was reflected in a decrease of 3.06% in the number of high-priced light pulse services provided.
- (b) decrease in revenue from facial care and related products by RM1.57 million or 6.59% to RM22.26 million in FYE 2024 (FYE 2023: RM23.83 million), associated with the lower sales from our existing *One Doc x Hair Doc* centres.

The lower revenue from our existing beauty care centres was partially moderated by the revenue generated from the 4 new beauty care centres opened in Malaysia in FYE 2024, comprising 2 *One Doc x Hair Doc* centres in the central region and 2 *Perfect Doc* centres in the central and southern regions, as well as 1 new *One Doc x Hair Doc* centre in Singapore opened in FYE 2024.

(iii) Hair care segment

Our revenue from the hair care segment increased by RM0.68 million or 0.94% to RM72.82 million in FYE 2024 (FYE 2023: RM72.14 million). This was mainly attributed to additional revenue from services provided at new beauty care centres opened during FYE 2024, comprising 3 new *One Doc x Hair Doc* centres as discussed above.

The increase in revenue was partially offset by a decrease in revenue from hair care and related products by RM1.28 million or 7.49% to RM15.76 million in FYE 2024 (FYE 2023: RM17.03 million). This was mainly associated with lower sales from our existing *One Doc x Hair Doc* centres as discussed above.

On a geographical market basis:

- (i) Revenue from the central region increased by RM23.09 million or 11.69% to RM220.65 million in FYE 2024 (FYE 2023: RM197.57 million), which was mainly attributed to higher revenue from our existing *Slim Doc* and *Perfect Doc* centres providing body care and facial care services.
- (ii) In addition, the increase was partly attributed to the opening of 4 new beauty care centres comprising 2 *One Doc x Hair Doc* centres, 1 *Slim Doc* centre and 1 *Perfect Doc* centre in the central region in FYE 2024.

12. FINANCIAL INFORMATION (CONT'D)

- (iii) Revenue from the southern region increased by RM10.29 million or 15.78% to RM75.52 million in FYE 2024 (FYE 2023: RM65.23 million), which was mainly attributed to higher revenue from our existing *Slim Doc* centres providing body care services. In addition, the increase was partly attributed to the opening of 1 new *Perfect Doc* centre in the southern region during FYE 2024.
- (iv) Revenue from the northern region increased by RM10.17 million or 25.68% to RM49.79 million in FYE 2024 (FYE 2023: RM39.61 million), which was mainly attributed to higher revenue from our existing *Slim Doc* centres providing body care services.

In addition, there was revenue contribution of RM1.00 million from Singapore, following our expansion into this market through the opening of our first *One Doc x Hair Doc* centre in FYE 2024.

FPE 2025 compared to FPE 2024

Our total revenue increased by RM43.92 million or 27.29% to RM204.86 million in FPE 2025 (FPE 2024: RM160.94 million), which was attributed to higher revenue from our existing beauty care centres, namely *Slim Doc*, *One Doc x Hair Doc* and *Perfect Doc* operations. This was reflected in our SCSG of 22.21% for FPE 2025. In addition, the increase in revenue was also contributed by the increase of 3 new beauty care centres opened in FPE 2025.

(i) Body care segment

Our revenue from the body care segment increased by RM20.78 million or 31.16% to RM87.45 million in FPE 2025 (FPE 2024: RM66.67 million). This was mainly attributed to higher revenue from our existing beauty care centres mainly from our *Slim Doc operations*, as reflected in the SCSG of our *Slim Doc* operations of 26.94% in FPE 2025.

Revenue growth was also partly contributed by additional revenue from our new beauty care centres opened during FPE 2025, comprising 1 new *Perfect Doc* centre in the northern region.

The increase in revenue was reflected in the higher number of body care services provided, which increased by 39.20% to 118,045 sessions in FPE 2025 (FPE 2024: 84,803 sessions).

The increase in revenue was also complemented by the higher sales from body care and related products, which increased by RM6.75 million or 68.98% to RM16.53 million in FPE 2025 (FPE 2024: RM9.78 million). This was driven by sales from our existing and new beauty care centres as discussed above.

(ii) Facial care segment

Our revenue from the facial care segment increased by RM12.92 million or 21.72% to RM72.39 million in FPE 2025 (FPE 2024: RM59.47 million). This was mainly attributed to higher revenue from our existing centres mainly from our *One Doc x Hair Doc* operations, as reflected in the SCSG of our *One Doc x Hair Doc* operations of 16.66% in FPE 2025.

Revenue growth was also partly contributed by additional revenue from services provided at new beauty care centres opened during FPE 2025. This comprised 2 new *One Doc x Hair Doc* centres in the northern region and the east coast, as well as 1 new *Perfect Doc* centre in the northern region.

12. FINANCIAL INFORMATION (CONT'D)

The increase in revenue was reflected in the higher number of facial care services provided, which increased by 20.74% to 92,598 sessions in FPE 2025 (FPE 2024: 76,693 sessions).

The increase in revenue was also complemented by the higher sales generated from facial care and related products, which increased by RM1.21 million or 10.97% to RM12.28 million in FPE 2025 (FPE 2024: RM11.06 million). This was driven by sales from our existing and new beauty care centres as discussed above.

(iii) Hair care segment

Our revenue from the hair care segment increased by RM10.23 million or 29.39% to RM45.02 million in FPE 2025 (FPE 2024: RM34.79 million). This was mainly attributed to higher revenue from our existing *One Doc x Hair Doc* centres and additional revenue from services provided at new beauty care centres opened during FPE 2025 as discussed above. The increase in revenue was reflected in the higher number of hair care services provided, which increased by 13.43% to 53,924 sessions in FPE 2025 (FPE 2024: 47,539 sessions).

The increase in our revenue was also complemented by the higher sales from our hair care and related products, which increased by RM1.41 million or 18.44% to RM9.05 million in FPE 2025 (FPE 2024: RM7.64 million), driven mainly by higher sales from our existing beauty care centres.

On a geographical market basis:

- (i) Revenue from the central region increased by RM26.47 million or 25.78% to RM129.14 million in FPE 2025 (FPE 2024: RM102.67 million), which was mainly attributed to higher revenue from *One Doc x Hair Doc* and *Slim Doc* centres providing body care, facial care and hair care services.
- (ii) Revenue from the southern region increased by RM8.07 million or 22.64% to RM43.70 million in FPE 2025 (FPE 2024: RM35.63 million), which was mainly attributed to higher revenue from *Slim Doc* and *One Doc x Hair Doc* centres providing body care, facial care and hair care services.
- (iii) Revenue from the northern region increased by RM6.39 million or 28.25% to RM29.02 million in FPE 2025 (FPE 2024: RM22.63 million), which was mainly attributed to the higher revenue from *Slim Doc* and *One Doc x Hair Doc* centres providing body care, facial care and hair care services.

In addition, the increase was partly attributed to the opening of 2 new beauty care centres in the northern region during FPE 2025, comprising 1 *One Doc x Hair Doc* centre and 1 *Perfect Doc* centre.

- (iv) There was a revenue contribution of RM0.72 million from the east coast, following the opening of a new *One Doc x Hair Doc* centre in the region during FPE 2025.

In addition, there was a revenue contribution of RM2.27 million from our *One Doc x Hair Doc* centre in Singapore.

12. FINANCIAL INFORMATION (CONT'D)**12.3.4 Cost of sales****(i) Cost of sales by cost components**

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Staff costs	18,904	52.70	27,284	54.63	34,239	54.35
Input products and consumable supplies	12,634	35.22	15,392	30.82	16,845	26.74
Depreciation	4,107	11.45	6,910	13.84	11,689	18.55
Upkeep of machineries	227	0.63	356	0.71	226	0.36
Total cost of sales	35,872	100.00	49,942	100.00	62,999	100.00

	Unaudited		Audited			
	FPE 2024		FPE 2025			
	RM'000	%	RM'000	%		
Staff costs	15,636	59.24	20,375	59.68		
Input products and consumable supplies	7,288	27.61	10,365	30.36		
Depreciation	3,432	13.00	3,234	9.47		
Upkeep of machineries	39	0.15	166	0.49		
Total cost of sales	26,395	100.00	34,140	100.00		

(ii) Cost of sales by business activities and products

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Body care	8,224	22.93	18,284	36.61	24,200	38.41
- Body care services	7,729	21.55	16,653	33.34	22,355	35.48
- Sales of body care and related products	495	1.38	1,631	3.27	1,845	2.93
Facial care	14,919	41.59	18,820	37.68	23,114	36.69
- Facial care services	13,090	36.49	16,261	32.56	20,323	32.26
- Sales of facial care and related products	1,829	5.10	2,559	5.12	2,791	4.43
Hair care	12,729	35.48	12,838	25.71	15,685	24.90
- Hair care services	10,322	28.77	10,733	21.50	13,292	21.10
- Sales of hair care and related products	2,407	6.71	2,105	4.21	2,393	3.80
Total cost of sales	35,872	100.00	49,942	100.00	62,999	100.00

12. FINANCIAL INFORMATION (CONT'D)

	Unaudited		Audited	
	FPE 2024		FPE 2025	
	RM'000	%	RM'000	%
Body care	9,896	37.49	13,111	38.40
- Body care services	9,136	34.61	11,756	34.43
- Sales of body care and related products	760	2.88	1,355	3.97
Facial care	9,722	36.83	13,053	38.24
- Facial care services	8,507	32.23	11,384	33.35
- Sales of facial care and related products	1,215	4.60	1,669	4.89
Hair care	6,777	25.68	7,976	23.36
- Hair care services	5,859	22.20	6,553	19.19
- Sales of hair care and related products	918	3.48	1,423	4.17
Total cost of sales	26,395	100.00	34,140	100.00

(iii) Cost of sales by brands and operational countries

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Malaysia operations	35,872	100.00	49,942	100.00	62,336	98.95
- One Doc x Hair Doc	27,648	77.07	30,268	60.61	35,582	56.48
- Slim Doc	8,224	22.93	17,487	35.01	23,140	36.73
- Perfect Doc	-	-	2,187	4.38	3,614	5.74
Singapore operations ⁽¹⁾	-	-	-	-	663	1.05
- One Doc x Hair Doc	-	-	-	-	663	1.05
	35,872	100.00	49,942	100.00	62,999	100.00

	Unaudited		Audited	
	FPE 2024		FPE 2025	
	RM'000	%	RM'000	%
Malaysia operations	26,387	99.97	33,571	98.33
- One Doc x Hair Doc	15,510	58.76	18,334	53.70
- Slim Doc	9,484	35.93	12,277	35.96
- Perfect Doc	1,393	5.28	2,960	8.67
Singapore operations ⁽¹⁾	8	0.03	569	1.67
- One Doc x Hair Doc	8	0.03	569	1.67
	26,395	100.00	34,140	100.00

12. FINANCIAL INFORMATION (CONT'D)**Note:**

- (1) Our beauty care services operations in Singapore commenced in August 2024.

Our cost of sales mainly comprises the following:

(i) Staff costs

Staff costs accounted for 52.70% (RM18.90 million), 54.63% (RM27.28 million), 54.35% (RM34.24 million), 59.24% (RM15.64 million), and 59.68% (RM20.38 million) of our total cost of sales for FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively. Our staff costs mainly consist of salaries, bonus, allowances and statutory contribution for employees involved in our beauty care centre operations.

In FYE 2023, our staff costs increased by RM8.38 million or 44.33% to RM27.28 million in FYE 2023 (FYE 2022: RM18.90 million). This was mainly attributed to the increase in headcount from 332 in FYE 2022 to 430 in FYE 2023 to cater for the increase in number of beauty care centres as well as the beauty care services provided during FYE 2023.

In FYE 2024, our staff costs increased by RM6.96 million or 25.49% to RM34.24 million in FYE 2024 (FYE 2023: RM27.28 million). This was mainly attributed to the increase in headcount from 430 in FYE 2023 to 513 in FYE 2024, to cater for the increase in number of beauty care centres as well as the beauty care services provided during FYE 2024.

In FPE 2025, our staff costs increased by RM4.74 million or 30.31% to RM20.38 million in FPE 2025 (FPE 2024: RM15.64 million). This was mainly attributed to the increase in headcount from 464 in FPE 2024 to 561 in FPE 2025, to cater for the increase in number of beauty care centres as well as the beauty care services provided during FPE 2025.

(ii) Input products and consumable supplies

Our costs for input products and consumable supplies accounted for 35.22% (RM12.63 million), 30.82% (RM15.39 million), 26.74% (RM16.85 million), 27.61% (RM7.29 million) and 30.36% (RM10.37 million) of our total cost of sales for FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively. Our input product costs comprise topical products used during our beauty care services as well as beauty care and related products for retail sales, while consumable supplies include, among others, sanitising wipes, wrapping rolls, disposable bed sheet, disposable undergarments, and cotton pads.

In FYE 2023, our costs for input products and consumable supplies increased by RM2.76 million or 21.83% to RM15.39 million in FYE 2023 (FYE 2022: RM12.63 million). This was mainly due to higher usage, following the expansion of our beauty care centre operations mainly *Slim Doc* and *Perfect Doc* centres, as well as the SCSG of our *One Doc x Hair Doc* operations. This was also reflected in the overall revenue growth of 57.64% in FYE 2023.

