THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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KYM HOLDINGS BHD
Registration No.: 198201004556 (84303-A)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

(I) PROPOSED ACQUISITION OF 700,000 ORDINARY SHARES IN REGEN HEALTHCARE SDN BHD ("REGEN"), REPRESENTING 70.0% EQUITY INTEREST IN REGEN, BY KYM HEALTHCARE SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF KYM HOLDINGS BHD ("KYM"), FROM THE VENDOR, FOR AN INDICATIVE PURCHASE CONSIDERATION OF UP TO RM33.5 MILLION TO BE SATISFIED ENTIRELY IN CASH

(II) PROPOSED DIVERSIFICATION OF THE EXISTING PRINCIPAL ACTIVITIES OF KYM AND ITS SUBSIDIARIES TO INCLUDE THE PROVISION OF ALL RELATED HEALTHCARE ACTIVITIES AND SPECIALISED MEDICAL SERVICES

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING ("EGM")

Principal Adviser

HongLeong Investment Bank

Hong Leong Investment Bank Berhad
(Registration No. 197001000928 (10209-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

Our forthcoming EGM will be held at Level 17, KYM Tower, No. 8 Jalan PJU 7/6, Mutiara Damansara, 47800 Petaling Jaya, Selangor on Wednesday, 18 November 2026 at 11.00 a.m. or at any adjournment thereof for the purpose of considering and if thought fit, passing with or without modifications, to give effect to the Proposals. The Notice of EGM together with the Proxy Form are enclosed in this Circular.

If you are unable to attend and vote at our forthcoming EGM, you may appoint up to 2 proxies to attend and vote on your behalf. If you wish to do so, please complete the enclosed Proxy Form and deposit it at the office of our Company's share registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time set for our forthcoming EGM or at any adjournment thereof, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, either by hand, post or email to bsr.proxy@boardroomlimited.com. You also have the option to lodge the appointment of proxy electronically via "Boardroom Smart Investor Portal" at https://investor.boardroomlimited.com. The Proxy Form should be completed strictly in accordance with the instructions contained therein. The lodging of the Proxy Form will not preclude you from attending and voting in person at our forthcoming EGM should you subsequently decide to do so, but if you do, your proxy or proxies shall be precluded from attending our forthcoming EGM.

Last day, date and time for lodging the Proxy Form	:	Tuesday, 17 November 2026 at 11.00 a.m.
Day, date and time of our forthcoming EGM	:	Wednesday, 18 November 2026 at 11.00 a.m.

This Circular is dated 28 October 2026

DEFINITIONS

Unless where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act 2016
Average PAT	:	The average audited PAT of the Regen Group for the FYEs 31 December 2026 and 2027, calculated in the following manner: $\frac{\left(\text{Audited PAT of the Regen Group for the FYE 31 December 2026} + \text{Audited PAT of the Regen Group for the FYE 31 December 2027}\right)}{2}$
Board	:	Board of Directors of KYM
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
Circular	:	This circular to our shareholders in relation to the Proposals
Completion	:	Completion of the SSA
Completion Date	:	The date on which the Proposed Acquisition is completed, being the date to be mutually agreed in writing by the Parties, which shall be as soon as practicable after the Unconditional Date and in any event, no later than 30 days thereafter
Conditions Precedent	:	The conditions precedent which are to be fulfilled or waived in accordance with the terms and conditions of the SSA as set out in **Section 3** of **Appendix I** of this Circular
CKAPS	:	Control of Private Medical Care Facilities and Services Section
CTA	:	Comparable transaction analysis approach
Director(s)	:	Director(s) of KYM and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and Chapter 10 of the Listing Requirements, which includes any person who is or was within the 6 months period preceding the date on which the terms of the Proposed Acquisition were agreed upon: (i) director(s) of KYM or its subsidiary or holding company; or (ii) a chief executive of KYM, its subsidiary or holding company
Dr. Rajesh Singh or the **Vendor**	:	Associate Prof. Dr. Rajesh Singh A/L Karnail Singh
Earn-out Consideration	:	Earn-out consideration amounting to up to RM24.4 million
E&E	:	Electrical & electronics
EGM	:	Extraordinary general meeting of KYM
EPS	:	Earnings per KYM Share
ESS Options	:	Options that may or had been granted pursuant to the employees' share scheme of our Company established on 9 June 2022
FPE	:	Financial period ended
FYE(s)	:	Financial year(s) ended/ending, as the case may be

Healthcare Business	:	Provision of all related healthcare activities and specialised medical services
HLIB or the **Principal Adviser**	:	Hong Leong Investment Bank Berhad (Registration No.: 197001000928 (10209-W))
ICT	:	Information and communication technology
Independent Valuation Letter	:	Independent valuation letter on the fair market value of the 70.0% equity interest in Regen prepared by QuantePhi
Indicative Purchase Consideration	:	An indicative purchase consideration of up to RM33.5 million to be satisfied entirely in cash
Initial Consideration	:	Initial consideration amounting to RM9.1 million
KYM or our **Company**	:	KYM Holdings Bhd (Registration No.: 198201004556 (84303-A))
KYM Group or our **Group**	:	KYM and its subsidiaries
KYM Healthcare or **Purchaser**	:	KYM Healthcare Sdn Bhd (Registration No.: 202601037403 (1699498-W))
KYM Share(s)	:	Ordinary share(s) in our Company
LAT	:	Loss after tax
LBT	:	Loss before tax
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	30 September 2026, being the latest practicable date prior to the date of this Circular
Major Shareholder(s)	:	A person(s) who is or was within the preceding 6 months of the date on which the terms of the Proposed Acquisition were agreed upon, who has an interest or interests in one or more Shares and the number or aggregate number of those Shares, is: (i) 10.0% or more of the total number of Shares; or (ii) 5.0% or more of the total number of Shares where such person is the largest shareholder of our Company. For the purpose of this definition, "**interest**" shall have the same meaning of "**interest in shares**" given in Section 8 of the Act
MFRS	:	Malaysian Financial Reporting Standards
MOH	:	Ministry of Health Malaysia
MPERS	:	Malaysian Private Entities Reporting Standard
NA	:	Net assets
Parties	:	Collectively, the Purchaser and the Vendor
PAT	:	Profit after tax
PBT	:	Profit before tax
PE	:	Price-to-earnings

Proposals	:	Collectively, the Proposed Acquisition and Proposed Diversification
Proposed Acquisition	:	Proposed acquisition of 700,000 Regen Shares, representing 70.0% equity interest in Regen by KYM Healthcare, from the Vendor, at the Indicative Purchase Consideration, in accordance with the terms and conditions of the SSA
Proposed Diversification	:	Proposed diversification of the existing principal activities of our Group to include Healthcare Business
QuantePhi or **Independent Valuer**	:	QuantePhi Sdn Bhd (Registration No: 201101037439 (965573-T))
RACC	:	Regen Ambulatory Care Centre Sdn Bhd (Registration No.: 201801040539 (1302570-U))
Regen	:	Regen Healthcare Sdn Bhd (Registration No.: 201501037015 (1162336-T))
Regen Australia	:	Regenerative Healthcare Pty Ltd (ACN 617 659 293)
Regen Group	:	Collectively, Regen and its wholly-owned subsidiaries, namely RACC and Regen Physio
Regen Physio	:	Regen Physio & Sports Rehab Sdn Bhd (Registration No.: 201801008630 (1270644-A))
Regen Shares	:	Ordinary shares in Regen
RVA	:	Relative valuation analysis approach
Sale Shares	:	700,000 Regen Shares to be acquired by KYM Healthcare from the Vendor in relation to the Proposed Acquisition
SSA	:	Conditional share sale agreement dated 18 September 2026 entered into between KYM Healthcare and the Vendor for the Proposed Acquisition
Unconditional Date	:	The date on which all conditions precedent under the SSA (other than the conditions which have been waived by the Purchaser) have been fulfilled

CURRENCY

RM and sen	:	Ringgit Malaysia and sen respectively
USD	:	United States Dollar

References to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company, and where the context requires, shall include our subsidiaries. References to "**you**" or "**your**" are to our shareholders, unless the context otherwise requires.

Words denoting the singular shall, where applicable, include the plural and *vice versa*, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and *vice versa*. Reference to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any statutes, rules, regulations, enactments or rules of the stock exchange or guidelines is a reference to such statutes, rules, regulations, enactments or rules of the stock exchange or guidelines currently in force and as may be amended from time to time and any re-enactment thereof.

Any reference to a time of day and date in this Circular shall be a reference to Malaysian time of day and date. unless otherwise stated.

Any discrepancy in the figures included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

This Circular includes forward-looking statements which are subject to uncertainties and contingencies. All statements other than statements of historical facts included in this Circular, including, without limitation, those regarding our prospects are forward-looking statements. There is no assurance that such forward-looking statements will materialise, be fulfilled or achieved.

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THIS EXECUTIVE SUMMARY HIGHLIGHTS ONLY THE SALIENT INFORMATION OF THE PROPOSALS IN THIS CIRCULAR. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR AND THE APPENDICES CONTAINED HEREIN IN THEIR ENTIRETY FOR FURTHER DETAILS AND NOT TO RELY SOLELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSALS BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS AT OUR FORTHCOMING EGM.

Summary			Reference to Circular
Details on the Proposals	:	**Proposed Acquisition** The Proposed Acquisition entails the acquisition of a total of 700,000 Regen Shares, representing 70.0% of the issued share capital of Regen, by KYM Healthcare from the Vendor at the Indicative Purchase Consideration. The Sale Shares shall be acquired by KYM Healthcare free from all encumbrances and with all rights and benefits for the Indicative Purchase Consideration, in accordance with the terms and conditions of the SSA. Upon completion of the Proposed Acquisition, Regen will become a 70.0%-owned subsidiary of KYM, thereby allowing our Company to control and consolidate the financial results of Regen. For the avoidance of doubt, the remaining 30.0% equity interest in Regen will be retained and held by the Vendor.	**Section 2.1**
		Proposed Diversification Our Group's revenue is mainly attributed based on the manufacturing segment. Our Board has been evaluating other business opportunities to expand our revenue stream to reduce dependence on our existing sources of revenue. Accordingly, our Group proposes to diversify our earnings base by venturing into the Healthcare Business as an additional business segment to our existing business through the Proposed Acquisition. Notwithstanding that our Group does not have any prior experience in the Healthcare Business and has historically been substantially reliant on our manufacturing segment, the Proposed Diversification enables our Group to reduce our single-segment reliance on the manufacturing segment as well as establish an alternative recurring income stream underpinned by long-term non-discretionary demand and an ageing population. In accordance with Paragraph 10.13(1) of the Listing Requirements, a listed issuer must obtain its shareholders' approval in a general meeting for any transaction or business arrangement which might reasonably be expected to result in either: (i) the diversion of 25.0% or more of the NA of the listed issuer to an operation which differs widely from those operations previously carried on by the listed issuer; or (ii) the contribution from such an operation of 25.0% or more of the net profits of the listed issuer.	**Section 2.2**

Summary			Reference to Circular
		Barring any unforeseen circumstances and subject to the Proposed Acquisition being approved by our shareholders at our forthcoming EGM, our Board anticipates that the Healthcare Business may contribute 25.0% or more of the consolidated net profits and/or result in the diversion of 25.0% or more of the consolidated NA of KYM moving forward. In view thereof, our Board intends to seek the approval from our shareholders for the Proposed Diversification at our forthcoming EGM. Notwithstanding the Proposed Diversification, our Board intends to continue with our Group's existing core business, being the manufacturing, investment holding and property segments in the same manner.	
Rationale and benefits of the Proposals	:	The Proposed Acquisition enables our enlarged KYM Group to expand our corporate presence and broaden our asset portfolio by leveraging on Regen's established expertise, clinical resources and track record in operating healthcare activities, delivering specialised medical services and managing healthcare related activities. As set out in **Section 4.2** of this Circular, the healthcare industry presents long-term prospects driven by non-discretionary demand, an ageing population and the rising burden of non-communicable diseases. Furthermore, the healthcare industry is well-positioned to capitalise on national growth catalysts, including the Malaysia Year of Medical Tourism 2026 initiative and healthcare reform strategies highlighted in the Health White Paper. Tapping into the Healthcare Business positions our Group to capture market growth and create long-term value for shareholders. Additionally, based on our Group's historical financial performance for the past 3 FYEs up to 31 January 2026, our Group has been substantially reliant on its manufacturing business segment, which accounted for up to 100.0% of its total consolidated revenue as set out in the segmental revenue breakdown of our Group in **Section 2.2.1** of this Circular. Consequently, the Proposed Diversification enables our Group to reduce its single-segment reliance on the manufacturing segment, mitigate operational exposure to macroeconomic factors and market volatility inherent in our manufacturing business, and establish an alternative recurring income stream. Furthermore, capping the Indicative Purchase Consideration at RM33.5 million establishes a definitive financial ceiling, containing our Group's total exposure and safeguarding shareholder value.	**Section 3**
Risk factors	:	The potential risks that may have an impact on our Group pursuant to the Proposals are set out below: (i) non-completion of the Proposed Acquisition; (ii) business diversification risk; (iii) goodwill and impairment risk;	**Section 5**

Summary			Reference to Circular
		(iv) investment risk; (v) dependency on key personnel; and (vi) political, economic and regulatory risks.	
Approvals required and conditionality	:	The Proposals are subject to the following being obtained: (i) approval of the shareholders of KYM at our forthcoming EGM for the Proposals; (ii) approvals, consents or waivers from third parties necessary or appropriate to carry out and complete the sale and purchase of the Sale Shares pursuant to the terms of the SSA; and (iii) approval of any other relevant authorities, if required. The Proposed Acquisition is conditional upon the Proposed Diversification but not *vice versa*. The Proposals are not conditional upon any other corporate exercise of our Company.	**Section 8**
Interest of Directors, Major Shareholders, chief executive and/or persons connected with them	:	None of our Directors, Major Shareholders, chief executive and/or persons connected with them has any interest, direct and/or indirect, in the Proposals.	**Section 10**
Directors' statement and recommendation	:	Our Board, after having considered all aspects of the Proposals, including but not limited to the rationale and benefits of the Proposals, prospects of the Proposed Acquisition, the terms and conditions of the SSA, basis and justifications for arriving at the Indicative Purchase Consideration and the effects of the Proposals, is of the view that the Proposals are in the best interest of our Company. Accordingly, our Board recommends that you **VOTE IN FAVOUR** of the ordinary resolutions pertaining to the Proposals to be tabled at our forthcoming EGM.	**Section 11**

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KYM HOLDINGS BHD
Registration No.: 198201004556 (84303-A)
(Incorporated in Malaysia)

Registered Office:
Level 17, KYM Tower
No. 8, Jalan PJU 7/6
Mutiara Damansara
47800 Petaling Jaya, Selangor

28 October 2026

Board of Directors:

Lim Tze Thean	*(Executive Chairman)*
Lee Ji Jin Darren	*(Executive Director/Chief Executive Officer)*
Sharman A/L Arumugam	*(Independent Non-Executive Director)*
Lee Li Choon	*(Independent Non-Executive Director)*
El Regina Binti Tajudin	*(Independent Non-Executive Director)*

To: Our shareholders

Dear Sir/Madam,

(I) PROPOSED ACQUISITION

(II) PROPOSED DIVERSIFICATION

---

1. INTRODUCTION

On 18 September 2026, HLIB had, on behalf of our Board, announced that KYM Healthcare had on 18 September 2026 entered into the SSA with Dr. Rajesh Singh for the proposed acquisition of 700,000 Regen Shares, representing 70.0% equity interest in Regen, for the Indicative Purchase Consideration.

In conjunction with the Proposed Acquisition, our Company proposes to diversify the existing principal activities of our Group to include the Healthcare Business.

The details of the Proposals are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS AT OUR FORTHCOMING EGM.

2. DETAILS ON THE PROPOSALS

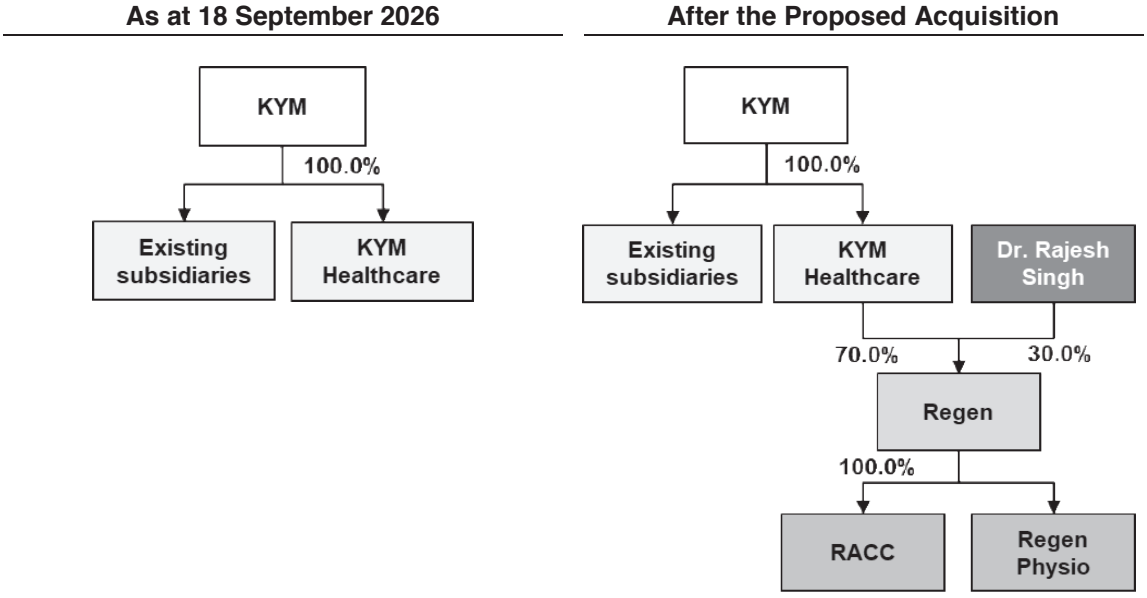
2.1 Proposed Acquisition

2.1.1 Details on the Proposed Acquisition

The Proposed Acquisition entails the acquisition of a total of 700,000 Regen Shares, representing 70.0% of the issued share capital of Regen, by KYM Healthcare from the Vendor at the Indicative Purchase Consideration. The Sale Shares shall be acquired by KYM Healthcare free from all encumbrances and with all rights and benefits for the Indicative Purchase Consideration, in accordance with the terms and conditions of the SSA.

Upon completion of the Proposed Acquisition, Regen will become a 70.0%-owned subsidiary of KYM, thereby allowing our Company to control and consolidate the financial results of Regen. For the avoidance of doubt, the remaining 30.0% equity interest in Regen will be retained and held by the Vendor.

The shareholding structure of the KYM Group as at 18 September 2026 and the enlarged KYM Group respectively, upon completion of the Proposed Acquisition are as follows:



Based on the terms and conditions of the SSA, the Indicative Purchase Consideration shall be settled in the following manner:

(i) Initial Consideration to be paid by KYM Healthcare to the Vendor on the Completion Date; and

(ii) Earn-out Consideration to be paid by KYM Healthcare to the Vendor after determination of the Average PAT of the Regen Group.

Based on the terms of the SSA, the quantum of the Earn-out Consideration payable by KYM Healthcare is dependent on the following:

(a) Scenario 1

If the Average PAT is RM3.0 million or more, then the Earn-out Consideration shall be calculated in the following manner:

Earn-out Consideration	=	11	x	Average PAT	x	70.0%	-	Initial Consideration

subject always that the Earn-out Consideration shall not exceed RM24.4 million.

The minimum Average PAT of RM3.0 million under this scenario was agreed between the Parties based on negotiations and arrived at after rounding the arithmetic average of approximately RM4.4 million(1) and approximately RM1.3 million(2), calculated in the following manner:

Minimum Average PAT	=	$\frac{(\text{RM4.4 million}^{(1)} + \text{RM1.3 million}^{(2)})}{2}$
	=	RM2.9 million
	=	**RM3.0 million (rounded to the nearest million)**

Notes:

(1) In order for the maximum Earn-out Consideration of RM24.4 million to be paid, the Vendor is required to achieve an Average PAT of RM4.4 million.

(2) Being the audited PAT of the Regen Group for the FYE 31 December 2025.

(b) Scenario 2

If the Average PAT is more than RM1.3 million but less than RM3.0 million, then the Earn-out Consideration shall be calculated in the following manner:

Earn-out Consideration	=	10	x	Average PAT	x	70.0%	-	Initial Consideration

The minimum Average PAT under this scenario was agreed between the Parties based on negotiations and arrived at after considering the PAT of the Regen Group for the FYE 31 December 2025, being the latest available audited consolidated financial statements of the Regen Group prior to the signing of the SSA.

The maximum Average PAT of RM3.0 million under this scenario was agreed between the Parties based on negotiations and arrived at after rounding the arithmetic average of approximately RM4.4 million(1) and approximately RM1.3 million(2), the calculation of which is set out in Scenario 1 above.

Notes:

(1) In order for the maximum Earn-out Consideration of RM24.4 million to be paid, the Vendor is required to achieve an Average PAT of RM4.4 million.

(2) Being the audited PAT of the Regen Group for the FYE 31 December 2025.

(c) Scenario 3

If the Average PAT is RM1.3 million or less, then no Earn-out Consideration shall be payable.

The minimum Average PAT under this scenario was agreed between the Parties based on negotiations and arrived at after considering the PAT of the Regen Group for the FYE 31 December 2025, being the latest available audited consolidated financial statements of the Regen Group prior to the signing of the SSA.

Based on negotiations between the Parties, a PE multiple of 11.0 times (under Scenario 1) shall be accorded if the Vendor is able to meet the Average PAT for the FYEs 31 December 2026 and 2027 of RM3.0 million or more. The PE multiple of 11.0 times accorded under Scenario 1 had been determined based on negotiations between the Parties after taking into consideration that the PE multiple sits within the range of PE multiples under the RVA methodology (after an illiquidity discount of 25.0% was applied).

However, if the Average PAT for the FYEs 31 December 2026 and 2027 is only between RM1.3 million to below RM3.0 million, the PE multiple of 10.0 times (i.e., deduction of 1.0 time PE multiple) shall be accorded (under Scenario 2). In this regard, the difference in PE multiples under Scenario 1 and Scenario 2 serves to penalise the Vendor should the Vendor be unable to achieve an Average PAT for the FYEs 31 December 2026 and 2027 of RM3.0 million or more.

The entitlement of the Vendor to the Earn-out Consideration is contingent upon the determination of the Average PAT and the Vendor shall only be entitled to receive the Earn-out Consideration if, and to the extent that, the Average PAT satisfies the relevant applicable threshold being the Average PAT of RM3.0 million or more (Scenario 1), or more than RM1.3 million but less than RM3.0 million (Scenario 2).

For the avoidance of doubt, the aggregate purchase consideration (being the total of the Initial Consideration and the Earn-out Consideration) payable for the Sale Shares shall not exceed RM33.5 million while the minimum aggregate purchase consideration payable for the Sale Shares is RM9.1 million (being solely the Initial Consideration if the Average PAT of RM1.3 million or less is met).

For clarity, the Indicative Purchase Consideration is calculated as follows:

Indicative Purchase Consideration	=	Initial Consideration	+	Earn-out Consideration
	=	RM9.1 million	+	Up to [(1)]RM24.4 million
	=	**Up to RM33.5 million**		

Note:

(1) Assuming the Average PAT of RM4.4 million has been met for the FYEs 31 December 2026 and 2027.

Pursuant to the SSA, in calculating the Average PAT:

(i) the respective PAT for the FYEs 31 December 2026 and 2027 shall be determined based on the Regen Group's audited consolidated financial statements prepared in accordance with the MFRS and the Purchaser's accounting policies and practices. For the avoidance of doubt, notwithstanding that Completion is estimated to take place in the 1st quarter of 2027 (i.e., subsequent to the close of the FYE 31 December 2026), it is the intention of the Parties at the point of signing of the SSA, to use the upcoming 2 FYEs, being the FYEs 31 December 2026 and 2027, to calculate the Average PAT as the estimated timeframe for Completion is expected to be by end November 2026 thereby allowing our Company to consolidate part of Regen's audited consolidated profit after tax into our Company's audited consolidated profit after tax for the FYE 31 January 2027;

(ii) the following shall be added back in full to the PAT of the Regen Group for the FYEs 31 December 2026 and 2027, as the case may be:

(a) any management fees or other fees (comprising fees in relation to, amongst others, human resources systems, and does not include fees paid to independent third parties in the ordinary course of business, following Completion) paid or payable by any member of the Regen Group to our Company or any of its related corporations; and

(b) any of our Group's(1) or head-office overheads (such as secondment of employees, if any) or costs allocated(2) to the Regen Group before Completion or are not charged on an arms' length basis(3),

Notes:

(1) Refers to our Group, excluding the Regen Group.

(2) For the avoidance of doubt, there are no costs allocated to the Regen Group before Completion as the Regen Group has not been consolidated into the KYM Group prior to Completion and therefore no group or head office overheads or costs had been allocated.

(3) For the avoidance of doubt, the said overheads or costs not charged on an arms' length basis are not the accounting policies and practices of our Group and had been included for clarity between the Parties as well as to record the terms agreed between the Parties.

For clarity, the said fees and overheads or costs are added back purely for purposes of calculation of the Average PAT for the FYEs 31 December 2026 and 2027. This is to ensure that the PAT reflects the Regen Group's underlying operating performance and is not reduced by fees and overheads or costs imposed or allocated by the Purchaser subsequent to Completion; and

(iii) any one-off, non-recurring or exceptional gain which does not arise from the ordinary course of business of the Regen Group shall be excluded.

The Purchaser will deliver its calculation of the Average PAT and Earn-out Consideration to the Vendor within 14 business days after the issuance of the audited financial statements for the financial year ending 31 December 2027, which must be issued within 6 months after the end of the financial year. The statement delivered by the Purchaser shall set out the respective PAT of the Regen Group for the FYEs 31 December 2026 and 2027 and the Average PAT (calculated based on the audited financial statements prepared in accordance with MFRS for the FYEs 31 December 2026 and 2027) ("**MFRS Average PAT**") ("**MFRS Statement**"), in accordance with the terms of the SSA.

The MFRS Average PAT shall be calculated based on the following formula:

$$\textbf{MFRS Average PAT} = \frac{\left(\begin{array}{c}\text{PAT of the Regen Group based on the audited financial statements prepared in accordance with MFRS for the FYE 31 December 2026}\end{array} + \begin{array}{c}\text{PAT of the Regen Group based on the audited financial statements prepared in accordance with MFRS for the FYE 31 December 2027}\end{array}\right)}{2}$$

If the Average PAT calculated under MFRS is below RM4,350,650 (being the Average PAT required to be achieved by the Regen Group for the respective FYEs 31 December 2026 and 2027 in order for the maximum Earn-out Consideration of RM24.4 million to be paid by the Purchaser), the Vendor may, at its own cost, procure a recalculation based on MPERS and the Regen Group's pre-Completion accounting policies and practices, using the same underlying books and records ("**MPERS Recalculation**"). The Purchaser will provide the Vendor and its advisers with reasonable information, access and assistance for this purpose. Upon receiving the MPERS Recalculation, the Purchaser will prepare a revised earn-out consideration statement based on the MPERS Recalculation ("**Earn-out Statement**").

