LAC MED BERHAD
(Registration No. 202401049485 (1595329-H))
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	30.06.2026 RM'000 Unaudited	(1) 30.06.2025 RM'000 Unaudited	30.06.2026 RM'000 Unaudited	(2) 30.06.2025 RM'000 Audited	Changes (%)
Revenue	45,599	N/A	74,967	94,955	(21)
Cost of sales	(33,010)	N/A	(55,263)	(67,044)	(18)
Gross profit	12,589	N/A	19,704	27,911	(29)
Other income	492	N/A	1,071	853	26
Selling and distribution expenses	(802)	N/A	(1,513)	(2,416)	(37)
Administrative expenses	(5,173)	N/A	(10,135)	(10,513)	(4)
Other expenses	(237)	N/A	(438)	(217)	102
Finance costs	(266)	N/A	(442)	(221)	100
Net (impairment losses)/ reversal of impairment losses on financial assets and contract assets	135	N/A	165	(1,155)	(114)
Profit before taxation	6,738	N/A	8,412	14,242	(41)
Income tax expense	(1,501)	N/A	(2,168)	(4,206)	(48)
Profit after taxation	**5,237**	**N/A**	**6,244**	**10,036**	(38)
Other comprehensive expenses:					
Items that will be reclassified subsequently to profit or loss					
Foreign currency translation differences	(30)	N/A	(47)	(169)	(72)
Total comprehensive income for the financial period	**5,207**	**N/A**	**6,197**	**9,867**	(37)
Profit after taxation attributable to:					
Owners of the Company	5,267	N/A	6,298	10,076	(37)
Non-controlling interests	(30)	N/A	(54)	(40)	35
	5,237	**N/A**	**6,244**	**10,036**	(38)
Total comprehensive income attributable to:					
Owners of the Company	5,262	N/A	6,253	9,915	(37)
Non-controlling interests	(55)	N/A	(56)	(48)	17
	5,207	**N/A**	**6,197**	**9,867**	(37)
Earnings per share:					
Basic and diluted(3) (sen)	1.32	N/A	1.57	2.52	(38)

Notes:

N/A Not applicable.

(1) No comparative figures for the preceding quarter are presented as this is the fourth interim financial report on the consolidated results for the second quarter ended 30 June 2026 announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**").

(2) The cumulative comparative figures for the preceding financial year are presented as these were published in the Company's prospectus dated 14 November 2025 in compliance with the IPO Listing Requirements.

(3) The Group has not issued any potential dilutive ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share based on the existing enlarged share capital of 400,000,000 shares.

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to these interim financial statements.

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LAC MED BERHAD
(Registration No. 202401049485 (1595329-H))
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

	30.06.2026 RM'000 Unaudited	31.12.2025 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	11,609	9,597
Intangible assets	2,540	2,832
Right-of-use assets	138	217
Deferred tax assets	2,580	2,043
	16,867	14,689
Current assets		
Inventories	31,661	27,776
Trade receivables	88,278	30,284
Other receivables, deposits and prepayments	12,132	5,391
Contract assets	10,320	49,858
Amount owing by related parties	254	10
Fixed deposits with licensed banks	9,712	22,331
Short term investment	19,229	34,342
Cash and bank balances	40,046	30,549
	211,632	200,541
TOTAL ASSETS	**228,499**	**215,230**
EQUITY AND LIABILITIES		
Equity		
Share capital	102,198	102,198
Foreign exchange translation reserve	(311)	(266)
Retained profits	66,450	62,752
Merger reserve	(45,839)	(45,839)
Equity attributable to owners of the Company	122,498	118,845
Non-controlling interests	4	60
TOTAL EQUITY	**122,502**	**118,905**

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	30.06.2026 RM'000 Unaudited	31.12.2025 RM'000 Audited
Non-current liabilities		
Borrowings	970	1,068
Hire purchase payables	4,989	41
Employee benefit liability	48	-
Lease liabilities	71	71
	6,078	1,180
Current liabilities		
Trade payables	44,185	38,597
Other payables and accruals	14,808	14,805
Contract liabilities	6,376	7,473
Amount owing to related parties	799	5,087
Lease liabilities	59	115
Hire purchase payables	1,496	59
Borrowings	32,186	26,100
Current tax liabilities	10	2,909
	99,919	95,145
TOTAL LIABILITIES	**105,997**	**96,325**
TOTAL EQUITY AND LIABILITIES	**228,499**	**215,230**