In FYE 2024, our costs for input products and consumable supplies increased by RM1.45 million or 9.44% to RM16.85 million in FYE 2024 (FYE 2023: RM15.39 million). This was mainly due to higher usage, following the expansion of our beauty care centre operations across all brands, as well as the SCSG of our *Slim Doc* operations. This was also reflected in the overall revenue growth of 14.73% in FYE 2024.

In FPE 2025, our costs input products and consumable supplies increased by RM3.08 million or 42.22% to RM10.37 million in FPE 2025 (FPE 2024: RM7.29 million). This was mainly due to higher usage, following the SCSG across all brands. This was also reflected in the overall revenue growth of 27.29% in FPE 2025.

12. FINANCIAL INFORMATION (CONT'D)**(iii) Depreciation**

Depreciation costs accounted for 11.45% (RM4.11 million), 13.84% (RM6.91 million), 18.55% (RM11.69 million), 13.00% (RM3.43 million) and 9.47% (RM3.23 million) of our total cost of sales for FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively. The depreciation costs mainly comprise depreciation of machineries including specialised machines and beauty care equipment used in the provision of our beauty care services.

In FYE 2023, depreciation costs increased by RM2.80 million or 68.25% to RM6.91 million in FYE 2023 (FYE 2022: RM4.11 million), mainly due to additional capital expenditure on machineries and equipment in both new and existing beauty care centres to support the provision of our beauty care services.

In FYE 2024, depreciation costs increased by RM4.78 million or 69.16% to RM11.69 million in FYE 2024 (FYE 2023: RM6.91 million), mainly due to additional capital expenditure on machineries and equipment in both new and existing beauty care centres to support the provision of our beauty care services.

In FPE 2025, depreciation costs decreased by RM0.20 million or 5.77% to RM3.23 million in FPE 2025 (FPE 2024: RM3.43 million), mainly due to certain machineries and equipment being fully depreciated.

(iv) Upkeep of machineries

The upkeep costs for our machineries accounted for 0.63% (RM0.23 million), 0.71% (RM0.36 million), 0.36% (RM0.23 million), 0.15% (RM0.04 million) and 0.49% (RM0.17 million) of our total cost of sales for FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively. Our upkeep costs remained relatively consistent which is less than 1.00% for the Financial Years/Period Under Review.

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12. FINANCIAL INFORMATION (CONT'D)**12.3.5 GP and GP margin****(i) GP and GP margin by business activities and products**

	Audited								
	FYE 2022			FYE 2023			FYE 2024		
	RM '000	%	GP margin (%)	RM '000	%	GP margin (%)	RM'000	%	GP margin (%)
Body care	26,317	16.87	76.19	86,063	34.09	82.48	126,560	44.57	83.95
- Body care services	23,397	15.00	75.17	71,535	28.34	81.12	105,757	37.24	82.55
- Sales of body care and related products	2,920	1.87	85.51	14,528	5.75	89.91	20,803	7.33	91.85
Facial care	84,356	54.09	84.97	107,103	42.42	85.05	100,267	35.31	81.27
- Facial care services	72,770	46.66	84.75	85,835	34.00	84.07	80,802	28.46	79.90
- Sales of facial care and related products	11,586	7.43	86.37	21,268	8.42	89.26	19,465	6.85	87.46
Hair care	45,285	29.04	78.06	59,301	23.49	82.20	57,135	20.12	78.46
- Hair care services	38,418	24.64	78.82	44,376	17.58	80.52	43,773	15.41	76.71
- Sales of hair care and related products	6,867	4.40	74.05	14,925	5.91	87.64	13,362	4.71	84.81
Total GP	155,958	100.00	81.30	252,467	100.00	83.49	283,962	100.00	81.84

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12. FINANCIAL INFORMATION (CONT'D)

	Unaudited			Audited		
	FPE 2024			FPE 2025		
	RM '000	%	GP margin (%)	RM '000	%	GP margin (%)
Body care	56,775	42.20	85.16	74,338	43.54	85.01
- Body care services	47,756	35.50	83.94	59,168	34.65	83.42
- Sales of body care and related products	9,019	6.70	92.23	15,170	8.89	91.80
Facial care	49,751	36.98	83.65	59,335	34.76	81.97
- Facial care services	39,904	29.66	82.43	48,728	28.55	81.06
- Sales of facial care and related products	9,847	7.32	89.02	10,607	6.21	86.40
Hair care	28,016	20.82	80.52	37,044	21.70	82.28
- Hair care services	21,293	15.82	78.42	29,417	17.23	81.78
- Sales of hair care and related products	6,723	5.00	87.99	7,627	4.47	84.28
Total GP	134,542	100.00	83.60	170,717	100.00	83.33

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12. FINANCIAL INFORMATION (CONT'D)**(ii) GP and GP margin by brands and operational countries**

	Audited								
	FYE 2022			FYE 2023			FYE 2024		
	RM '000	%	GP margin (%)	RM '000	%	GP / (Gross loss) margin (%)	RM'000	%	GP margin (%)
Malaysia operations	155,958	100.00	81.30	252,467	100.00	83.49	283,624	99.88	81.98
- One Doc x Hair Doc	129,641	83.13	82.42	166,769	66.06	84.64	155,141	54.63	81.34
- Slim Doc	26,317	16.87	76.19	86,216	34.15	83.14	125,873	44.33	84.47
- Perfect Doc	-	-	-	(518) ⁽²⁾	(0.21)	(31.04)	2,610	0.92	41.93
Singapore operations ⁽¹⁾	-	-	-	-	-	-	338	0.12	33.77
- One Doc x Hair Doc	-	-	-	-	-	-	338	0.12	33.77
Total GP	155,958	100.00	81.30	252,467	100.00	83.49	283,962	100.00	81.84
	Unaudited			Audited					
	FPE 2024			FPE 2025					
	RM '000	%	GP margin (%)	RM '000	%	GP margin (%)			
Malaysia operations	134,550	100.01	83.60	169,020	99.01	83.43			
- One Doc x Hair Doc	77,293	57.45	83.29	92,712	54.31	83.49			
- Slim Doc	56,528	42.02	85.63	73,899	43.29	85.75			
- Perfect Doc	729	0.54	34.35	2,409	1.41	44.87			
Singapore operations ⁽¹⁾	(8) ⁽³⁾	(0.01)	-	1,697	0.99	74.89			
- One Doc x Hair Doc	(8) ⁽³⁾	(0.01)	-	1,697	0.99	74.89			
Total GP	134,542	100.00	83.60	170,717	100.00	83.33			

12. FINANCIAL INFORMATION (CONT'D)

Notes:

- (1) Our beauty care services operations in Singapore commenced in August 2024.
- (2) The gross loss from our *Perfect Doc* operations was due to operating costs associated with the opening of 4 new centres, which were not offset by revenue as they were still in the initial stages of gaining traction during FYE 2023.
- (3) The gross loss from our *One Doc x Hair Doc* operations in Singapore was due to the purchases of consumable supplies prior to the opening of a new beauty care centre.

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12. FINANCIAL INFORMATION (CONT'D)**FYE 2023 compared to FYE 2022**

Our GP increased by RM96.51 million or 61.88% to RM252.47 million in FYE 2023 (FYE 2022: RM155.96 million). Our GP margin improved from 81.30% in FYE 2022 to 83.49% in FYE 2023. This was mainly attributed to the following:

(i) Body care segment

GP from our body care segment increased by RM59.75 million or 227.02% to RM86.06 million in FYE 2023 (FYE 2022: RM26.32 million), mainly driven by higher revenue generated from our existing and new *Slim Doc* centres.

GP margin for our body care segment improved from 76.19% in FYE 2022 to 82.48% in FYE 2023, mainly driven by higher-value body care services provided coupled with higher number of services provided during the financial year. The average value per body care service provided increased by 31.18% in FYE 2023, following the phase-out of promotional pricing introduced during the opening of our *Slim Doc* centres in FYE 2022, as well as an increase in the proportion of higher-value body care services provided.

(ii) Facial care segment

GP from our facial care segment increased by RM22.75 million or 26.97% to RM107.10 million in FYE 2023 (FYE 2022: RM84.36 million), mainly driven by higher revenue generated from our existing and new *One Doc x Hair Doc* centres. GP margin for our facial care segment remained relatively consistent at 84.97% in FYE 2022 and 85.05% in FYE 2023.

(iii) Hair care segment

GP from our hair care segment increased by RM14.02 million or 30.95% to RM59.30 million in FYE 2023 (FYE 2022: RM45.29 million), mainly driven by higher revenue generated from our existing and new *One Doc x Hair Doc* centres.

GP margin for our hair care segment improved from 78.06% in FYE 2022 to 82.20% in FYE 2023, mainly attributed to higher-value hair care services provided. The average value per hair care service provided increased by 8.89% in FYE 2023, following the launch of a higher-priced hair care light pulse service during the financial year.

FYE 2024 compared to FYE 2023

Our GP increased by RM31.50 million or 12.47% to RM283.96 million in FYE 2024 (FYE 2023: RM252.47 million), while our GP margin decreased from 83.49% in FYE 2023 to 81.84% in FYE 2024. This was mainly attributed to the following:

(i) Body care segment

GP from our body care segment increased by RM40.50 million or 47.06% to RM126.56 million in FYE 2024 (FYE 2023: RM86.06 million), mainly driven by higher revenue generated from our existing and new *Slim Doc* centres. In addition, the increase in GP was partly contributed by our new *Perfect Doc* centres.

GP margin for our body care segment improved from 82.48% in FYE 2023 to 83.95% in FYE 2024, mainly driven by higher-value body care services provided coupled with higher number of services provided during the financial year. The average value per body care service provided increased by 12.85% in FYE 2024, mainly due to an increase in the proportion of higher-value body care services provided.

12. FINANCIAL INFORMATION (CONT'D)**(ii) Facial care segment**

GP from our facial care segment decreased by RM6.84 million or 6.38% to RM100.27 million in FYE 2024 (FYE 2023: RM107.10 million), attributed to an increase in costs from this segment arising mainly from higher staff costs and depreciation costs. This was reflected in the increase in cost of sales of the facial care segment by RM4.29 million or 22.82% to RM23.11 million in FYE 2024 (FYE 2023: RM18.82 million).

The decrease in GP from this segment was also partly a result of a shift towards lower-value facial care services, which reduced revenue despite the higher number of services provided.

GP margin for our facial care segment decreased from 85.05% in FYE 2023 to 81.27% in FYE 2024. This was mainly attributed to higher average unit cost per facial care service provided coupled with lower-value facial care services provided to customers as discussed above. The average unit cost per facial care service provided increased by 11.93% in FYE 2024, following the additional capital expenditure on machineries and higher average headcount for beauty care centres in this segment. The decrease was also partly attributed to a shift towards lower-value facial care services provided during FYE 2024, as reflected in the decrease in average value per facial care service provided by 10.96% in FYE 2024.

(iii) Hair care segment

GP from our hair care segment decreased by RM2.17 million or 3.65% to RM57.14 million in FYE 2024 (FYE 2023: RM59.30 million), attributed to the increase in costs from this segment arising mainly from higher staff costs and depreciation costs. The cost of sales of the hair care segment increased by RM2.85 million or 22.18% to RM15.69 million in FYE 2024 (FYE 2023: RM12.84 million).

GP margin for our hair care segment decreased from 82.20% in FYE 2023 to 78.46% in FYE 2024. This was mainly attributed to higher average unit cost per hair care service provided, which increased by 23.81% in FYE 2024, following the additional capital expenditure on machinery and higher average headcount for our beauty care centres in this segment.

FPE 2025 compared to FPE 2024

Our GP increased by RM36.18 million or 26.89% to RM170.72 million in FPE 2025 (FPE 2024: RM134.54 million), while our GP margin remained relatively consistent at 83.60% in FPE 2024 and 83.33% in FPE 2025. This was mainly attributed to the following:

(i) Body care segment

GP from our body care segment increased by RM17.56 million or 30.93% to RM74.34 million in FPE 2025 (FPE 2024: RM56.78 million), as reflected in the higher revenue generated from our existing *Slim Doc* centres. GP margin for our body care segment remained relatively consistent at 85.16% in FPE 2024 and 85.01% in FPE 2025.

(ii) Facial care segment

GP from our facial care segment increased by RM9.58 million or 19.26% to RM59.34 million in FPE 2025 (FPE 2024: RM49.75 million), as reflected in the higher revenue generated from our existing and new *One Doc x Hair Doc* and *Perfect Doc* centres.

GP margin for our facial care segment decreased from 83.65% in FPE 2024 to 81.97% in FPE 2025. This was mainly due to a higher average unit cost per facial service provided, which increased by 10.81% in FPE 2025 arising mainly from higher staff

12. FINANCIAL INFORMATION (CONT'D)

costs and input product costs. The increases in staff and input product costs were mainly attributed to higher average headcount for our beauty care centres in this segment as well as promotional offers that included additional facial care sample products.

(iii) Hair care segment

GP from our hair care segment increased by RM9.03 million or 32.22% to RM37.04 million in FPE 2025 (FPE 2024: RM28.02 million), as reflected in the higher revenue generated from our existing and new *One Doc x Hair Doc* centres.

GP margin for our hair care segment improved from 80.52% in FPE 2024 to 82.28% in FPE 2025, mainly attributed to higher-value hair care services provided. The average value per hair care services provided increased by 16.81% in FPE 2025, following the launch of a higher-priced hair care light pulse service in 2024.