For the avoidance of doubt, for purposes of consolidation of the financials of the Regen Group with our Group post Completion, the audited financial statements of the Regen Group shall be prepared in accordance with MFRS. However, as set out in the SSA, for purposes of calculating the Average PAT in determining the Earn-out Consideration, the Vendor has the option of procuring a recalculation of the Average PAT based on the MPERS, being the Regen Group's pre-accounting policies and practices, in the event the Average PAT calculated under MFRS is below the aforementioned RM4,350,650.

The Vendor will be entitled to review the MFRS Statement or Earn-out Statement, as the case may be, and dispute the relevant calculation within 30 days. If no dispute is raised within 14 business days after the expiry of the 30-day review period, the calculation will become final and binding, except in the case of manifest error.

Any dispute will first be referred to the Parties for resolution in good faith by comparing and reconciling their respective calculations using the same underlying books and records, the applicable accounting framework and the adjustments prescribed under the SSA.

If such dispute remains unresolved, it will be referred to a jointly appointed independent accounting firm or, failing agreement on such appointment, separate accountants appointed by each party. The relevant accountant(s) will act as experts, and their determination will be final and binding, except in the case of manifest error. Where two accountants are appointed, the final Average PAT will be the arithmetic average of their respective determinations, calculated based on the following formula:

$$\textbf{Final Average PAT} = \frac{\left(\begin{array}{c}\text{Average PAT of the Regen Group determined by the Purchaser's accountant}\end{array} + \begin{array}{c}\text{Average PAT of the Regen Group determined by the Vendor's accountant}\end{array}\right)}{2}$$

For the avoidance of doubt, the final Average PAT arithmetic average of both Parties' respective determinations will not affect our Group's financial reporting as our Group's financial reporting will continue to use MFRS and the MPERS Recalculation will be used solely for computation of the Earn-out Consideration.

Please refer to **Appendix I** of this Circular for the salient terms of the SSA.

2.1.2 Basis and justification of arriving at the Indicative Purchase Consideration

The Indicative Purchase Consideration was arrived at on a 'willing buyer-willing seller' basis after taking into consideration, amongst others, the following:

(i) the audited PAT of the Regen Group of approximately RM1.3 million for the FYE 31 December 2025 which forms the basis of the Initial Consideration and the Average PAT for the FYEs 31 December 2026 and 2027, of not less than RM1.3 million. Based on the SSA, if Regen's Average PAT for the FYEs 31 December 2026 and 2027 is RM1.3 million or less, KYM Healthcare shall not be required to pay the Earn-out Consideration;

(ii) the Initial Consideration of RM9.1 million is arrived at based on an implied PE multiple of 10.0 times, which is on the basis of a downward valuation adjustment from a PE multiple of 11.0 times (i.e., deduction of 1.0 time PE multiple) in the event the Vendor is unable to achieve an Average PAT for the FYEs 31 December 2026 and 2027 of RM3.0 million or more. The Initial Consideration translates to a fair value of RM13.0 million for the entire equity interest of Regen and in turn translates to an implied PE multiple of 10.09 times computed based on the PAT of the Regen Group of approximately RM1.3 million for the FYE 31 December 2025;

(iii) the following historical financial track record of the Regen Group for the past 3 FYEs 31 December 2023 to 2025:

	FYE 31 December		
	2023	**2024**	**2025**
	(RM'000)	**(RM'000)**	**(RM'000)**
Revenue	10,344	12,810	11,282
PBT/LBT	(865)	2,575	1,617
PAT/(LAT)	(970)	2,032	1,289

(iv) the rationale and benefits for the Proposed Acquisition, as set out in **Section 3** of this Circular;

(v) the outlook and prospects of the healthcare industry and prospects of Regen and our enlarged KYM Group as set out in **Sections 4.2** and **4.3** of this Circular; and

(vi) the independent valuer appointed by our Company, QuantePhi, arrived at the Indicative Purchase Consideration based on its assessment of the fair market value of the 70.0% equity interest in the Regen Group. In its assessment, QuantePhi applied the benchmark valuation multiples ranging between 10.40 times and 25.00 times using the RVA and between 15.27 times and 20.50 times using the CTA.

QuantePhi had, through its letter dated 17 September 2026, adopted the RVA and CTA as the methodologies to assess the fairness of the Indicative Purchase Consideration, the summary of which is as follows:

(a) RVA

The RVA is a method that seeks to compare a company's implied trading multiple to that of comparable companies to determine the company's financial worth. The RVA analysis also serves as a cross-validation tool to benchmark the valuation outcome, ensuring that the implied valuation is aligned with prevailing market multiples and investor expectations.

QuantePhi had accorded an illiquidity discount of 25.0% as the Regen Shares are not publicly traded, and their financials are smaller compared to the comparable companies, based on empirical valuation studies by Aswath Damodaran, which observe an illiquidity discount ranging between 20.0% and 30.0% for companies not publicly traded.

The details on the listed companies with similar principal activities as Regen as at 28 August 2026, being the latest practicable date prior to the signing of the SSA, are as follows:

Comparable companies	Principal activities	Market capitalisation (RM'million)	Revenue (RM'million)	PAT (RM'million)	PE multiple (times)
PMCK Berhad	Investment holding company providing specialist medical consulting and healthcare support services (facilities, nursing, dental, lab, polyclinic) in Malaysia.	218.1	88.9	15.0	14.29
Cengild Medical Berhad	Operates a medical centre offering consultant and treatment services in gastroenterology, oncology, cardiology, general surgery, and related specialties, plus supporting clinical, lab, and imaging services.	162.4	73.2	11.4	13.93
Metro Healthcare Berhad	Provides hospital and related services, including inpatient/outpatient care, ambulatory care, obstetrics, gynaecology, paediatrics, and diagnostic imaging.	205.6	51.1	6.9	30.00
Umedic Group Berhad	Develops, manufactures, and distributes medical devices; operates nursing homes/healthcare centres and provides equipment servicing and clinical training.	114.0	52.3	8.7	13.86
DC Healthcare Holdings Berhad	Provides aesthetic medical services (non-invasive/minimally invasive procedures) and general medical consultations.	99.6	92.5	2.7	33.33
Optimax Holdings Berhad	Provides eye specialist services and related products, covering cataracts, glaucoma, LASIK, and paediatric eye care.	282.5	139.4	14.7	21.67
Before an illiquidity discount of 25.0% was applied:		Minimum			13.86
		Median			17.98
		Maximum			33.33
After an illiquidity discount of 25.0% was applied:		Minimum			10.40
		Median			13.48
		Maximum			25.00

(b) CTA

The CTA assessed the Proposed Acquisition within the context of selected precedent transactions involving acquisitions of significant stakes in the companies that are principally involved in the expansive value chain within the healthcare and hospital sector, similar to Regen ("**Precedent Transactions**"). As such, the Precedent Transactions provide an indication of the range of relative valuations that were paid to acquire a significant equity stake in other companies within the healthcare and hospital sector.

The Precedent Transactions were identified by screening completed transactions for the past 6 years preceding the LPD. The screening criteria targeted acquisitions of significant or controlling equity stakes in companies operating within the healthcare and hospital business. From the identified transactions, the selection was narrowed down to 5 Precedent Transactions based on 2 specific parameters:

(i) the targets were profitable; and

(ii) available financial data in order to calculate earnings based multiples.

In respect of the comparable transactions analysis as set out below, there is no one Precedent Transaction that may be identical to Regen in terms of composition of business, scale of operations, geographical spread of activities, track record, asset base, risk profile and future prospects. However, the list of comparable transactions were mainly selected as their principal activities are similar to Regen's principal activities.

The details on the comparable transactions for the past 6 years preceding the LPD are as follows:

Acquirer	**Target company**	**Equity interest (%)**	**Enterprise value (RM'million)**	**Implied PE multiple (times)**
IHH Healthcare Berhad ("**IHH Healthcare**")	Island Hospital Sdn Bhd	100.0	4,200.0	(1)-
IHH Healthcare	Prince Court Medical Centre	100.0	1,020.0	(1)-
Doctor Anywhere Sdn Bhd	Asian Healthcare Specialists Pte Ltd	100.0	(1)-	20.50
Columbia Asia Healthcare Sdn Bhd *(now known as Asia OneHealthcare Sdn Bhd)*	Ramsay Sime Darby Healthcare Sdn Bhd	100.0	5,700.0	(1)-
IHH Healthcare	Timberland Medical Centre	100.0	245.0	15.27
			Minimum	15.27
			Median	17.88
			Maximum	20.50

Note:

(1) PE multiples are not publicly available as it was not disclosed in the official transaction announcement.

By combining the valuation ranges derived from the RVA and CTA methodologies, QuantePhi is of the opinion that the overall indicative valuation range for Regen is between a PE multiple of 10.40 times and 25.00 times, which represents the lowest and highest multiples observed across both methodologies.

As the implied PE multiple of the Initial Consideration and the maximum Indicative Purchase Consideration of RM33.5 million fall slightly below or at the lower end of the indicative market range and are notably below the medians of both the trading comparables and Precedent Transactions, QuantePhi is of the view that the maximum Indicative Purchase Consideration for the Proposed Acquisition is fair.

Our Board is of the view that the Initial Consideration and the maximum Indicative Purchase Consideration is justifiable after taking into consideration the following:

(i) for the Initial Consideration, the implied PE multiple of 10.09 times is slightly below the minimum PE multiple of 10.40 times (after an illiquidity discount of 25.0% was applied) under the RVA method and below the minimum PE multiple of 15.27 times under the CTA method; and

(ii) for the maximum Indicative Purchase Consideration of RM33.5 million, the implied PE multiple of 11.00 times is within the range of PE multiples of between 10.40 times to 25.00 times (after an illiquidity discount of 25.0% was applied) and well below the median PE multiple of 13.48 times, under the RVA method and below the minimum PE multiple of 15.27 times under the CTA method,

as summarised in the following manner:

	PE multiple (times)
Implied PE multiple based on the Initial Consideration	10.09
Implied PE multiple based on the maximum Indicative Purchase Consideration	11.00
Under RVA methodology:	
Minimum	10.40
Median	13.48
Maximum	25.00
Under CTA methodology:	
Minimum	15.27
Median	17.88
Maximum	20.50

Additionally, our Board is of the view that the Earn-out Consideration is reasonable and realistic after taking into consideration, amongst others, the following:

(i) the PAT of the Regen Group of approximately RM1.3 million for the FYE 31 December 2025;

(ii) the rationale and benefits for the Proposed Acquisition, as set out in **Section 3** of this Circular;

(iii) the outlook and prospects of the healthcare industry and prospects of Regen and our enlarged KYM Group as set out in **Sections 4.2** and **4.3** of this Circular; and

(iv) the continuation of the existing management's involvement in the day-to-day operations of the Regen Group during the FYEs 31 December 2026 and 2027.

2.1.3 Brief information on Regen

Regen was incorporated under its current name on 15 October 2015 in Malaysia under the Companies Act 1965 as a private limited company and is deemed registered under the Companies Act 2016. As at the LPD, Regen has a total issued share capital of RM1,000,000 comprising 1,000,000 ordinary shares.

As at the LPD, Regen has 3 wholly-owned subsidiaries, Regen Australia, RACC and Regen Physio. For the avoidance of doubt, Regen is required to procure the deregistration of Regen Australia or transfer the whole of its legal and beneficial interest in the share capital of Regen Australia to a third party which is not part of the Regen Group, prior to Completion, as a condition precedent in the SSA. In the event of failure of such deregistration or transfer, the said condition precedent will remain unfulfilled and unless waived in accordance with the SSA, the Proposed Acquisition will not proceed to Completion. Regen Australia shall be deregistered or transferred to a third party as it shall not form part of the companies within the Regen Group to be acquired by our Group pursuant to the Proposed Acquisition in view that it is currently dormant. For clarity, Regen Australia has not contributed to the profit or loss of the Regen Group for the FYE 31 December 2025.

The Regen Group commenced its business through the incorporation of Regen on 15 October 2015 and in June 2016, Regen secured the Form B licence, issued by the MOH pursuant to the Private Healthcare Facilities and Services Act 1998, to operate a specialist clinic. Regen is principally engaged in providing comprehensive care for a range of orthopaedic conditions where it focuses on diagnosing and managing bone and joint problems through non-surgical methods such as medications, physical therapy and lifestyle changes, helping to treat conditions like arthritis, back pain and muscle injuries without the need for surgery. Regen also provides surgical services such as joint replacement, fracture repair and minimally invasive procedures for sports injuries and spinal issues. Operating under the same specialist clinical framework, Regen further provides specialised dental services, comprising paediatric dentistry and special-care dentistry.

In March 2018, Regen Physio was incorporated by Regen under the name Regen Allied Health Sdn Bhd and established a physiotherapy centre and commenced operations, before adopting its current name, Regen Physio & Sports Rehab Sdn Bhd, in March 2020. Subsequently, Regen transferred its shares in Regen Physio to 2 individual shareholders, being Dr. Rajesh and an unrelated party. In March 2021, Regen re-acquired Regen Physio from the aforementioned individual shareholders. Regen Physio principally offers assessments, diagnoses and treats physical injuries, joint pains and movement issues tailored to sports or daily activities.

Regen further expanded its customer base via the incorporation of RACC, which is principally engaged in the provision of day-care surgical and procedural services. RACC is equipped with 1 digital hybrid operating theatre, 7 day-care beds and supporting pre and post-operative facilities. The operating theatre is equipped to provide minimally invasive procedures and conventional day surgery, principally in musculoskeletal disciplines. Musculoskeletal care refers to the diagnosis, treatment and rehabilitation of conditions affecting the bones, joints, muscles, tendons, ligaments and associated nerves, ranging from arthritis, back and neck pain and sports injuries to fractures and degenerative joint disease. At RACC, these disciplines comprise orthopaedics, sports surgery, foot and ankle surgery, hand and microsurgery, and spine surgery. RACC's licence also covers general surgery, urology, gastroenterology, rheumatology, oral and maxillofacial surgery, paediatric dentistry and special-care dentistry. In October 2018, RACC was granted approval from the CKAPS, MOH to construct an ambulatory care centre. During the same year, the ambulatory care centre was awarded the Multimedia Super Corridor (MSC) Malaysia Status and officially licensed and commenced operations in September 2023.

Regen's operations are principally in Malaysia with revenue predominantly derived from Malaysia since its commencement. As at the LPD, the Regen Group operates 1 specialist clinic, 2 physiotherapy centres and 1 ambulatory care centre located in Petaling Jaya, Selangor and Kuala Lumpur.

As at the LPD, there are 17 consultant doctors and 1 resident doctor with the Regen Group, comprising, amongst others, orthopaedic and spine specialists, rheumatologists, family medicine specialist, oral and maxillofacial surgeons, radiologists, anaesthesiologists, obstetricians and gynaecologists.

The relevant subsidiaries of the Regen Group and, where applicable, the relevant persons acting on behalf of such subsidiaries, hold the necessary approvals, licences and registrations to operate their respective ambulatory care centre, specialist medical clinics and physiotherapy centre and to carry on all related healthcare activities, including those issued by the MOH pursuant to the Private Healthcare Facilities and Services Act 1998 and the applicable regulations made thereunder, such as Form F (certificate to establish, maintain, operate or provide a private medical clinic) and Form 7 (licence to operate a private healthcare facility or services). The relevant subsidiaries of the Regen Group also hold the requisite business premises licences issued by the relevant local authorities.

Please refer to **Appendix II** of this Circular for further information on the Regen Group.

2.1.4 Information on the Vendor

Dr. Rajesh Singh, a Malaysian, aged 53, is the sole director and the sole shareholder of Regen.

2.1.5 Source of funding

Our Group intends to fund the Indicative Purchase Consideration through a combination of internally generated funds and/or bank borrowings, the exact quantum of which will be determined by our Board at a later date upon obtaining all the necessary approvals.

Purely for illustration purposes, the indicative quantum of funding through internally generated funds and bank borrowings is set out below:

	RM'000	**%**
Bank borrowings	23,450	70.0
Internally generated funds	10,050	30.0
Total	**33,500**	**100.0**

2.1.6 Liabilities to be assumed

Save for the obligations and liabilities in and arising from, pursuant to or in connection with the SSA (as set out in **Sections 2**, **4**, **7** and **8** of **Appendix I** of this Circular) and the existing liabilities of the Regen Group (being lease liabilities arising from tenancies by the Regen Group, bank borrowings comprising existing leasing and hire purchase arrangements and applicable bank guarantee provided to the financier in respect of a financing facility provided to Regen Physio) which remain with the Regen Group following completion of the Proposed Acquisition, there are no other liabilities, including contingent liabilities and guarantees, to be assumed by our Group arising from the Proposed Acquisition.

2.1.7 Additional financial commitments required

Upon completion of the Proposed Acquisition, there are no additional financial commitments to be incurred by our Group to put the business of Regen on-stream, in view that it is already an on-going business entity with an established historical profit track record as set out in **Appendix IV** of this Circular.

2.2 Proposed Diversification

2.2.1 Details on the Proposed Diversification

Our Group is principally involved in the following businesses:

(i) manufacturing – manufacture and sale of multi-wall industrial paper bags and corrugated fibre boards and boxes;

(ii) investment holding – investment in quoted and unquoted shares are held for capital gains;

(iii) property – properties leased out for rental income or held for long-term capital appreciation; and

(iv) others – involved in business of wholesale and retail of industrial machinery, equipment and supplies, providing management services. It is also involved in the business of renting and leasing of other machinery, equipment and tangible goods.

The segmental revenue breakdown of our Group for the past 3 FYEs up to 31 January 2026 and the 6-month FPE 31 July 2026 are as follows:

	Audited FYE 31 January						Unaudited FPE	
	2024		2025		2026		31 July 2026	
	(RM'000)	%	(RM'000)	%	(RM'000)	%	(RM'000)	%
Revenue								
- Manufacturing	101,131	100.0	84,865	100.0	80,753	99.9	44,950	115.6
- Investment holding	2,861	2.8	1,104	1.3	-	-	6,276	16.2
- Property	-	-	-	-	-	-	-	-
- Others	2,023	2.0	1,697	2.0	1,668	2.1	-	-
- Adjustments and eliminations[(1)]	(4,884)	(4.8)	(2,801)	(3.3)	(1,615)	(2.0)	(12,349)	(31.8)
As per consolidated financial statements	**101,131**	**100.0**	**84,865**	**100.0**	**80,806**	**100.0**	**38,877**	**100.0**
Consolidated PBT	13,299		3,009		1,245		52	
Consolidated PAT/(LAT)	13,050		1,913		1,008		(249)	

Note:

(1) Consists of transactions between reportable segments conducted on mutually agreed terms. The effects of such inter-segment transactions are eliminated upon consolidation. The breakdown of the adjustments and eliminations are as follows:

	Audited FYE 31 January						Unaudited FPE 31 July	
	2024		2025		2026		2026	
	(RM'000)	%	(RM'000)	%	(RM'000)	%	(RM'000)	%
Adjustment and eliminations								
- Dividend income from subsidiaries	2,861	58.6	1,104	39.4	-	-	5,525	44.7
- Management fee income	2,023	41.4	1,697	60.6	1,615	100.0	751	6.1
- Inter-company transactions	-	-	-	-	-	-	6,073	49.2
Total	**4,884**	**100.0**	**2,801**	**100.0**	**1,615**	**100.0**	**12,349**	**100.0**

As outlined in the table, our Group's revenue is mainly attributed based on the manufacturing segment. Our Board has been evaluating other business opportunities to expand our revenue stream to reduce dependence on our existing sources of revenue. Accordingly, our Group proposes to diversify our earnings base by venturing into the Healthcare Business as an additional business segment to our existing business through the Proposed Acquisition. Notwithstanding that our Group does not have any prior experience in the Healthcare Business and has historically been substantially reliant on our manufacturing segment, the Proposed Diversification enables our Group to reduce our single-segment reliance on the manufacturing segment as well as establish an alternative recurring income stream underpinned by long-term non-discretionary demand and an ageing population.

Our Group will be able to leverage on the competency and experience of Dr. Rajesh Singh and the key management personnel of the Regen Group who are currently responsible for and will continue to be spearheading the daily operations of the Regen Group. After the completion of the Proposed Acquisition, the remaining 30.0% equity interest in Regen will be held by Dr. Rajesh Singh who has been instrumental in the growth and development of the Regen Group. Further information on Dr. Rajesh Singh and the key management personnel of the Regen Group are set out in **Section 2.2.2** of this Circular.

In accordance with Paragraph 10.13(1) of the Listing Requirements, a listed issuer must obtain its shareholders' approval in a general meeting for any transaction or business arrangement which might reasonably be expected to result in either:

(i) the diversion of 25.0% or more of the NA of the listed issuer to an operation which differs widely from those operations previously carried on by the listed issuer; or

(ii) the contribution from such an operation of 25.0% or more of the net profits of the listed issuer.

Barring any unforeseen circumstances and subject to the Proposed Acquisition being approved by our shareholders at our forthcoming EGM, our Board anticipates that the Healthcare Business may contribute 25.0% or more of the consolidated net profits and/or result in the diversion of 25.0% or more of the consolidated NA of KYM moving forward. In view thereof, our Board intends to seek the approval from our shareholders for the Proposed Diversification at our forthcoming EGM.

Notwithstanding the Proposed Diversification, our Board intends to continue with our Group's existing core business, being the manufacturing, investment holding and property segments in the same manner.

2.2.2 Information on the key management personnel of the Regen Group

In order to ensure the operations of the Healthcare Business are properly carried out, our Group has identified the following key management personnel of the Regen Group who will spearhead the Healthcare Business:

(i) Dr. Rajesh Singh

Dr. Rajesh Singh, a Malaysian aged 53, is the executive director and medical director of the Regen Group, and a Consultant Orthopaedic Specialist. He has more than 25 years of experience in the healthcare industry, with companies such as RACC, Sunway Medical Centre, Universiti Malaya Medical Centre and in the government sectors (Pusat Perubatan Universiti Malaya). He is responsible for the strategic direction of the Regen Group at the board of directors' level, together with the overall clinical governance of the Regen Group, which includes the oversight of medical standards, clinical quality and patient safety across the Regen Group's healthcare facilities.

During his tenure with Regen, he is actively involved in setting the Regen Group's clinical policy and protocols, supervising the Regen Group's specialist and medical staff, leading the recruitment and credentialing of consultants, and driving the expansion of the Regen Group's Orthopaedic and Specialist services.

(ii) Dr. Thomas Jothinayagam Harris

Dr. Thomas Jothinayagam Harris, a Malaysian aged 68, is the Consultant Anaesthetist and person-in-charge of Regen Specialist Clinic, as registered with the Medical Practice Division of CKAPS, MOH. He has more than 40 years of experience in the healthcare industry, with companies such as Thomson Hospital, TMC Fertility & Women Specialist Centre, Puchong and in the government sector (Raja Permaisuri Bainun Hospital). He is responsible for the regulatory and clinical compliance of the clinic under the Private Healthcare Facilities and Services Act 1998 and for the delivery of anaesthetic and perioperative services.

During his tenure with Regen, which commenced in 2023, he is actively involved in maintaining the clinic's licensing and statutory compliance with the MOH, overseeing anaesthetic services and perioperative safety standards, and supporting the Regen Group's day surgery and ambulatory care operations.

(iii) Ravinder Jeet Kaur

Ravinder Jeet Kaur, a Malaysian aged 43, is the Group Operations Officer of the Regen Group. She has more than 20 years of experience in the healthcare industry, with companies such as Puteri Specialist Hospital and Sunway Medical Centre. She is responsible for the overall operational management of the Regen Group, spanning facilities and asset management, human resources, procurement, occupational safety and health and regulatory compliance across the Regen Group's entities.

Having been with Regen soon after its inception, she is actively involved in establishing and standardising the Regen Group's operating procedures, managing licensing and statutory submissions for the Regen Group's facilities, overseeing operational manpower planning, and coordinating the operational integration of new facilities and service lines.

(iv) Marcus Sia Shaw Hung

Marcus Sia Shaw Hung, a Malaysian aged 41, is a registered physiotherapist and the clinical director (physiotherapy) of the Regen Group. He has more than 10 years of experience in the healthcare industry, with companies in Australia. He is responsible for the clinical direction, service development and operational performance of Regen Physio.

During his tenure with Regen, he is actively involved in developing the Regen Group's rehabilitation service offerings, supervising the physiotherapy clinical team, establishing treatment protocols and clinical outcome standards, and building referral pathways between the Regen Group's specialist, surgical and rehabilitation services.

3. RATIONALE AND BENEFITS OF THE PROPOSALS

As part of its long-term business growth initiatives, our Group plans to accelerate its growth through strategic diversification into a new business segment. In line with these initiatives, our Group has earmarked the Proposed Acquisition to provide an additional platform for our enlarged KYM Group's revenue growth as well as to expand its business footprint into the Healthcare Business.

The Proposed Acquisition enables our enlarged KYM Group to expand our corporate presence and broaden our asset portfolio by leveraging on Regen's established expertise, clinical resources and track record in operating healthcare activities, delivering specialised medical services and managing healthcare-related activities. This strategic entry provides our enlarged KYM Group with an immediate income stream, backed by the Regen Group's ongoing business operations and customer base.

As set out in **Section 4.2** of this Circular, the healthcare industry presents long-term prospects driven by non-discretionary demand, an ageing population and the rising burden of non-communicable diseases. Furthermore, the healthcare industry is well-positioned to capitalise on national growth catalysts, including the Malaysia Year of Medical Tourism 2026 initiative and healthcare reform strategies highlighted in the Health White Paper. Tapping into the Healthcare Business positions our Group to capture market growth and create long-term value for shareholders.

Moving forward, our Group plans to grow the Healthcare Business by recruiting additional medical specialists to increase the use of the digital hybrid operating theatre, establishing additional physiotherapy centres and undertaking future capacity expansions at existing facilities. Furthermore, our Group will continuously explore other opportunities as and when such opportunities arise, to drive business growth and where required, our Company will make the necessary announcements and/or seek our shareholders' approval in compliance with the Listing Requirements.