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to these interim financial statements.
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LAC MED BERHAD
(Registration No. 202401049485 (1595329-H))
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2026

	Attributable to owners of the Company						
	Non-distributable			Distributable			
	Share capital RM'000	Foreign exchange translation reserve RM'000	Merger reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance as at 31 December 2025	102,198	(266)	(45,839)	62,752	118,845	60	118,905
Profit after taxation for the financial period	-	-	-	6,298	6,298	(54)	6,244
Other comprehensive expense for the financial period:							
- Foreign currency translations difference	-	(45)	-	-	(45)	(2)	(47)
Total comprehensive income for the financial period	-	(45)	-	6,298	6,253	(56)	6,197
Dividends to owners of the Company	-	-	-	(2,600)	(2,600)		(2,600)
Balance as at 30 June 2026	**102,198**	**(311)**	**(45,839)**	**66,450**	**122,498**	**4**	**122,502**

The above condensed consolidated statement of equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to these interim financial statements.

LAC MED BERHAD
(Registration No. 202401049485 (1595329-H))
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026

	6-month ended 30.06.2026 RM'000	6-month ended (1)30.06.2025 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	8,412	14,242
Adjustments for:		
Depreciation of property, plant and equipment	1,275	278
Depreciation of right-of-use assets	77	41
Amortisation of intangible assets	292	-
Unrealised loss on foreign exchange	175	-
Provision of warranties	3,490	1,802
Impairment loss on trade receivables	-	1,185
Listing expenses	-	1,463
Inventory written down	-	24
Inventory written off	-	99
Interest expense on lease liabilities	6	1
Interest expense on borrowings	436	188
Interest income from deposits with licensed banks and others	(882)	(643)
Reversal of impairment loss: -		
- Trade receivables	(165)	-
- Contract assets	-	(30)
Reversal of provision for warranties	(1,070)	(605)
Provision of employee benefits	48	-
Operating profit before working capital changes	12,094	18,045
(Increase)/Decrease in contract assets	39,538	1,358
(Increase)/Decrease in inventories	(3,187)	(967)
(Increase)/Decrease in trade and other receivables	(64,815)	1,793
Increase/(Decrease) in trade and other payables	3,442	(7,872)
Increase/(Decrease) in contract liabilities	(1,097)	(10,196)
Increase/(Decrease) in amount owing to related parties	(4,298)	136
Cash generated from operations	(18,323)	2,297
Income tax (paid)/refunded	(5,603)	(2,133)
Net cash from operating activities	(23,926)	164

	6-month ended 30.06.2026 RM'000	6-month ended (1)30.06.2025 RM'000
Purchase of property, plant and equipment	(3,990)	(2,903)
Repayment from directors	-	139
Advances from a related company	10	(33)
(Placement)/Withdrawal of fixed deposits pledged to licensed bank with tenure of more than 3 months	-	3,000
(Placement)/Withdrawal of fixed deposits pledged to licensed bank	(397)	(350)
Interest income and other investment income received	881	643
Net cash flows from/(for) in investing activities	(3,496)	496
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Interest paid	(442)	(189)
Advances from a related party	-	10
Net Drawdown/(Repayment) of revolving credit	20,000	-
Net Drawdown/(Repayment) of hire purchase	6,385	(28)
Net Drawdown/(Repayment) of invoice financing/ banker acceptance	4,600	14,044
Payment of share issuance expenses	(446)	(2,244)
Net Drawdown/(Repayment) of term loans	(98)	(475)
Net Drawdown/(Repayment) of lease liabilities	(56)	(45)
Net Drawdown/(Repayment) of trade financing	(18,513)	(18,146)
Dividend Paid	(2,600)	-
Net cash from/(for) in financing activities	8,830	(7,073)
Net increase/(decrease) in cash and cash equivalents	(18,592)	(6,413)
Effect of foreign exchange translation	(40)	(169)
Cash and cash equivalents at beginning of financial period	78,948	28,135
Cash and cash equivalents at end of financial period	60,316	21,553

(1) *The cumulative comparative figures for the preceding financial year are presented as these were published in the Company's prospectus dated 14 November 2025 in compliance with the IPO Listing Requirements.*

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to these interim financial statements.