12.3.6 Other income

Our other income for the Financial Years/Period Under Review are set out below:

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Interest income	193	61.27	1,518	82.68	4,613	78.61
Rental income	-	-	305	16.61	731	12.46
Gain on disposal of PPE	-	-	-	-	314	5.35
Government incentives and grants	93	29.52	-	-	-	-
Others ⁽¹⁾	29	9.21	13	0.71	210	3.58
Total	315	100.00	1,836	100.00	5,868	100.00

	Unaudited		Audited	
	FPE 2024		FPE 2025	
	RM'000	%	RM'000	%
Waiver of debts ⁽²⁾	-	-	3,499	49.59
Interest income	1,958	74.19	3,031	42.95
Rental income	432	16.37	292	4.14
Gain on disposal of PPE	76	2.88	84	1.19
Others ⁽¹⁾	173	6.56	150	2.13
Total	2,639	100.00	7,056	100.00

Notes:

- (1) Mainly include merchant rebates from financial institutions, gains on foreign exchange, forfeited deposits in relation to the early termination of tenancy agreement for an investment property, and insurance claims received.
- (2) Relates to the waiver of the amount due to former Directors as well as former and current shareholders.

12. FINANCIAL INFORMATION (CONT'D)**FYE 2023 compared to FYE 2022**

Our other income increased by RM1.52 million or 482.86% to RM1.84 million in FYE 2023 (FYE 2022: RM0.32 million), mainly due to the following:

- (i) increase of RM1.33 million in interest income mainly from current account balances and fixed deposits with banks; and
- (ii) rental income of RM0.31 million from investment properties.

FYE 2024 compared to FYE 2023

Our other income increased by RM4.03 million or 219.61% to RM5.87 million in FYE 2024 (FYE 2023: RM1.84 million), mainly due to the following:

- (i) increase of RM3.10 million in interest income, mainly from current account balances, short term funds and corporate bonds;
- (ii) increase of RM0.43 million in rental income from investment properties;
- (iii) increase of RM0.31 million in gains on disposal of PPE mainly comprising motor vehicles; and
- (iv) increase of RM0.20 million in other income, mainly comprising merchant rebates from financial institutions, gains on foreign exchange, and forfeited deposits in relation to the early termination of tenancy agreement for an investment property.

FPE 2025 compared to FPE 2024

Our other income increased by RM4.42 million or 167.37% to RM7.06 million in FPE 2025 (FPE 2024: RM2.64 million), mainly due to the following:

- (i) RM3.50 million from waiver of debts from amounts due to former Directors, as well as former and current shareholders, which had previously been provided to Perfect Facelift for working capital purposes; and
- (ii) increase of RM1.07 million in interest income, mainly from current account balances.

The increases were partially offset by a decrease in rental income from investment properties following the early termination of tenancy agreement for an investment property in July 2024.

12. FINANCIAL INFORMATION (CONT'D)**12.3.7 Selling and distribution expenses**

Our selling and distribution expenses for the Financial Years/Period Under Review are set out below:

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Marketing expenses	23,058	43.20	33,620	40.97	34,815	38.30
Commissions ⁽¹⁾	30,319	56.80	48,446	59.03	56,092	61.70
Total	53,377	100.00	82,066	100.00	90,907	100.00

	Unaudited		Audited	
	FPE 2024		FPE 2025	
	RM'000	%	RM'000	%
Marketing expenses	17,212	39.82	16,622	34.33
Commissions ⁽¹⁾	26,012	60.18	31,792	65.67
Total	43,224	100.00	48,414	100.00

Note:

- (1) Refers to commissions paid to beauty therapists for the sale of beauty service packages and related products. These commissions are recognised over the same period during which the related revenue arising from the contract liabilities is recognised. Kindly refer to **Note 14(iii)** of the Accountants' Report as set out in **Section 13** of this Prospectus for further details.

FYE 2023 compared to FYE 2022

Our selling and distribution expenses increased by RM28.69 million or 53.75% to RM82.07 million in FYE 2023 (FYE 2022: RM53.38 million), mainly due to the following:

- (i) increase of RM18.13 million in commissions recognised from beauty care services rendered and the sale of related products, driven by our business growth in FYE 2023. This was reflected in the increase in revenue and number of beauty care sessions provided during the year by 57.64% and 34.21% respectively; and
- (ii) increase of RM10.56 million in marketing expenses, mainly driven by promotional campaigns and advertisements conducted through digital channels such as social media platforms and search engine.

FYE 2024 compared to FYE 2023

Our selling and distribution expenses increased by RM8.84 million or 10.77% to RM90.91 million in FYE 2024 (FYE 2023: RM82.07 million), mainly due to an increase of RM7.65 million in commissions recognised from beauty care services rendered and the sale of related products, driven by our business growth in FYE 2024. This was reflected in the increase in revenue and number of beauty care sessions provided during the year by 14.73% and 15.08% respectively.

12. FINANCIAL INFORMATION (CONT'D)**FPE 2025 compared to FPE 2024**

Our selling and distribution expenses increased by RM5.19 million or 12.01% to RM48.41 million in FPE 2025 (FPE 2024: RM43.22 million), mainly due to an increase of RM5.78 million in commissions recognised from beauty care services rendered and the sale of related products, driven by our business growth in FPE 2025. This was reflected in the increase in revenue and number of beauty care sessions provided during the year by 27.29% and 26.57% respectively.

This was partially offset by the decrease in marketing expenses by RM0.59 million due to reduced spending on search engine advertisements.

12.3.8 Administrative and other expenses

Our administrative and other expenses for the Financial Years/Period Under Review are set out below:

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Administrative expenses	34,902	97.17	49,555	97.44	63,557	99.01
Staff and related costs ⁽¹⁾	8,930	24.86	14,671	28.85	19,498	30.37
Depreciation and amortisation ⁽²⁾	7,306	20.34	10,601	20.85	14,847	23.13
Credit card and bank charges	5,369	14.95	7,774	15.29	10,170	15.84
Professional and consultation fees ⁽³⁾	2,540	7.07	5,568	10.95	6,058	9.44
Directors' remuneration	5,926	16.50	3,489	6.86	4,278	6.66
Upkeep and cleaning ⁽⁴⁾	2,239	6.23	3,385	6.66	4,011	6.25
Office and related expenses ⁽⁵⁾	1,248	3.47	2,105	4.14	2,325	3.62
Others ⁽⁶⁾	1,344	3.75	1,962	3.84	2,370	3.70
Other expenses ⁽⁷⁾	1,016	2.83	1,301	2.56	635	0.99
Total	35,918	100.00	50,856	100.00	64,192	100.00

	Unaudited		Audited	
	FPE 2024		FPE 2025	
	RM'000	%	RM'000	%
Administrative expenses	27,384	99.77	35,869	98.48
Staff and related costs ⁽¹⁾	8,594	31.31	12,325	33.84
Depreciation and amortisation ⁽²⁾	6,379	23.24	7,617	20.91
Credit card and bank charges	4,666	17.00	5,588	15.34
Professional and consultation fees ⁽³⁾	2,314	8.43	5,132	14.09
Directors' remuneration	1,328	4.84	385	1.06
Upkeep and cleaning ⁽⁴⁾	1,977	7.20	2,034	5.58
Office and related expenses ⁽⁵⁾	1,008	3.67	1,288	3.54
Others ⁽⁶⁾	1,118	4.08	1,500	4.12
Other expenses ⁽⁷⁾	64	0.23	552	1.52
Total	27,448	100.00	36,421	100.00

12. FINANCIAL INFORMATION (CONT'D)**Notes:**

- (1) Include salaries, wages, allowances, bonuses, statutory contributions, and other staff related expenses such as travel expenses, staff welfare.
- (2) Include depreciation of property, plant and equipment, right-of-use assets, and investment properties, as well as amortisation of intangible assets.
- (3) Include business consultation, legal, audit and accounting, tax, company secretarial and other related professional fees.
- (4) Include the upkeep of office premises and equipment, machinery, and motor vehicles including road tax and insurance, as well as laundry expenses and cleaning fees.
- (5) Include utilities, telephone charges, printing and stationery, subscriptions, vacancy advertisements, postage and courier, and other office-related expenses.
- (6) Include mainly tax and regulatory fees, travelling and entertainment expenses, rental and related costs, as well as company event expenditures.
- (7) Include write-offs of property, plant and equipment, and customer deposits; realised and unrealised losses on foreign exchange; and loss on disposal of property, plant and equipment.

FYE 2023 compared to FYE 2022**(i) Administrative expenses**

Our administrative expenses increased by RM14.65 million or 41.98% to RM49.56 million in FYE 2023 (FYE 2022: RM34.90 million), mainly due to the following:

- (a) increase of RM5.74 million in staff and related costs, mainly due to higher salaries arising from an increase in headcount from 83 in FYE 2022 to 113 in FYE 2023, as well as salary increments and higher bonuses;
- (b) increase of RM3.30 million in depreciation and amortisation, mainly attributed to additions of property, plant and equipment, and right-of-use assets in relation to the rental of our beauty care centres;
- (c) increase of RM3.03 million in professional and consultation fees, mainly due to higher business consultancy fees. Please refer to **Note 14** and **Note 21** of the Accountant's Report in **Section 13** of this Prospectus for further details; and
- (d) increase of RM2.41 million in credit card and bank charges, mainly attributed to higher sales and increased customer usage of credit cards.

(ii) Other expenses

Other expenses increased by RM0.29 million or 28.05% to RM1.30 million in FYE 2023 (FYE 2022: RM1.02 million), primarily due to write-off of property, plant and equipment, including renovation and signage arising mainly from the relocation of beauty care centres, office equipment, as well as furniture and fittings.

12. FINANCIAL INFORMATION (CONT'D)**FYE 2024 compared to FYE 2023****(i) Administrative expenses**

Our administrative expenses increased by RM14.00 million or 28.26% to RM63.56 million in FYE 2024 (FYE 2023: RM49.56 million), mainly due to the following:

- (a) increase of RM4.83 million in staff and related costs, mainly due to higher salaries arising from an increase in headcount from 113 in FYE 2023 to 124 in FYE 2024, and salary increments;
- (b) increase of RM4.25 million in depreciation and amortisation, mainly attributable to additions of property, plant and equipment and right-of-use assets in relation to the rental of our beauty care centres;
- (c) increase of RM2.40 million in credit card and bank charges, mainly attributed to higher sales and increased payments made using credit cards during the year;
- (d) increase of RM0.80 million in Directors' remuneration, mainly attributed to higher director fees;
- (e) increase of RM0.63 million in upkeep and cleaning, mainly attributed to higher laundry and cleaning expenses; and
- (f) increase of RM0.49 million in professional fees, mainly attributed to litigation fees.

(ii) Other expenses

Other expenses decreased by RM0.67 million, mainly attributed to a lower amount of property plant and equipment written off.

FPE 2025 compared to FPE 2024**(i) Administrative expenses**

Our administrative expenses increased by RM8.49 million or 30.99% to RM35.87 million in FPE 2025 (FPE 2024: RM27.38 million), mainly due to the following:

- (a) increase of RM3.73 million in staff and related costs, mainly due to higher salaries arising from an increase in headcount from 121 in FPE 2024 to 138 in FPE 2025, and salary increments;
- (b) increase of RM2.82 million in professional and consultation fees, mainly due to higher business consultancy fees. Please refer to **Note 14** and **Note 21** of the Accountant's Report in **Section 13** of this Prospectus for further details. In addition, the increase was partly attributed to IPO-related expenses; and
- (c) increase of RM1.24 million in depreciation and amortisation, mainly attributed to additions of right-of-use assets in relation to the rental of our beauty care centres as well as renovation works for our new beauty care centres.

(ii) Other expenses

Other expenses increased by RM0.49 million, mainly attributed to unrealised losses on foreign exchange arising from bank account balances held in USD.

12. FINANCIAL INFORMATION (CONT'D)**12.3.9 Finance costs**

Our finance costs for the Financial Years/Period Under Review are set out below:

	Audited					
	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Interest expense on:						
- Borrowings ⁽¹⁾	129	18.67	398	24.80	855	38.31
- Lease liabilities	562	81.33	835	52.03	842	37.72
- RCPS	-	-	370	23.05	524	23.48
- Unwinding of discount on provision for restoration costs	-	-	2	0.12	11	0.49
Total	691	100.00	1,605	100.00	2,232	100.00

	Unaudited		Audited	
	FPE 2024		FPE 2025	
	RM'000	%	RM'000	%
Interest expense on:				
- Borrowings ⁽¹⁾	442	40.70	435	39.69
- Lease liabilities	382	35.17	439	40.05
- RCPS	262	24.13	222	20.26
- Unwinding of discount on provision for restoration costs	-	-	-	-
Total	1,086	100.00	1,096	100.00

Note:

(1) Include term financing, term loan and fixed loan.

FYE 2023 compared to FYE 2022

Our finance cost increased by RM0.91 million or 132.27% to RM1.61 million in FYE 2023 (FYE 2022: RM0.69 million), mainly due to interest expenses arising from the unwinding interest of RCPS issued during the year, as well as lease liabilities relating to rental payments for our beauty care centres. In addition, the increase was partly due to higher interest expense on borrowings, mainly arising from term financing used to acquire investment properties during the year.