Additionally, based on our Group's historical financial performance for the past 3 FYEs up to 31 January 2026, our Group has been substantially reliant on its manufacturing business segment, which accounted for up to 100.0% of its total consolidated revenue as set out in the segmental revenue breakdown of our Group in **Section 2.2.1** of this Circular. Consequently, the Proposed Diversification enables our Group to reduce its single-segment reliance on the manufacturing segment, mitigate operational exposure to macroeconomic factors and market volatility inherent in our manufacturing business, and establish an alternative recurring income stream.

Furthermore, capping the Indicative Purchase Consideration at RM33.5 million establishes a definitive financial ceiling, containing our Group's total exposure and safeguarding shareholder value. By fixing an absolute upper limit on the purchase consideration for the Proposed Acquisition, our Group mitigates the risk of valuation creep and protects itself against unconstrained liabilities under the Earn-out Consideration mechanism. If Regen significantly outperforms the Average PAT, our Group's financial obligation under the SSA remains predictable and bound by this contractual cap.

Barring any unforeseen circumstances, our Board believes that the Proposals are expected to be beneficial for the prospects of our Group.

4. INDUSTRY OUTLOOK AND PROSPECTS

4.1 Overview and outlook of the Malaysian economy

The Malaysian economy grew by 6% in the second quarter of 2026

Economic growth strengthened to 6% in the second quarter of 2026 (1Q 2026: 5.4%), driven by continued domestic demand and robust exports. Household spending was supported by steady income growth and ongoing policy support. Investment growth was underpinned by continued spending on structures and machinery and equipment. On the external front, exports accelerated, driven mainly by the continued strength in E&E products and sustained expansion in services, as well as the rebound in exports of liquefied natural gas (LNG) and non-E&E manufacturing products. Gross imports expanded further amid robust growth in intermediate and consumer goods imports.

On the supply side, growth was underpinned by the expansion in services and manufacturing sectors. The higher growth in the services sector was supported by business-related subsectors, especially the ICT subsector from the expanding operationalisation of data centres. The robust growth in the manufacturing sector was driven by export-oriented clusters, particularly in E&E following strong AI-related demand. The mining and quarrying sector growth turned positive, reflecting stronger natural gas production. On a quarter-on-quarter seasonally adjusted basis, the economy expanded by 2.5% (1Q 2026: -0.03%).

Headline inflation increased amid moderating core inflation during the quarter

Headline inflation increased to 1.9% (1Q 2026: 1.6%) while core inflation moderated to 1.9% (1Q 2026: 2.1%). The increase in headline inflation mainly reflected higher external cost pressures following the conflict in the Middle East. Fuel prices, particularly RON97 and diesel, increased during the quarter, leading to higher fuel inflation (5%; 1Q 2026: -1.5%). Although producer cost pressures increased, these remained concentrated at the upstream stage, with limited pass-through to later stages of production and broader consumer prices during the quarter. Meanwhile, core inflation eased mainly due to softer inflation in jewellery and watches (23.7%; 1Q 2026: 39.1%) and rent (1.4%; 1Q 2026: 1.6%). Inflation pervasiveness, measured by the share of Consumer Price Index (CPI) items registering monthly price increases, rose to 45.5% during the quarter (1Q 2026: 38.3%), close to its historical average of 45.6%, driven mainly by a sharp increase in April before moderating in May and June.

Malaysia's economy continues to demonstrate resilience despite external uncertainties, supported by its strong economic fundamentals

The Malaysian economy remains on a firm footing. Growth in 2026 is projected to remain within the forecast range of 4-5%, with recent developments indicating that overall growth could be around 5%. While the outlook continues to be shaped by external developments, Malaysia is well-positioned to navigate these challenges from a position of strength and policy readiness.

On the domestic front, household spending will benefit from continued income growth as well as ongoing policy measures. Meanwhile, investment activity will be driven by the progress of multi-year projects in both the private and public sectors, continued high realisation of approved investments as well as the ongoing implementation of national master plans. On the external front, export growth will be underpinned by sustained demand for E&E products amid growing investment in AI-related activities and global technology expansion. Additional support is expected from the rebound in non-E&E exports, alongside sustained tourist spending and expansion in ICT services exports.

Headline inflation is projected to average between 1.5-2.5% in 2026. Recent inflation outturns and high-frequency indicators continue to point to modest consumer price increases. While external cost pressures arising from the Middle East conflict may exert some upward pressure on prices going forward, the overall impact on inflation for 2026 is expected to remain contained. In particular, domestic policy measures such as targeted fuel subsidies, together with stable demand conditions, are expected to help limit the pass-through of higher global costs to domestic prices.

(Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2026, Bank Negara Malaysia)

4.2 Overview and outlook of the healthcare industry

Beyond food, healthcare spending has become a growing priority across all income groups, with spending proportionately increase with rising income, especially among the middle income group. Between 2009/10 and 2024, health-related spending saw the fastest growth across most deciles, with annual increases exceeding 12%. Meanwhile, the growing share signals an increasing concern on long-term health well-being, ageing and access to public healthcare despite the increase in price of medicines and health products.

Malaysia is projected to shift from an ageing to aged nation by 2048, with 14% of the population aged 65 and above. Such status requires improvements in healthcare and living standards, resulting in larger allocations on healthcare and social protection systems.

The other services subsector is projected to rise by 4.6%, driven by private health and education segments. In particular, the Malaysia Year of Medical Tourism 2026 (MYMT 2026) initiative, emphasising affordability and high-quality healthcare services will attract more healthcare travellers. The healthcare industry will continue to focus on a targeted marketing campaign, particularly in China, India and Indonesia. Meanwhile, the private education segment is expected to remain robust, anchored by ongoing initiatives to draw in students such as through educational tourism, international partnerships and mobility programmes.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

The Malaysian healthcare sector is currently defined by a rapid digital transformation and the urgent necessity of addressing the rising burden of Non-Communicable Diseases (NCDs) and the increasing demand for specialised care driven by an ageing population. Post-pandemic strategies, supported by government initiatives such as the Health White Paper, focus on integrating Electronic Medical Records (EMR) and leveraging telemedicine and AI to enhance efficiency and patient experience. Concurrent with these domestic pressures, the nation is successfully strengthening medical tourism by offering affordable, high-quality care, which drives investment and growth in specialised areas like pharmaceuticals, medical devices and aged healthcare.

A cornerstone of Malaysia's healthcare achievements is the public-private partnerships (PPPs) model, which has facilitated successes across the industry's various segments. This collaborative approach has played a pivotal role in shaping the positive trajectory of the sector.

The Malaysian healthcare landscape comprises urban-focused private providers and a pivotal public sector catering to the majority of healthcare needs. PPPs have effectively addressed challenges in the recent years. Private hospitals are playing a crucial role in reinvigorating medical tourism in Malaysia, attracting international patients seeking affordable, high-quality healthcare. Anticipated by Straits Research Analysis, the medical tourism market size was valued at USD 77.81 billion in 2025 and is projected to grow from USD 89.79 billion in 2026 to USD 285.67 billion by 2034, growing at a CAGR of 15.57% during the forecast period.

The nation's appeal stems from reliable, safe and affordable care. Encouraging investments in pharmaceuticals, traditional & complementary medicine (TCM), medical devices, aged healthcare and digital healthcare is a priority, aligning with efforts to enhance efficiency and patient experience.

(Source: Malaysian Investment Development Authority)

4.3 Prospects of Regen and our enlarged KYM Group

The Regen Group is principally engaged in providing comprehensive care for a range of orthopaedic conditions where it focuses on diagnosing and managing bone and joint problems through non-surgical methods such as medications, physical therapy and lifestyle changes, helping to treat conditions like arthritis, back pain and muscle injuries without the need for surgery. The Regen Group also provides surgical services such as joint replacement, fracture repair and minimally invasive procedures for sports injuries and spinal issues and also operates an ambulatory care centre which is equipped to provide minimally invasive procedures and conventional day surgery, principally in musculoskeletal disciplines comprising orthopaedics, sports surgery, foot and ankle surgery, hand and microsurgery, and spine surgery.

Building on the Regen Group's established operational foundation, the Proposed Acquisition presents an opportunity for our Group to strategically diversify our existing business portfolio, expand our market footprint and establish a foothold within the healthcare industry. In light of the overview and outlook of the healthcare industry as outlined in **Section 4.2** of this Circular, particularly the growing demand for specialised healthcare driven by an ageing population, rising incidence of non-communicable diseases and increasing consumer focus on complementary wellness, our enlarged KYM Group is well-positioned to capture these market opportunities.

Upon completion of the Proposed Acquisition, Regen will become a 70.0%-owned subsidiary of our Company and as such, our Group will consolidate its financial results. Our Group intends to maintain and continue Regen's existing business operations without any immediate material changes to its core activities, business direction or key personnel. Additionally, our Group proposes for Dr. Rajesh Singh to be contractually obligated to establish and support an orderly succession plan for the group medical director role as stated in **Section 5.5** of this Circular. This collective approach ensures operational continuity, seamless management integration and supports long-term leadership stability, allowing our enlarged KYM Group to fully leverage Regen's established operational track record.

After considering the positive outlook of the healthcare industry as stated in **Section 4.2** of this Circular, as well as the rationale and benefits as stated in **Section 3** of this Circular, our Board is optimistic that the Proposed Acquisition will be able to facilitate the long-term growth potential as well as potentially improve the financial performance of our enlarged KYM Group moving forward.

5. RISK FACTORS

The potential risks that may have an impact on our Group pursuant to the Proposals are set out below:

5.1 Non-completion of the Proposed Acquisition

The completion of the Proposed Acquisition is subject to, amongst others, the fulfillment of the Conditions Precedent within the timeframe prescribed in the SSA as disclosed in **Appendix I** of this Circular. In the event any of the Conditions Precedent are not fulfilled, waived or met, the SSA will lapse and the Proposed Acquisition may not proceed to completion, which may result in the failure of our Group to achieve the objectives and benefits of the Proposed Acquisition.

Notwithstanding that, our Board and our management will, in our best endeavours, take reasonable steps to ensure the Conditions Precedent are fulfilled and the Proposed Acquisition is completed within the stipulated timeframe.

5.2 Business diversification risk

Our Group does not have any prior experience in the Healthcare Business and thus our enlarged KYM Group will be subject to new challenges and risks relating to the Healthcare Business (i.e., risks inherent in the healthcare industry). These include but are not limited to, adverse changes in demand for healthcare products or services, market competition, the ability to recruit and retain qualified medical specialists and clinical staff, patient acceptance of clinical treatment methods, medical negligence and professional liability claims, downturns in the global, regional and/or national economies, changes in healthcare laws, medical licensing and tax regulations, increases in clinical and operational costs (including medical consumables and drugs), and changes in business and credit conditions.

Notwithstanding that, our Group seeks to limit these risks through the adoption of prudent financial management and efficient operating procedures, and to conduct periodic reviews of the Healthcare Business to manage the impact of the aforementioned risks. Additionally, our Group will leverage on the expertise of key management personnel of Regen and constantly keep abreast of the latest market conditions to remain competitive in the Healthcare Business. However, there can be no assurance that our Group will be able to successfully mitigate all such risks inherent in the healthcare industry and any failure to do so may adversely affect our Group's business operations, financial performance and prospects.

5.3 Goodwill and impairment risk

Our Group expects to recognise goodwill arising from the Proposed Acquisition, the amount of which will depend on the fair value of the Regen Group's identifiable assets acquired and liabilities assumed as at the Completion Date.

Any subsequent fair value adjustments allocated to the identifiable assets acquired and liabilities assumed arising from the Proposed Acquisition may materially affect our Group's financial position and performance. Additionally, any impairment losses recognised on the goodwill arising from the Proposed Acquisition may also materially affect our Group's financial position and performance.

Nevertheless, our Group will continuously monitor the financial and cash flow performance of the Regen Group to ensure that the goodwill is supported by the cash flows of the cash generating units at all times.

5.4 Investment risk

The Proposed Acquisition is expected to contribute positively to the future earnings of our Group. However, there is no assurance that the anticipated benefits from the Proposed Acquisition will be realised or that our Group will be able to generate sufficient returns from the Proposed Acquisition to offset the associated cost of investment.

Notwithstanding that, our Board has exercised due care and will take appropriate measures such as, amongst others, identifying and evaluating the potential risks and benefits associated with the Proposed Acquisition as well as conducted due diligence on the Regen Group before making its investment decision in Regen. Our Board will continue to exercise due care and take appropriate measures such as, amongst others, evaluating the risks in integrating the business operations of Regen with our Group's existing business operations.

5.5 Dependency on key personnel

Regen's future operational and financial performance depends significantly on its ability to attract and retain key talent, particularly its medical director, Dr. Rajesh Singh. Additionally, certain licences and registrations required for Regen's operations are legally required to be held in the name of a suitably qualified individual and therefore cannot be transferred to or held by a corporate entity. Consequently, should any of these key personnel depart prior to the successful transfer of these licences to new key personnel, Regen may be required to temporarily suspend or cease certain business operations. Any such loss could materially and adversely affect the performance of our Group, whose continued success relies heavily on the combined efforts of Regen's key personnel and KYM's management team.

To mitigate this risk and ensure continuity of Regen's operations, our Group proposes that Dr. Rajesh Singh enters into (i) an employment agreement with Regen to serve as the group medical director for a minimum period of 5 years from the Completion Date; and (ii) 2 service agreements to continue practising as a consultant doctor at Regen's ambulatory care centre and specialist clinic respectively, each for a term of 10 years. In view certain licences and registrations required for Regen's operations are legally required to be held in the name of a suitably qualified individual, the relevant medical practitioners will be required under their respective employment or service agreements to maintain the licences, registrations and practising certificates necessary for the performance of their duties.

Our Group proposes for Dr. Rajesh Singh to be contractually obligated to establish and support an orderly succession plan for 1 suitably qualified medical practitioner to succeed Dr. Rajesh Singh as the group medical director at the end of his tenure, where the proposed successor shall be submitted to the board of directors of Regen for its assessment and approval within 1 year from Completion. Accordingly, the succession plan would lessen key-person reliance, safeguard operational and regulatory stability, and drive sustainable business growth upon the completion of the Proposed Acquisition.

Additionally, following Completion, our enlarged Group intends to procure keyman insurance, specifically a life and/or disability policy on Dr. Rajesh Singh, to safeguard against potential financial losses, including those arising from his death or incapacity. Such keyman insurance is intended to provide our enlarged Group financial protection during the transition period pending the appointment of his successor. As at the LPD, the Regen Group has commenced sourcing for Dr. Rajesh Singh's successor in order to meet the timeframe to identify not fewer than 2 candidates as his proposed successor within 1 year from Completion as set out above.

Furthermore, our Group also intends to monitor the validity and renewal deadlines of Regen's material licences and approvals to support the Regen Group's long-term regulatory and operational continuity.

This requirement aligns the long-term commitments of key personnel with those of Regen, thereby safeguarding operational stability and driving sustainable business growth following completion of the Proposed Acquisition.

5.6 Political, economic and regulatory risks

Any adverse developments in the political, economic and regulatory conditions in Malaysia could materially and adversely affect our enlarged KYM Group's business, financial performance and prospects. Political and economic uncertainties include but are not limited to, changes in labour laws, availability of labour, a switch in political leadership and/or changes in the government's policies, interest rates, method of taxation, monetary and fiscal policy, licensing regulations and economic downturn. These factors are beyond the management's control.

Our enlarged KYM Group seeks to manage such risks by monitoring the operating environment and reviewing business strategies in response to such adverse developments. There can be no assurance that adverse changes to the political, regulatory and economic conditions would not have a material impact on our enlarged KYM Group's operational and financial performance.

6. EFFECTS OF THE PROPOSALS

For illustrative purposes, the effects of the Proposals shall be based on the following scenarios:

Minimum Scenario : Assuming none of the 4,355,000 outstanding ESS Options as at the LPD are exercised into new KYM Shares prior to the Proposed Acquisition.

Maximum Scenario : Assuming all the 4,355,000 outstanding ESS Options as at the LPD are fully exercised into new KYM Shares prior to the Proposed Acquisition.

6.1 Issued share capital and substantial shareholders' shareholdings

The Proposals will not have any effect on the issued share capital and the substantial shareholders' shareholdings of KYM as the Proposals do not involve any issuance of new KYM Shares.

6.2 NA per KYM Share and gearing

The Proposed Diversification will not have any effect on the consolidated NA per KYM Share and gearing of our Group.

For illustrative purposes, based on the latest audited consolidated financial statements of our Group as at 31 January 2026 and assuming that the Proposed Acquisition had been effected on that date, the pro forma effects of the Proposed Acquisition on the NA per KYM Share and gearing of our Group are as follows:

Minimum Scenario

	Audited as at 31 January 2026	(I) After the Proposed Acquisition	(II) After (I) and assuming payment of the maximum Earn-out Consideration
	(RM'000)	(RM'000)	(RM'000)
Share capital	111,582	111,582	111,582
Reserve	529	529	529
Retained earnings	2,795	(1)1,895	1,895
NA	**114,906**	**114,006**	**114,006**
No. of KYM Shares **('000)**	152,602	152,602	152,602
NA per KYM Share(2) **(RM)**	0.75	0.75	0.75
Total borrowings (including lease liabilities) **(RM'000)**	23,320	(3)(4)32,282	(5)49,362
Gearing ratio (including lease liabilities)(6) **(times)**	0.20	0.28	0.43
Total borrowings (excluding lease liabilities) **(RM'000)**	11,121	(7)(8)18,044	(5)35,124
Gearing ratio (excluding lease liabilities)(9) **(times)**	0.10	0.16	0.31

Notes:

(1) After deducting the estimated expenses for the Proposals of RM0.9 million.

(2) Calculated based on NA divided by the number of KYM Shares in issue.

(3) Includes lease liabilities of the KYM Group and the Regen Group amounting to approximately RM12.2 million and RM2.0 million respectively.

(4) After consolidating the total borrowings of Regen of approximately RM2.6 million based on its latest audited financial statements for the FYE 31 December 2025 and purely for illustration purposes, assuming the Initial Consideration is partially funded by bank borrowings of approximately RM6.4 million.

(5) Purely for illustration purposes, assuming the Earn-out Consideration is partially funded by bank borrowings of approximately RM17.1 million.

(6) Calculated based on total borrowings (including lease liabilities) divided by NA.

(7) Excludes lease liabilities of the KYM Group and the Regen Group amounting to approximately RM12.2 million and RM2.0 million respectively.

(8) After consolidating the total borrowings (excluding lease liabilities) of Regen of approximately RM0.5 million based on its latest audited financial statements for the FYE 31 December 2025 and purely for illustration purposes, assuming the Initial Consideration is partially funded by bank borrowings of approximately RM6.4 million.

(9) Calculated based on total borrowings (excluding lease liabilities) divided by NA.

Maximum Scenario

	Audited FYE 31 January 2026	**(I) After the full exercise of all outstanding ESS Options**	**(II) After (I) and the Proposed Acquisition**	**(III) After (II) and assuming payment of the maximum Earn-out Consideration**
	(RM'000)	**(RM'000)**	**(RM'000)**	**(RM'000)**
Share capital	111,582	[(1)]113,542	113,542	113,542
Reserve	529	[(2)]-	-	-
Retained earnings	2,795	2,795	[(3)]1,895	1,895
NA	**114,906**	**116,337**	**115,437**	**115,437**
No. of KYM Shares **('000)**	152,602	156,957	156,957	156,957
NA per KYM Share[(4)] **(RM)**	0.75	0.74	0.74	0.74
Total borrowings (including lease liabilities) **(RM'000)**	23,320	23,320	[(5)][(6)]32,282	[(7)]49,362
Gearing ratio (including lease liabilities)[(8)] **(times)**	0.20	0.20	0.28	0.43
Total borrowings (excluding lease liabilities) **(RM'000)**	11,121	11,121	[(9)][(10)]18,044	[(7)]35,124
Gearing ratio[(11)] (excluding lease liabilities) **(times)**	0.10	0.10	0.16	0.30

Notes:

(1) After adjusting for the issuance of 4,355,000 KYM Shares arising from the exercise of all outstanding 4,355,000 ESS Options at the exercise price of RM0.45 per ESS Option.

(2) After taking into consideration the reversal of ESS reserve amounting to approximately RM0.5 million.

(3) After deducting the estimated expenses for the Proposals of RM0.9 million.

(4) Calculated based on NA divided by the number of KYM Shares in issue.

(5) Includes lease liabilities of the KYM Group and the Regen Group amounting to approximately RM12.2 million and RM2.0 million respectively.

(6) After consolidating the total borrowings of Regen of approximately RM2.6 million based on its latest audited financial statements for the FYE 31 December 2025 and purely for illustration purposes, assuming the Initial Consideration is partially funded by bank borrowings of approximately RM6.4 million.

(7) Purely for illustration purposes, assuming the Earn-out Consideration is partially funded by bank borrowings of approximately RM17.1 million.

(8) Calculated based on total borrowings (including lease liabilities) divided by NA.

(9) Excludes lease liabilities of the KYM Group and the Regen Group amounting to approximately RM12.2 million and RM2.0 million respectively.

(10) After consolidating the total borrowings (excluding lease liabilities) of Regen of approximately RM0.5 million based on its latest audited financial statements for the FYE 31 December 2025 and purely for illustration purposes, assuming the Initial Consideration is partially funded by bank borrowings of approximately RM6.4 million.

(11) Calculated based on total borrowings (excluding lease liabilities) divided by NA.

6.3 Earnings and EPS

The Proposed Diversification will not have any effect on the earnings and EPS of our Group.

Upon completion of the Proposed Acquisition, Regen will become a 70.0%-owned subsidiary of KYM and our Group will be able to consolidate the earnings of Regen.

Barring any unforeseen circumstance, the Proposed Acquisition, which is expected to be completed by the 4th quarter of 2026, is expected to contribute positively to the consolidated earnings and EPS of our Group for the FYEs 31 January 2027 and 31 January 2028 taking into consideration the Average PAT (under Scenarios 1 and 2 as set out in **Section 2.1.1** of this Circular) for the FYEs 31 December 2026 and 31 December 2027 being achieved as well as the prospects of the Proposed Acquisition set out in **Section 4.3** of this Circular.

For illustrative purposes, based on the audited statements of profit or loss and other comprehensive income of our Group for the FYE 31 January 2026 and assuming that the Proposed Acquisition had been completed on 1 February 2025, the pro forma consolidated earnings and EPS of our Group are as follows:

Minimum Scenario

		Audited for the FYE 31 January 2026	**After the Proposed Acquisition**
		(RM'000)	**(RM'000)**
PAT		1,008	1,008
Add:	PAT from Regen attributable to KYM based on 70.0% equity interest in Regen	-	(1)902
Less:	Estimated expenses in relation to the Proposals	-	(900)
Pro forma consolidated PAT attributable to the owners of our Company after the Proposed Acquisition		**1,008**	**1,010**
No. of KYM Shares **('000)**		152,602	152,602
EPS **(sen)**(2)		0.66	0.66

Notes:

(1) After taking into consideration 70.0% of Regen's PAT of approximately RM1.3 million based on the audited consolidated financial statements of Regen for the FYE 31 December 2025.

(2) Calculated based on the pro forma consolidated PAT attributable to the owners of our Company after the Proposed Acquisition over the number of KYM Shares.

Maximum Scenario

		Audited for the FYE 31 January 2026	**(I) After the full exercise of all outstanding ESS Options**	**(II) After (I) and the Proposed Acquisition**
		(RM'000)	**(RM'000)**	**(RM'000)**
PAT		1,008	1,008	1,008
Add:	PAT from Regen attributable to KYM based on 70.0% equity interest in Regen	-	-	[1]902
Less:	Estimated expenses in relation to the Proposals	-	-	(900)
Pro forma consolidated PAT attributable to the owners of our Company after the Proposed Acquisition		**1,008**	**1,008**	**1,010**
No. of KYM Shares **('000)**		152,602	[2]156,957	156,957
EPS **(sen)**[3]		0.66	0.64	0.64

Notes:

(1) After taking into consideration 70.0% of Regen's PAT of approximately RM1.3 million based on the audited consolidated financial statements of Regen for the FYE 31 December 2025.

(2) After adjusting for the issuance of 4,355,000 KYM Shares arising from the exercise of all outstanding 4,355,000 ESS Options at the exercise price of RM0.45 per ESS Option.

(3) Calculated based on the pro forma consolidated PAT attributable to the owners of our Company after the Proposed Acquisition over the number of KYM Shares.

7. HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable to the Proposed Acquisition pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 89.5%.

8. APPROVALS REQUIRED AND CONDITIONALITY

The Proposals are subject to the following being obtained:

(i) approval of the shareholders of KYM at our forthcoming EGM for the Proposals;

(ii) approvals, consents or waivers from third parties necessary or appropriate to carry out and complete the sale and purchase of the Sale Shares pursuant to the terms of the SSA; and

(iii) approval of any other relevant authorities, if required.

The Proposed Acquisition is conditional upon the Proposed Diversification but not *vice versa*.

The Proposals are not conditional upon any other corporate exercise of our Company.

9. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the proposed reduction of RM97.0 million of the issued share capital pursuant to Section 116 of the Act which was approved by our shareholders on 19 August 2026 as well as the Proposals (being the subject matter of this Circular), there are no other corporate exercises which have been announced by our Company but are pending completion as at the LPD.

10. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of our Directors, Major Shareholders, chief executive and/or persons connected with them has any interest, direct and/or indirect, in the Proposals.

11. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, after having considered all aspects of the Proposals, including but not limited to the rationale and benefits of the Proposals, prospects of the Proposed Acquisition, the terms and conditions of the SSA, basis and justifications for arriving at the Indicative Purchase Consideration and the effects of the Proposals, is of the view that the Proposals are in the best interest of our Company.

Accordingly, our Board recommends that you **VOTE IN FAVOUR** of the ordinary resolutions pertaining to the Proposals to be tabled at our forthcoming EGM.

12. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to obtaining all required approvals, the tentative timetable for the completion of the Proposals is as follows:

Tentative timetable	Events
18 November 2026	• Our forthcoming EGM for the Proposals • Completion of the Proposed Diversification
End November 2026	SSA becoming unconditional
End-November 2026	Completion of the Proposed Acquisition

13. OUR FORTHCOMING EGM

Our forthcoming EGM will be held at Level 17, KYM Tower, No. 8 Jalan PJU 7/6, Mutiara Damansara 47800 Petaling Jaya, Selangor on Wednesday, 18 November 2026 at 11.00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, to give effect to the Proposals. The Notice of EGM together with the Proxy Form are enclosed in this Circular.

If you are unable to attend and vote at our forthcoming EGM, you may appoint up to 2 proxies to attend and vote on your behalf. If you wish to do so, please complete the enclosed Proxy Form and deposit it at the office of our Company's share registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time set for our forthcoming EGM or at any adjournment thereof, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, either by hand, post or email to bsr.proxy@boardroomlimited.com. You also have the option to lodge the appointment of proxy electronically via "Boardroom Smart Investor Portal" at https://investor.boardroomlimited.com ("**e-Proxy Lodgement**"). The Proxy Form should be completed strictly in accordance with the instructions contained therein. The lodging of the Proxy Form will not preclude you from attending and voting in person at our forthcoming EGM should you subsequently decide to do so, but if you do, your proxy or proxies shall be precluded from attending our forthcoming EGM. Please refer to the administrative details for our forthcoming EGM for the steps on the e-Proxy Lodgement.