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

The interim financial report of LAC Med Berhad ("**LAC**" or the "**Company**") and its subsidiaries (collectively, the "**Group**") is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("**MFRS**") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**") and Paragraph 9.22 of the Listing Requirements.

This is the fourth interim financial report on the Company's consolidated results for the second quarter ended 30 June 2026 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding quarter, whereas comparative figures for the financial year ended 31 December 2025 are presented where applicable. However, the comparative figures for the preceding six months period ended 30 June 2025 are presented as these have been audited and disclosed in the Initial Public Offering Prospectus in accordance with the Listing Requirements.

This interim financial report should be read in conjunction with Dthe Group's audited financial statement for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2025. The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the MASB ("**MFRS Accounting Standards**") that became effective and will be adopted by the Group during the current financial period:

(a) Accounting standards, interpretations and amendments effective in the current financial period

MFRS Accounting Standards, interpretations and amendments	Effective Date
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026

(b) Accounting standards, interpretations and amendments issued but not yet effective

MFRS Accounting Standards, interpretations and amendments	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS121: Translation to a Hyperinflationary Presentation currency	1 January 2027

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon its initial application.

A3. Auditors' Report

The audited consolidated financial statements of the Group for the financial year ended 31 December 2025 were not subject to any qualifications.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not subject to any seasonal or cyclical trend during the current quarter and financial period under review.

A5. Material Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial period under review.

A6. Material Changes in Estimates

There were no changes in estimates that have a material effect in the current quarter and financial period under review.

A7. Debt and Equity Securities

There was no other issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the current quarter and financial period under review.

A8. Dividends

For the quarter under review, on 9 April 2026, the Company had declared a final dividend of 0.65 sen per ordinary share in respect of the financial year ended 31 December 2025 and it has been fully paid on 15 June 2026.

No dividend is declared for the current quarter under review.

A9. Segmental Information

Segmental information for the second quarter ended 30 June 2026 is as below:

	6-month ended 30 June 2026 RM'000	6-month ended 30 June 2025 RM'000
Revenue from contracts with customers		
Recognised over time:		
Supply and integration of medical devices	32,443	72,218
Supply of related products and services	6,668	1,632
Total revenue	**39,111**	**73,850**
Recognised at a point in time:		
Supply of medical equipment	26,598	14,311
Supply of related products and services	9,258	6,794
Total revenue	**35,856**	**21,105**

A10. Material Events Subsequent to the End of the Quarter

Save as disclosed in Note B6 on the Status of Corporate Proposals, there were no other material events subsequent to the end of the current quarter and financial period under review that have not been reflected in the interim financial report.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial period under review.

A12. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets as at the date of this interim financial report.

A13. Capital Commitment

	As at 30 June 2026 RM'000	As at 31 December 2025 RM'000
Capital Expenditure Commitment		
Approved and not contracted	4,001	13,460
Approved and contracted	13,999	4,540

A14. Significant Related Party Transactions

There were no significant related party transactions during the current quarter and financial period under review.

A15. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current quarter and financial period under review.

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

a) Review of Current Quarter Performance

In the second quarter ended 30 June 2026 ("2QFY26"), the Group achieved a revenue and profit before tax ("**PBT**") of RM45.6 million and RM6.7 million respectively. The Group overall revenue is derived from supply of medical equipment of RM15.2 million, supply of related products and services of RM8.7 million, and supply and integration of medical devices of RM21.7 million.

The gross profit margin in 2QFY26 sustained at 27.6%, was supported by an improved product mix attributed to higher contributions from the *Supply of Related Products and Services* segment. The segment accounted for more than 20% of the overall Group revenue in 2QFY26.

Administrative expenses for the quarter amounted to RM5.2 million, of which 82% comprised staff costs due to additional head count. Increase in other expenses are mainly due to additional depreciation charges and unrealised foreign exchange loss.