FYE 2024 compared to FYE 2023

Our finance cost increased by RM0.63 million or 39.07% to RM2.23 million in FYE 2024 (FYE 2023: RM1.61 million), mainly due to interest expenses on borrowings, as well as interest expenses arising from the unwinding interest of RCPS.

FPE 2025 compared to FPE 2024

Our finance cost remained relatively consistent at RM1.09 million and RM1.10 million in FPE 2024 and FPE 2025 respectively.

12. FINANCIAL INFORMATION (CONT'D)**12.3.10 PBT and PAT**

	Audited		
	FYE 2022	FYE 2023	FYE 2024
PBT (RM'000)	66,287	119,776	132,499
PBT margin	34.56%	39.61%	38.19%
Taxation (RM'000)	16,036	30,108	35,447
Effective tax rate	24.19%	25.14%	26.75%
PAT (RM'000)	50,251	89,668	97,052
PAT margin	26.20%	29.65%	27.97%
	Unaudited	Audited	
	FPE 2024	FPE 2025	
PBT (RM'000)	65,423	91,842	
PBT margin	40.65%	44.83%	
Taxation (RM'000)	15,979	24,172	
Effective tax rate	24.42%	26.32%	
PAT (RM'000)	49,444	67,670	
PAT margin	30.72%	33.03%	

FYE 2023 compared to FYE 2022

Our PBT increased by RM53.49 million or 80.69% to RM119.78 million in FYE 2023 (FYE 2022: RM66.29 million). Our PAT also increased by RM39.42 million or 78.44% to RM89.67 million in FYE 2023 (FYE 2022: RM50.25 million). The increase in both PBT and PAT was mainly attributed to the increase in our GP from our beauty care services business by 61.88% in FYE 2023. In addition, the increase was partly contributed by higher other income. Please refer to **Sections 12.3.5** and **12.3.6** of this Prospectus for further details on our GP and other income respectively.

Our PBT margin improved from 34.56% in FYE 2022 to 39.61% in FYE 2023, while our PAT margin improved from 26.20% in FYE 2022 to 29.65% in FYE 2023. This was mainly attributed to the improvement in GP margin from 81.30% in FYE 2022 to 83.49% in FYE 2023, as well as an increase in other income as discussed above.

For FYE 2022, our effective tax rate was 24.19%, which was relatively consistent with the statutory tax rate of 24.00%. For FYE 2023, our effective tax rate was 25.14%, which was higher than the statutory tax rate of 24.00%, mainly due to non-deductible expenses including depreciation of non-qualifying property, plant and equipment, professional fees, and withholding taxes.

FYE 2024 compared to FYE 2023

Our PBT increased by RM12.72 million or 10.62% to RM132.50 million in FYE 2024 (FYE 2023: RM119.78 million). Our PAT also increased by RM7.38 million or 8.23% to RM97.05 million in FYE 2024 (FYE 2023: RM89.67 million). The increase in both PBT and PAT was mainly attributed to the increase in the GP from our beauty care services business by 12.47% in FYE 2024. In addition, the increase was partly contributed by higher other income. Please refer to **Sections 12.3.5** and **12.3.6** of this Prospectus for further details on our GP and other income respectively.

12. FINANCIAL INFORMATION (CONT'D)

Our PBT margin decreased from 39.61% in FYE 2023 to 38.19% in FYE 2024, while our PAT margin decreased from 29.65% in FYE 2023 to 27.97% in FYE 2024. This was mainly attributed to the decrease in GP margin from 83.49% in FYE 2023 to 81.84% in FYE 2024.

Our effective tax rate was 26.75% for FYE 2024, which was higher than the statutory tax rate of 24.00%. This was mainly due to the non-deductible expenses, including depreciation of non-qualifying property, plant and equipment, professional fees, and withholding taxes.

FPE 2025 compared to FPE 2024

Our PBT increased by RM26.42 million or 40.38% to RM91.84 million in FPE 2025 (FPE 2024: RM65.42 million). Our PAT also increased by RM18.23 million or 36.86% to RM67.67 million in FYE 2024 (FYE 2023: RM49.44 million). The increase in both PBT and PAT was mainly attributed to the increase in the GP from our beauty care services business by 26.89% in FPE 2025. In addition, the increase in PAT was partly contributed by higher other income. Please refer to **Sections 12.3.5** and **12.3.6** of this Prospectus for further details on our GP and other income respectively.

Our PBT margin increased from 40.65% in FPE 2024 to 44.83% in FPE 2025, while our PAT margin increased from 30.72% in FPE 2024 to 33.03% in FPE 2025. This was mainly attributed to higher other income in FPE 2025.

Our effective tax rates were 24.42% and 26.32% for FPE 2024 and FPE 2025 respectively, which were higher than the statutory tax rate of 24.00%. This was mainly due to the non-deductible expenses, including depreciation of non-qualifying property, plant and equipment, professional fees, and withholding taxes.

12.3.11 Significant factors materially affecting our operations and financial result

The significant factors affecting our operations and financial results are set out below:

(i) Number of beauty care centres

We are principally a beauty care services provider where our sales are primarily derived from the sales of beauty care services and products from our beauty care centres. As such, our ability to generate and increase our revenue from our provision of beauty care services is mainly dependent on our ability to improve sales within each centre or increase the number of centres to expand our geographical coverage and provide ease of accessibility to a wider group of potential customers.

The breakdown of number of beauty care centres as at the end of the respective Financial Years/Period Under Review are as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
Number of centres by brands				
Malaysia	34	44	48	51
- <i>One Doc x Hair Doc</i> centres	22	23	24	26
- <i>Slim Doc</i> centres	12	17	18	18
- <i>Perfect Doc</i> centres	-	4	6	7
Singapore	-	-	1	1
<i>One Doc x Hair Doc</i> centres	-	-	1	1
Total	34	44	49	52

12. FINANCIAL INFORMATION (CONT'D)

Please refer to **Section 12.3.3** of this Prospectus for further details of the revenue of analysis of our beauty care services operations.

(ii) Staff costs

We are principally involved in the provision of beauty care services where staff costs constitute one of the major components of our cost of sales for our beauty care centre operations. Staff costs for our beauty care centre operations include salaries, bonuses, statutory contributions and other expenses for our employees. Our staff costs may increase as we increase the number of beauty care centres to expand our business.

Our staff costs for our beauty care centre operations accounted for 52.70% (RM18.90 million), 54.63% (RM27.28 million), 54.35% (RM32.24 million), 59.24% (RM15.64 million), and 59.68% (RM20.38 million) of our total cost of sales for FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively. We pay our employees in accordance with applicable statutory minimum wage and any increases in the statutory minimum wage will result in the increase in our staff costs. The Minimum Wage Order 2022 was gazetted in 2022 with the initial implementation of minimum wage of RM1,500 took effect on 1 May 2022. The minimum wage was then revised to RM1,700 which was effective on 1 February 2025. As at the LPD, we have complied with the minimum wage rates since 1 May 2022.

As at the LPD, our centres have a total of 588 staffs, comprising centre managers, trained beauty therapists and supporting staff, of which 579 are domestic employees while the remaining are foreign employees.

(iii) Changing consumer preferences and shifts in market demands

As a provider of beauty care services, we are susceptible to the changes in consumer behaviour, trends and brand preferences. The consumer spending in this segment is primarily discretionary in nature as customers may allocate this discretionary spending across different services or products from time to time or the consumers may also have the option not to utilise these services at all. As such, the sustainability and success of our business rely on our ability and agility to consistently adapt to changes in consumer behaviour and spending habits, trends and brand preferences, supported by our brand equity.

Consumer spending and behaviour are also influenced by general economic factors such as inflation and unemployment rates which would in turn affect the disposable income. Therefore, any adverse changes in the economic conditions, consumer spending and behaviour would adversely affect our business operations and financial performance.

Please refer to **Section 9.1.1** of this Prospectus for further details.

12. FINANCIAL INFORMATION (CONT'D)**(iv) Lease of premises for beauty care centres**

As at the LPD, we have a total of 57 beauty care centres including 53 centres in Malaysia and 4 centres in Singapore. All of our centres operate on tenanted premises. As such, we incur expenses and this constitutes one of the major operating expenses.

We generally enter into lease agreements with terms ranging 2 to 6 years. Please refer to Annexure C of this Prospectus for further details on our rented premises. Our lease agreements may be subject to review and revision by the landlords and these include increases in rental rates or non-renewal of lease agreements. In the event there are any adverse changes in the terms and conditions of the lease agreements or non-renewal of the lease agreements, it may adversely affect our financial results.

The expenses relating to lease of premises comprising depreciation of right-of-use assets and interest on lease liabilities accounted for 1.86%, 1.74%, 1.85%, 1.78% and 1.77% of our total revenue for FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively.

(v) Impact of interest rates

All of our bank borrowings are interest-bearing. Therefore, any hikes in the interest rates would affect our financial performance. Our finance costs include interest charges on bank borrowings, which are credit and financing facilities granted by banks and financial institutions. As at 30 June 2025, our total bank borrowings of RM20.44 million consist of term financing facilities, term loans, fixed loans and hire purchase creditors. Any fluctuations in interest rates will have an impact on floating rate borrowings. Of the total RM20.44 million of our bank borrowings, RM19.13 million were interest bearing based on floating interest rates, while RM1.31 million were interest bearing based on fixed interest rates.

Our finance costs have been increasing from RM0.69 million in FYE 2022 to RM1.61 million and RM2.23 million in FYE 2023 and FYE 2024 respectively, and remained relatively consistent at RM1.09 million and RM1.10 million in FPE 2024 and FPE 2025 respectively. For the Financial Years/Period Under Review, our interest coverage ratio was 96.93 times, 75.63 times, 60.36 times, 61.24 times, and 84.80 times for FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively.

In this respect, any increases in the drawdown of our borrowings and/or interest rates may impact our financial performance. If we fail or encounter difficulties in meeting our financial obligations when they fall due, this will result in a financial distress condition which will affect our operations and financial performance. For the Financial Years/Period Review and up to the LPD, we have not defaulted on any payments of either principal or interests in relation to our bank borrowings.

(vi) Impact of inflation pressure and other cost increases

As a consumer-based business, our products and services are subject to inflationary pressure which impacts our costs of goods and services, which we eventually will have to pass the increase in costs to our customers to at least maintain our margins. Inflationary pressure may arise directly from the cost of goods such as beauty care products and consumables as well as indirectly arising from increases in among others, staff wages and salaries, rental, utilities, and promotional and marketing costs.

Our financial performance for the Financial Years/Period Under Review was not materially affected by the impact of inflation. Nevertheless, there is no assurance that inflation may not affect our future results of operations and financial performance.

12. FINANCIAL INFORMATION (CONT'D)

Please refer to **Section 9.1.5** of this Prospectus for further details on risks in relation to inflationary pressure.

(vii) Impact of prolonged epidemics or pandemics

As a multi-brand chain beauty care centre operator, we provide beauty care services which are not within essential services. In the event of any prolonged epidemics or pandemics, this may affect our business operations arising from the temporary suspension of operations due to containment measure implemented. The risks may include the temporary closure of our business operations and a drop in the patronage of our beauty care centres. All of these situations may adversely affect our business and financial performance.

Our beauty care centre operations were temporarily suspended following the implementation of various movement control orders by the Malaysian Government in 2020 and 2021. During this period, we were not allowed to provide beauty care services or sell of products at our centres. This affected all of our beauty care centres in 2020 and 2021.

(viii) Government/economic/fiscal/monetary policies

Our business is subject to the risk relating to government, economic, fiscal or monetary policies in Malaysia and in countries that we operate and/or transact business. Any unfavourable changes in such government, economic, fiscal or monetary policies may materially affect our operations.

12.3.12 Liquidity and capital resources**(i) Working capital**

Our business operations were financed through a combination of internal and external sources of funds. Our internal sources of funds comprised shareholders' equity and cash generated from our operations, while external sources mainly consisted banking facilities from financial institutions. These funds were used to support our business operations and growth.

We recorded a net current liability position as at 31 December 2022, 2023 and 2024 and a net current asset position as at 30 June 2025 as summarised below:

	Audited as at 31 December			Audited as at 30 June 2025
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Current assets	150,043	212,603	290,677	375,357
Current liabilities	181,836	263,377	353,458	373,187
Net current (liability)/asset position	(31,793)	(50,774)	(62,781)	2,170

The net current liability position as at 31 December 2022, 2023 and 2024 was primarily due to contract liabilities, which are upfront payments received from customers for package sales of beauty care services and related products.

12. FINANCIAL INFORMATION (CONT'D)

We often sell our services in package deals, which require multiple visits by customers to our beauty care centres. These packages bundle various beauty care services and related products, and customers are required to pay the full package amount in advance. The packages are valid up to 12 months from the date of purchase. We may, at our discretion, allow customers to redeem unutilised package value beyond the 12-month validity period. Kindly refer to **Section 12.3.2** of this Prospectus for further details on the revenue recognition policy.

In relation to the contract liabilities, we also recognised contract costs assets, representing the incremental sales commissions incurred to obtain the sales contracts. These costs are amortised as selling and distribution expenses over the same period during which the related revenue arising from the contract liabilities is recognised, consistent with the progressive satisfaction of performance obligations.

The contract cost assets and contract liabilities will not impact our cash flow or working capital requirements when the related performance obligations are satisfied, as these assets and liabilities arise from commissions that have been paid to employees and upfront payments received from customers.