14. FURTHER INFORMATION

You are requested to refer to the enclosed appendices for further information.

Yours faithfully
for and on behalf of the Board of
KYM HOLDINGS BHD

LIM TZE THEAN
Executive Chairman

SALIENT TERMS OF THE SSA

The salient terms of the SSA are as follows:

1. SALE AND PURCHASE

Subject to the terms and conditions of the SSA:

(i) the Vendor shall sell and transfer to the Purchaser the Sale Shares free from all encumbrances and together with all rights and benefits attaching thereto; and

(ii) the Purchaser or its nominee shall purchase and accept the transfer of the Sale Shares from the Vendor free from all encumbrances and together with all rights and benefits attaching thereto,

on and from Completion. The Purchaser shall not be obliged to complete the purchase of any of the Sale Shares unless the purchase of all the Sale Shares is completed simultaneously.

2. CONSIDERATION

2.1 Purchase consideration

Subject to the terms and conditions of the SSA, the purchase consideration for the Sale Shares shall comprise the following components (collectively, "**Purchase Consideration**"):

	Components	**Amount**
(i)	Initial Consideration	**RM9,100,000.00** only
(ii)	Earn-out Consideration	Up to **RM24,400,000.00** only

2.2 Payment – Initial Consideration

Subject to the terms and conditions of the SSA, the Initial Consideration shall be payable by the Purchaser to the Vendor on the Completion Date.

2.3 Payment – Earn-out Consideration

2.3.1 Subject to the terms and conditions of the SSA, the Earn-out Consideration (if any) payable by the Purchaser shall be determined by reference to the Average PAT, and shall only become payable upon the determination of the Average PAT in accordance with the SSA, as follows:

Average PAT	**Earn-out Consideration Payable**
Scenario 1: **Ringgit Malaysia Three Million (RM3,000,000.00)** or more	Earn-out Consideration = (11 × Average PAT x 70%) *less* Initial Consideration
Scenario 2: More than **Ringgit Malaysia One Million Three Hundred Thousand (RM1,300,000.00)** but less than **Ringgit Malaysia Three Million (RM3,000,000.00)**	Earn-out Consideration = (10 × Average PAT x 70%) *less* Initial Consideration
Scenario 3: **Ringgit Malaysia One Million Three Hundred Thousand (RM1,300,000.00)** or less	Earn-out Consideration = Nil

SALIENT TERMS OF THE SSA *(Cont'd)*

2.3.2 For the purpose of calculating the Average PAT:

(i) the PAT for FYEs 31 December 2026 and 2027 shall be determined based on the Regen Group's audited consolidated financial statements prepared in accordance with the MFRS and the Purchaser's accounting policies and practices.

(ii) the following shall be added back in full to the PAT of the Regen Group for the FYEs 31 December 2026 and 2027, as the case may be:

(a) any management fees or other fees paid or payable by any member of the Regen Group to the Purchaser or any of its related corporations; and

(b) any group or head-office overheads or costs allocated to the Regen Group that were not incurred by the Regen Group before Completion or are not charged on an arms' length basis; and

(iii) any one-off, non-recurring or exceptional gain which does not arise from the ordinary course of business of the Regen Group shall be excluded.

2.3.3 The Purchaser will deliver its calculation of the Average PAT and Earn-out Consideration to the Vendor within 14 business days after the issuance of the audited financial statements for the FYE 31 December 2027, which must be issued within 6 months after the end of the financial year.

If the Average PAT calculated under MFRS is below **RM4,350,650**, the Vendor may, at its own cost, procure a recalculation based on MPERS and the Regen Group's pre-Completion accounting policies and practices, using the same underlying books and records. The Purchaser will provide the Vendor and its advisers with reasonable information, access and assistance for this purpose.

The Vendor will be entitled to review and dispute the relevant calculation within the agreed periods. If no dispute is raised within such periods, the calculation will become final and binding, except in the case of manifest error.

Any dispute will first be referred to the Parties for resolution in good faith. If it remains unresolved, it will be referred to a jointly appointed independent accounting firm or, failing agreement on such appointment, separate accountants appointed by each party. The relevant accountant(s) will act as experts, and their determination will be final and binding, except in the case of manifest error. Where two accountants are appointed, the final Average PAT will be the arithmetic average of their respective determinations.

3. CONDITIONS PRECEDENT

3.1 The Proposed Acquisition is conditional upon the following Conditions Precedent being fulfilled or satisfied on or before the date falling **3 months** from the date of the SSA or such other date as may be mutually agreed in writing between the Parties ("**Stop Date**"):

(i) financial, legal and operational due diligence being carried out by the Purchaser on the Regen Group ("**Due Diligence**") and the Purchaser being satisfied with the results of the Due Diligence;

(ii) the holding company of the Purchaser, being KYM, having obtained the approval of its shareholders for the acquisition of the Sale Shares in accordance with the terms herein at an EGM to be convened;

(iii) the Vendor and KYM having agreed the final form of the Corporate Guarantee (as defined herein);

(iv) the Parties having agreed the final form of the Bank Guarantee (as defined herein);

SALIENT TERMS OF THE SSA *(Cont'd)*

(v) Regen having procured the deregistration of Regen Australia or transferring the whole of its legal and beneficial interest in the share capital of Regen Australia to a third party which is not a member of Regen Group, and the Purchaser having received evidence satisfactory to it that such deregistration or transfer has been duly completed;

(vi) the Vendor having procured, at his own cost, that each of the tenancy agreements in respect of the same premises specified in the corresponding licences issued by the MOH for the purpose of maintaining, operating or providing a private medical clinic or private healthcare facility, are renewed or replaced by an agreement duly executed by the relevant landlords and the relevant member of the Regen Group;

(vii) the Parties and Regen having executed a shareholders' agreement, where the duly signed counterpart of the shareholders' agreement shall be held by the Parties' respective solicitors as stakeholders and shall be dated on the Completion Date and released to the other Party or its solicitors on the Completion Date;

(viii) the Vendor having executed an employment agreement (group medical director) with Regen, where the duly signed counterpart of the employment agreement (medical director) shall be held by the Vendor's solicitors as stakeholders and shall be dated on the Completion Date and released to the Purchaser's solicitors on the Completion Date;

(ix) the Vendor having executed a services agreement (Medical Consultant with ambulatory care centre) with Regen, where the duly signed counterpart of the Services Agreement (Medical Consultant with ambulatory care centre) shall be held by the Vendor's solicitors as stakeholders and shall be dated on the Completion Date and released to the Purchaser's solicitors on the Completion Date;

(x) the Vendor having executed a services agreement (Medical Consultant with clinic), where the duly signed counterpart of the services agreement (Medical Consultant with clinic) shall be held by the Vendor's solicitors as stakeholders and shall be dated on the Completion Date and released to the Purchaser's solicitors on the Completion Date; and

(xi) the Vendor having obtained the written consents or waivers (as applicable) from each of the following parties in respect of the transactions contemplated under the SSA, in form and substance reasonably satisfactory to the Purchaser and without the imposition of any condition that is materially adverse to Regen Group or the Purchaser:

(a) *CIGNA International Corporation* – pursuant to the Agreement for the Provision of Healthcare Services dated 13 April 2020;

(b) *Maybank* Islamic *Berhad* – pursuant to the Letter of Offer for Commodity Murabahah Term Financing-i ("**CMTF-i**") and Cash Line-i ("**CL-i**") of RM915,000.00 dated 8 July 2021;

(c) *Menara Hap Seng Sdn Bhd* – pursuant to the tenancy agreement dated 19 May 2026; and

(d) *Pacific & Orient Insurance Co. Bhd* – pursuant to the Medical Malpractice Insurance Policy.

(the Condition Precedents referred to in **Section 3.1(xi)** above shall be referred to collectively, "**Specified Conditions**" and each "**Specified Condition**").

3.1A Specified Conditions

(i) Notwithstanding **Section 3.2** of **Appendix I** of this Circular, where any of the Specified Conditions remains outstanding or subject to any conditions upon the expiry of the Stop Date, the Vendor shall have an additional period of one (1) month from the expiry of the Stop Date to procure the Specified Conditions ("**Extended Long Stop Date**").

(ii) If the Specified Condition remains outstanding by the expiration of the Extended Long Stop Date ("**Outstanding Specified Condition**"), the Parties agree that the Outstanding Specified Condition shall not prevent the SSA from becoming unconditional upon the satisfaction or waiver (as applicable) of all other Conditions Precedent, and the Parties shall proceed to Completion in accordance with the SSA provided that:

(a) in respect of the approval, consent or waiver referred to in **Section 3.1(xi)(a)** of **Appendix I** of this Circular, the Agreement for the Provision of Healthcare Services dated 13 April 2020 remains in full force and effect and no written notice has been received from CIGNA International Corporation terminating the said agreement;

(b) in respect of the approval, consent or waiver referred to in **Section 3.1(xi)(b)** of **Appendix I** of this Circular, the Vendor shall, prior to Completion, procure the full repayment and discharge of the outstanding financing facility under the Maybank Islamic Berhad – pursuant to the Letter of Offer for CMTF-i and CL-i of RM915,000.00 dated 8 July 2021;

(c) in respect of the approval, consent or waiver referred to in **Section 3.1(xi)(c)** of **Appendix I** of this Circular, the tenancy agreement dated 19 May 2026 remains in full force and effect and no written notice has been received from Menara Hap Seng Sdn Bhd terminating the said agreement;

(d) in respect of the approval, consent or waiver referred to in **Section 3.1(xi)(d)** of **Appendix I** of this Circular, the Vendor shall, prior to Completion, procure a replacement medical malpractice insurance (subject to consultation with and approval by the Purchaser, which shall not be unreasonably withheld) which shall continue in full force and effect, such that there shall be no lapse or gap in insurance coverage between the Pacific & Orient Insurance Co. Bhd – pursuant to the Medical Malpractice Insurance Policy and the replacement medical malpractice insurance.

(iii) The Purchaser shall not refuse or delay Completion, or terminate the SSA, solely because an original approval or consent has been replaced by an alternative measure under this **Section 3.1A** of **Appendix I** of this Circular.

(iv) In respect of any approval, consent or waiver referred to in **Sections 3.1(xi)(a)** and **(c)** of **Appendix I** of this Circular which remains outstanding, the Vendor shall continue to use all best endeavours to obtain it after the expiry of the Extended Long Stop Date and in any event, no later than 3 months after Completion and shall fully indemnify the Purchaser and the Regen Group against:

(a) any penalty lawfully imposed by CIGNA International Corporation and actually incurred by the Regen Group as a direct result of the termination of the Agreement for the Provision of Healthcare Services dated 13 April 2020 by CIGNA International Corporation, where such termination is solely caused by the failure to obtain such approval, consent or waiver referred to in **Section 3.1(xi)(a)** of **Appendix I** of this Circular; and

(b) any amount of the security deposit and utilities deposit actually forfeited by Menara Hap Seng Sdn Bhd and any interest and administration charges, lawfully imposed or claimed by Menara Hap Seng Sdn Bhd and actually incurred by the Regen Group, as a direct result of the termination of the tenancy agreement dated 19 May 2026 by Menara Hap Seng Sdn Bhd, where such termination is solely caused by the failure to obtain such approval, consent or waiver in **Section 3.1(xi)(c)** of **Appendix I** of this Circular,

excluding any loss to the extent caused or contributed to by any act or omission of the Purchaser or any member of the Regen Group after Completion.

3.2 Rescission when Conditions Precedent not satisfied

If any of the Conditions Precedent are not fulfilled (or otherwise waived in accordance with **Section 3.4** of **Appendix I** of this Circular) by the Stop Date, the Purchaser may terminate the SSA with immediate effect by written notice to the Vendor.

3.3 Unconditional Date

The obligations of the Parties to complete the sale and purchase of the Sale Shares shall become unconditional on the date when all the Conditions Precedent (other than the conditions which have been waived by the Purchaser) have been fulfilled.

3.4 Waiver

To the extent permitted by law, the Purchaser reserves the right (but shall not be obliged) to waive in writing the requirement to comply with or otherwise obtain any Conditions Precedent referred to **Section 3.1(iii), (iv), (v), (vi), (vii), (viii)**, **(ix), (x) and (xi)** of **Appendix I** of this Circular.

3.5 Effect of rescission

If the Purchaser elects to terminate the SSA in accordance with the provisions above by giving a notice in writing to the Vendor, and upon such termination, the SSA shall immediately cease to have any effect and shall become null and void (save and except for the survival clauses as stipulated under the SSA) and neither party shall have any claim or claims against the other Party save and except for any antecedent breach and without prejudice to such other rights the Parties may have under the law in respect of such antecedent breach.

4. BANK GUARANTEE AND CORPORATE GUARANTEE

4.1 As continuing security for the Purchaser's obligation to pay the Earn-out Consideration, the Purchaser shall, at its own costs and expenses:

(i) obtain and deposit a bank guarantee (or any other securities as may be mutually agreed by both Parties) of an amount equivalent to 50% of the Earn-out Consideration, being RM12.2 million to be issued by a duly licensed bank or other financial institution in Malaysia in favour of the Vendor in form and substance reasonably satisfactory to the Vendor (acting in good faith) which shall remain in full force and effect for the period commencing on the Completion Date and ending on the date on which the Earn-out Consideration has been finally determined and paid in full in accordance with the SSA ("**Bank Guarantee**"); and

(ii) procure that KYM, being the holding company of the Purchaser ("**Guarantor**"), executes in favour of and delivers to the Vendor on or before Completion an irrevocable and unconditional corporate guarantee to guarantee the due and punctual payment by the Purchaser of the Earn-out Consideration of an amount equivalent to 50% of the maximum Earn-out Consideration, being RM12.2 million on terms and form reasonably satisfactory to the Vendor (acting in good faith) ("**Corporate Guarantee**").

4.2 In the event the Purchaser fails to pay the Earn-out Consideration or part thereof within the applicable period specified in the SSA, the Vendor may, without further notice to the Purchaser, demand payment of the unpaid amount under the Bank Guarantee and/or the Corporate Guarantee. For the avoidance of doubt, the existence of a dispute concerning any other portion of the Earn-out Consideration shall not prevent the Vendor from demanding payment of any undisputed portion that has become due and payable.

4.3 The Bank Guarantee and the Corporate Guarantee shall remain in full force and effect until the Earn-out Consideration has been finally determined and all amounts of Earn-out Consideration due and payable by the Purchaser have been paid or otherwise discharged in full, following which the Vendor shall, at the Purchaser's written request, (i) provide written confirmation that the Guarantor is released from all further liability under the Corporate Guarantee; and (ii) return the original Bank Guarantee to the issuing bank for cancellation.

4.4 Any demand made by the Vendor under the Bank Guarantee or the Corporate Guarantee shall be limited to the amount actually due and payable to the Vendor at the date of the demand.

5. CONDITIONS TO COMPLETION

5.1 The Vendor undertakes to cause and procure the following to be fulfilled on or prior to the Completion Date ("**Conditions to Completion**"):

(i) there being no material adverse effect on or prior to the Completion Date;

(ii) the Vendor's warranties continuing to be true in all material respect as at the Completion Date; and

(iii) there has been no material breach of the covenants given by the Vendor under the SSA.

5.2 If any of the Conditions to Completion above is unfulfilled on or before the Completion Date, the Purchaser may (but is not obligated to) terminate the SSA by giving written notice to the Vendor, without providing any reason thereto and (save in the case of wrongful termination on the part of the Purchaser) without any liability whatsoever to the Vendor and/or any third parties. Where the Purchaser elects to terminate the SSA in accordance with the provisions thereof, the SSA shall immediately thereafter cease to have any effect and shall become null and void (save and except for the survival clauses as stipulated under the SSA).

5.3 If the Vendor fails or refuses to complete the sale of the Sale Shares to the Purchaser in accordance with the terms of the SSA , the Purchaser shall be at liberty to take such action in law as may be necessary to compel the Vendor by way of specific performance (subject to fulfilment of Conditions Precedent) to complete the transaction contemplated in the SSA (in which respect the alternative remedy of monetary compensation shall not be regarded as compensation or sufficient compensation for any default on the part of the Vendor in the performance of the terms and conditions therein) or to claim damages for any default on the part of the Vendor in the performance of the terms and conditions therein.

6. COMPLETION

6.1 Subject always to the satisfaction of the Conditions Precedent and the Conditions to the Completion, the Completion shall take place on or before the Completion Date at the office of Regen or at such other venues as may be determined by the Parties.

6.2 Subject to the Vendor's receipt of the Initial Consideration in full and the original Bank Guarantee and the original Corporate Guarantee in accordance with the terms of the SSA, the legal and beneficial ownership of the Sale Shares shall be deemed to be transferred to the Purchaser on the Completion Date and the Parties shall in good faith cooperate with each other by executing all documents and taking such steps as may be necessary to vest the full legal and beneficial ownership to the Sale Shares in the Purchaser as at the Completion Date.

7. RELEASE OF GUARANTEES

7.1 The Purchaser:

(a) must use reasonable efforts to procure the release of the Vendor from each of the those guarantees and securities given by the Vendor and/or its connected person in respect of the obligations of any member of the Regen Group ("**Guarantees**") with effect from Completion (including by providing and/or procuring replacement guarantees or securities from the Purchaser or its affiliate), provided that such release, discharge or replacement does not adversely affect the continued operation of Regen Group or the availability or terms of any facility or arrangement of any member of the Regen Group; and

(b) shall indemnify and keep the Vendor indemnified (in proportion to the Purchaser's shareholding in Regen immediately following Completion) from and against any claim or liability arising out of the Guarantees that may be suffered or incurred by the Vendor which relates to events, facts, matters or circumstances occurring or arising after Completion.

8. TERMINATION

8.1 The Vendor's breach

8.1.1 Upon the Purchaser becoming aware of the occurrence of any of the events stated hereunder, the Purchaser shall have the right to give notice in writing to the Vendor specifying the default or breach requiring the Vendor to remedy the said default or breach to the satisfaction of the Purchaser within 14 working days of the receipt of such notice or such other period as may be mutually agreed between the Parties in writing. The events are:

(i) Breach

The Vendor breaches any of the material or fundamental terms or conditions of the SSA or if the Vendor fails to perform or observe any material or fundamental undertaking, obligation or agreement in the SSA. For this purpose, the Vendor's warranties in the SSA are also deemed material and fundamental;

(ii) Receiver/Special administrator

A receiver, receiver and manager, special administrator, trustee or similar official is appointed over any of the assets or undertaking of the Vendor or any member of Regen Group;

(iii) Insolvency

Any member of Regen Group, or the Vendor is or becomes unable to pay its debts when they are due or becomes unable to pay its debts within the meaning of the Act or any other legislation regarding insolvency of the jurisdiction in which it carried on business;

(iv) Arrangements

Any member of Regen Group, or the Vendor enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;

(v) Winding Up

An application or order is made for the winding up or dissolution of the Vendor or any member of Regen Group or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of the Vendor or any member of Regen Group otherwise than for the purpose of an amalgamation or reconstruction which has the prior written consent of the Purchaser;

(vi) Cessation of Business

Any member of Regen Group ceases or threatens to cease carrying on a substantial portion of their business; or

(vii) Events of Default

The Vendor or any member of Regen Group commit(s) any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in **Section 8.1.1(ii), (iii), (iv), (v)** and **(vi)** of the **Appendix I** of this Circular to occur.

8.1.2 If the Vendor fails to remedy the relevant default or breach within the said 14 working days or such other period as may be mutually agreed between the Parties in writing to the satisfaction of the Purchaser, the Purchaser shall be entitled to:

(i) at any time before Completion, give notice to the Vendor to terminate the SSA or proceed to seek specific performance to compel the Vendor to complete the transaction contemplated in the SSA (in which respect the Vendor recognises that alternative remedy of monetary compensation shall not be regarded as compensation or sufficient compensation for any default of a party in the performance of the terms and conditions therein); or

(ii) pursue a claim for damages against the Vendor.

The Vendor shall, within 14 days from the date of the Purchaser's notice of termination of the SSA, reimburse the Purchaser for all reasonable and properly incurred third-party professional fees, costs and expenses (including legal, financial, accounting, tax, technical and due diligence fees and expenses) incurred by the Purchaser in connection with the negotiation, preparation, execution and proposed completion of the SSA, provided that the reimbursement amount shall not exceed RM100,000.00.

8.1.3 The rights and remedies of the Purchaser in respect of any breach of the terms and conditions herein shall not be affected by Completion.

8.2 The Purchaser's breach

8.2.1 Upon the Vendor becoming aware of the occurrence of any of the events stated thereunder, the Vendor shall have the right to give notice in writing to the Purchaser specifying the default or breach requiring the Purchaser to remedy the said default or breach to the satisfaction of the Vendor within 14 working days or such other period as may be mutually agreed between the Parties in writing of the receipt of such notice. The events are:

(i) Breach

The Purchaser breaches any of the material or fundamental terms or conditions of the SSA or if the Purchaser fails to perform or observe any of the material or fundamental undertaking, obligation or agreement in the SSA. For this purpose, the Purchaser's warranties in the SSA are deemed material and fundamental;

(ii) Receiver/Special administrator

A receiver, receiver and manager, special administrator, trustee or similar official is appointed over any of the assets or undertaking of the Purchaser;

(iii) Insolvency

The Purchaser is or becomes unable to pay its debts when they are due or becomes unable to pay its debts within the meaning of the Act or any other legislation regarding insolvency of the jurisdiction in which it carried on business;

SALIENT TERMS OF THE SSA *(Cont'd)*

(iv) Arrangements

The Purchaser enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;

(v) Winding up

An application or order is made for the winding up or dissolution of the Purchaser or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of the Purchaser otherwise than for the purpose of an amalgamation or reconstruction which has the prior written consent of the Purchaser; or

(vi) Events of default

The Purchaser commit(s) any act or omits to do any act which results in the breach or non-fulfilment of any term or condition of any banking, finance or credit facility which has the effect of causing the events specified in **Section 8.2.1(ii), (iii), (iv)** and **(v)** of the **Appendix I** of this Circular to occur.

8.2.2 If the Purchaser fails to remedy the relevant default or breach within the said 14 working days or such other period as may be mutually agreed between the Parties in writing to the satisfactory of the Vendor, the Vendor shall be entitled to:

(i) at any time before Completion, give notice to the Purchaser to terminate the SSA or proceed to seek specific performance to compel the Purchaser to complete the transaction contemplated in the SSA (in which respect the Purchaser recognise that alternative remedy of monetary compensation shall not be regarded as compensation or sufficient compensation for any default of a party in the performance of the terms and conditions therein); or

(ii) claim damages against the Purchaser.

8.2.3 The rights and remedies of the Vendor in respect of any breach of the terms and conditions herein shall not be affected by Completion.

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FURTHER INFORMATION ON REGEN

Further information on Regen are as follows:

1. BACKGROUND INFORMATION ON REGEN

Regen was incorporated under its current name on 15 October 2015 in Malaysia under the Companies Act 1965 as a private limited company and is deemed registered under the Act.

As at the LPD, Regen has 3 wholly-owned subsidiaries, Regen Australia, RACC and Regen Physio. For the avoidance of doubt, Regen is required to procure the deregistration of Regen Australia or transfer the whole of its legal and beneficial interest in the share capital of Regen Australia to a third party which is not part of the Regen Group, prior to Completion, as a condition precedent in the SSA. In the event of failure of such deregistration or transfer, the said condition precedent will remain unfulfilled and unless waived in accordance with the SSA, the Proposed Acquisition will not proceed to Completion. Regen Australia shall not form part of the companies within the Regen Group to be acquired by our Group pursuant to the Proposed Acquisition in view that it is currently dormant. For clarity, Regen Australia has not contributed to the profit or loss of the Regen Group for the FYE 31 December 2025.

The Regen Group commenced its business through the incorporation of Regen on 15 October 2015 and in June 2016, Regen secured the Form B licence, issued by the MOH pursuant to the Private Healthcare Facilities and Services Act 1998, to operate a specialist clinic. Regen is principally engaged in providing comprehensive care for a range of orthopaedic conditions where it focuses on diagnosing and managing bone and joint problems through non-surgical methods such as medications, physical therapy and lifestyle changes, helping to treat conditions like arthritis, back pain and muscle injuries without the need for surgery. Regen also provides surgical services such as joint replacement, fracture repair and minimally invasive procedures for sports injuries and spinal issues. Operating under the same specialist clinical framework, Regen further provides specialised dental services, comprising paediatric dentistry and special-care dentistry.

In March 2018, Regen Physio was incorporated by Regen under the name Regen Allied Health Sdn Bhd and established a physiotherapy centre and commenced operations, before adopting its current name, Regen Physio & Sports Rehab Sdn Bhd, in March 2020. Subsequently, Regen transferred its shares in Regen Physio to 2 individual shareholders, being Dr. Rajesh and an unrelated party. In March 2021, Regen re-acquired Regen Physio from the aforementioned individual shareholders. Regen Physio principally offers assessments, diagnoses and treats physical injuries, joint pains and movement issues tailored to sports or daily activities.

Regen further expanded its customer base via the incorporation of RACC, which is principally engaged in the provision of day-care surgical and procedural services. RACC is equipped with 1 digital hybrid operating theatre, 7 day-care beds, and supporting pre and post-operative facilities. The operating theatre is equipped to provide minimally invasive procedures and conventional day surgery, principally in musculoskeletal disciplines. Musculoskeletal care refers to the diagnosis, treatment and rehabilitation of conditions affecting the bones, joints, muscles, tendons, ligaments and associated nerves, ranging from arthritis, back and neck pain and sports injuries to fractures and degenerative joint disease. At RACC, these disciplines comprise orthopaedics, sports surgery, foot and ankle surgery, hand and microsurgery, and spine surgery. RACC's licence also covers general surgery, urology, gastroenterology, rheumatology, oral and maxillofacial surgery, paediatric dentistry and special-care dentistry. In October 2018, RACC was granted approval from the CKAPS, MOH to construct an ambulatory care centre. During the same year, the ambulatory care centre was awarded the Multimedia Super Corridor (MSC) Malaysia Status and officially licensed and commenced operations in September 2023.

Regen's operations are principally in Malaysia with revenue predominantly derived from Malaysia since its commencement. As at the LPD, Regen Group operates 1 specialist clinic, 2 physiotherapy centres and 1 ambulatory care centre located in Petaling Jaya, Selangor and Kuala Lumpur.