Net profit for 2QFY26 was recorded at RM5.2 million. There is no comparison for 2QFY26 to the preceding year's corresponding quarter ended 30 June 2025 as LAC Med was listed on the Main Market of Bursa Malaysia Securities Berhad on 10 December 2025.

b) Review of Year-to-Date Performance

For the first half year ended 30 June 2026 ("1HFY26"), the Group recorded revenue and PBT of RM75.0 million and RM8.4 million respectively. By comparison, revenue and PBT were higher at RM95.0 million and RM14.2 million respectively in the previous corresponding period ("1HFY25").

The better performance in 1HFY25 compared to 1HFY26 was due to a one-off revenue adjustment of circa RM6 million from the *Supply and Integration of Medical Devices* segment that was deferred from FY2024. The revenue adjustment arose due to the transition from private entity reporting to the new MFRS framework in FY2024.

B2. Comparison with Immediate Preceding Quarter

Quarter-on-quarter (QoQ), the Group's revenue increased by RM16.2 million or 55.1% whilst the PBT increased by RM5.0 million or 294.2% as set out below:

RM' million	Q1 FY2026	Q2 FY2026	Changes (%)
Supply and integration of medical equipment	10.7	21.7	+102.8%
Supply of medical equipment	11.5	15.1	+31.3%
Supply of related products and services	7.2	8.8	+22.2%
Total revenue	**29.4**	**45.6**	**+55.1%**
Profit before tax ("PBT")	1.7	6.7	+294.2%
Gross profit margin (%)	24%	28%	+16.7%
Administrative expenses	4.9	5.2	+6.1%

The QoQ revenue growth was mainly attributable to higher revenue recognition from ongoing projects under the *Supply and Integration of Medical Devices* segment, and complemented by improved performance from both other segments.

Earnings in the current quarter show a marked improvement compared to the preceding quarter, reflecting stronger operational performance and enhanced profitability momentum.
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B3. Prospects for the Current Financial Year

Malaysia's healthcare sector continues to show resilient growth, driven by growing medical tourism, ageing population and rising chronic disease rates. To meet the demand, public-private investments are increasing towards better infrastructure and healthcare digitalisation. Against this backdrop, LAC Med is well-positioned to capture expanding opportunities across the healthcare ecosystem through its integrated portfolio of medical devices, consumables, and healthcare IT solutions.

LAC Med is striving for 20% of its total revenue to derive from recurring sources driven by healthcare IT solutions, consumables, and repair and maintenance services which provide income predictability and strengthen profit margins.

The Group's order book expanded to RM246.9 million as at 31 July 2026, providing earnings visibility for the next three to four years. Furthermore, LAC Med's tender book has also increased to RM769.8 million as at 31 July 2026, from RM 690.9 million in 30 April 2026. The tender growth underscores increasing deal pipeline momentum for the Group, driven by active public healthcare bids for upcoming projects.

Regionally, the Group's Indonesian subsidiary, PT Fairmed Imaging Nusajaya, is navigating near-term economic headwinds in Indonesia. However, the growth prospects remain robust as the nation aims to modernise healthcare infrastructure and accelerate digital adoption to improve patient care. To balance caution with growth, LAC Med will circumvent the challenges while continuing to reinforce its presence through expanded service coverage and strategic local partnerships.

Looking ahead, LAC Med remains focused on expanding its recurring revenue stream and strengthening core capabilities to capture new contract wins in the second half of 2026. As healthcare service providers finalise their annual operational and capital expenditure budgets toward year-end, the procurement cycle is expected to accelerate new project awards, replenishing the Group's order book and driving steady revenue conversion.

Barring unforeseen circumstances, the Board remains cautiously optimistic on the Group's prospects for the financial year ending 31 December 2026

B4. Profit Forecast

The Group did not issue any revenue or profit estimate, forecast, projection or internal targets in any announcement or public document.

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B5. Taxation

The Group's taxation together with the comparison between the effective and statutory tax rates for the current quarter and financial period under review are as follows:

	3-month ended 30 June 2026 RM'000	Year-to-date 30 June 2026 RM'000
Current tax expense		
• Current year	1,501	2,168
• Under/(Over) provision in the previous financial year	-	-
Total income tax expense	**1,501**	**2,168**
Effective tax rate (%)	22.3	25.8
Statutory tax rate (%)	24.0	24.0

The Group's overall effective tax rate of 25.8% is marginally above the statutory rate of 24%, due to non-deductibility of certain expenses.