The net current liability position was also partly attributed to dividends paid to both ordinary shareholders and RCPS holders in FYE 2022 (RM25.00 million), FYE 2023 (RM67.53 million), and FYE 2024 (RM82.22 million).

As at 30 June 2025, our working capital position improved to a net current asset position at RM2.17 million. This was mainly attributed to higher cash and bank balances of RM283.58 million as at 30 June 2025 on the back of higher package sales of beauty services for the FPE 2025, as well as the absence of dividend payouts during the financial period.

For illustration purposes, after adjusting for contract cost assets, contract liabilities and dividend, we would have recorded a net current asset position as at 31 December 2022, 2023 and 2024 as well as at 30 June 2025 as follows:

	Audited as at 31 December			Audited as at 30 June 2025
	2022	2023	2024	
	RM'000	RM'000	RM'000	RM'000
Net current (liability)/asset position	(31,793)	(50,774)	(62,781)	2,170
Adjustment for:				
(-) Contract costs assets ⁽¹⁾	(23,082)	(33,735)	(45,284)	(49,955)
(+) Contract liabilities ⁽¹⁾	146,986	210,934	282,624	305,060
(+) Dividends for ordinary shareholders	25,000	64,500	80,000	-
(+) Dividends for RCPS holders	-	3,025	2,223	-
Adjusted net current asset position	117,111	193,950	256,782	257,275

Note:

- (1) The contract costs assets and contract liabilities as at 31 December 2022, 2023 and 2024 as well as 30 June 2025 will be recognised as sales and distribution expenses and revenue within the subsequent 3 financial years after the expiry of the 12-month validity period.

12. FINANCIAL INFORMATION (CONT'D)

Based on the audited consolidated statements of financial position as at 30 June 2025, we have cash and cash equivalents of RM306.61 million. As at the LPD, we have credit facilities granted by financial institutions for working capital purposes comprising corporate credit card and term financing facilities amounting to RM1.50 million, of which RM0.70 million has yet to be utilised.

After taking into consideration our Group's funding requirements for our committed capital expenditures, our existing level of cash and cash equivalents, expected cash flows to be generated from our operations and the estimated net proceeds from the Public Issue, our Board is of the view that we have sufficient working capital for 12 months from the date of this Prospectus.

(ii) Cash flow

The following table summarises our cash flows for the Financial Years/Period Ended Under Review based on our audited combined financial statements.

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Net cash from operating activities	131,219	144,853	182,970	97,262
Net cash used in investing activities	(20,296)	(31,769)	(26,160)	(5,636)
Net cash used in financing activities	(29,666)	(68,860)	(86,971)	(7,574)
Net increase in cash and cash equivalents	81,257	44,224	69,839	84,052
Effect of exchange rate differences	-	(38)	(86)	(301)
Cash and cash equivalents at the beginning of the financial year/period	27,667	108,924	153,110	222,863
Cash and cash equivalent at the end of the financial year /period	108,924	153,110	222,863	306,614

All of our cash and cash equivalents are held in RM, SGD and USD. There are no legal, financial or economic restrictions on our subsidiaries' ability to transfer funds to our Company in the form of cash dividends, loans or advances, subject to the availability of distributable reserves, loans or advances in compliance with any applicable financial covenants.

(a) Net cash from operating activities**FYE 2022**

For FYE 2022, our net cash from operating activities was RM131.22 million after taking into account our operating profit before changes in working capital of RM79.04 million and the following:

- (I) increase of RM98.99 million in contract liabilities, attributed to higher payments received from package sales of beauty care services mainly from our *Slim Doc* centres, which commenced operations progressively in 2022.
- (II) increase of RM19.95 million in receivables, mainly attributed to higher contract costs in relation to incremental sales commission upon securing sales from customers in FYE 2022.

12. FINANCIAL INFORMATION (CONT'D)

The incremental sales commission will be recognised once beauty care services are rendered, specifically when the customers redeemed their sessions, or when products are sold and delivered.

- (III) increase of RM5.25 million in inventories, mainly attributed to beauty care and related products purchased for our beauty care centre operations following the opening of 12 *Slim Doc* centres and 1 *One Doc x Hair Doc* centre in FYE 2022.
- (IV) increase of RM3.70 million in payables mainly attributed to accrued staff and related costs.
- (V) tax payment of RM24.83 million and a net interest payment of RM0.50 million.

FYE 2023

For FYE 2023, our net cash from operating activities was RM144.85 million mainly after taking into account of our operating profit before changes in working capital of RM138.52 million and the following:

- (I) increase of RM63.95 million in contract liabilities, attributed to higher payments received from increased package sales of beauty care services from our existing and new beauty care centres, including the commencement of our *Perfect Doc* centres' operations in FYE 2023.
- (II) increase of RM7.59 million in receivables, mainly attributed to higher contract costs in relation to incremental sales commission upon securing sales from customers in FYE 2023.
- (III) increase of RM4.69 million in payables, mainly attributed to accrued staff and related costs
- (IV) tax payment (net of refund) of RM54.72 million and net interest received of RM0.29 million.

FYE 2024

For FYE 2024, our net cash from operating activities was RM182.97 million mainly after taking into account of our operating profit before changes in working capital of RM156.93 million and the following:

- (I) increase of RM71.74 million in contract liabilities, attributed to higher payments received from increased package sales of our beauty care services from our beauty care centres.
- (II) increase of RM10.87 million in receivables, mainly attributed to higher contract costs in relation to incremental sales commission upon securing sales from customers in FYE 2024.
- (III) increase of RM5.14 million in payables, mainly attributed to accrued staff and related costs.
- (IV) tax payment (net of refund) of RM43.12 million and net interest received of RM2.92 million.

12. FINANCIAL INFORMATION (CONT'D)**FPE 2025**

For FPE 2025, our net cash from operating activities was RM97.26 million mainly after taking into account of our operating profit before changes in working capital of RM97.75 million and the following:

- (I) increase of RM22.43 million in contract liabilities, attributed to higher payments received from increased package sales of our beauty care services from our beauty care centres.
- (II) increase of RM4.50 million in receivables, mainly attributed to higher contract costs in relation to incremental sales commission upon securing sales from customers in FPE 2025.
- (III) decrease of RM1.84 million in inventories, mainly attributed to lower inventory levels of input products for our beauty care service operations driven by an increase in the number of beauty care services provided, as well as lower beauty care and related products for retail sales at our beauty centres.
- (IV) tax payment (net of refund) of RM22.45 million and net interest received of RM2.16 million.

(b) Net cash used in investing activities**FYE 2022**

For FYE 2022, our net cash used in investing activities was RM20.30 million. This was mainly attributed to RM18.71 million used for the acquisition property, plant and equipment that mainly comprised the following:

- (I) RM7.00 million for the purchase of machineries including specialised machines and beauty care equipment for our existing and new beauty care centres;
- (II) RM4.15 million for the renovation and signboard as part of the establishment of new beauty care centres in FYE 2022, including our new brand of beauty care centres, *Slim Doc*;
- (III) RM3.90 million for the acquisition of Puchong Warehouse;
- (IV) RM1.77 million for the purchase of office equipment, security and safety systems; and
- (V) RM1.66 million for the purchase of furniture and fittings for the new beauty care centres.

In addition, there was RM2.08 million of right-of-use assets in relation to the rental of additional locations secured for setting-up of new centres.

12. FINANCIAL INFORMATION (CONT'D)**FYE 2023**

For FYE 2023, our net cash used in investing activities was RM31.77 million. This was mainly attributed to RM21.63 million used for the acquisition of property, plant and equipment which mainly comprised the following:

- (I) RM12.40 million for the purchase of machineries including specialised machines and beauty care equipment for our existing and new beauty care centres;
- (II) RM5.61 million for the renovation and signboard as part of the establishment of new beauty care centres in FYE 2023, including our new brand of beauty care centres, *Perfect Doc*;
- (III) RM2.14 million for the purchase of furniture and fittings for the new beauty care centres; and
- (IV) RM1.66 million for the purchase of office equipment, security and safety systems.

In addition, there were RM8.12 million used for the investments in corporate bonds, and RM2.86 million used to fund the acquisition of investment properties where the total purchase consideration was RM19.96 million, and the balance RM17.10 million were financed through term loans.

The net cash used in investing activities was partially offset by proceeds of RM0.91 million received from the disposal of machineries, mainly light pulse machines.

FYE 2024

For FYE 2024, our net cash used in investing activities was RM26.16 million. This was mainly attributed to RM14.47 million used for the acquisition of property, plant and equipment, mainly comprising the following:

- (I) RM8.16 million for the purchase of machineries including specialised machines and beauty care equipment for our existing and new beauty care centres;
- (II) RM3.66 million for the renovation and signboard as part of the establishment of new beauty care centres in FYE 2024;
- (III) RM1.56 million for the purchase of furniture and fittings for the new beauty care centres; and
- (IV) RM1.08 million for the purchase of office equipment, security and safety systems.

In addition, there was RM12.00 million initial capital investment in relation to the acquisition of Perfect Facelift.

FPE 2025

For FPE 2025, our net cash used in investing activities was RM5.64 million. This was mainly attributed to RM5.85 million used for the acquisition of property, plant and equipment, mainly comprising the following:

12. FINANCIAL INFORMATION (CONT'D)

- (I) RM2.45 million for the purchase of machineries including specialised machines and beauty care equipment for our existing and new beauty care centres;
- (II) RM1.98 million for the renovation and signboard as part of the establishment new beauty care centres in FPE 2025;
- (III) RM0.83 million for the purchase of furniture and fittings for the new beauty care centres; and
- (IV) RM0.56 million for the purchase of office equipment, security and safety systems.

The net cash used in investing activities was partially offset by proceeds of RM0.21 million received from the disposal of machineries including MFU devices.

(c) Net cash used in financing activities**FYE 2022**

For the FYE 2022, our net cash used in financing activities was RM29.67 million. This was mainly attributed to the following:

- (I) RM25.00 million of dividends paid to ordinary shareholders;
- (II) RM3.55 million of repayment of lease liabilities, mainly for the rental payments for our centres;
- (III) RM0.99 million of repayment to current and former Directors and shareholders in relation to earlier advances for working capital purposes; and
- (IV) RM0.13 million of repayment of borrowings.

FYE 2023

For the FYE 2023, our net cash used in financing activities was RM68.86 million. This was mainly attributed to the following:

- (I) RM67.53 million of dividend payments including RM64.50 million of dividends paid to ordinary shareholders and RM3.03 million of dividends paid to RCPS shareholders;
- (II) RM5.18 million of repayment of lease liabilities mainly for the rental payments for our centres; and
- (III) RM0.23 million of net repayment of borrowings.

The net cash used in financing activities was partially offset by RM3.84 million of advances from current and former Directors and shareholders for working capital purposes. Others include RM0.23 million of proceeds received from the issuance of ordinary shares.

12. FINANCIAL INFORMATION (CONT'D)**FYE 2024**

For the FYE 2024, our net cash used in financing activities was RM86.97 million. This was mainly attributed to the following:

- (I) RM82.22 million of dividend payments including RM80.00 million of dividends paid to ordinary shareholders and RM2.22 million of dividends paid to RCPS shareholders;
- (II) RM6.99 million of repayment of lease liabilities mainly for the rental payments for our centres; and
- (III) RM0.74 million of repayment of borrowings.

The net cash used in financing activities was partially offset by the RM2.96 million of advances from current and former Directors and shareholders for working capital purposes.

FPE 2025

For the FPE 2025, our net cash used in financing activities was RM7.57 million. This was mainly attributed to the following:

- (I) RM4.00 million of redemption of RCPS. On 5 June 2025, the holders of the RCPS approved 1DHSB to redeem 60 RCPS for a total redemption amount of RM4,000,000;
- (II) RM3.90 million of repayment of lease liabilities mainly for the rental payments for our centres; and
- (III) RM0.42 million of repayment of borrowings.

The net cash used in financing activities was partially offset by the RM0.74 million of advances from former Directors and shareholders for working capital purposes.

(iii) Bank borrowings

As at 30 June 2025, our total bank borrowings are as set out below:

Type of bank borrowings	As at 30 June 2025		
	Payable within 12 months	Payable after 12 months	Total
	RM'000	RM'000	RM'000
Term financing ⁽¹⁾	18,574	120	18,694
Term loans ⁽²⁾	30	679	709
Fixed loans ⁽³⁾	33	-	33
Hire purchase creditors ⁽⁴⁾	413	592	1,005
Total	19,050	1,391	20,441

Gearing ratio ⁽⁵⁾

0.16

12. FINANCIAL INFORMATION (CONT'D)**Notes:**

- (1) Term financing facilities includes Commodity Murabahah Term Financing facilities, which were used for the purchase of our head office, investment properties and for working capital purposes.
- (2) Term loans were mainly used to refinance the purchase of an office lot for our Puchong Headquarter.
- (3) Fixed loans were used for working capital purposes.
- (4) Hire purchase facilities were used to fund the purchase of motor vehicles.
- (5) Based on interest-bearing bank borrowings over total equity.

All of our bank borrowings as at 30 June 2025 is denominated in RM.