As at the LPD, there are 17 consultant doctors and 1 resident doctor with the Regen Group, comprising, amongst others, orthopaedic and spine specialists, rheumatologists, family medicine specialist, oral and maxillofacial surgeons, radiologists, anaesthesiologists, obstetricians and gynaecologists.

The relevant subsidiaries of the Regen Group and, where applicable, the relevant persons acting on behalf of such subsidiaries, hold the necessary approvals, licences and registrations to operate their respective ambulatory care centre, specialist medical clinics and physiotherapy centre and to carry on all related healthcare activities, including those issued by the MOH pursuant to the Private Healthcare Facilities and Services Act 1998 and the applicable regulations made thereunder, such as Form F (certificate to establish, maintain, operate or provide a private medical clinic) and Form 7 (licence to operate a private healthcare facility or services). The relevant subsidiaries of the Regen Group also hold the requisite business premises licences issued by the relevant local authorities.

2. SHARE CAPITAL

As at the LPD, Regen has a total issued share capital of RM1,000,000 comprising 1,000,000 ordinary shares.

3. DIRECTOR AND SHAREHOLDER

As at the LPD, Dr. Rajesh Singh, a Malaysian, is the sole director and sole shareholder of Regen.

4. SUBSIDIARIES AND ASSOCIATE COMPANY

As at the LPD, Regen has 3 wholly-owned subsidiaries, the details of which are as follows:

Name	Date/ Place of incorporation	Effective equity interest (%)	Issued share capital	Principal activities
RACC	5 November 2018/ Malaysia	100.0	RM2,000,000 comprising 2,000,000 ordinary shares	Providing hospital activities, specialised medical services and other residential care activities
Regen Physio	5 March 2018/ Malaysia	100.0	RM1,000,000 comprising 1,000,000 ordinary shares	Carrying out business related to healthcare management, education and medical investment and to supply and manage healthcare point of care systems, supply of healthcare consumables and pharmaceuticals, ownership and management of medical clinics, medical centres and medical specialists centres
Regen Australia[(1)]	28 February 2017/ Australia	100.0	Australian Dollars 1,000,000 comprising 1,000,000 ordinary shares	Dormant

Note:

(1) As part of the Conditions Precedent, Regen must procure the deregistration of Regen Australia or transferring the whole of its legal and beneficial interest in the share capital of Regen Australia to a third party which is not part of the Regen Group, prior to the completion of the Proposed Acquisition.

As at the LPD, Regen does not have any associate company.

5. SUMMARY OF FINANCIAL INFORMATION

A summary of the financial information of the Regen Group based on its audited consolidated financial statements for the FYEs 31 December 2023 to 2025 are as follows:

	FYE 31 December		
	2023	**2024**	**2025**
	(RM'000)	**(RM'000)**	**(RM'000)**
Revenue	10,344	12,810	11,282
PBT/LBT	(865)	2,575	1,617
PAT/(LAT)	(970)	2,032	1,289
Share capital	1,000	1,000	1,000
Shareholders' funds/ NA	1,176	3,092	4,362
Total borrowings	5,956	4,451	2,592
No. of Regen shares in issue **('000)**	1,000	1,000	1,000
EPS[(1)] **(RM)**	(0.97)	2.03	1.29
NA per Regen share[(2)] **(RM)**	1.18	3.09	4.36
Gearing ratio[(3)] **(times)**	5.06	1.44	0.59
Current ratio[(4)] **(times)**	0.59	0.93	1.59

Notes:

(1) Calculated based on PAT over number of Regen shares in issue.

(2) Calculated based on NA over number of Regen shares in issue.

(3) Calculated based on total borrowings over NA.

(4) Calculated based on current assets over current liabilities.

Commentary on financial performance

(i) FYE 31 December 2025 compared against FYE 31 December 2024

In FYE 31 December 2025, revenue declined by approximately RM1.5 million or 11.9% to approximately RM11.3 million due to a decrease in patient volume. Correspondingly, the PBT for the FYE 31 December 2025 decreased by approximately RM1.0 million or 37.2% to approximately RM1.6 million, partially driven by an increase in administrative expenses. Meanwhile, the PAT for the FYE 31 December 2025 decreased by approximately RM0.7 million or 36.6% to approximately RM1.3 million.

(ii) FYE 31 December 2024 compared against FYE 31 December 2023

In FYE 31 December 2024, revenue increased by approximately RM2.5 million or 23.8% to approximately RM12.8 million due to an increase in patient volume. The LBT for the FYE 31 December 2023 decreased by RM3.4 million or 397.7% to a PBT of approximately RM2.6 million for the FYE 31 December 2024 mainly due to a decrease in administrative expenses. Correspondingly, LAT for the FYE 31 December 2023 decreased by approximately RM3.0 million or 309.5% to a PAT of approximately RM2.0 million for the FYE 31 December 2024.

6. ASSETS OWNED

Based on Regen's latest audited financial statements for the FYE 31 December 2025, the total assets of Regen stood at approximately RM8.2 million, which comprises the following:

Type of assets	(RM'000)
Non-current assets	
Property, plant and equipment	4,248
Investment in subsidiaries	-
Investment in club membership	4
Goodwill on combination	194
Sub-total	4,446
Current assets	
Inventories	275
Trade and other receivables	(1)2,294
Fixed deposits with licensed banks	201
Cash and cash equivalents	957
Sub-total	3,727
Total assets	**8,173**

Note:

(1) Includes the trade and other receivables from Regen Australia of approximately RM0.8 million.

As at the LPD, the Regen Group does not own any properties and operates from 11 rented premises.

7. ACCOUNTING POLICIES

Based on the audited financial statements of Regen for the FYEs 31 December 2023 to 2025, there were:

(i) no exceptional or extraordinary items;

(ii) no accounting policies adopted by Regen which are peculiar to Regen due to the nature of its business or the industry it operates in; and

(iii) no audit qualification for the audited financial statements.

The financial statements of the Regen Group have been prepared in compliance with the Malaysian Private Entities Reporting Standards issued by the Malaysian Accounting Standards Board and the provisions of the Act.

8. MATERIAL COMMITMENTS

As at the LPD, there are no material commitments incurred or known to be incurred by Regen which may have a material impact on the profits or NA of Regen.

9. CONTINGENT LIABILITIES

As at the LPD, the director of Regen is not aware of any contingent liabilities, which upon becoming enforceable, may have a material impact on the financial results or position of Regen.

10. MATERIAL CONTRACTS

As at the LPD, Regen has not entered into any material contracts (not being contracts entered into the ordinary course of business) within 2 years preceding the date of this Circular.

11. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, Regen is not engaged in any material litigation, claims or arbitration, either as a plaintiff or defendant and the director of Regen is not aware of any proceedings pending or threatened against Regen or any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of Regen.

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QuantePhi

QuantePhi Sdn Bhd
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17 September 2026

The Board of Directors,
KYM HOLDINGS BHD
Level 17, KYM Tower
8 Jalan PJU 7/6,
Mutiara Damansara,
47800 Petaling Jaya,
Selangor

Dear Sirs/Madam,

INDEPENDENT VALUATION IN RELATION TO THE PROPOSED ACQUISITION OF 70.00% EQUITY INTEREST IN REGEN HEALTHCARE SDN BHD ("REGEN") BY KYM HEALTHCARE SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF KYM HOLDINGS BHD ("KYM") FOR A MAXIMUM AGGREGATE PURCHASE CONSIDERATION OF RM33.5 MILLION (COMPRISING AN INITIAL CONSIDERATION OF RM9.10 MILLION AND AN EARN-OUT CONSIDERATION OF UP TO RM24.40 MILLION) ("**PROPOSED ACQUISITION**") **("VALUATION")**

1.0 INTRODUCTION

QuantePhi Sdn Bhd (**"QuantePhi"**) was appointed by KYM as an Independent Valuer on 7 August 2026 to assess the fair market value of the 70.00% equity interest in REGEN. QuantePhi's terms of reference as an Independent Valuer is limited to expressing an independent opinion on the fair market value of REGEN as at 28 August 2026 (**"Valuation Date"**) and our opinion has been stated in this letter (**"Valuation Letter"**).

This Valuation Letter is prepared solely for the inclusion in the circular to the shareholders of KYM in relation to the Proposed Acquisition (**"Circular"**). It is not intended for legal or court proceedings, general circulation, publication or reproduction in any form without our prior written consent. Accordingly, we will assume no responsibility or liability for any losses incurred by you or any third party as a result of unauthorised circulation, publication, reproduction of this Valuation Letter in any form and/or where it is contrary to the purpose stated herein.

Definitions or defined terms used in this Valuation Letter shall have the same meaning as the definitions used in the Circular, except where the context otherwise requires or where otherwise defined herein.

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2.0 TERMS OF REFERENCE

2.1 Basis of opinion

The basis of our opinion is grounded on the concept of fair market value, which is described as the arms' length price at which an asset would be exchanged between two parties on a 'willing buyer, willing seller' basis, without any external pressures to buy or sell. This exchange occurs in an open and unhindered market, with both parties possessing adequate knowledge of pertinent information. Market value, in this context, signifies the monetary equivalent of an asset, presuming the transaction to take place under market circumstances that would exist at the asset's valuation date. The amount would not be considered market value if it was influenced by any unique motivations or characteristics of a typical buyer or seller.

2.2 Source of Information

Our scope of work as the Independent Valuer is limited to provide our comments, opinion, information and recommendation on the Proposed Acquisition based on the information, data and documents furnished to us or which are made available to us.

We have relied on the following sources of information to form our opinion of the fair market value of the 70.00% equity interest in REGEN:

(i) historical financial information from the audited financial statements of REGEN for the financial year ended (**"FYE"**) 31 December 2023 to FYE 31 December 2025;

(ii) management account (**"MA"**) of REGEN for the period from 1 January 2026 to 30 June 2026;

(iii) Income Statement projections of REGEN from FYE 31 December 2026 to FYE 31 December 2030;

(iv) discussion with management of REGEN; and

(v) other publicly available information which we deemed to be relevant to our evaluation.

2.3 Scope and Limitation of Review

QuantePhi was not involved in the formulation or any deliberation and negotiation of the terms and conditions of the share sale agreement for the Proposed Acquisition nor have we participated in the Board's deliberation of the Proposed Acquisition. Our appointment as the Independent Valuer does not extend to expressing an opinion on the commercial merits of the Proposed Acquisition and this remains solely the responsibility of the Board of KYM, although we may draw upon their views in arriving at our opinion.

As such, where comments or points of consideration are included on matters, which may be commercially oriented, these are incidental to our overall evaluation and concern matters, which we may deem material for disclosure. Further, our terms of reference do not include us rendering an expert opinion on legal, accounting and taxation issues relating to the valuation and/or the Proposed Acquisition.

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The directors and management of KYM are responsible to make available to us all relevant information pertaining to our evaluation, including informing us of any material changes in the subject matters which may have an impact on our opinion. Our work includes holding discussions and making enquiries to the directors and management of KYM regarding representations made by KYM. We have relied on the Board of KYM and management's oral and written representations, where relevant. In carrying out our evaluation, we have taken into consideration various pertinent factors, which we believe are of general importance to our assessment of the Proposed Acquisition and therefore would be of general concern to the Board of KYM.

The preparation of this Valuation Letter is based upon market, economic, industry and other conditions prevailing as at the Valuation Date, as well as publicly available information and information provided to us by KYM. Such conditions may change significantly over a relatively short period of time.

QuantePhi does not provide any representation or warranty, whether explicit or implicit, that the information and documents furnished will remain unmodified after the issuance of this Valuation Letter. Nonetheless, should QuantePhi become aware of any substantial changes affecting the information contained herein, receive notification of significant alterations in the subject matters that could impact QuantePhi's opinion, or possess reasonable grounds to suspect any statement in this Valuation Letter is misleading, deceptive, or that there are material omissions, we will immediately notify the Board of KYM. If circumstances require, a supplementary Valuation Letter will be issued to the Board of KYM.

We have obtained a Directors' Responsibility Statement from the Board and Management of KYM that all material facts, financial and other information essential to our evaluation have been disclosed to us and that they have seen this Valuation Letter and they, individually and collectively, accept full responsibility for the accuracy of such information contained in this Valuation Letter and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein false or misleading. The Board of KYM has also provided confirmation that all facts and information in respect of the KYM which are relevant to QuantePhi's evaluation of the Proposed Acquisition have been disclosed to QuantePhi, and there are no facts or information, the omission of, which would make any information supplied to us misleading in any respect.

3.0 BACKGROUND INFORMATION ON REGEN

3.1 Background of REGEN

REGEN Healthcare Sdn Bhd, incorporated in Malaysia on 15 October 2015 serves as a broad provider of hospital activities and specialised medical services within the private healthcare sector. The company functions as the central holding entity for the group and wholly owns three direct subsidiaries: Regenerative Healthcare Pty. Ltd., Regen Ambulatory Care Centre Sdn Bhd, and Regen Physio & Sport Rehab Sdn Bhd.

Regen Ambulatory Care Centre Sdn Bhd specialises in day-case medical procedures, offering comprehensive specialist day surgeries, such as endoscopy and orthopaedics,

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which are fully supported by day care ward recovery facilities. Complementing these clinical interventions, Regen Physio & Sport Rehab Sdn Bhd is dedicated to physical rehabilitation and healthcare management. This subsidiary provides personalised physiotherapy, specialised post-surgical recovery programs, sports injury prevention, and corporate wellness programs to ensure holistic patient care. Furthermore, the broader corporate structure includes Regenerative Healthcare Pty. Ltd., which is currently a dormant entity that was incorporated in Australia. Through the integration of these subsidiaries, REGEN Healthcare Sdn Bhd operates as a robust multi-disciplinary specialist and ambulatory care centre combining surgical, diagnostic, and rehabilitation services to deliver comprehensive healthcare solutions.

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4.0 SUMMARY OF FINANCIAL INFORMATION

4.1 Financial Information for REGEN

The financial highlights of REGEN based on the audited financial statements of REGEN for the FYE 31 December 2022, FYE 31 December 2023, FYE 31 December 2024 and FYE 31 December 2025 are set out as below:

FYE 31 December In RM	FYE 2022 Audited	FYE 2023 Audited	FYE 2024 Audited	FYE 2025 Audited
Revenue	10,200,955	10,343,852	12,810,023	11,281,827
Gross profit ("**GP**")	10,192,040	8,069,151	9,523,785	8,529,389
Earnings before Interest, Tax, Depreciation and Amortisation ("**EBITDA**")	2,136,367	2,421,131	4,538,118	3,320,556
Profit before tax ("**PBT**")	295,583	(864,722)	2,575,160	1,617,012
Profit after tax ("**PAT**")	(149,151)	(969,828)	2,031,963	1,288,600
Share capital	1,000,000	1,000,000	1,000,000	1,000,000
Total equity	2,058,638	1,175,639	3,092,333	4,361,736
Total borrowings [(1)]	3,287,685	5,955,714	4,450,707	2,592,416
GP margin (%)	99.91% [(2)]	78.01%	74.35%	75.60%
EBITDA margin (%)	20.94%	23.41%	35.43%	29.43%
PBT margin (%)	2.90%	(8.36%)	20.10%	14.33%
No. of shares	1,000,000	1,000,000	1,000,000	1,000,000
Earnings per share	(0.15)	(0.97)	2.03	1.29
NA per share	2.06	1.18	3.09	4.36
Current ratio (times)	0.35	0.59	0.93	1.59
Gearing ratio (times)	1.60	5.07	1.44	0.59

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Notes:

(1) Total borrowings include term loans, hire purchase, lease liabilities, and financial borrowings.

(2) GP margin in FYE 2022 was elevated as direct costs were classified within Administrative Expenses instead of Cost of Sales prior to the alignment of financial presentation in subsequent years.

We note that the basis of preparation of the financial statements of REGEN is in compliance with the **Malaysian Private Entities Accounting Standard ("MPERS")** and the requirements of the **Companies Act 2016 in Malaysia**. There has been **no audit qualification** reported in the audited financial statements of REGEN during the financial years under review.

Commentaries:

FYE 31 December 2022 vs FYE 31 December 2023

REGEN recorded an improvement in its revenue performance, increasing from RM10.20 million in FYE 31 December 2022 to RM10.34 million in FYE 31 December 2023 due to an increase in patient volume. Gross profit in FYE 2023 decreased compared to FYE 31 December 2022. Consequently, profit before tax deteriorated by RM1.16 million, mainly due to administrative expenses amounting to RM8.81 million. Similarly, the company's loss for the financial year widened from RM0.15 million.

FYE 31 December 2023 vs FYE 31 December 2024

REGEN recorded an improvement in its revenue performance, increasing from RM10.34 million in FYE 31 December 2023 to RM12.81 million in FYE 31 December 2024 due to an increase in patient volume. Gross profit in FYE 2024 increased compared to FYE 31 December 2023. Consequently, profit before tax increased by RM3.44 million, mainly due to a decrease in administrative expenses by RM2.26 million. The company's financial performance turned around from a loss of RM0.97 million in FYE 31 December 2023 to a PAT of RM2.03 million in FYE 31 December 2024.

FYE 31 December 2024 vs FYE 31 December 2025

REGEN recorded a decline in its revenue performance, decreasing from RM12.81 million in FYE 31 December 2024 to RM11.28 million in FYE 31 December 2025 due to a decrease in patient volume. Gross profit in FYE 2025 decreased compared to FYE 31 December 2024. Consequently, profit before tax decreased by RM0.96 million, partially driven by an increase in administrative expenses of RM0.13 million in FYE 31 December 2025 compared to FYE 31 December 2024. The company's PAT declined from RM2.03 million in FYE 31 December 2024 to RM1.29 million in FYE 31 December 2025.

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5.0 INDUSTRY OUTLOOK

5.1 Overview and Outlook of Malaysian Economy

The Malaysian economy grew by 6.0% in the second quarter of 2026

Economic growth strengthened to 6.0% in the second quarter of 2026 (1Q 2026: 5.4%), driven by continued domestic demand and robust exports. Household spending was supported by steady income growth and ongoing policy support. Investment growth was underpinned by continued spending on structures and machinery and equipment. On the external front, exports accelerated, driven mainly by the continued strength in E&E products and sustained expansion in services, as well as the rebound in exports of liquefied natural gas (LNG) and non-E&E manufacturing products. Gross imports expanded further amid robust growth in intermediate and consumer goods imports.

On the supply side, growth was underpinned by the expansion in services and manufacturing sectors. The higher growth in the services sector was supported by business-related subsectors, especially the ICT subsector from the expanding operationalisation of data centres. The robust growth in the manufacturing sector was driven by export-oriented clusters, particularly in E&E following strong AI-related demand. The mining and quarrying sector growth turned positive, reflecting stronger natural gas production. On a quarter-on-quarter seasonally adjusted basis, the economy expanded by 2.5% (1Q 2026: -0.03%).

Headline inflation increased amid moderating core inflation during the quarter

Headline inflation increased to 1.9% (1Q 2026: 1.6%) while core inflation moderated to 1.9% (1Q 2026: 2.1%). The increase in headline inflation mainly reflected higher external cost pressures following the conflict in the Middle East. Fuel prices, particularly RON97 and diesel, increased during the quarter, leading to higher fuel inflation (5.0%; 1Q 2026: -1.5%). Although producer cost pressures increased, these remained concentrated at the upstream stage, with limited pass-through to later stages of production and broader consumer prices during the quarter. Meanwhile, core inflation eased mainly due to softer inflation in jewellery and watches (23.7%; 1Q 2026: 39.1%) and rent (1.4%; 1Q 2026: 1.6%). Inflation pervasiveness, measured by the share of Consumer Price Index (CPI) items registering monthly price increases, rose to 45.5% during the quarter (1Q 2026: 38.3%), close to its historical average of 45.6%, driven mainly by a sharp increase in April before moderating in May and June.

Malaysia's economy continues to demonstrate resilience despite external uncertainties, supported by its strong economic fundamentals

The Malaysian economy remains on a firm footing. Growth in 2026 is projected to remain within the forecast range of 4.0-5.0%, with recent developments indicating that overall growth could be around 5.0%. While the outlook continues to be shaped by external developments, Malaysia is well-positioned to navigate these challenges from a position of strength and policy readiness.

On the domestic front, household spending will benefit from continued income growth as well as ongoing policy measures. Meanwhile, investment activity will be driven by the progress of multi-year projects in both the private and public sectors, continued high realisation of approved investments as well as the ongoing implementation of national master plans. On the external front, export growth will be underpinned by sustained demand for E&E products

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amid growing investment in AI-related activities and global technology expansion. Additional support is expected from the rebound in non-E&E exports, alongside sustained tourist spending and expansion in ICT services exports.

Headline inflation is projected to average between 1.5-2.5% in 2026. Recent inflation outturns and high-frequency indicators continue to point to modest consumer price increases. While external cost pressures arising from the Middle East conflict may exert some upward pressure on prices going forward, the overall impact on inflation for 2026 is expected to remain contained. In particular, domestic policy measures such as targeted fuel subsidies, together with stable demand conditions, are expected to help limit the pass-through of higher global costs to domestic prices.

(Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2026, Bank Negara Malaysia)

Commentaries:

Above demonstrate that Malaysia's macroeconomic outlook remains broadly resilient, supported by strong domestic economic fundamentals, continued household spending, robust investment activity and sustained export growth. The Malaysian economy expanded by 6.0% in the second quarter of 2026, compared to 5.4% in the preceding quarter, driven by continued domestic demand and robust exports. Household spending remained supported by steady income growth and ongoing policy measures, while investment growth continued to be underpinned by spending on structures, machinery and equipment, as well as the progress of multi-year projects across both the private and public sectors. In particular, Malaysia continues to benefit from sustained demand for electrical and electronics ("E&E") products, particularly amid growing artificial intelligence ("AI")-related activities and global technology expansion, as well as continued growth in services, ICT-related activities and tourism. Inflationary pressures also remained moderate, with headline inflation projected to average between 1.5% and 2.5% in 2026, while targeted policy measures are expected to help contain the pass-through of higher global costs to domestic prices.

However, Malaysia continues to face external risks stemming from geopolitical tensions, evolving global trade policies, fluctuations in commodity prices and volatility in international financial markets. Such factors, together with potential geoeconomic shifts and uncertainties arising from rapid technological developments, may affect the future economic outlook of Malaysia and the global economy. Nevertheless, Malaysia is expected to remain well-positioned to navigate these challenges, supported by its diversified economic structure, resilient domestic demand, strong investment pipeline and sustained external demand. With continued policy support, the implementation of national master plans and high realisation of approved investments, Malaysia has a strong foundation to withstand external headwinds and sustain its longer-term economic growth.

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5.2 Overview and Outlook of the Healthcare Industry in Malaysia

Malaysia's private healthcare market is projected to more than double to RM158.00 billion by 2029 from about RM74.00 billion in 2022, reflecting an 11.4% compound annual growth rate as demand rises across hospital care, diagnostics and specialist services.

Malaysia's healthcare sector has demonstrated sustained expansion, supported by rising service utilization and structured public investment. The Ministry of Health reported over 138 public hospitals and more than 45,000 hospital beds nationwide, reflecting steady infrastructure scaling aligned with population needs. Patient volumes continue to rise, with outpatient visits exceeding hundreds of millions annually, driven by increased awareness and insurance penetration. Institutional end-users, particularly public hospitals and teaching facilities, remain the primary demand drivers, ensuring consistent consumption of pharmaceuticals, diagnostics, and medical technologies.

Epidemiological transition is a key growth catalyst, with non-communicable diseases such as diabetes, cardiovascular disorders, and cancer showing accelerated prevalence increases. According to national health data, diabetes alone affects over 21.0% of adults. Cancer incidence and mortality continue to rise significantly, with deaths reaching over 19,000 cases in 2024, reflecting an increasing oncology burden. Additionally, Malaysia is strengthening rare and genetic disease management through national registries and genomic initiatives led by research institutions. This evolving disease burden is expanding demand for specialized care, precision medicine, and long-term treatment solutions across tertiary healthcare providers.

Government-led frameworks, including the Twelfth Malaysia Plan (2021–2025) and continued allocations in the 2026 federal budget, emphasize digital health integration and capacity expansion. Investments in electronic medical records, telemedicine platforms, and AI-driven diagnostics are accelerating, supported by collaborations with technology firms and academic centers. The Ministry of Health has also advanced regulatory pathways for digital therapeutics and medical devices, encouraging innovation and adoption. These initiatives are strengthening healthcare accessibility while improving efficiency across institutional and semi-private healthcare systems.

Malaysia's pharmaceutical and medical manufacturing ecosystem is evolving with localized production and regional export ambitions. Industrial clusters in Selangor and Penang serve as key pharmaceutical hubs, hosting multinational and domestic manufacturers expanding biologics and specialty drug capabilities. Companies are investing in AI-enabled drug discovery, automation, and sustainable manufacturing practices to enhance competitiveness. Institutional buyers, including hospitals and research centers, are increasingly adopting advanced therapeutics and digital tools, reinforcing a forward-looking market outlook supported by technology integration and policy-driven modernization.

(Source: "Malaysia's healthcare sector to expand 12pct by 2030", New Straits Times; Malaysia Healthcare Market Research Report: Trends, Forecast & Opportunities (2026-2032), MarkNtel Advisors)

Commentaries:

Above demonstrate that healthcare industry is projected to sustain its robust long term growth, backed up by rising usage of healthcare services, growing healthcare infrastructure and increased demand for pharmaceuticals, diagnostics and medical technologies. The

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sector will also be further strengthened by Malaysia's changing demographics and epidemiology, notably the rising prevalence of non-communicable diseases such as diabetes, cardiovascular diseases and cancers. The complexity of disease burden, in turn, will fuel rising demand beyond regular healthcare services and toward specialised treatment, personalised medicine, oncology and disease management, contributing to sectoral growth at public and private players in the healthcare space.

Moreover, development efforts led by the government and the growth of Malaysia's pharmaceutical and medical manufacturing sector are expected to contribute to structural support in the sector. Growing investments in electronic health records, telemedicine, AI-powered diagnostics and other innovative solutions are enhancing the efficiency of healthcare, while policy efforts remain aimed at promoting innovation and manufacturing. The growth of pharmaceutical and biotechnological industries, in particular in existing clusters, coupled with growing ambitions for regional exports, makes Malaysia well-placed to capitalize on growing convergence of technology, healthcare and manufacturing. Overall, supportive sectoral demand drivers and favourable policy environment create a positive backdrop for healthcare market expansion.

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6.0 VALUATION METHODOLOGY

6.1 Basis and Method Used to Form an Opinion on Valuation

In establishing our opinion on the fair market value of the equity interest in REGEN, QuantePhi has considered various methodologies which are commonly used for valuation of equity interest in a company. The following valuation methodologies were considered and selected by QuantePhi to evaluate the market value of the equity interest of REGEN:

(A) Relative Valuation Analysis ("**RVA**"); and

(B) Comparable Transaction Analysis ("**CTA**").