B6. Status of Corporate Proposals

There were no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.

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B7. Utilisation of Proceeds from the Public Issue

The gross proceeds from the Public Issue amounting to approximately RM55.6 million is expected to be utilised in the following manner:

Details	(A) Original proposed utilization RM'000	(B) Reallocation RM'000	(C) = (A) + (B) Reallocated utilization RM'000	(D) 30.06.2026 utilization RM'000	(C) - (D) Balance unutilized RM'000	Intended Timeframe for Utilization
Capital expenditure						
- Setting up new head office and warehouse	12,000	-	12,000	-	12,000	Within 36 months
- Expansion of Indonesian business	8,000	-	8,000	-	8,000	Within 36 months
- Establishment of EaaS and MEAMS	8,000	-	8,000	-	8,000	Within 36 months
Repayment of bank borrowings	16,000	-	16,000	16,000	-	Within 12 months
Working capital	6,148	241	6,389	3,908	2,481	Within 24 months
Estimated listing expenses	5,500	(241)	5,259	5,259	-	Within 1 month
Total	**55,648**	**-**	**55,648**	**25,167**	**30,481**	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus. The excess unutilised listing expenses were reallocated as working capital which was approved by the Board of Directors.

B8. Borrowings

As at 30 June 2026, our total outstanding borrowings amounted to approximately RM39.6 million, further details of which are set out below:

Type of borrowings	Unaudited as at 30 June 2026 (RM'000)	Audited as at 31 December 2025 (RM'000)
Non-current		
Secured		
Hire purchase payables	4,989	41
Term loans	970	1,068
Total non-current borrowings	**5,959**	**1,109**
Current		
Secured		
Hire purchase payables	1,496	59
Term loans	174	174
Invoice financing / Banker Acceptance	4,963	364
Trade financing	2,049	20,562
Revolving credit	25,000	5,000
Total current borrowings	**33,682**	**26,159**
Total borrowings	**39,641**	**27,268**

All the Group's borrowings are denominated in Ringgit Malaysia, secured and interest-bearing.

B9. Material Litigation

As at the date of this interim financial report, the Group is not engaged in any material litigation or arbitration proceedings, either as plaintiff or defendant, and the Directors are not aware of any proceedings pending or threatened against the Group, which may materially and adversely affect the financial position or business performance of the Group.

B10. Earnings Per Share ("EPS")

The basic and diluted EPS for the current quarter and financial period is computed as follows:

	3-month ended 30 June 2026	Year-to-date 30 June 2026
Profit after taxation attributable to owners of the Company (RM'000)	5,267	6,298
Weighted average number of ordinary shares in issue ('000)	400,000	400,000
Basic EPS[(1)] (sen)	1.32	1.57
Diluted EPS[(2)] (sen)	1.32	1.57

Notes:

(1) Basic EPS is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period under review.

(2) Diluted EPS is equivalent to the basic EPS as the Company does not have any convertible securities as at the end of the financial period under review.

B11. PBT

PBT was arrived at after charging/(crediting):

	3-month ended 30 June 2026 RM'000	Year-to-date 30 June 2026 RM'000
Depreciation of property, plant and equipment	651	1,275
Depreciation of right-of-use assets	38	77
Amortisation of intangible assets	146	292
Interest expense on financial liabilities that are not at fair value through profit or loss:		
- Invoice financing / banker acceptance	65	71
- Trade financing	8	61
- Revolving credit	106	107
- Hire purchase payables	94	162
- Term loans	17	34
Net Impairment losses:		
- (Reversal)/Provision on Trade receivables	(135)	(165)
Unrealised loss on foreign exchange	111	175
Interest income on financial assets measured at amortised cost	(349)	(881)
Provision/(Reversal) for employee benefit	(2)	48
Other income including investment income	(144)	(192)

By Order of The Board,

Rebecca Kong Say Tsui
Yeng Shi Mei

Secretaries
19 August 2026

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