As at 30 June 2025, all bank borrowings are interest bearing including RM19.13 million which are floating rate borrowings and RM1.31 million which are fixed rate borrowings. The maturity profile and average interest rates of our bank borrowings as at 30 June 2025 are set out below:

		As at 30 June 2025			
	Weighted average effective interest rates	Within 1 year	1-5 years	Over 5 years	Total
		RM'000	RM'000	RM'000	RM'000
Term financing	3.50% - 4.30%	18,574	120	-	18,694
Term loans	4.42%	30	133	546	709
Fixed loans	3.50%	33	-	-	33
Hire purchase creditors	3.96% - 8.57%	413	572	20	1,005
Total		19,050	825	566	20,441

Our Group has not defaulted on any payment of either principal sums and/or interest in relation to the borrowings for the Financial Years/Period Under Review and from 1 July 2025 up to the LPD.

There is no seasonality in our borrowings trend.

As at the LPD, our Group is not in breach of any terms and conditions or covenants associated with the credit arrangements or bank loans, which can materially affect the financial position and results of business operations or investments by holders of securities in our Group.

12.3.13 Treasury policies and objectives

Our Group's operations have been funded by shareholders' equity, cash generated from our operations, external sources of funds and credit extended by our suppliers. The external sources of funds mainly include bank borrowings. The normal credit terms granted by our suppliers is up to 60 days.

As at the LPD, our Group's bank borrowings consist of term financing, term loans, and hire purchase creditors. The interest rates for our bank borrowings are based on the market rates prevailing at the dates of the respective transactions.

12. FINANCIAL INFORMATION (CONT'D)

As at the LPD, we have credit facilities granted by financial institutions for working capital purposes comprising corporate credit card and term financing facilities amounting to RM1.50 million, of which RM0.70 million has yet to be utilised.

The primary objective of our capital management is to ensure that we will be able to maintain an optimal capital structure so as to support our business and maximise shareholders' value. We manage our capital structure and make adjustments to it, in light of changes in economic and business conditions. To maintain or adjust the capital structure, we may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

12.3.14 Financial instruments for hedging purposes

For the Financial Years/Period Under Review and from 1 July 2025 and up to the LPD, our Group does not have any financial instrument for hedging purposes.

12.3.15 Material commitment for capital expenditure

As at the LPD, we do not have any material capital commitments. Nonetheless, our proposed investments for business expansion as part of our strategies and plans as at the LPD are set out below:

	Total estimated investments	Source of funds	
		Internally generated funds/ bank borrowings	Proceeds from Public Issue
	RM'000	RM'000	RM'000
Approved but not contracted for:			
Malaysia operations			
Establishing new beauty care centres ⁽¹⁾	[•]	[•]	[•]
Purchase of beauty care machinery and equipment	[•]	[•]	[•]
Expanding and upgrading our operational facilities	[•]	[•]	[•]
Business expansion	[•]	[•]	[•]
Singapore operations			
Establishing new beauty care centres ⁽¹⁾	[•]	[•]	[•]
Purchase of beauty care machinery and equipment	[•]	[•]	[•]
Setting up regional office and warehouse facility	[•]	[•]	[•]
Total	[•]	[•]	[•]

Note:

- (1) Include set-up costs such as renovation costs, rental and utilities, purchase of initial inventory, and estimated costs for staff salary and commission for 12 months from the opening of outlets.

12.3.16 Contingent liabilities

As at the LPD, we do not have any contingent liabilities, which upon becoming enforceable, may have substantial impact on the financial position of our Group.

12. FINANCIAL INFORMATION (CONT'D)**12.3.17 Key financial ratios**

Our key financial ratios for the Financial Years/Period Under Review are as follows:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Trade receivables turnover period (days) ⁽¹⁾	N/A	N/A	N/A	N/A
Trade payables turnover period (days)	20	7	3	11
Inventory turnover period (days)	144	238	215	186
Current ratio (times)	0.83	0.81	0.82	1.01
Gearing ratio (times)	0.25	0.45	0.37	0.16

Note:

- (1) Not applicable as all of our sales are billed based on cash sales. Billed services that have not been rendered as at the end of reporting period are recognised as deferred revenue and classified as contract liabilities.

(i) Trade payables turnover period

A summary of our trade payable turnover period for the Financial Years/Period Under Review is as set out below:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Average trade payables	816	268	110	446
Total purchases of input products incurred	15,263	13,339	14,816	7,438
Trade payables turnover period (days) ⁽¹⁾	20	7	3	11

Note:

- (1) Based on average trade payables as at the beginning and end of the respective financial years/period divided by total purchases of input products and consumable supplies incurred in the respective financial years/period, and multiplied by the number of days in the financial years/period.

In general, our payment terms with suppliers are based on cash terms upon good received. We also have suppliers on credit terms which are up to 60 days.

Our trade payables turnover period decreased from 20 days in FYE 2022 to 7 days in FYE 2023 and 3 days in FYE 2024. This was mainly attributed to timely payments to suppliers.

Our trade payables turnover period increased from 3 days in FYE 2024 to 11 days in FPE 2025. This was mainly attributed to higher outstanding trade payables for the purchases of beauty care products.

12. FINANCIAL INFORMATION (CONT'D)

The ageing analysis of our Group's trade payables as at 30 June 2025 is as follows:

	Not past due	Past due			Total
		1-30 days	31-90 days	More than 90 days	
	RM'000	RM'000	RM'000	RM'000	RM'000
Trade payables	701	*	-	-	702
% contribution					
Subsequent payments as at the LPD	701	*	-	-	-
Net trade payables after subsequent payments	-	-	-	-	-

* Less than RM1,000

As at the LPD, we have settled the trade payables which were outstanding as at 30 June 2025.

As at the LPD, there are no significant matter in disputes with respect of trade payables and no material legal proceedings to demand for payment have been initiated by our Group's suppliers against us.

(ii) Inventory turnover period

A summary of our inventories for the Financial Years/Period Under Review is as set out below:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Average inventories	6,008	8,716	8,690	7,660
Total purchases of input products incurred	15,263	13,339	14,816	7,438
Inventories turnover period (days) ⁽¹⁾	144	238	215	186

Note:

- (1) Based on average inventory as at the beginning and end of the respective financial years/period divided by total purchases of input products and consumable supplies incurred in the respective financial years/period, and multiplied by the number of days in the financial years/period.

Our inventories mainly comprised the following:

- (a) Goods for retail use comprising topical products and consumable supplies used in the provision of beauty care services at our centres.
- (b) Goods for resale comprising beauty care and related products.
- (c) Beauty care equipment prepared for the opening of our new centres.

Generally, we keep approximately 5 to 6 months of ready stocks as part of our inventory management practices. There were no inventories written down during the respective financial years/period.

12. FINANCIAL INFORMATION (CONT'D)

Our inventories turnover period increased from 144 days in FYE 2022 to 238 days in FYE 2023, mainly attributed to higher inventory levels of beauty care and related products for retail sales at our beauty care centres.

Our inventories turnover period decreased from 238 days in FYE 2023 to 215 days in FYE 2024. This was mainly attributed to lower inventory levels of input products for our beauty care service operations, driven by an increase in the number of beauty care services provided including body care and facial care services.

Our inventories turnover period decreased from 215 days in FYE 2024 to 186 days in FPE 2025. This was mainly attributed to lower inventory levels of input products for our beauty care service operations driven by an increase in the number of beauty care services provided, as well as lower beauty care and related products for retail sales at our beauty care centres.

(iii) Current ratio

A summary of our current ratio for the Financial Years/Period Under Review is as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Current assets	150,043	212,603	290,677	375,357
Current liabilities	181,836	263,377	353,458	373,187
Current ratio ⁽¹⁾ (times)	0.83	0.81	0.82	1.01

Note:

(1) Based on current assets over current liabilities.

For FYE 2022, FYE 2023 and FYE 2024, our current ratio were less than 1.00 times where we experienced net current liabilities position at RM31.79 million (as at 31 December 2022), RM50.77 million (as at 31 December 2023), and RM62.78 million (as at 31 December 2024). This was mainly due to contract liabilities, which are upfront payments received from customers for package sales of beauty care services, which have yet to be rendered or redeemed by customers.

For FPE 2025, our current ratio increased to 1.01 times, mainly due to higher cash and bank balances as at 30 June 2025, supported by higher revenue from our existing and new beauty care centres in FPE 2025. In addition, there were no dividend payouts during FPE 2025.

Please refer to **section 12.3.12** for further details of the working capital.

12. FINANCIAL INFORMATION (CONT'D)

The table below sets out the ageing analysis of our contract liabilities for the Financial Years/Period Under Review are set-out below:

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Within 12 months	138,887	94.49	187,947	89.10	247,574	87.60	270,173	88.56
13 to 24 months	6,462	4.40	20,833	9.88	28,106	9.94	22,046	7.23
More than 24 months	1,637	1.11	2,154	1.02	6,944	2.46	12,841	4.21
Contract liabilities ⁽¹⁾	146,986	100.00	210,934	100.00	282,624	100.00	305,060	100.00

Note:

- (1) This refers to deferred revenue which is classified as a current liability as our Group does not have a contractual or unconditional right to defer the satisfaction of the related performance obligations beyond 12 months from the reporting date. The contractual period for the redemption of service packages is limited to 12 months. While the Group may, at its discretion, permit the redemption of unutilised service packages beyond this period, such discretion does not give rise to an enforceable right or obligation extending beyond 12 months. Accordingly, deferred revenue is presented as current liability.

(iv) Gearing ratio

A summary of our gearing ratio for the Financial Years/Period Under Review is as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Bank borrowings				
- Term financing facilities ⁽¹⁾	2,787	19,747	19,074	18,694
- Term loans ⁽²⁾	790	754	724	709
- Fixed loans ⁽³⁾	136	96	54	33
- Hire purchase creditors ⁽⁴⁾	3,052	2,708	1,605	1,005
Total	6,765	23,305	21,457	20,441
Total equity	26,870	52,271	57,413	125,058
Gearing ratio (times) ⁽⁵⁾	0.25	0.45	0.37	0.16

Notes:

- (1) Term financing facilities includes Commodity Murabahah Term Financing facilities, which were used for the purchase of our head office, investment properties and for working capital purposes.
- (2) Term loans were mainly used to refinance the purchase of an office lot for our Puchong Headquarter.
- (3) Fixed loans were used for working capital purposes.
- (4) Hire purchase facilities were used to fund the purchase of motor vehicles.
- (5) Based on interest-bearing bank borrowings over total equity.

12. FINANCIAL INFORMATION (CONT'D)

Our gearing ratio increased from 0.25 times in FYE 2022 to 0.45 times in FYE 2023, mainly due to the drawdown of term financing facilities for the purchase of 5 units of investment properties.

Our gearing ratio decreased from 0.45 times in FYE 2023 to 0.37 times in FYE 2024, mainly due to repayments made.

Our gearing ratio decreased from 0.37 times in FYE 2024 to 0.16 times in FPE 2025, mainly attributed to an increase in retained earnings from RM69.07 million in FYE 2024 to RM136.74 million in FPE 2025.

12.3.18 Trend information

Save as disclosed in this Section and in **Sections 7, 8 and 9** of this Prospectus, to the best of our Board's knowledge and belief, there are no other known trends, demands, commitments, events or uncertainties that are reasonably likely to have, a material effect on our business, financial condition and results of operations.

12.4 ORDER BOOK

Generally, our sales are derived from sales billed and issued to customers and we do not have long-term contracts with customers. In this respect, we do not maintain an order book due to the nature of our business.

However, we have deferred revenue as contract liabilities which are upfront payments received from customers from package sales for beauty care services and the services yet to be carried out, and products yet to be delivered. Revenue is recognised upon services rendered and products delivered. The contract liabilities for the Financial Years/Period Under Review are set-out below:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Contract liabilities	146,986	210,934	282,624	305,060

12.5 DIVIDEND POLICY

We target a payout ratio of at least 50.00% of our PAT attributable to owners of our Company for each financial year on a consolidated basis. The actual dividend that our Board may recommend or declare in any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by our Board. Our Board will take into consideration, among others, the following factors when recommending or declaring any dividends:

- (i) our financial performance and condition;
- (ii) our working capital requirements;
- (iii) our projected levels of capital expenditure and investment plans;
- (iv) any contractual restrictions and/or commitments;
- (v) applicable restrictive covenants under our financing documents; and

12. FINANCIAL INFORMATION (CONT'D)

- (vi) the general economic and business conditions, and such other factors deem relevant by the Board.

No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.

As our Company is a holding company, our income and therefore, our ability to pay dividends is dependent upon the dividends that we receive from our subsidiaries. Distributions by our subsidiaries will depend upon their operating results, earnings, capital requirements, general financial condition and other relevant factors.

As at the LPD, save for certain banking restrictive covenants which our subsidiaries are subject to, there are no dividend restrictions imposed on us or our Subsidiaries.

Investors should note that this merely describes our present intention and shall not constitute legally binding statements in respect of our Company's future dividends which are subject to modification (including non-declaration thereof) at our Board's discretion. We cannot assure you that we will be able to pay dividends or that our Board will declare dividends in the future. There can also be no assurance that future dividends declared by our Board, if any, will not differ materially from historical dividend levels. See **Section 9** of this Prospectus for the factors which may affect or restrict our ability to pay dividends.