Under the RVA and CTA valuation methodologies, we have primarily adopted the multiples based on price-to-earnings ("**P/E**"), enterprise value to earnings before interest, taxation, depreciation and amortisation ("**EV/EBITDA**"), and enterprise value to revenue ("**EV/Revenue**") in evaluating the fairness of the fair market value of the 70.00% equity interest in REGEN:

Multiples	General Description
P/E	P/E is a valuation metric which compares a company's share price against its Earnings-per-Share ("**EPS**"). It is useful to compare a company's P/E to that of its peers to gauge how richly the company is valued relative to its peers. A higher P/E multiple would generally mean that investors are willing to pay more for the same EPS.
EV/EBITDA	EV/EBITDA is a valuation metric which compares a company's enterprise value against its EBITDA. It is useful to compare a company's EV/EBITDA to its peers to gauge how richly the company's EBITDA is valued relative to its peers. A higher EV/EBITDA multiple would generally mean that investors are willing to pay more for the same EBITDA.
EV/Revenue	EV/Revenue compares a company's enterprise value to its total revenue. It is useful for valuing companies with limited profitability or volatile earnings. A higher EV/Revenue multiple generally indicates stronger growth expectations or better market positioning relative to peers.

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Prior to the decision to adopt the RVA and CTA methods, QuantePhi has also evaluated alternative valuation methodologies and determined that these alternative methods are not suitable for assessing the fair market value of the equity interest in REGEN, considering the following factors:

Valuation Methodology	Discussion
Revalued Net Asset Valuation ("**RNAV**")	RNAV method seeks to adjust a company's Net Asset value to determine its financial worth. We have decided not to employ this methodology because REGEN is a profitable going concern operating as a multi-disciplinary specialist and ambulatory care provider. While property, plant, and equipment comprise approximately 51.98% of its total assets as of 31 December 2025, REGEN's true value lies in its ongoing operational cash flows and specialised healthcare service delivery. Therefore, we believe that utilising RNAV may not accurately capture the full potential and value of REGEN.
Discounted Cash Flow ("**DCF**")	DCF is a financial valuation method used to estimate the intrinsic value of an investment or business based on its expected future cash flows. We have decided not to employ the DCF methodology because we neither have the expected future cash flows of REGEN, nor do we have the sufficient details of future projects and undertakings to forecast the said future cash flows. Therefore, we do not have reasonable future cash flows to perform the DCF valuation.

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6.2 Key Valuation Methodologies and the Valuation

(A) RVA

We have considered RVA as it is a method likely to reflect the current sentiment of the market. This method seeks to compare a company's implied trading multiple to that of comparable companies to determine the company's financial worth. Under the RVA, reference was made to the trading multiples of six ('6') listed companies in the healthcare, medical specialist, and ambulatory care industry ("**Comparable Companies**"). The RVA analysis also serves as a cross-validation tool to benchmark the valuation outcome, ensuring that the implied valuation is aligned with prevailing market multiples and investor expectations.

Given the nature of REGEN's business model as a multi-disciplinary specialist and ambulatory care operator, we have selected Comparable Companies that share a common thread with REGEN's business activities, taking into consideration their size, scale, and focus on medical consultations, day surgeries, rehabilitation, or related healthcare support services.

All information obtained was sourced from the most recent annual reports of each respective company available as at the Valuation Date unless stated otherwise. It is important to acknowledge that there is no publicly listed company which may be exactly identical to REGEN. The Comparable Companies tabulated herein are by no means exhaustive and may exhibit differences from REGEN in various aspects, including but not limited to the composition of business activities, scale of operations, geographical location of operations, historical profit performance, financial profile, risk profile, asset base, future prospects, capital structure, marketability of their securities, track record, competitive environment, accounting and tax policies and other criteria.

Furthermore, any comparisons drawn with respect to the Comparable Companies are solely intended to provide context for the implied valuations of REGEN. The selection of Comparable Companies and the adjustments made are subject to a high degree of subjectivity and judgement, and it should be recognised that the chosen companies may not be entirely comparable due to various factors.

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The details of the Comparable Companies and the input parameters for the valuation statistics based on the closing price as at Valuation Date are set out as follows:

Comparable Companies [1]	Principal Activities [2]	Market Capitalisation (RM million) [3]
PMCK Berhad (KLSE:PMCK)	Investment holding company providing specialist medical consulting and healthcare support services (facilities, nursing, dental, lab, polyclinic) in Malaysia.	218.12
Cengild Medical Berhad (KLSE:CENGILD)	Operates a medical centre offering consultant and treatment services in gastroenterology, oncology, cardiology, general surgery, and related specialties, plus supporting clinical, lab, and imaging services.	162.42
Metro Healthcare Berhad (KLSE:METRO)	Provides hospital and related services, including inpatient/outpatient care, ambulatory care, obstetrics, gynaecology, paediatrics, and diagnostic imaging.	205.57
UMediC Group Berhad (KLSE:UMC)	Develops, manufactures, and distributes medical devices; operates nursing homes/healthcare centres and provides equipment servicing and clinical training.	114.04
DC Healthcare Holdings Berhad (KLSE:DCHCARE)	Provides aesthetic medical services (non-invasive/minimally invasive procedures) and general medical consultations.	99.63
Optimax Holdings Berhad (KLSE:OPTIMAX)	Provides eye specialist services and related products, covering cataracts, glaucoma, LASIK, and paediatric eye care.	282.52

Notes:

(1) Comparable Companies selected are based on companies that are principally involved in the REGEN's business activities, taking into consideration their size, scale, and focus on medical consultations, day surgeries, rehabilitation, or related healthcare support services.

(2) Extracted from latest annual reports and websites of the respective companies available as at Valuation Date.

(3) Derived from total number of shares times by share price based on latest annual reports available as at Valuation Date.

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The Last Twelve Months ("**LTM**") of P/E, EV/EBITDA and EV/Revenue of Comparable Companies for the Proposed Acquisition as at the Valuation Date are set out as follows:

Comparable Companies	**LTM P/E** (1) (times)	**LTM EV/EBITDA** (1) (times)	**LTM EV/REVENUE** (1) (times)
PMCK	14.29	9.46	1.88
CENGILD	13.93	10.13	2.74
METRO	30.00	12.88	3.38
UMC	13.86	8.49	2.13
DCHCARE	33.33	5.96	1.28
OPTIMAX	21.67	8.08	2.26
Minimum	**13.86x**	**5.96x**	**1.28x**
Median	**17.98x**	**8.97x**	**2.20x**
Maximum	**33.33x**	**12.88x**	**3.38x**
With Illiquidity Discount of 25% (2)			
Minimum	**10.40x**	**4.47x**	**0.96x**
Median	**13.48x**	**6.73x**	**1.65x**
Maximum	**25.00x**	**9.66x**	**2.53x**

Notes:

(1) Extracted from S&P Capital IQ as at the Valuation Date.

(2) Derived by discounting the multiples by 25.00%. The Illiquidity Discount of 25.00% is applied because the shares of REGEN are not publicly traded, and their financials are smaller compared to the Comparable Companies, based on empirical valuation studies by Aswath Damodaran, which observe an illiquidity discount ranging between 20.0% and 30.0% for companies not publicly traded.

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Based on the relative multiples as detailed above, we have derived the valuation based on the 100.00% equity interest in REGEN as follows:

Equity Value	LTM P/E (RM million)	LTM EV/EBITDA (RM million)	LTM EV/REVENUE (RM million)
Minimum	**13.40**[(1)]	**13.40**[(3)]	**9.36**[(5)]
Maximum	**32.21**[(2)]	**30.64**[(4)]	**27.15**[(6)]

Notes:

(1) Derived by multiplying the Minimum Post-Discount P/E Multiple of 10.40x with FY2025 PAT of RM1.29 million.

(2) Derived by multiplying the Maximum Post-Discount P/E Multiple of 25.00x with FY2025 PAT of RM1.29 million.

(3) Derived by multiplying the Minimum Post-Discount EV/EBITDA Multiple of 4.47x with FY2025 EBITDA of RM3.32 million, and adjusting for Net Debt of RM1.43 million.

(4) Derived by multiplying the Maximum Post-Discount EV/EBITDA Multiple of 9.66x with FY2025 EBITDA of RM3.32 million, and adjusting for Net Debt of RM1.43 million.

(5) Derived by multiplying the Minimum Post-Discount EV/Revenue Multiple of 0.96x with FY2025 Revenue of RM11.28 million, and adjusting for Net Debt of RM1.43 million.

(6) Derived by multiplying the Maximum Post-Discount EV/Revenue Multiple of 2.53x with FY2025 Revenue of RM11.28 million, and adjusting for Net Debt of RM1.43 million.

The table below sets out the valuation for the 70.00% equity interest in REGEN:

Equity Value	LTM P/E (RM million)[(1)]	LTM EV/EBITDA (RM million)[(1)]	LTM EV/REVENUE (RM million)[(1)]
Minimum	**9.38**	**9.38**	**6.55**
Maximum	**22.55**	**21.45**	**19.01**

Notes:

(1) Derived by multiplying the valuation for 100.00% equity interest with 70.00%.

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Based on the intersection of the ranges derived from the RVA Methodology, the indicative 100.00% equity valuation range for REGEN is between RM9.36 million and RM32.21 million. For the 70.00% equity interest subject to the Proposed Acquisition, this translates to a proportional valuation range of between RM6.55 million and RM22.55 million.

The Proposed Acquisition structures the Purchase Consideration for the 70.00% equity interest into two performance-based tiers, which are an Initial Consideration and an Earn-Out Consideration. The Earn-Out is calculated using a 10.00x P/E multiple for an average PAT above RM1.30 million and below RM3.00 million, and an 11.00x P/E multiple for an average PAT of RM3.00 million or more.

Under the Base Scenario, the Initial Consideration of RM9.10 million for the 70.00% stake implies a 100.00% Equity Value of RM13.00 million. Based on the audited FYE 31 December 2025 PAT of RM1.29 million, this translates to an implied P/E multiple of 10.09x. The Base Scenario implied P/E of 10.09x is slightly below the minimum Post-Discount Market P/E of 10.40x and well below the median of 13.48x.

Under the Maximum Scenario, the maximum aggregate Purchase Consideration is capped at RM33.50 million for the 70.00% stake, implying a maximum 100.00% Equity Value of RM47.86 million. This maximum payout is strictly contingent upon REGEN achieving an average PAT of RM4.35 million across FYE 31 December 2026 and FYE 31 December 2027, which translates to an implied P/E multiple of 11.00x if the performance target is met. The Maximum Scenario implied P/E of 11.00x remains slightly above the minimum Trading Comparable P/E of 10.40x, but notably below the median of 13.48x.

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QuantePhi

(B) CTA

We have assessed the Proposed Acquisition within the context of selected Precedent Transactions involving acquisitions of significant stakes in the companies that are principally involved in the expansive value chain within the healthcare and hospital sector, similar to REGEN ("**Precedent Transactions**"). As such, the Precedent Transactions provide an indication of the range of relative valuations that were paid to acquire a significant equity stake in other companies within the healthcare and hospital sector.

It is important to note that any comparisons drawn between REGEN and the selected Precedent Transactions are intended solely for the purpose of offering a perspective on the implied valuation of REGEN. These comparisons involve a high degree of subjectivity and judgement, and it should be noted that the selected Precedent Transactions may not be entirely comparable due to various factors.

The Precedent Transactions were identified by screening completed transactions for the past 6 years preceding the LPD. The screening criteria targeted acquisitions of significant or controlling equity stakes in companies operating within the healthcare and hospital business. From the identified transactions, the selection was narrowed down to 5 Precedent Transactions based on 2 specific parameters:

(i) the targets were profitable; and

(ii) available financial data in order to calculate earnings based multiples.

In respect of the comparable transactions analysis as set out below, there is no one Precedent Transaction that may be identical to Regen in terms of composition of business, scale of operations, geographical spread of activities, track record, asset base, risk profile and future prospects. However, the list of comparable transactions were mainly selected as their principal activities are similar to Regen's principal activities.

QuantePhi

The details of the Precedent Transactions and the relevant valuation multiples are set out as follows:

Acquisition Year	Target Companies	Acquirer	Stake Acquired (%)	Implied P/E (times)	Implied EV/EBITDA (times)
2024	Island Hospital	IHH Healthcare	100.00	N/A(1)	19.20(2)
2024	Timberland Medical Centre	IHH Healthcare	100.00	15.27(3)	10.02(4)
2023	Ramsay Sime Darby Healthcare	Columbia Asia	100.00	N/A(1)	18.94(5)
2022	Asian Healthcare Specialists	Doctor Anywhere	100.00	20.50(6)	N/A(1)
2020	Prince Court Medical Centre	IHH Healthcare	100.00	N/A(1)	23.20(7)
Minimum				**15.27**	**10.02**
Median				**17.88**	**19.07**
Maximum				**20.50**	**23.20**

Notes:

(1) P/E Multiple and EV/EBITDA Multiple are not publicly available.

(2) Derived based on an implied Enterprise Value of RM4,200.00 million (calculated from the RM3,924.00 million equity consideration plus approximately RM276.00 million in net debt) against a projected EBITDA of RM218.70 million.

(3) Derived from the acquisition consideration of RM245.00 million against Timberland Medical Centre's reported PAT of RM16.05 million.

(4) Derived from the Enterprise Value of RM245.00 million (the transaction was executed on a cash-free, debt-free basis, making Equity Value equal to Enterprise Value) against Timberland Medical Centre's reported EBITDA of RM24.45 million.

(5) Derived from the transaction Enterprise Value of RM5,700.00 million against its reported EBITDA of RM301.00 million (as per bank disclosures).

(6) Extracted from the official SGX offer document, which stated that Doctor Anywhere's offer price implied a LTM P/E multiple of 20.50x.

(7) Derived based on the RM1,020.00 million cash consideration paid by IHH Healthcare (Enterprise Value) against a reported EBITDA of RM44.00 million, representing an implied EV/EBITDA multiple of 23.20x as cited by equity research reports.

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Equity Value	Precedent P/E (RM million)	Precedent EV/EBITDA (RM million)
Minimum	**19.68**[(1)]	**31.84**[(3)]
Maximum	**26.42**[(2)]	**75.60**[(4)]

Notes:

(1) Derived by multiplying the Minimum Precedent P/E Multiple of 15.27x with FY2025 PAT of RM1.29 million.

(2) Derived by multiplying the Maximum Precedent P/E Multiple of 20.50x with FY2025 PAT of RM1.29 million.

(3) Derived by multiplying the Minimum Precedent EV/EBITDA Multiple of 10.02x with FY2025 EBITDA of RM3.32 million, and adjusting for Net Debt of RM1.43 million.

(4) Derived by multiplying the Maximum Precedent EV/EBITDA Multiple of 23.20x with FY2025 EBITDA of RM3.32 million, and adjusting for Net Debt of RM1.43 million.

The table below sets out the valuation for the 70.00% equity interest in REGEN:

Equity Value	Precedent P/E (RM million) [(1)]	Precedent EV/EBITDA (RM million) [(1)]
Minimum	**13.77**	**22.29**
Maximum	**18.49**	**52.92**

Notes:

(1) Derived by multiplying the valuation for 100.00% equity interest with 70.00%.

Based on the CTA Methodology, the indicative 100.00% equity valuation range for REGEN is between RM19.68 million and RM75.60 million. For the 70.00% equity interest subject to the Proposed Acquisition, this translates to a proportional valuation range of between RM13.77 million and RM52.92 million.

Under the Base Scenario, the Initial Consideration of RM9.10 million for the 70.00% stake implies a 100.00% Equity Value of RM13.00 million. Based on the audited FYE 31 December 2025 PAT of RM1.29 million, this translates to an implied P/E multiple of 10.09x. The Base Scenario implied P/E of 10.09x is positioned below the minimum Precedent Transaction P/E of 15.27x and significantly below the median of 17.88x.

Under the Maximum Scenario, the maximum aggregate Purchase Consideration is capped at RM33.50 million for the 70.00% stake, implying a maximum 100.00% Equity Value of RM47.86 million. This maximum payout is strictly contingent upon REGEN achieving an average PAT of RM4.35 million across FYE 31 December 2026 and FYE 31 December 2027, which translates to an implied P/E multiple of 11.00x if the performance target is met. The Maximum Scenario implied P/E of 11.00x is below the minimum Precedent Transaction P/E of 15.27x and well below the median of 17.88x.

QuantePhi

6.3 Valuation Range

While QuantePhi has evaluated EV/EBITDA and EV/Revenue metrics for comprehensive benchmarking, our final fairness opinion is primarily anchored on the P/E multiple. This is because the Proposed Acquisition's Earn-Out Consideration is directly formulated and structured upon REGEN's future PAT targets.

Premised on our evaluation of the RVA and CTA methodologies as shown in Section 6.2 (A) and 6.2 (B), the indicative valuation ranges for REGEN, expressed in terms of P/E multiples, are as follows:

(i) RVA: 10.40x to 25.00x; and

(ii) CTA: 15.27x to 20.50x.

By combining the valuation boundaries derived from the RVA and CTA methodologies, we are of the view that the overall indicative valuation range for REGEN is between a P/E multiple of 10.40x and 25.00x.

Based on the above, we note that the Initial Consideration of RM9.10 million for the 70.00% equity interest under the Base Scenario translates to an implied P/E multiple of 10.09x. This is positioned conservatively, slightly below the lower bound of the overall indicative valuation range (10.40x) and notably below the medians of both the Trading Comparables (13.48x) and Precedent Transactions (17.88x).

Furthermore, the maximum aggregate Purchase Consideration of up to RM33.50 million for the 70.00% equity interest under the Maximum Scenario translates to an implied P/E multiple of 11.00x. We note that achieving this maximum payout is strictly contingent upon REGEN meeting stringent forward-looking performance targets, specifically an average PAT of RM4.35 million. At an implied P/E of 11.00x, this maximum consideration falls safely within the overall indicative valuation range, sitting slightly above the minimum market multiple of 10.40x, but remaining well below the medians of both the Trading Comparables (13.48x) and Precedent Transactions (17.88x).

QuantePhi

7.0 OUR OPINION

It should be recognised that valuing any entity is inherently uncertain and requires a significant amount of subjectivity and judgement. Valuations are sensitive to the inputs used in the model, and they can change rapidly in response to market fluctuations and shifts in the broader environment, including changes in market conditions and industry outlook.

In determining our opinion regarding the fair market value of the 70.00% equity interest for the maximum aggregate Purchase Consideration of up to RM33.50 million (comprising an Initial Consideration of RM9.10 million and an Earn-Out Consideration of up to RM24.40 million) in REGEN, we have considered various commonly used valuation methodologies. The valuation methodologies chosen by QuantePhi to assess REGEN are based on the RVA and CTA methodologies, yielding the following indicative P/E multiple ranges:

(i) RVA: 10.40x to 25.00x; and

(ii) CTA: 15.27x to 20.50x.

By combining the valuation ranges derived from the RVA and CTA methodologies, we are of the opinion that the overall indicative valuation range for REGEN is between a P/E multiple of 10.40x and 25.00x.

As the implied P/E multiples of the Initial Consideration (10.09x) and the Maximum Consideration (11.00x) fall slightly below or at the lower end of this indicative market range and are notably below the medians of both the Trading Comparables (13.48x) and Precedent Transactions (17.88x), we are of the view that the Purchase Consideration for the Proposed Acquisition is **fair**.

Notwithstanding the above, we wish to highlight that the valuation based on RVA and CTA methodologies are based on prevailing economic, market and other conditions as at the Valuation Date. Such conditions may change significantly over a short period. The resultant effect of such change may materially and/or adversely affect the valuation.

Should QuantePhi become aware of any substantial changes impacting the information contained in this Valuation Letter, or if we have reasonable grounds to believe that any statement within this Valuation Letter is misleading, deceptive, or omits material information, we will immediately notify the Board of KYM. If circumstances require, a supplementary Valuation Letter will be issued to the Board of KYM.

Yours faithfully,
For and on behalf of
QUANTEPHI SDN BHD



RIFQY NASIS
Executive Director

Company No : 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.

(Incorporated in Malaysia)

FINANCIAL STATEMENTS

31 DECEMBER 2025

CHOOK & CO
CHARTERED ACCOUNTANTS

Company No : 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

FINANCIAL STATEMENTS

31 DECEMBER 2025

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Company No : 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

CORPORATE INFORMATION

DIRECTOR	Rajesh Singh A/L Karnail Singh
SECRETARIES	Nurunnassuha binti Ramli (MIA47667) Benedict Saw Ban Hin (MIA45681)
AUDITORS	Chook & Co Chartered Accountants Unit No. L13A-03-03A PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya, Selangor
REGISTERED OFFICE	No.123 (1st Floor) Jalan SS6/12, Kelana Jaya 47301 Petaling Jaya, Selangor
BANKERS	Bank Muamalat Malaysia Berhad CIMB Bank Berhad Malayan Banking Berhad

Company No : 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

DIRECTOR'S REPORT

The director hereby submits the report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of providing medical consultation and procedures for soft tissue injuries.

The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

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

FINANCIAL RESULTS

	Group	Company
	RM	RM
Profit for the year	1,288,600	446,727

DIVIDENDS

No dividends have been paid, declared or proposed by the Company since the end of the previous financial year.

RESERVES AND PROVISIONS

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

Company No : 201501037015 (1162336-T)

SHARES AND DEBENTURES

The Company did not issue any new share or debenture during the financial year.

SHARE OPTIONS

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

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

DIRECTOR

The director of the Company in office at any time during the year or since the end of the year are :

Rajesh Singh A/L Karnail Singh

Rajesh Singh A/L Karnail Singh also acts as director for the Company's three subsidiaries.

DIRECTOR'S BENEFITS

During and at the end of the year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling director of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the director shown in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Company No : 201501037015 (1162336-T)

DIRECTOR'S INTERESTS

According to the Register of Director's Shareholdings, under section 59 of the Companies Act, 2016, the interests of director in office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:

	Number of Ordinary Shares			
	At 1.1.2025	Bought	Sold	At 31.12.2025
Rajesh Singh A/L Karnail Singh	1,000,000	-	-	1,000,000

Rajesh Singh A/L Karnail Singh by virtue of his shares in the Company is also deemed to have interest in the shares of all subsidiaries of Regen Healthcare Sdn. Bhd., in proportion to his shareholdings.

DIRECTOR'S REMUNERATION

The amounts of the remuneration of the director or past director of the Company comprising remuneration received/receivable from the Company and its subsidiaries during the year are as follows :

	Group 2025	Company 2025
	RM	RM
Director's remuneration	420,000	-

The estimated money value of other benefits received or receivable by the director or past director otherwise in cash from the Company and its subsidiaries during the year is NIL (2024 : NIL)

Total amount paid to or receivable by any third party in respect of the services provided to the Company by the director or past director of the Company and its subsidiaries during the year is NIL (NIL in 2024).

INDEMNIFYING DIRECTOR, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been the director, officer or auditor of the Company.

OTHER STATUTORY INFORMATION

Before financial statements of the Group and of the Company were made out, the director took reasonable steps :

(a) to ascertain that proper action had been taken in relation to the writing-off of bad debts and the making of allowance for doubtful debts, and has satisfied that all known bad debts had been written-off and that adequate allowance had been made for doubtful debts ; and

(b) to ensure that current assets which were unlikely to be realised at their book values in the ordinary course of business have been written down to their estimated realisable values.

Company No : 201501037015 (1162336-T)

OTHER STATUTORY INFORMATION (Cont'd)

As at the date of this report, the director is not aware of circumstances :

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

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

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

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

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

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the year and secures the liability of any other person ; or

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

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the year which, in the opinion of the director, will or may substantially affect the ability of the Group and of the Company to meet its obligations as and when they fall due.

In the opinion of the director :

(a) the results of the operations of the Group and of the Company during the year were not substantially affected by any item, transaction or event of a material and unusual nature.

(b) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the year in which this report is made.

AUDITORS' REMUNERATION

The total amounts of auditors' remuneration are as follows :

	Group 2025	Company 2025
	RM	RM
Statutory audit	22,900	5,000

Company No : 201501037015 (1162336-T)

AUDITORS

The auditors, Messrs. Chook & Co., have expressed their willingness to continue in office.

On behalf of the Board,

RAJESH SINGH A/L KARNAIL SINGH
Director

Petaling Jaya, Selangor
Dated : 02 MAR 2026

Company No : 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

STATEMENT BY DIRECTOR

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

I, **RAJESH SINGH A/L KARNAIL SINGH,** being the director of **REGEN HEALTHCARE SDN. BHD.,** do hereby state that, in my opinion, the accompanying statements of financial position as at 31 December 2025 and the related statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, together with the notes thereto, give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2025 and of the results of their operations and the cash flows for the year ended, and have been drawn up in accordance with Malaysian Private Entities Reporting Standards and the Companies Act, 2016.

On behalf of the Board,

RAJESH SINGH A/L KARNAIL SINGH
Director

Petaling Jaya, Selangor
Dated : 0 2 MAR 2026

STATUTORY DECLARATION

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

I, **RAJESH SINGH A/L KARNAIL SINGH,** being the director primarily responsible for the financial management of **REGEN HEALTHCARE SDN. BHD.,** do solemnly and sincerely declare that the accompanying statements of financial position of the Group and of the Company as at 31 December 2025 and the related statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year ended, together with the notes thereto are, to the best of my knowledge and belief correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed **RAJESH SINGH A/L KARNAIL**)
SINGH at Petaling Jaya in Selangor Darul Ehsan)
0 2 MAR 2026)

RAJESH SINGH A/L KARNAIL SINGH

Director

Before me,

Commissioner for Oaths
No. 24A, 1st Floor,
Jalan SS6/12,
Kelana Jaya,
47301 Petaling Jaya,
Selangor Darul Ehsan

A Firm Registered with the Malaysian Institute of Accountants

CHOOK & CO
CHARTERED ACCOUNTANTS
(AF1939)

Unit No. L13A-03-03A
PJX-HM Shah Tower
No. 16A, Persiaran Barat
46050 Petaling Jaya, Selangor
Tel: 603-79320501, Fax: 603-79320503
Email: chook@megahsec.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of REGEN HEALTHCARE SDN. BHD., which comprise the statements of financial position as at 31 December 2025 and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, including a summary of significant accounting policies and other explanatory notes, as set out on the accompanying pages.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and their financial performances and cash flows for the year then ended in accordance with Malaysian Private Entities Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the 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' Code of Ethics for Professional Accountants including International Independence Standards ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Company No : 201501037015 (1162336-T)

Information Other than the Financial Statements and Auditors' Report Thereon

The director of the Company is responsible for the other information. The other information comprises the Director's Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the Director's Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the Director's Report and, in doing so, consider whether the Director's Report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Director's Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Director for the Financial Statements

The director of the Company is responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The director is also responsible for such internal control as the director determines is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the director is responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Company and any of its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

Company No : 201501037015 (1162336-T)

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 5 to the financial statements.

Other Matters

This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibilities to any other person for the content of this report.



CHOOK & CO.
(NO: AF 1339)
CHARTERED ACCOUNTANTS



CHOOK KIM HOE
CHARTERED ACCOUNTANT
(NO: 02096/11/2026J)

Company No: 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	Group		Company	
		2025	2024	2025	2024
		RM	RM	RM	RM
NON-CURRENT ASSETS					
Property, plant and equipment	4	4,248,514	5,584,311	668,704	1,068,454
Investments in subidiaries	5	-	-	2,968,307	2,867,160
Investment in club membership	6	3,950	4,250	3,950	4,250
Goodwill on combination	22	194,157	258,876	-	-
		4,446,621	5,847,437	3,640,961	3,939,864
CURRENT ASSETS					
Inventories	7	275,152	221,142	57,172	52,101
Trade and other receivables	8	2,293,588	2,386,032	2,483,893	3,066,964
Fixed deposits with licensed banks		200,758	580,654	-	580,654
Cash and cash equivalents	9	957,287	207,790	40,896	54,557
		3,726,785	3,395,618	2,581,961	3,754,276
TOTAL ASSETS		8,173,406	9,243,055	6,222,922	7,694,140
EQUITY ATTRIBUTABLE TO OWNER OF THE COMPANY					
Share capital	10	1,000,000	1,000,000	1,000,000	1,000,000
Foreign exchange translation reserve		(198,152)	(178,955)	-	-
Retained profits	11	3,559,888	2,271,288	2,107,630	1,660,903
TOTAL EQUITY		4,361,736	3,092,333	3,107,630	2,660,903
NON-CURRENT LIABILITIES					
Bank borrowings	12	169,125	370,326	76,297	229,899
Lease liabilities	13	1,282,353	2,039,361	890,661	1,462,032
Deferred tax liabilities	14	16,314	81,182	17,453	34,815
		1,467,792	2,490,869	984,411	1,726,746
CURRENT LIABILITIES					
Trade and other payables	15	536,050	888,594	698,838	1,087,907
Bank borrowings - current portions	12	383,929	1,237,927	333,002	1,128,903
Lease liabilities-current portions	13	757,009	803,093	571,372	629,242
Current tax liabilities		666,890	730,239	527,669	460,439
		2,343,878	3,659,853	2,130,881	3,306,491
TOTAL LIABILITIES		3,811,670	6,150,722	3,115,292	5,033,237
TOTAL EQUITY AND LIABILITIES		8,173,406	9,243,055	6,222,922	7,694,140

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

Company No: 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Group		Company	
		2025	2024	2025	2024
		RM	RM	RM	RM
REVENUE	3.3	11,281,827	12,810,023	1,831,568	2,272,516
Total cost of sales and direct expenses	16	(2,752,438)	(3,286,238)	(229,444)	(256,539)
GROSS PROFIT		8,529,389	9,523,785	1,602,124	2,015,977
Other income		12,930	47,257	237,298	1,768,685
Administrative expenses		(6,676,622)	(6,543,865)	(1,031,113)	(1,696,693)
PROFIT FROM OPERATIONS		1,865,697	3,027,177	808,309	2,087,969
Finance costs		(248,685)	(452,017)	(203,107)	(335,238)
PROFIT BEFORE TAXATION	17	1,617,012	2,575,160	605,202	1,752,731
Income tax expense	18	(328,412)	(543,197)	(158,475)	56,536
PROFIT FOR THE YEAR		1,288,600	2,031,963	446,727	1,809,267
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified subsequently to profit or loss					
Foreign currency translation differences on foreign operations		(19,197)	(115,269)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,269,403	1,916,694	446,727	1,809,267
Profit attributable to owner of the Company		1,269,403	1,916,694	446,727	1,809,267

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

Company No: 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Share Capital	Foreign Exchange Translation Reserve	Retained Profits	Total
	RM	RM	RM	RM
Group				
As at 1 January 2024	1,000,000	(63,686)	239,325	1,175,639
Income for the year	-	-	2,031,963	2,031,963
Foreign currency translation differences on foreign operations	-	(115,269)	-	(115,269)
Total comprehensive income for the year	-	(115,269)	2,031,963	1,916,694
As at 31 December 2024	1,000,000	(178,955)	2,271,288	3,092,333
As at 1 January 2025	1,000,000	(178,955)	2,271,288	3,092,333
Income for the year	-	-	1,288,600	1,288,600
Foreign currency translation differences on foreign operations	-	(19,197)	-	(19,197)
Total comprehensive income for the year	-	(19,197)	1,288,600	1,269,403
As at 31 December 2025	1,000,000	(198,152)	3,559,888	4,361,736

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

Company No: 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Share Capital	Retained Profits	Total
	RM	RM	RM
Company			
As at 1 January 2024	1,000,000	(148,364)	851,636
Total comprehensive income for the year	-	1,809,267	1,809,267
As at 31 December 2024	1,000,000	1,660,903	2,660,903
As at 1 January 2025	1,000,000	1,660,903	2,660,903
Total comprehensive income for the year	-	446,727	446,727
As at 31 December 2025	1,000,000	2,107,630	3,107,630

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

AUDITED FINANCIAL STATEMENTS OF REGEN FOR THE FYE 31 DECEMBER 2025 *(Cont'd)*

Company No: 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
Cash flows from/(used in) operating activities :					
Profit before taxation		1,617,012	2,575,160	605,202	1,752,731
Adjustments for :					
Depreciation of property, plant and equipment		1,389,840	1,480,294	403,588	480,966
Fixed deposits interest		(12,754)	(12,874)	(11,996)	(12,874)
Gain on disposal of property, plant and equipment		-	(34,372)	-	(34,372)
Impairment losses of investment in club membership		300	300	300	300
Reversal of impairment losses of investments in subsidiary		-	-	(101,147)	(1,716,972)
Goodwill written off		64,719	64,719	-	-
Impairment losses of investments in subsidiaries		-	-	-	220,680
Interest expense		248,685	452,017	203,107	335,238
Operating profit before working capital changes		3,307,802	4,525,244	1,099,054	1,025,697
Working capital changes :					
Increase in inventories		(54,010)	(103,965)	(5,071)	(15,153)
Decrease/(increase) in trade and other receivables		73,234	(144,742)	583,071	1,700,346
Decrease in trade and other payables		(352,528)	(824,702)	(389,069)	(516,975)
Cash generated from operations		2,974,498	3,451,835	1,287,985	2,193,915
Interest paid		(248,685)	(452,017)	(203,107)	(335,238)
Tax refund		12,230	-	12,230	-
Tax paid		(468,859)	(1,007,083)	(120,837)	(779,955)
Net cash from operating activities		2,269,184	1,992,735	976,271	1,078,722
Cash flows from/(used in) investing activities :					
Decrease/(increase) in fixed deposits with licensed banks		379,896	(162,874)	580,654	(162,874)
Fixed deposit interests received		12,754	12,874	11,996	12,874
Cash paid for purchase of property, plant and equipment	4	(57,043)	(672,648)	(3,838)	(59,869)
Proceeds from disposal of property, plant and equipment		3,000	338,372	-	338,372
Net cash from/(used in) investing activities		338,607	(484,276)	588,812	128,503
Cash flows from/(used in) financing activities :					
Repayments of bank borrowings		(255,610)	(368,354)	(146,346)	(139,589)
Repayments of lease liabilities		(803,092)	(987,730)	(629,241)	(871,790)
Net cash used in financing activities		(1,058,702)	(1,356,084)	(775,587)	(1,011,379)
Net changes in cash and cash equivalents		1,549,089	152,375	789,496	195,846
Currency translation differences		(3)	(19)	-	-
Cash and cash equivalents brought forward		(775,577)	(927,933)	(928,810)	(1,124,656)
Cash and cash equivalents carried forward	9	773,509	(775,577)	(139,314)	(928,810)

Company No : 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

1 GENERAL INFORMATION

The Company, Regen Healthcare Sdn. Bhd., is a private limited company incorporated and domiciled in Malaysia. The principal activities of the Company during the financial year are providing medical consultation and procedures for soft tissue injuries.

The Group comprises the Company and three subsidiaries. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

There have been no significant changes to the core principal activities of the Group during the financial year under review.

The Company's registered office is located at No. 123 (1st Floor), Jalan SS 6/12, Kelana Jaya, 47301 Petaling Jaya, Selangor. The principal place of business is at 53-2, Block D, Jaya One, 72A Jalan University, 46200 Petaling Jaya, Selangor.

The consolidated financial statements of the Group and the separate financial statements of the Company are presented in Ringgit Malaysia (RM).

The consolidated financial statements and the separate financial statements were both authorised for issue by the Director on 2 March 2026.

2 BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in compliance with the Malaysian Private Entities Reporting Standards (MPERS) issued by the Malaysian Accounting Standards Board (MASB) and the provisions of the Malaysian Companies Act 2016.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

BASIS OF PREPARATION (Cont'd)

The preparation of these financial statements require the director to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the director is also required to exercise their judgement in the process of applying the accounting policies. Although these estimates and assumptions are based on the director's best knowledge of events and actions, actual results could differ from those estimates. There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have material effect on the amounts recognised in the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Business Combinations and Consolidations

(a) Business Combinations

The Group applies the acquisition method to account for all business combinations. If the acquisition of an asset or a group of assets does not constitute a business, it is accounted for as asset acquisition.

The Group identifies the acquisition date of a business combination as the date on which the Group obtains control of an acquiree. Control is obtained when the Group commences to have the power to direct financial and operating policy decisions of the investee so as to obtain benefits from its activities. This may require fulfilment of precedent conditions, such as completion of due diligence audit, and shareholders' approvals if they are specified in a sale and purchase agreement.

As of the acquisition date, the Group recognises, separately from goodwill, the identifiable assets acquired (including identifiable intangible assets), the liabilities assumed (including contingent liabilities) and any non-controlling interest in the acquiree. The identifiable assets acquired and liabilities assumed are measured at their acquisition - date fair values. Non-controlling interest at the aquisition date is measured at its acquisition date share of share of net assets, excluding goodwill.

The cost of a business combination is measured at fair value, calculated as the sum of the acquisition-date fair value of assets transferred (including contigent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Expenses incurred in connection with a business combination are capitalised in the cost of business combination.

Business Combinations (Cont'd)

The cost of a business combination is allocated to the share of net assets acquired to determine the initial amount of goodwill on combination. In a business combination achieved in stages (including acquisition of a former associate or a former joint venture), the cost of each exchange transaction is compared with the share of net assets to determine the goodwill of each exchange transaction on a step-by-step basis. Any increase in equity interest in an investee after the acquisition date is accounted as an equity transaction between the parent and the non-controlling interests and the effect is adjusted directly in equity.

If the initial accounting for a business combination is not complete by the end of the reporting period in which the combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends after one year from the acquisition date.

(b) Subsidiaries and the Basis of Consolidation

The Group recognises a subsidiary based on the criterion of control. A subsidiary is an entity (including special purpose entities) over which the Group has the power to govern the financial and operating policy decisions of the investee soa as to obtain benefits from its activities. In circumstances when the voting rights are not more than half or when voting rights are not the dominant determinant of control, the Group uses judgements to assess whether it has de facto control, control by other arrangements (including control of special purpose entities), or by holding substantive potential voting rights.

The financial statements of the parent company and all its subsidiaries used in the preparation of the consolidated financial statements are prepared as of the same reporting date of 31 December 2025.

The consolidated financial statements are prepared using uniform accounting policies for like transactions, other events or conditions in similar circumstances.

The carrying amount of investment in each subsidiary of a parent in the Group is eliminated against the parent's portion of equity in each subsidiary. The consolidated financial statements combine like items of assets, liabilities, equity, income, expenses and cash flows of the Company and its subsidiary. The results of subsidiary acquired or disposed of during the year are included in the consolidates statements of comprehensive income from the effective date of acquisition (which is the date the Group assumes control of an investee) or up to effective date of disposal (which is the date the Group ceases to have control of an investee).

Subsidiaries and the Basis of Consolidation (Cont'd)

All intra-group balances and transactions are eliminated in full on consolidation. Unrealised profits and losses arising from intra-group transactions are also eliminated in full on consolidation, except when an unrealised loss is an impairment loss.

When the Group ceases to control a subsidiary, the difference between the proceeds from the disposal of the subsidiary and its carrying amount at the date that control is lost is recognised in profit or loss in the statements of comprehensive income as a gain or loss on disposal of the subsidiary. The cumulative amount of any exchange differences that relate to a foreign subsidiary recognised in other comprehensive income is not reclassified to profit or loss on disposal of the subsidiary. If the Group retains an equity interest in the former subsidiary, it is accounted for as a financial asset (provided it does not become an associate or a joint venture).

The carrying amount of the investment retained at the date that the entity ceases to be a subsidiary is regarded as the cost on initial measurement of the financial asset.

Any decrease in equity stake in a subsidiary that does not result in a loss of control is accounted for as an equity transaction and the financial effect is adjusted directly in the consolidated statements of changes in equity.

(c) Separate Financial Statements

In the separate financial statements of the Company, investments in subsidiaries are measured at cost less any accumulated impairment losses. Cost at initial recognition comprises cash, and fair values of the considerations transferred and liabilities assumed, and it includes acquisition-related expenses. Dividends declared by an investee is recognised as income when the Company's right to receive dividend has been established, which is generally the date of the dividend is appropriately authorised by the investee.

3.2 Property, Plant and Equipment

Operating tangible assets that are used for more than one accounting period in the production and supply of goods and services, for administrative purposes or for rental to others are recognised as property, plant and equipment when the Group obtains control of the assets. The assets, including major spares, servicing equipment and stand-by equipment, are classified into appropriate classes based on their nature. Any subsequent replacement of a significant component in an existing asset is capitalised as a new component in the asset and the old component is derecognised.

Property, Plant and Equipment (Cont'd)

All property, plant and equipment are initially measured at cost. For a purchased asset, cost comprises purchase price plus all directly attributable costs incurred in bringing the asset to its present location and condition for management's intended use. For a self- constructed asset, cost comprises all direct and indirect costs of construction (including provision for restoration and cost of major inspection) but excludes internal profits.

All property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

All property, plant and equipment are depreciated by allocating the depreciable amount of a significant component or of an item over the remaining useful life. The depreciation methods used and the useful lives of the respective classes of property, plant and equipment are as follows :

	Method	Useful life (years)
Office equipment	Straight-line	5-10
Renovation	Straight-line	10
Medical equipment	Straight-line	6.7
Furniture and fittings	Straight-line	5-6.7
Computers and software	Straight-line	5-6.67
Motor vehicles	Straight-line	5
Signboard	Straight-line	10
Physio equipment	Straight-line	6.7

At the end of each reporting period, the residual values, useful lives and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

3.3 Revenue Recognition and Measurement

The Group measures revenue from a service transaction at the fair value of the consideration received or receivable , which is usually the invoice price, net of any trade discounts given to a customer in a service transaction.

Revenue from a service transaction is recognised when : (a) the amount of the revenue can be measured reliably; (b) it is probable that the economic benefits associated with the transaction will flow to the Group ; and (c) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3.4 Tax Assets and Tax Liabilities

A current tax for current and prior periods, to the extent unpaid, is recognised as a current tax liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as current tax asset. A current tax liability (asset) is measured at the amount each company in the Group expects to pay (recover) using tax rates and laws that have been enacted or substantially enacted by the reporting date.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from (a) the initial recognition of goodwill or (b) the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (or tax loss). The exceptions for initial recognition differences include items of property, plant and equipment that do not qualify for capital allowances and acquired intangible assets that are not deductible for tax purposes.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of transaction, affect neither accounting profit nor taxable profit (or tax loss). The exceptions for the initial recognition differences include non-taxable government grants received and reinvestment allowances and investment tax allowances on qualifying property, plant and equipment.

A deferred tax asset is recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that the future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Unused tax credits do not include unabsorbed reinvestment allowances and unabsorbed investment tax allowances as these are part of initial recognition differences.

Deferred taxes are measured using tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflect the tax consequences that would follow from the manner in which each Company in the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities.

At the end of each reporting period, the carrying amount of a deferred tax asset is reviewed, and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of a part or all of that deferred tax asset to be utilised. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

A current or deferred tax is recognised as income or expense in profit or loss for the period. For items recognised directly in equity, the related tax effect is also recognised directly in equity.

3.5 Finance and Operating Leases

The Group recognises a lease whenever there is an agreement, whether explicitly stated as a lease or otherwise, whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Title may or may not eventually be transferred. All other leases that do not meet this criterion are classified as operating leases.

(a) Lessee Accounting

The Group capitalises the underlying lease asset and the related lease liability in a finance lease. The amount recognised at the commencement date is the fair value of the underlying leased asset or, if lower , the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practical to determine ; if not , the lessee's incremental borrowing rate is used. Any initial direct costs of the lease are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are classified by nature and accounted for in accordance with the applicable accounting standards. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the lease term and its useful life.

(b) Operating Leases

The Group does not capitalise the underlying leased asset or recognise a lease liability in an operating lease. Instead, lease payments under an operating lease are recognised as an expense on the straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

3.6 Impairment of Non-Financial Assets

An impairment loss arises when the carrying amount of the Group's asset exceeds its recoverable amount.

At the end of each reporting date, the Group assesses whether there is any indication that a stand-alone asset or a cash-generating unit may be impaired by using external and internal sources of information. If any such indication exists, the Group estimates the recoverable amount of the asset or cash-generating unit.

Impairment of Non-Financial Assets (Cont'd)

If an individual asset generates independent cash inflows, it is tested for impairment as a stand-alone asset. If an asset does not generate independent cash inflows, it is tested for impairment together with other assets in a cash-generating unit, at the lowest level in which independent cash inflows are generated and monitored for internal management purposes.

The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and the value in use. The Group determines the fair value less costs to sell of an asset or a cash-generating unit in a hierarchy based on : (i) price in a binding sale agreement ; (ii) market price traded in an active market ; and (iii) estimate of market price using the best available information. The value in use is estimated by discounting the net cash inflows (by an appropriate discount rate) of the asset or unit, using reasonable and supportable management's budgets and forecasts of five years and extrapolation of cash inflows for periods beyond the five-year forecast or budget.

For an asset measured on a cost-based model, any impairment loss is recognised in profit or loss.

For a cash generating unit, any impairment loss is allocated to the assets of the unit pro rata based on the relative carrying amounts of the assets.

The Group reassesses the recoverable amount of an impaired asset or a cash-generating unit if there is any indication that an impairment loss recognised previously may have reversed. Any reversal of impairment loss for an asset carried at a cost-based model is recognised in profit or loss, subject to the limit that the revised carrying amount does not exceed the amount that would have been determined had no impairment loss been recognised previously.

3.7 Employee Benefits

The Group recognises a liability when an employee has provided service in exchange for employees benefits to be paid in the future and an expense when the Group consumes the economic benefits arising from service provided by an employee in exchange for employee benefits.

(a) Short-Term Employee Benefits

Wages and salaries are accrued and paid on a monthly basis and are recognised as an expense.

Paid absences (annual leave, maternity leave, sick leave, ect) are accrued in each period if they are accumulating paid absences that can be carried forward, or in the case of non-accumulating paid absences, recognised as and when the absences occur.

(b) Post-Employment Benefits-Defined Contribution Plans

The Group makes statutory contributions to approved provident funds and the contributions made are charged to profit or loss in the period to which they relate. When the contributions have been paid, the Group has no further payment obligations.

3.8 Borrowing Costs

Borrowing costs include interest on bank borrowings and finance lease liabilities calculated using the effective interest method. All borrowing costs are recognised as an expense when incurred.

3.9 Financial Instruments

(a) Initial Recognition and Measurement

Each company in the Group recognises a financial asset or financial liability (including derivative instruments) in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially at the transaction price (including transaction costs except in the initial measurement of a financial asset or financial liability that is measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a **financing transaction**, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument (At amortised cost or present value measurement).

Debt instruments that are classified as current assets or current liabilities are measured at the **undiscounted amount** of the cash or other consideration expected to be paid or received unless the arrangement constitutes, in effect, a **financing transaction.**

All other financial assets or financial liabilities not measured at amortised cost **(present value)** or cost less impairment are measured at market value with changes recognised in profit or loss.

(b) Derecognition of Financial Instruments

A financial asset is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Group transfers the contractual rights to receive cash flows of the financial asset, including circumstances when the Group acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

For this purpose, the Group considers a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate differs by 10% or more when compared with the carrying amount of the original liability.

(c) Impairment and Uncollectibility of Financial Assets

At the end of each reporting period, the Group examines whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Any impairment loss is recognised in profit or loss and a corresponding amount is recorded in a loss allowance account. Any subsequent reversal of impairment loss of the financial assets is reversed in profit or loss with a corresponding adjustment to the loss allowance account, subject to the limit that the reversal should not result in the revised carrying amount of the financial asset exceeding the amount that would have determined had no impairment loss been recognised previously.

3.10 Share Capital and Distributions

(a) Share Capital

Ordinary shares and non-redeemable preference shares issued that carry no put option and no mandatory contractual obligation (i) to deliver cash or another financial asset or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group, are classified as equity instruments.

When ordinary shares and other equity instruments are issued in a private placement or in a rights issue to the existing shareholders, they are recorded at the issue price. For ordinary shares and other equity instruments issued in exchange for non-monetary assets, they are measured by reference to the fair values of the assets received.

When ordinary shares and other equity instruments are issued as consideration transferred in a business combination or as settlement of an existing financial liability, they are measured at their value at the date of the exchange transaction.

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax effect.

(b) Distributions

Distributions to holders of an equity instrument are recognised as equity transactions and are debited directly in equity, net of any related income tax effect.

3.11 Inventories

Inventories are measured at the lower of cost and net realisable value (which is the estimated selling price less costs to complete and sell). Cost comprises purchase price and directly attributable costs of bringing the inventories to their present location and condition. Net realisable value is determined on an item-by-item basis or on group of similar items basis.

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4 PROPERTY, PLANT AND EQUIPMENT

Group

	Office equipment	Renovation	Medical equipment	Furniture and fittings	Computers and software	Motor vehicles	Signboard	Physio equipment	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM
2025									
Cost									
As at 1.1.2025	1,057,222	3,815,764	4,226,194	304,321	310,286	1,488,520	20,180	569,369	11,791,856
Addition	16,280	-	10,299	550	13,106	-	-	16,808	57,043
Disposal	-	-	(6,000)	-	-	-	-	-	(6,000)
As at 31.12.2025	1,073,502	3,815,764	4,230,493	304,871	323,392	1,488,520	20,180	586,177	11,842,899
Accumulated depreciation									
As at 1.1.2025	549,671	1,534,058	2,053,202	221,847	261,870	1,093,912	14,126	478,859	6,207,545
Charge	133,425	381,611	581,284	38,695	21,630	184,772	2,018	46,405	1,389,840
Disposal	-	-	(3,000)	-	-	-	-	-	(3,000)
As at 31.12.2025	683,096	1,915,669	2,631,486	260,542	283,500	1,278,684	16,144	525,264	7,594,385
Net carrying amount	390,406	1,900,095	1,599,007	44,329	39,892	209,836	4,036	60,913	4,248,514
2024									
Cost									
As at 1.1.2024	1,046,646	3,820,764	3,603,262	293,938	293,645	1,868,520	20,180	557,253	11,504,208
Addition	10,576	-	622,932	10,383	16,641	-	-	12,116	672,648
Disposal	-	-	-	-	-	(380,000)	-	-	(380,000)
Overstated in prior year	-	(5,000)	-	-	-	-	-	-	(5,000)
As at 31.12.2024	1,057,222	3,815,764	4,226,194	304,321	310,286	1,488,520	20,180	569,369	11,791,856
Accumulated depreciation									
As at 1.1.2024	419,303	1,152,468	1,473,298	178,346	233,884	926,646	12,108	407,198	4,803,251
Charge	130,368	381,590	579,904	43,501	27,986	243,266	2,018	71,661	1,480,294
Disposal	-	-	-	-	-	(76,000)	-	-	(76,000)
As at 31.12.2024	549,671	1,534,058	2,053,202	221,847	261,870	1,093,912	14,126	478,859	6,207,545
Net carrying amount	507,551	2,281,706	2,172,992	82,474	48,416	394,608	6,054	90,510	5,584,311

Company No : 201501037015 (1162336-T)

PROPERTY, PLANT AND EQUIPMENT

Company

	Office equipment	Renovation	Medical equipment	Furniture and fittings	Computers and software	Motor vehicles	Total
	RM	RM	RM	RM	RM	RM	RM
2025							
Cost							
As at 1.1.2025	609,176	723,939	1,432,304	126,177	252,257	983,191	4,127,044
Addition	1,180	-	399	550	1,709	-	3,838
As at 31.12.2025	610,356	723,939	1,432,703	126,727	253,966	983,191	4,130,882
Accumulated depreciation							
As at 1.1.2025	329,152	542,697	968,852	106,201	219,908	891,780	3,058,590
Charge	61,036	72,413	162,922	7,894	15,617	83,706	403,588
As at 31.12.2025	390,188	615,110	1,131,774	114,095	235,525	975,486	3,462,178
Net carrying amount	220,168	108,829	300,929	12,632	18,441	7,705	668,704
2024							
Cost							
As at 1.1.2024	605,417	723,939	1,392,761	116,357	245,510	1,363,191	4,447,175
Addition	3,759	-	39,543	9,820	6,747	-	59,869
Disposal	-	-	-	-	-	(380,000)	(380,000)
As at 31.12.2024	609,176	723,939	1,432,304	126,177	252,257	983,191	4,127,044
Accumulated depreciation							
As at 1.1.2024	268,228	470,305	794,542	95,380	199,589	825,580	2,653,624
Charge	60,924	72,392	174,310	10,821	20,319	142,200	480,966
Disposal	-	-	-	-	-	(76,000)	(76,000)
As at 31.12.2024	329,152	542,697	968,852	106,201	219,908	891,780	3,058,590
Net carrying amount	280,024	181,242	463,452	19,976	32,349	91,411	1,068,454

Company No : 201501037015 (1162336-T)

5 INVESTMENTS IN SUBSIDIARIES

	Company	
	2025	2024
	RM	RM
Unquoted shares- at cost	6,165,900	6,165,900
Impairment losses	(3,197,593)	(3,298,740)
	2,968,307	2,867,160

The details of the subsidiaries are as follows :

Name of Company	Equity Interest 2025	Equity Interest 2024	Country of Incorporation	Principal activities
Regenerative Healthcare Pty. Ltd.	100%	100%	Australia	Dormant
Regen Ambulatory Care Centre Sdn. Bhd.	100%	100%	Malaysia	Providing specialised medical services and other residential care activities
Regen Physio & Sports Rehab Sdn. Bhd.	100%	100%	Malaysia	Providing physiotherapy and chiropratic treatment and sale of related products

All the subsidiaries are audited by Chook & Co. except Regenerative Healthcare Pty. Ltd.