Dividends declared and/or paid

The dividends declared and paid by our Group for the Financial Years/Period Under Review are as follows:

(i) Ordinary shares

	FYE 2022	FYE 2023	FYE 2024	1 January 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000
Dividends declared in respect of the financial year/period	⁽¹⁾ 25,000	⁽²⁾ 94,500	⁽³⁾ 50,000	⁽⁴⁾ 40,000
Dividends paid	⁽¹⁾ 25,000	⁽²⁾ 64,500	⁽²⁾⁽³⁾ 80,000	⁽⁴⁾ 40,000
Group PAT	50,251	89,668	97,052	-
Dividend payout ratio ⁽⁵⁾ (%)	49.75	105.39	51.52	-

Notes:

- (1) Dividends declared on 20 July 2022 and 26 September 2022 in respect of FYE 2022 and paid in FYE 2022.
- (2) Dividends declared on 17 March 2023, 15 September 2023, 5 October 2023, 5 January 2024 and 2 May 2024 in respect of FYE 2023, of which RM64.50 million was paid in FYE 2023 and RM30.00 million was paid in FYE 2024.
- (3) Dividends declared on 30 September 2024 and 2 October 2024 in respect of FYE 2024 and paid in FYE 2024.
- (4) Dividends declared on 12 August 2025 and 13 August 2025 in respect of FYE 2025 and paid in FYE 2025.
- (5) Computed based on the dividends declared in respect of the financial years divided by the Group PAT.

12. FINANCIAL INFORMATION (CONT'D)

The higher dividends in respect FYE2023 were paid from the retained earnings of the Group to reward the existing shareholders who have contributed to the past success and development of the Group.

(ii) RCPS

	FYE 2022	FYE 2023	FYE 2024	1 January 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000
Dividends declared in respect of the financial year/period ⁽¹⁾	(2)3,025	(3)1,023	(4)1,919	-
Dividends paid	-	(2)3,025	(3)(4)2,223	(4)719
Group PAT	50,251	89,668	97,052	-
Dividend payout ratio ⁽⁵⁾ (%)	6.02	1.14	1.98	-

Notes:

- (1) Based on 2% of the consolidated PAT of 1 Doc Holding and its subsidiaries for each of the 2 RCPS holders, totalling 4%.

Based on the audited financial statements of 1 Doc Holding, the aggregate consolidated PAT for FYEs 2022, 2023 and 2024 amounts to RM149.18 million. Accordingly, 4% of the consolidated PAT attributable to the 2 RCPS holders is RM5.97 million.

- (2) Dividend declared by 1 Doc Holding on 5 October 2023 in respect of FYE 2022 and paid in FYE 2023.

- (3) Dividends declared by 1 Doc Holding on 2 May 2024 and 2 October 2024 in respect of FYE 2023 which were paid in FYE 2024.

- (4) Dividend declared by 1 Doc Holding on 2 October 2024 and 14 August 2025 in respect of FYE 2024, of which RM1.20 million was paid in FYE 2024 and RM0.72 million was paid in FYE 2025.

- (5) Computed based on the dividends declared in respect of the respective financial years divided by Group PAT attributable to shareholders.

Tengku Baderul and/or his sole proprietorship, Al Badr Resources, as well as Grade Competence Sdn Bhd provided business consultancy services to the Group from 2020 until 30 September 2025. Further details of the consultancy services rendered by Al Badr Resources and Grade Competence Sdn Bhd, together with additional information on the RCPS, are set out in **Notes (6) and (7) of Section 10.1.1** of this Prospectus. All RCPS were fully redeemed on 5 June 2025.

The dividends declared and paid for the Financial Years/Period Under Review and up to the LPD were funded via internally-generated funds which were in excess of our Group's funding requirements for its business operations.

[Further, we intend to pay additional dividends of up to RM75.00 million in respect of the FYE 2025, which will be paid to the respective shareholders prior to our Listing. Such dividend will be paid using our Group's internally generated funds.] The dividend will not affect the implementation of our future plans or strategies in view of the following:

- (i) our cash and bank balances (consist of cash at banks and on hand, short-term fund and fixed deposits with licensed banks) of RM306.61 million as at 30 June 2025;
- (ii) our Board is of the view that our Group has sufficient working capital for at least 12 months from the date of this Prospectus; and

12. FINANCIAL INFORMATION (CONT'D)

- (iii) part of the gross proceeds of RM[•] million from the Public Issue will be used to partly finance the capital expenditure for the expansion of our Group.

Save as disclosed above, we do not have any intention to declare and pay any further dividends prior to our Listing.

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12. FINANCIAL INFORMATION (CONT'D)**12.6 INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025**

Moore Stephens Associates PLT
[201304000972 (LLP0000963-LCA)]

Chartered Accountants (AF002096)
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17 December 2025

The Board of Directors
1 DOC INTERNATIONAL BERHAD
Unit 30-01, Level 30,
Tower A, Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur

Dear Sir,

1 DOC INTERNATIONAL BERHAD ("1 DOC INTERNATIONAL" OR "COMPANY") AND ITS COMBINING ENTITIES ("THE GROUP")

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

We have completed our assurance engagement to report on the compilation of the pro forma combined statements of financial position of the Group as at 30 June 2025 ("Pro Forma Combined Statements of Financial Position") by the Directors of the Company ("the Directors"). The Pro Forma Combined Statements of Financial Position have been compiled by the Directors for the purpose of inclusion in the prospectus ("the Prospectus") in connection with the listing of and quotation for the entire enlarged issued share capital of 1 Doc International on the Main Market of Bursa Malaysia Securities Berhad ("the Proposed Listing").

The applicable criteria on the basis of which the Directors have compiled the Pro Forma Combined Statements of Financial Position are described in notes thereon the Pro Forma Combined Statements of Financial Position and are prepared in accordance with the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Guidance Note").

The Pro Forma Combined Statements of Financial Position have been compiled by the Directors to illustrate the impact of the events or transactions as set out in the notes thereon to the Pro Forma Combined Statements of Financial Position as if the events or transactions had been effected on 30 June 2025. As part of this process, information about the Group's combined financial position has been extracted by the Directors from the audited combined financial statements of 1 Doc International for the financial period ended 30 June 2025, as contained in the Accountants' Report.

Directors' Responsibility for the Pro Forma Combined Statements of Financial Position

The Directors are responsible for compiling the Pro Forma Combined Statements of Financial Position on the basis as set out in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

Reporting Accountants' Independence and Quality Control

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

12. FINANCIAL INFORMATION (CONT'D)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025
(cont'd)

Reporting Accountants' Independence and Quality Control (cont'd)

Our firm applies the International Standard on Quality Management 1 (ISQM 1), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants and, accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, by the Directors on the basis set out in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma Pro Forma Combined Statements of Financial Position on the basis set out in the notes thereon in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Combined Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Combined Statements of Financial Position.

The purpose of Pro Forma Combined Statements of Financial Position included in the Prospectus is solely to illustrate the impact of a significant event or transaction on the unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Combined Statements of Financial Position has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Combined Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Combined Statements of Financial Position reflect the proper application of those adjustments to the unadjusted combined financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Combined Statements of Financial Position have been compiled, and other relevant engagement circumstances.

12. FINANCIAL INFORMATION (CONT'D)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025
(cont'd)

Reporting Accountants' Responsibilities (cont'd)

The engagement also involves evaluating the overall presentation of the Pro Forma Combined Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, on the basis as set out in the notes thereon and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

Other Matter

This report has been prepared solely for the purpose stated above, in connection with the Proposed Listing. As such, this report should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

A handwritten signature in cursive script, appearing to read 'Moore'.

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)

A handwritten signature in cursive script, appearing to read 'Lo Kuan Che'.

LO KUAN CHE
03016/11/2026 J
Chartered Accountant

12. FINANCIAL INFORMATION (CONT'D)**1.0 PRO FORMA GROUP AND BASIS OF PREPARATION****1.1 INTRODUCTION**

The Pro Forma Combined Statements of Financial Position together with the notes thereon, for which the Directors of 1 Doc International Berhad ("1 Doc International" or "Company") are solely responsible, have been prepared for illustration purposes only, for the purpose of inclusion in the Prospectus in connection with the proposed listing and quotation for the entire enlarged issued share capital of 1 Doc International on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("the Proposed Listing").

1.2 BASIS OF PREPARATION

The applicable criteria on the basis of which the Directors have compiled the Pro Forma Combined Statements of Financial Position are as described below. The Pro Forma Combined Statements of Financial Position are prepared in accordance with the requirements of Chapter 9 of the Prospectus Guidelines issued by the Securities Commission Malaysia and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma Combined Statements of Financial Position of 1 Doc International and its combining entities ("the Group") have been prepared in a manner consistent with the format of combined financial statements of the Group and the accounting policies adopted by the Group, in accordance with the Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs").

The Pro Forma Combined Statements of Financial Position have been prepared based on audited combined financial statements of the Group for the financial period ended 30 June 2025 which consist of the following entities:

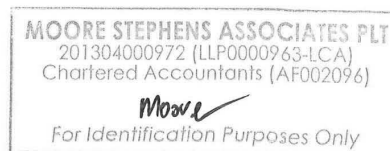
- i) 1 Doc International
- ii) 1 Doc Holding Sdn Bhd ("1DHSB")
- iii) Slim Doc Sdn Bhd ("SDSB")
- iv) Slim Doc SG Pte Ltd ("SDSG")

The Group is regarded as a continuing entity resulting from the pre-initial public offering ("pre-IPO") exercise as set out in Note 1.3.2 because the shareholders of all the entities within the Group, which took part in the pre-IPO exercise, were under the common control before and immediately after the pre-IPO exercise. Accordingly, the Group has applied the merger method of accounting on a retrospective basis as if the merger had been effected throughout the current financial period.

When the merger method is used, the difference between the costs of investment recorded by 1 Doc International and the aggregate share capital of 1DHSB, SDSB and SD SG is accounted for as merger reserve in the Pro Forma Combined Statements of Financial Position.

The Pro Forma Combined Statements of Financial Position, because of their nature, may not reflect the Group's actual financial position. Further, such information does not predict the Group's future financial position.

The Pro Forma Combined Statements of Financial Position of the Group comprise the combined statements of financial position as at 30 June 2025, adjusted for the impact of the Material Subsequent Transactions and Proposed Listing Scheme as set out in Note 1.3 and Note 1.4 respectively to the Pro Forma Combined Statements of Financial Position.

12. FINANCIAL INFORMATION (CONT'D)**1.0 PRO FORMA GROUP AND BASIS OF PREPARATION (cont'd)****1.3 MATERIAL SUBSEQUENT TRANSACTIONS****1.3.1 Declaration of dividend**

On 12 August 2025 and 13 August 2025, SDSB and 1DHSB declared a single-tier interim dividend of RM116.00 and RM11,000.00, respectively per ordinary share, amounting to RM29,000,000 and RM11,000,000, respectively for the financial year ending 31 December 2025, which was paid on 13 August 2025.

The dividends are illustrated in the Pro Forma Combined Statements of Financial Position to show the effect of such dividend payments had they occurred on 30 June 2025.

1.3.2 Pre-IPO exercise**(a) Acquisition of SDSG**

On 1 August 2025, SDSB had entered into a share sale agreement with Ong Hong Keat, Joel Yap Jiang Feng, Chin Boon Keat and Teoh Hui Sim for the acquisition of the entire equity interest in SDSG for a nominal cash purchase consideration of RM40.

The purchase consideration for the acquisition of SDSG was arrived at on a willing-buyer, willing-seller basis after taking into consideration the latest audited net liabilities of SDSG of SGD451,369 (which is equivalent to approximately RM1.49 million⁽¹⁾) as at 31 December 2024.

⁽¹⁾ Computed based on the exchange rate of SGD1.00:RM3.2954 as at 1 August 2025 as extracted from Bank Negara Malaysia's website.

The acquisition of SDSG has been completed on 1 August 2025.

(b) Acquisition of 1DHSB and SDSB

On 8 October 2025, 1 Doc International had entered into share sale agreements ("SSA") to acquire the entire equity interest in 1DHSB and SDSB, respectively ("Acquisitions").

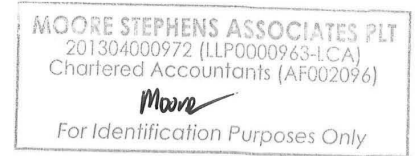
The total purchase consideration for the Acquisitions was satisfied via allotment and issuance of 125,130,360 new ordinary shares in 1 Doc International ("1 Doc International Shares" or "Shares") at an issue price of RM1.00 per share as set out below:

Company	Number of shares issued	Consideration
		RM
1DHSB	78,965,992	78,965,992
SDSB	46,164,368	46,164,368
Total	125,130,360	125,130,360

The purchase consideration for the Acquisitions was arrived at on a willing-buyer, willing-seller basis after taken into consideration the latest unaudited consolidated net assets of 1DHSB and the unaudited combined net assets of SDSB as at 30 June 2025 of RM78,965,992 and RM46,164,368, respectively.

The Acquisitions have been completed on 8 October 2025.

12. FINANCIAL INFORMATION (CONT'D)



1.0 PRO FORMA GROUP AND BASIS OF PREPARATION (cont'd)

1.3 MATERIAL SUBSEQUENT TRANSACTIONS (cont'd)

1.3.2 Pre-IPO exercise (cont'd)

(c) Share split

Upon completion of the Acquisitions, 1 Doc International had on 31 October 2025 undertaken a share split exercise, which entailed the subdivision of its existing 125,131,360 Shares into 1,934,600,000 Shares.