6 INVESTMENT IN CLUB MEMBERSHIP

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Investment in club membership - at cost	4,850	4,850	4,850	4,850
Impairment losses	(900)	(600)	(900)	(600)
	3,950	4,250	3,950	4,250

7 INVENTORIES

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Drugs and medicines - at lower of cost and net realisable value	275,152	221,142	57,172	52,101

8 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Trade receivables	751,289	965,593	7,272	14,552
Deposits and prepayments	678,240	537,170	219,054	212,690
Advances to subsidiaries	-	-	2,257,567	2,839,722
Advances to director	864,059	883,269	-	-
	2,293,588	2,386,032	2,483,893	3,066,964

Advances to subsidiaries and advances to director are repayable on demand in cash, unsecured and interest-free.

Company No : 201501037015 (1162336-T)

9 CASH AND CASH EQUIVALENTS

The components of cash and cash equivalents consist of :

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cash and bank balances	957,287	207,790	40,896	54,557
Bank overdrafts (See note 12)	(183,778)	(983,367)	(180,210)	(983,367)
	773,509	(775,577)	(139,314)	(928,810)

10 SHARE CAPITAL - no par value shares

	Group/Company	
	2025	2024
	RM	RM
Issued and fully paid :		
1,000,000 ordinary shares at issue price of RM 1 each	1,000,000	1,000,000

11 RETAINED PROFITS

The retained profits of the Group and of the Company are available for distribution by way of dividends. Under the single-tier of taxation, dividends payable to shareholders are deemed net of income taxes. There are no potential income tax consequences that would result from the payment of dividends to shareholders.

12 BANK BORROWINGS

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Current				
Term loans	200,151	254,560	152,792	145,536
Bank overdrafts	183,778	983,367	180,210	983,367
	383,929	1,237,927	333,002	1,128,903
Non-current	169,125	370,326	76,297	229,899
	553,054	1,608,253	409,299	1,358,802
Non-current				
Payable later than one year and not later than 5 years	169,125	370,326	76,297	229,899
	169,125	370,326	76,297	229,899

The term loan of the Company is secured by i) Credit Guarantee Corporation (M) Berhad (CGC) guarantee under Flexi Guarantee Scheme for RM 640,500. ii) Asset sale agreement for RM 929,373 over Shariah Compliant Commodities; and iii) a joint and several guarantee by the director.

The subsidiary's term loan, the Prihatin loan is 70% guaranteed by Syarikat Jaminan Pembiayaan Perniagaan Berhad under WCGS. Interest is chargeable at 2% per annum above the bank's base lending rate. Another subsidiary's term loan is chargeable at average rate of 3.60% per annum and is given corporate guarantee by the Company. All the subsidiary's term loans are guaranteed by the director.

Company No : 201501037015 (1162336-T)

13 LEASE LIABILITIES

Finance Lease

Net carrying amount included in the class of property, plant and equipment :

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Physio equipment	20,860	52,150	-	-
Office equipment	24,000	30,000	-	-
Medical equipment	300,929	463,452	300,929	463,452
Motor vehicles	209,836	394,608	7,705	91,411
	555,625	940,210	308,634	554,863
Lease liabilities:				
Future lease payment payables :				
Not later than one year	850,481	948,295	639,089	736,903
More than one year to five years	1,356,577	2,208,689	936,132	1,576,852
Total future minimum lease payments	2,207,058	3,156,984	1,575,221	2,313,755
Less : future finance charges	(167,696)	(314,530)	(113,188)	(222,481)
Present value of minimum lease payments	2,039,362	2,842,454	1,462,033	2,091,274
Payments due within 12 months as current	(757,009)	(803,093)	(571,372)	(629,242)
Non-current portions of lease liabilities	1,282,353	2,039,361	890,661	1,462,032

14 DEFERRED TAX LIABILITIES

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Taxable temporary differences of qualifying property, plant and equipment	16,314	81,182	17,453	34,815

15 TRADE AND OTHER PAYABLES

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Trade payables	56,455	190,802	11,316	37,329
Trade payables - subsidiary	-	-	311,834	433,222
Other payables and accruals	458,974	599,526	85,280	129,853
Amounts due to subsidiary	-	-	285,671	416,608
Amounts due to director	20,621	98,266	4,737	70,895
	536,050	888,594	698,838	1,087,907

Amounts due to subsidiary and amounts due to director are repayable on demand in cash, unsecured and interest-free.

16 TOTAL COST OF SALES AND DIRECT EXPENSES

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cost of drugs and medicines sold	397,000	1,048,034	83,443	94,375
Direct expenses	2,355,438	2,238,204	146,001	162,164
	2,752,438	3,286,238	229,444	256,539

Company No : 201501037015 (1162336-T)

17 PROFIT BEFORE TAXATION

Profit before taxation has been determined after charging/(crediting) amongst other items the following :

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Audit fees	22,900	22,900	5,000	5,000
Goodwill written off	64,719	64,719	-	-
Depreciation of property,plant and equipment	1,389,840	1,480,294	403,588	480,966
Employee benefits expenses				
-Short-term benefits of salaries	3,004,144	2,580,732	70,800	202,195
-Defined contribution plans expenses	425,436	349,097	9,861	20,495
-Director's remuneration	420,000	420,000	-	-
Rental of premises	1,227,043	1,281,001	171,300	228,100
Interest expense	248,685	452,017	203,107	335,238
Impairment losses in club membership	300	300	300	300
Impairment losses of investments in subsidiaries	-	-	-	220,680
Hire purchase interest income billed to subsidiary	-	-	(4,155)	(4,467)
Fixed deposits interest	(12,754)	(12,874)	(11,996)	(12,874)
Gain on disposal of property, plant and equipment	-	(34,372)	-	(34,372)
Reversal of impairment losses of investments in subsidiary	-	-	(101,147)	(1,716,972)

18 INCOME TAX EXPENSE

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Current income tax expense (taxes payable in Malaysia)	548,821	572,000	160,000	117,000
Under/(over)provision of taxation in prior years	(155,541)	(83,242)	15,837	(87,385)
Deferred tax expense/(income)	(64,868)	54,439	(17,362)	(86,151)
Tax expense for the year	328,412	543,197	158,475	(56,536)

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows :

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Profit before taxation	1,617,012	2,575,160	605,202	1,752,731
Taxation of Malaysian statutory tax rate				
up to RM 150,000 @ 15% (15% in 2024)	22,500	22,500	22,500	22,500
up to RM 450,000 @ 17% (17% in 2024)	76,500	76,500	76,500	76,500
above RM 600,000 @ 24 % (24% in 2024)	244,083	474,038	1,248	276,655
Items not allowable for tax purposes (tax effect)	249,417	21,833	68,190	(159,726)
Under/(over)provision of taxation in prior years	(155,541)	(83,242)	15,837	(87,385)
Relating to origination of timing differences (tax effect)	(108,547)	31,568	(25,800)	(185,080)
Effective tax expense	328,412	543,197	158,475	(56,536)

19 CATEGORIES OF FINANCIAL INSTRUMENTS

Financial assets	Measurements used to determine fair value of financial instruments	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
Investments in subsidiaries - unquoted shares	Undiscounted value, adjust for impairment loss if any	-	-	2,968,307	2,867,160
Investment in club membership	Undiscounted value, adjust for impairment loss if any	3,950	4,250	3,950	4,250
Trade and other receivables	Undiscounted value, adjust for impairment loss if any	2,293,588	2,386,032	2,483,893	3,066,964
Fixed deposits with licensed banks	Undiscounted value	200,758	580,654	-	580,654
Cash and bank balances	Undiscounted value	957,287	207,790	40,896	54,557
Financial liabilities					
Term loans (Long-term financing transactions)	At amortised cost or present value measurement	369,276	624,886	229,089	375,435
Bank overdrafts	Undiscounted value	183,778	983,367	180,210	983,367
Lease liabilities (Long-term financing transactions)	At amortised cost or present value measurement	2,039,362	2,842,454	1,462,033	2,091,274
Trade and other payables	Undiscounted value, adjust for impairment if any	536,050	888,594	698,838	1,087,907

20 RELATED PARTY TRANSACTIONS

	Company 2025 RM	Company 2024 RM
Hire purchase interest billed to subsidiary	4,155	4,467
Referral fees billed to subsidiary	740,155	895,486
Management fee billed to subsidiary	120,000	-
Purchases from subsidiary	(6,190)	(9,376)
Hire purchase interest billed by subsidiary	(1,412)	(1,412)

21 NON-CANCELLABLE OPERATING LEASES

	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
Future minimum lease payments				
-Not later than one year	1,154,851	1,214,851	170,400	230,400
-More than one year to five years	5,305,804	5,545,804	681,600	921,600
-More than five years	6,328,655	6,628,655	852,000	1,152,000
	12,789,310	13,389,310	1,704,000	2,304,000
The lease payments recognised as an expense (Rental of premises)	1,227,043	1,281,001	171,300	228,100

Company No : 201501037015 (1162336-T)

22 GOODWILL ON COMBINATION

	Group	
	2025	2024
	RM	RM
Goodwill arising at the date of acquisition of subsidiaries	323,595	323,595
Written off	(129,438)	(64,719)
	194,157	258,876

Goodwill on combination is written off over five years commencing 2024.

23 COMPARATIVE FIGURES

The presentation and classification of items in the current year's financial statements have been consistent with the previous financial year.

Company No: 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

DETAILED PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	RM	RM
REVENUE	1,831,568	2,272,516
TOTAL COST OF SALES AND DIRECT EXPENSES		
Opening inventories	52,101	36,948
Purchases of drugs and medicines	88,514	109,528
EIS	63	40
EPF	4,352	2,679
Nurse salaries and allowances	31,800	20,589
Outsource - imaging	7,859	10,878
Outsource - laboratory	46,677	76,908
Physiotherapy fees	6,190	9,376
Radiologist fees	20,995	26,350
Rheumatologist fees	9,430	11,250
Sports medicine specialist	7,095	2,005
Family medicine specialist	5,512	1,732
Orthopaedic spine specialist	8,530	-
Socso	556	357
Purchases return	(3,058)	-
	286,616	308,640
Closing inventories	(57,172)	(52,101)
	(229,444)	(256,539)
GROSS PROFIT	1,602,124	2,015,977
OTHER INCOME		
Fixed deposits interest received	11,996	12,874
Gain on disposal of property, plant and equipment	-	34,372
Hire purchase interest income billed to subsidiary	4,155	4,467
Reversal of impairment losses of investments in subsidiary	101,147	1,716,972
Management fees	120,000	-
	237,298	1,768,685

Company No: 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

DETAILED PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 RM	2024 RM
ADMINISTRATIVE EXPENSES		
Accounting and book-keeping	-	850
Audit fees	5,000	5,000
Bank charges	4,220	5,394
Bonus	4,796	-
Clinic expenses	31,000	30,000
Commitment fees	728	-
Compensation	40,000	-
Compound and penalties	9,300	7,823
Credit card charges	8,185	9,403
Credit card maintenance	1,824	1,800
Depreciation of property, plant and equipment	403,588	480,966
Donations	300	1,000
EIS	78	220
Entertainment	-	316
EPF	5,509	17,816
Gifts	4,720	150
Guarantee fees	7,000	7,000
Handling and processing fees	1,081	184
HRDC Contribution	708	1,820
Impairment losses of investment in club membership	300	300
Impairment losses of investments in subsidiaries	-	220,680
Insurance premium	25,193	31,805
Legal and professional fees	9,447	22,924
License fees	1,550	1,325
Medical	1,436	2,481
Membership fees	100	-
Office consumables	121	916
Office service charges	2,667	8,904
Petrol and mileage	9,055	16,200

Company No: 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

DETAILED PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	RM	RM
ADMINISTRATIVE EXPENSES (Cont'd)		
Performance incentive	-	21,500
Postage and courier	348	455
Printing and stationery	15,354	17,846
Quit rent and assessment	4,777	3,977
Rental of parking	-	11,321
Rental of photostate machine	2,538	2,852
Rental of premises	171,300	228,100
Road tax and insurance	13,055	13,312
Salaries, wages and allowances	39,000	181,606
Secretarial services	-	21,565
Service tax	8,317	15,608
Sewerage charges	243	972
Socso	682	2,274
Staff seminars and training	-	120
Staff uniform	556	1,499
Staff welfare	3,400	4,500
Staff welfare and refreshments	14,311	8,334
Stamping	1,630	235
Subscriptions	14,370	58,031
Sundry expenses	338	213
Tax agent services	4,040	31,041
Telephone and internet	33,595	30,357
Transportation charges	187	734
Toll and parking	3,105	8,235
Upkeep of air-conditioners	15,210	11,988
Upkeep of computers and software	951	15,393
Upkeep of medical equipment	4,010	9,550
Upkeep of motor vehicles	19,825	17,988
Upkeep of office equipment	4,283	4,668
Upkeep of premises	23,962	33,008
Visa fees	200	641
Waste disposal	990	1,210

Company No: 201501037015 (1162336-T)

REGEN HEALTHCARE SDN. BHD.
(Incorporated in Malaysia)

DETAILED PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 RM	2024 RM
ADMINISTRATIVE EXPENSES (Cont'd)		
Water and electricity	46,567	46,523
Wages	880	-
Website maintenance	5,183	15,760
	(1,031,113)	(1,696,693)
PROFIT FROM OPERATIONS	808,309	2,087,969
FINANCE COSTS		
Finance lease interest	110,230	235,938
Bank overdrafts interest	78,280	77,945
Term loan interest	14,597	21,355
	(203,107)	(335,238)
PROFIT BEFORE TAXATION	605,202	1,752,731

Date: 26 OCT 2026

The Board of Directors of
KYM HOLDINGS BHD

Dear Sir/Madam,

(I) PROPOSED ACQUISITION OF 700,000 ORDINARY SHARES IN REGEN HEALTHCARE SDN BHD ("REGEN"), REPRESENTING 70.0% EQUITY INTEREST IN REGEN, BY KYM HEALTHCARE SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF KYM, FROM THE VENDOR, FOR AN INDICATIVE PURCHASE CONSIDERATION OF UP TO RM33.5 MILLION TO BE SATISFIED ENTIRELY IN CASH

(II) PROPOSED DIVERSIFICATION OF THE EXISTING PRINCIPAL ACTIVITIES OF KYM AND ITS SUBSIDIARIES TO INCLUDE THE PROVISION OF ALL RELATED HEALTHCARE ACTIVITIES AND SPECIALISED MEDICAL SERVICES

(COLLECTIVELY, THE "PROPOSALS")

On behalf of the Board of Directors of Regen Healthcare Sdn Bhd ("'**Board**"), I wish to report that after due inquiries in relation to Regen during the period from 31 December 2025 (being the date on which the latest audited financial statements of Regen had been made up) and up to the date of this letter (being a date not earlier than 14 days before the issuance of the circular to the shareholders of Regen in relation to the Proposals), that:

(i) the business of Regen and its subsidiaries ("**Regen Group**"), in the opinion of the Board, has been satisfactory maintained;

(ii) in the opinion of the Board, no circumstances have arisen since the latest audited consolidated financial statements of the Regen Group, which have adversely affected the trading or the value of the assets of the Regen Group;

(iii) the current assets of the Regen Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(iv) there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by the Regen Group;

(v) there has been no default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings by Regen Group since the last audited consolidated financial statements of Regen; and

(vi) there has been no material changes to the published reserves or any unusual factors affecting the profits of Regen Group since the last audited consolidated financial statements of the Regen Group.

Yours faithfully,
For and on behalf of
REGEN HEALTHCARE SDN BHD

Associate Prof. Dr. Rajesh Singh A/L Karnail Singh
Director

REGEN HEALTHCARE SDN. BHD. (201501037015)
51-53, Level 2, Block D, Jaya One, 72A Jalan Profesor Diraja Ungku Aziz, 46200 Petaling Jaya, Selangor, Malaysia.
Tel: +603 7958 1973 I Email: info@regen.com.my I Website: www.regen.com.my

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board who collectively and individually accept full responsibility for the accuracy of the information contained in this Circular. Our Board confirms that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular misleading.

The information on Regen and the Vendor were extracted from publicly available documents and/or information obtained from the Vendor and the responsibility of our Board is limited to ensuring that the information thereon is accurately reproduced in this Circular.

2. CONSENTS AND CONFLICT OF INTEREST

2.1 HLIB

HLIB, being the Principal Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

HLIB has confirmed that it is not aware of any circumstances that exist or is likely to exist which would give rise to a possible conflict of interest situation in its capacity as the Principal Adviser to our Company for the Proposals.

2.2 QuantePhi

QuantePhi, being the Independent Valuer for Regen, has given and has not subsequently withdrawn its written consent to the inclusion of its name, the Independent Valuation Letter and all references thereto in the form and context in which they appear in this Circular.

QuantePhi has confirmed that it is not aware of any circumstances that exist or is likely to exist which would give rise to a possible conflict of interest situation in its capacity as the Independent Valuer for Regen.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

3.1 Material commitments

As at the LPD, our Directors are not aware of any material commitments contracted or known to be contracted by our Group which may have a material effect on our Group's financial position.

3.2 Contingent liabilities

Save as disclosed below, our Directors are not aware of any other contingent liabilities of our Group as at the LPD which, upon crystallisation, may have a material effect on our Group's financial position:

	RM'000
Corporate guarantees extended to financial institutions for unsecured borrowings of certain subsidiaries	56,000

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at Level 17, KYM Tower, No. 8, Jalan PJU 7/6, Mutiara Damansara, 47800 Petaling Jaya, Selangor, between 9.00 a.m. and 5.00 p.m. from Mondays to Fridays (except public holidays) from the date of this Circular up to the date of our forthcoming EGM:

(i) the Constitution of KYM;

(ii) the SSA;

(iii) the Independent Valuation Letter as set out in **Appendix III** of this Circular;

(iv) the audited consolidated financial statements of KYM for the past 2 financial years up to the FYE 31 January 2026 and the latest unaudited quarterly results of KYM for the FPE 31 July 2026;

(v) the audited consolidated financial statements of the Regen Group for the past 2 financial years up to and including the FYE 31 December 2025; and

(vi) the letters of consent and declaration of conflict of interest referred to in **Section 2** of **Appendix VI** of this Circular.

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KYM HOLDINGS BHD
Registration No.: 198201004556 (84303-A)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of KYM Holdings Bhd ("**KYM**" or the "**Company**") ("**EGM**") will be held at Level 17, KYM Tower, No. 8, Jalan PJU 7/6 Mutiara Damansara 47800 Petaling Jaya, Selangor on Wednesday, 18 November 2026 at 11.00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ACQUISITION OF 700,000 ORDINARY SHARES IN REGEN HEALTHCARE SDN BHD ("REGEN"), REPRESENTING 70.0% EQUITY INTEREST IN REGEN, BY KYM HEALTHCARE SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF KYM HOLDINGS BHD ("KYM") ("KYM HEALTHCARE") FROM THE VENDOR, FOR AN INDICATIVE PURCHASE CONSIDERATION OF UP TO RM33.5 MILLION TO BE SATISFIED ENTIRELY IN CASH ("PROPOSED ACQUISITION")

"**THAT**, subject to the passing of the Ordinary Resolution 2 and conditional upon the approvals of all relevant authorities and/or parties being obtained, where required, and the conditions precedent set out in the conditional share sale agreement dated 18 September 2026 entered into between KYM Healthcare, as the purchaser, and Dr. Rajesh Singh A/L Karnail Singh, as the vendor, for the Proposed Acquisition ("**SSA**") being fulfilled or waived, approval be and is hereby given to KYM to acquire a 70.0% equity interest in Regen at an indicative purchase consideration of up to RM33.5 million, through its wholly-owned subsidiary KYM Healthcare, in accordance with the terms and conditions contained in the SSA.

AND THAT the Board of Directors of the Company ("**Board**") be and is hereby authorised to sign and execute all documents, do all acts, deeds and things as may be required to give effect to and to complete the Proposed Acquisition (including to cause and procure the Company and KYM Healthcare to perform their obligations under the SSA) with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things for and on behalf of the Company and to cause and procure KYM Healthcare to do the same, in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Acquisition."

ORDINARY RESOLUTION 2

PROPOSED DIVERSIFICATION OF THE EXISTING PRINCIPAL ACTIVITIES OF KYM AND ITS SUBSIDIARIES TO INCLUDE THE PROVISION OF ALL RELATED HEALTHCARE ACTIVITIES AND SPECIALISED MEDICAL SERVICES ("PROPOSED DIVERSIFICATION")

"**THAT**, conditional upon the approvals of the relevant authorities/parties for the Proposed Diversification being obtained, where required, approval be and is hereby given to KYM and its subsidiaries to diversify the existing principal activities to include the provision of all related healthcare activities and specialised medical services.

AND THAT the Board be and is hereby empowered and authorised to take all such steps and do all acts, deeds and things and to execute, sign, deliver and cause to be delivered for and on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary, expedient and/or relevant to finalise, implement, give full effect to the Proposed Diversification with full powers to assent to any conditions, terms, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities or as the Board may in their discretion deem fit, necessary, expedient or relevant and to do all such acts and things as the Board may consider necessary or expedient in the best interest of the Company."

By Order of the Board
KYM HOLDINGS BHD

CHEE MIN ER
(SSM PC No.: 201908000760) (MAICSA 7016822)

Kuala Lumpur
28 October 2026

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. Only members registered in the Record of Depositors as at 10 November 2026 shall be eligible to attend the EGM or appoint a proxy to attend and/or vote on such depositor's behalf. A proxy or an attorney or a duly authorised representative need not be a member of the Company.

2. Save for an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the company for multiple beneficial owners in one securities account ("**omnibus account**"), a Member (including an authorised nominee) shall be entitled to appoint not more than two (2) proxies to attend and vote at the same EGM. Where a member appoints more than one (1) proxy, he shall specify in the instrument appointing the proxies, the proportion of his shareholdings to be represented by each proxy.

3. The instrument appointing a proxy shall:

   (i) in the case of an individual, be signed by the appointor or by his/her attorney; and

   (ii) in the case of a corporation, be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.

4. The instrument appointing a proxy together with the power of attorney (if any) under which it is signed or a duly certified copy thereof must be deposited at the office of the Company's share registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, at least 48 hours before the time appointed for holding the EGM or at any adjournment thereof, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, either by hand, post or email to bsr.proxy@boardroomlimited.com. You also have the option to lodge the appointment of proxy electronically via "Boardroom Smart Investor Portal" at https://investor.boardroomlimited.com ("**e-Proxy Lodgement**"). Please refer to the administrative details for the EGM for the steps on the e-Proxy Lodgement.

5. The resolutions put to vote at the EGM shall be determined by poll. A proxy may vote on a poll. If the Proxy Form is returned without an indication as to how the proxy shall vote on any particular matter, the proxy may exercise his/her discretion as to whether to vote on such matter and if so, how. A proxy appointed to attend and vote at the EGM shall have the same rights as the member to raise questions at the EGM.

6. The lodging of a Proxy Form does not preclude a member from attending and voting at the EGM should the member subsequently decide to do so.

KYM HOLDINGS BHD
[Registration No. 198201004556 (84303-A)]
(Incorporated in Malaysia)

PROXY FORM

Number of ordinary shares held	CDS Account No

I/We …… (NRIC No.: ……..……..)
of……..
being a member of KYM Holdings Bhd hereby appoint the following persons:

Full Name and Address (in Block Letters) (First Proxy)	NRIC No.	No. of shares	% of shareholding

and/or

Full Name and Address (in Block Letters) (Second Proxy)	NRIC No.	No. of shares	% of shareholding

or failing him/her, THE CHAIRMAN OF THE EXTRAORDINARY GENERAL MEETING of the Company ("**EGM**") as *my/our proxy to vote for *me/us and on *my/our behalf at the EGM to be held at Level 17, KYM Tower, No. 8 Jalan PJU 7/6, Mutiara Damansara 47800 Petaling Jaya, Selangor on Wednesday, 18 November 2026 at 11.00 a.m. or at any adjournment thereof.

Please indicate with an "X" in the spaces below how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

Resolutions	**Description of Resolution**	**For**	**Against**	**Abstain**
Ordinary Resolution 1	Proposed Acquisition			
Ordinary Resolution 2	Proposed Diversification			

Dated this …… day of …….. , 2026.

_____
Signature of Member/Common Seal

Notes:

1. *Only members registered in the Record of Depositors as at 10 November 2026 shall be eligible to attend the EGM or appoint a proxy to attend and/or vote on such depositor's behalf. A proxy or an attorney or a duly authorised representative need not be a member of the Company.*

2. *Save for an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the company for multiple beneficial owners in one securities account ("**omnibus account**"), a Member (including an authorised nominee) shall be entitled to appoint not more than two (2) proxies to attend and vote at the same EGM. Where a member appoints more than one (1) proxy, he shall specify in the instrument appointing the proxies, the proportion of his shareholdings to be represented by each proxy.*

3. *The instrument appointing a proxy shall:*

   (i) in the case of an individual, be signed by the appointor or by his/her attorney; and

   (ii) in the case of a corporation, be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.

4. *The instrument appointing a proxy together with the power of attorney (if any) under which it is signed or a duly certified copy thereof must be deposited at the office of the Company's share registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, at least 48 hours before the time appointed for holding the EGM or at any adjournment thereof, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, either by hand, post or email to bsr.proxy@boardroomlimited.com. You also have the option to lodge the appointment of proxy electronically via "Boardroom Smart Investor Portal" at https://investor.boardroomlimited.com ("**e-Proxy Lodgement**"). Please refer to the administrative details for the EGM for the steps on the e-Proxy Lodgement.*

5. *The resolutions put to vote at the EGM shall be determined by poll. A proxy may vote on a poll. If the Proxy Form is returned without an indication as to how the proxy shall vote on any particular matter, the proxy may exercise his/her discretion as to whether to vote on such matter and if so, how. A proxy appointed to attend and vote at the EGM shall have the same rights as the member to raise questions at the EGM.*

6. *The lodging of a Proxy Form does not preclude a member from attending and voting at the EGM should the member subsequently decide to do so.*

7. *Personal Data Privacy*

   *By submitting the duly executed Proxy Form, a member of the Company (i) consents to the processing, including collection, use and disclosure of the member's personal data by the Company (or its agents) for all matters relating to or in connection with the EGM (including any adjournment thereof) and for the Company's (or its agents') compliance with any applicable laws, rules or regulations and guidelines (collectively the "**Purposes**"); and (ii) warrants that such member has obtained the prior consent of its proxy(ies) and/or representatives for the processing, including collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes.*

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar of
KYM HOLDINGS BHD
c/o Boardroom Share Registrars Sdn Bhd
Registration No.: 199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor, Malaysia

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