The above material subsequent transactions are known as "Pro Forma I" for the purpose of the Pro Forma Combined Statements of Financial Position.

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12. FINANCIAL INFORMATION (CONT'D)**1.0 PRO FORMA GROUP AND BASIS OF PREPARATION (cont'd)****1.4 PROPOSED LISTING SCHEME**

In conjunction with, and as an integral part of the Proposed Listing, 1 Doc International proposes to undertake the following transactions:

1.4.1 Initial Public Offering ("IPO")**(a) Proposed Public Issue**

1 Doc International will be issuing 341,400,000 new 1 Doc International Shares ("Issue Shares"), representing 15.00% of the enlarged share capital at the indicative issue price of RM[●] per Share. The total gross proceeds from the Proposed Public Issue amounting to RM[●]. Upon the completion of the Proposed Public Issue, the Company's issued number of shares will increase from 1,934,600,000 to 2,276,000,000.

The effect of the Proposed Public Issue has been incorporated into Pro Forma II.

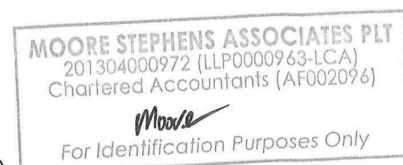
(b) Proposed Offer for Sale

Ong Hong Keat, Joel Yap Jiang Feng, Chin Boon Keat and Teoh Hui Sim ("Offerors") will undertake an offer for sale up to 238,980,000 Shares ("Offer Shares"), representing 10.50% of the enlarged share capital at the indicative IPO Price of RM[●] per Share.

The Company will not receive any proceeds from the Proposed Offer for Sale. The total gross proceeds from the Proposed Offer for Sale of up to approximately RM[●] million will accrue entirely to the Offerors. The Proposed Offer for Sale and the expenses relating to the Proposed Offer for Sale are not illustrated as these are borne by the Offerors and these have no impact on the Pro Forma Combined Statements of Financial Position.

(c) Proposed Listing

The admission to the Official List and the listing of and quotation for the entire enlarged issued share capital of 1 Doc International of approximately RM[●] (after deducting the estimated listing expenses directly attributable to the issuance of new shares of RM[●]) comprising 2,276,000,000 Shares on the Bursa Securities will be sought.

12. FINANCIAL INFORMATION (CONT'D)**1.0 PRO FORMA GROUP AND BASIS OF PREPARATION (cont'd)****1.4 PROPOSED LISTING SCHEME****1.4.2 Utilisation of proceeds from Proposed Public Issue**

The gross proceeds from the Proposed Public Issue of RM[●] are expected to be used as per the Prospectus in the following manner:

	RM	Estimated time frame for use of proceeds from the date of the Proposed Listing
Opening new beauty centres*	[●]	Within 36 months
Purchase of machineries*	[●]	Within 36 months
Acquisition of business*	[●]	Within 36 months
Repayment of bank borrowings	[●]	Within 3 months
Refurbishment of existing beauty centres*	[●]	Within 36 months
Expansion of offices and warehouses*	[●]	Within 36 months
Working capital	[●]	Within 24 months
Estimated listing expenses [^]	[●]	Within 3 months
	<u>[●]</u>	

Estimated listing expenses to be charged to/set-off against:

	RM
- Share capital	[●]
- Profit or loss	[●]
	<u>[●]</u>

* As the Group has yet to enter into any definitive agreements with any parties in respect of the opening new beauty centres, purchase of machineries, acquisition of business, refurbishment of existing beauty centres and expansion of offices and warehouses, the proceeds earmarked for these purposes have been included in cash and bank balances for the purposes of illustration in the Pro Forma Combined Statements of Financial Position.

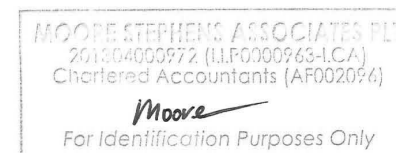
[^] The estimated listing expenses totalling RM[●] to be borne by the Company comprise, amongst others, underwriting, placement and brokerage fees, professional fees, authority fees and miscellaneous expenses. From the estimated listing expenses, RM[●] is assumed to be directly attributable to the issuance of Shares and therefore to be set off against share capital. The remaining RM[●] is assumed to be attributable to the Proposed Listing and therefore will be charged out to profit or loss and this represents an one-off expenditure in conjunction with the Proposed Listing.

As at 30 June 2025, RM[●] of listing expenses had been paid and capitalised in prepayment of the Group.

The effect of the utilisation of proceeds has been incorporated into Pro Forma III.

12. FINANCIAL INFORMATION (CONT'D)**2.0 PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025**

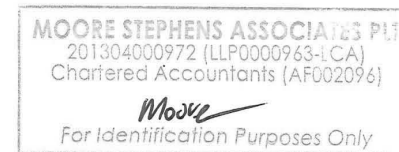
The Pro forma Combined Statements of Financial Position of the Group as at 30 June 2025 has been prepared by the Directors for illustrative purposes only and after making such adjustments as considered necessary on the assumption that the listing of and quotation for the entire enlarged issued share capital on the Bursa Securities had been effected on 30 June 2025.



	Audited	Pro Forma I	Pro Forma II	Pro Forma III
	As at 30 June 2025	After the Material Subsequent Transactions	After Pro Forma I and Proposed Public Issue	After Pro Forma II and Utilisation of proceeds
Note	RM	RM	RM	RM
ASSETS				
Non-current assets				
Property, plant and equipment	32,350,716	32,350,716	32,350,716	32,350,716
Right-of-use assets	10,780,185	10,780,185	10,780,185	10,780,185
Investment properties	14,153,954	14,153,954	14,153,954	14,153,954
Intangible assets	216,634	216,634	216,634	216,634
Other investments	8,120,000	8,120,000	8,120,000	8,120,000
Deferred tax assets	63,178,937	63,178,937	63,178,937	63,178,937
	<u>128,800,426</u>	<u>128,800,426</u>	<u>128,800,426</u>	<u>128,800,426</u>

12. FINANCIAL INFORMATION (CONT'D)

2.0 PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025 (cont'd)



		Audited	Pro Forma I	Pro Forma II	Pro Forma III
		As at 30 June 2025 RM	After the Material Subsequent Transactions RM	After Pro Forma I and Proposed Public Issue RM	After Pro Forma II and Utilisation of proceeds RM
	Note				
Current assets					
Inventories		6,739,673	6,739,673	6,739,673	6,739,673
Other receivables	3.1	61,036,989	61,036,989	61,036,989	[•]
Tax recoverable		966,324	966,324	966,324	966,324
Fixed deposits with licensed banks		7,490,000	7,490,000	7,490,000	7,490,000
Short-term funds		15,546,654	15,546,654	15,546,654	15,546,654
Cash and bank balances	3.2	283,577,145	243,577,105	[•]	[•]
		<u>375,356,785</u>	<u>335,356,745</u>	<u>[•]</u>	<u>[•]</u>
TOTAL ASSETS		<u>504,157,211</u>	<u>464,157,171</u>	<u>[•]</u>	<u>[•]</u>

12. FINANCIAL INFORMATION (CONT'D)

2.0 PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025 (cont'd)



		Audited	Pro Forma I	Pro Forma II	Pro Forma III
		As at 30 June 2025 RM	After the Material Subsequent Transactions RM	After Pro Forma I and Proposed Public Issue RM	After Pro Forma II and Utilisation of proceeds RM
	Note				
EQUITY AND LIABILITIES					
Share capital	3.3	1,000	125,131,360	[•]	[•]
Invested equity	3.3	286,841	-	-	-
Retained earnings	3.4	136,737,511	96,737,511	96,737,511	[•]
Reserve	3.5	(11,966,916)	(136,810,475)	(136,810,475)	(136,810,475)
		<u>125,058,436</u>	<u>85,058,396</u>	<u>[•]</u>	<u>[•]</u>
Non-current liabilities					
Lease liabilities		5,082,142	5,082,142	5,082,142	5,082,142
Borrowings	3.6	799,335	799,335	799,335	[•]
Other payables		30,489	30,489	30,489	30,489
		<u>5,911,966</u>	<u>5,911,966</u>	<u>5,911,966</u>	<u>[•]</u>

12. FINANCIAL INFORMATION (CONT'D)**2.0 PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025 (cont'd)**

		Audited	Pro Forma I	Pro Forma II	Pro Forma III
		As at 30 June 2025	After the Material Subsequent Transactions	After Pro Forma I and Proposed Public Issue	After Pro Forma II and Utilisation of proceeds
	Note	RM	RM	RM	RM
Current liabilities					
Trade payables		701,709	701,709	701,709	701,709
Other payables		22,083,803	22,083,803	22,083,803	22,083,803
Contract liabilities		305,060,089	305,060,089	305,060,089	305,060,089
Amounts due to Directors and shareholders		2,801,678	2,801,678	2,801,678	2,801,678
Lease liabilities		6,078,675	6,078,675	6,078,675	6,078,675
Borrowings	3.6	18,636,055	18,636,055	18,636,055	[•]
Tax payables		17,824,800	17,824,800	17,824,800	17,824,800
		<u>373,186,809</u>	<u>373,186,809</u>	<u>373,186,809</u>	<u>[•]</u>
Total liabilities		<u>379,098,775</u>	<u>379,098,775</u>	<u>379,098,775</u>	<u>[•]</u>
TOTAL EQUITY AND LIABILITIES		<u>504,157,211</u>	<u>464,157,171</u>	<u>[•]</u>	<u>[•]</u>

12. FINANCIAL INFORMATION (CONT'D)**2.0 PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025**
(cont'd)**2.1 Pro Forma I**

Pro Forma I incorporates the effects of dividends declared and paid by 1DHSB and SDSB, and the pre-IPO exercise as disclosed in Note 1.3.

2.3 Pro Forma II

Pro Forma II incorporates the effects of Pro Forma I and the Proposed Public Issue.

2.4 Pro Forma III

Pro Forma III incorporates the effect of Pro Forma I, Pro Forma II and the utilisation of proceeds from the Proposed Public Issue.

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12. FINANCIAL INFORMATION (CONT'D)**3.0 NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION****3.1 Other receivables**

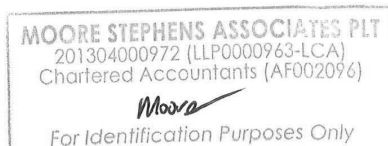
	RM
As at 30 June 2025/As per Pro Forma I and II	61,036,989
Less: Pursuant to utilisation of proceeds	
- Reversal of prepaid listing expenses	[•]
As per Pro Forma III	[•]

3.2 Cash and bank balances

	RM
As at 30 June 2025	283,577,145
Less: Distribution of dividends	(40,000,000)
Less: Acquisition of SDSG	(40)
As per Pro Forma I	243,577,105
Add: Pursuant to Proposed Public Issue	[•]
As per Pro Forma II	[•]
Less: Pursuant to utilisation of proceeds	
- Repayment of bank borrowings	[•]
- Estimated listing expenses	[•]
As per Pro Forma III	[•]

3.3 Share capital/Invested equity

	Share capital RM	Invested equity RM	Total RM
As at 30 June 2025	1,000	286,841	287,841
Less: Acquisition of SDSG	-	(34,781)	(34,781)
Add: Acquisition of 1DHSB and SDSB	125,130,360	(252,060)	124,878,300
As per Pro Forma I	125,131,360	-	125,131,360
Add: Pursuant to Proposed Public Issue	[•]	-	[•]
As per Pro Forma II	[•]	-	[•]
Less: Pursuant to utilisation of proceeds			
- Estimated listing expenses	[•]	-	[•]
As per Pro Forma III	[•]	-	[•]

12. FINANCIAL INFORMATION (CONT'D)**3.0 NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (cont'd)****3.4 Retained earnings**

	RM
As at 30 June 2025	136,737,511
Less: Distribution of dividends	(40,000,000)
As per Pro Forma I and II	96,737,511
Less: Pursuant to utilisation of proceeds - Estimated listing expenses	[•]
As per Pro Forma III	[•]

3.5 Reserve

	Merger reserve RM	Foreign currency translation reserve RM	Total RM
As at 30 June 2025	(12,000,000)	33,084	(11,966,916)
Add: Acquisition of SDSG	34,741	-	34,741
Less: Acquisition of 1DHSB and SDSB	(124,878,300)	-	(124,878,300)
As per Pro Forma I, II and III	(136,843,559)	33,084	(136,810,475)

In conjunction with the Proposed Listing, the acquisitions as disclosed in Note 1.3.2(a) and Note 1.3.2(b) were accounted for under the merger method whereby the difference between the acquisition cost and the nominal value of the share capital of the subsidiaries is taken to the merger reserve.

3.6 Borrowings

	Current RM	Non-current RM	Total RM
As at 30 June 2025/As per Pro Forma I and II	18,636,055	799,335	19,435,390
Less: Pursuant to utilisation of proceeds - Repayment of bank borrowings	[•]	[•]	[•]
As per Pro Forma III	[•]	[•]	[•]

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12. FINANCIAL INFORMATION (CONT'D)

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of 1 Doc International Berhad in accordance with a resolution dated **16 DEC 2025**

Signed on behalf of the Board of Directors,



ONG HONG KEAT



JOEL YAP JIANG FENG