



UMediC Group Berhad
(Company No. 202101015347) (1415647-D)



2023
Annual Report

**BRING EXCELLENCE IN
HEALTHCARE**

To provide an integrated healthcare supply chain with advanced technology, which ultimately improves the quality of human life.

VISION



To be the trusted and preferred partner for all our stakeholders, which include our investors, suppliers, customers, employees and the communities.

MISSION



CORE VALUES



Unity



Motivation



Commitment

CONTENTS

- | | |
|---|---|
| 02 Corporate Information | 72 Statement on Risk Management and Internal Control |
| 03 Corporate Structure | 76 Audit and Risk Management Committee Report |
| 04 Media Highlights | 83 Nomination Committee Statement |
| 08 Financial Highlights | 86 Directors' Responsibility Statement |
| 09 Chairman's Statement | 87 Additional Compliance Information |
| 11 Management Discussion & Analysis | 89 Financial Statements |
| 18 Board of Directors | 154 List of Properties |
| 19 Profile of Directors | 155 Analysis of Shareholdings |
| 29 Profile of Key Senior Management | 157 Notice of Third Annual General Meeting |
| 31 Corporate Governance Overview Statement | 161 Statement Accompanying Notice of 3 rd AGM |
| 37 Sustainability Report | 163 Proxy Form |
| | 165 Administrative Guide |

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Ng Chai Eng

Non-Independent Non-Executive Chairman

Lim Taw Seong

Executive Director/Chief Executive Officer

Lau Chee Kheong

Non-Independent Non-Executive Director
(Resigned on 5 October 2023)

Dr. Pakirisamy Baskaran A/L P Thangavelu

Independent Non-Executive Director

Tan Chye Suan

Independent Non-Executive Director

Lee Yee Wooi

Independent Non-Executive Director

Dato' Dr. Teh Keng Hwang

Independent Non-Executive Director
(Appointed on 5 October 2023)

Ng Sze Hui

Alternate Director to Dato' Ng Chai Eng

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman

Lee Yee Wooi

Members

Dr. Pakirisamy Baskaran A/L P Thangavelu

Tan Chye Suan

REMUNERATION COMMITTEE

Chairman

Tan Chye Suan

Members

Dr. Pakirisamy Baskaran A/L P Thangavelu

Lee Yee Wooi

NOMINATION COMMITTEE

Chairman

Dr. Pakirisamy Baskaran A/L P Thangavelu

Members

Tan Chye Suan

Lee Yee Wooi

COMPANY SECRETARY

Ooi Yoong Yoong

MAICSA No.: 7020753

SSM PC. No.: 202008002042

AUDITORS

BDO PLT (LLP0018825-LCA) & AF 0206

Chartered Accountants

51-21-F, Menara BHL

Jalan Sultan Ahmad Shah

10050 Pulau Pinang

Tel: (604) 222 0288

Fax: (604) 222 0299

REGISTERED OFFICE

39 Irving Road

10400 George Town

Pulau Pinang

Tel: (604) 210 9828

Fax: (604) 210 9827

Email: cosec@adconsultpg.com.my

HEAD OFFICE/ PRINCIPAL PLACE OF BUSINESS

PMT 790, Jalan Cassia Selatan 5/2

Taman Perindustrian Batu Kawan

14110 Bandar Cassia

Pulau Pinang

Tel: (604) 589 9676

Fax: (604) 589 9677

Website: www.umedic.com.my

E-mail: ir@umedic.com.my

SPONSOR

AFFIN Hwang Investment Bank Berhad

Level 19, Menara Affin

Lingkaran TRX

Tun Razak Exchange

55188 Kuala Lumpur

Tel: (603) 2142 3700

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd

11th Floor, Menara Symphony

No. 5, Jalan Prof. Khoo Kay Kim

Seksyen 13

46200 Petaling Jaya

Selangor Darul Ehsan

Tel: (603) 7890 4700

PRINCIPAL BANKER

Hong Leong Bank Berhad

No.1823-G1, Jalan Perusahaan Auto-City

North-South Highway Juru Interchange

13600 Prai, Pulau Pinang

Tel: (604) 502 1488

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad

Stock Name: UMC

Stock Code: 0256

Sector: Health Care

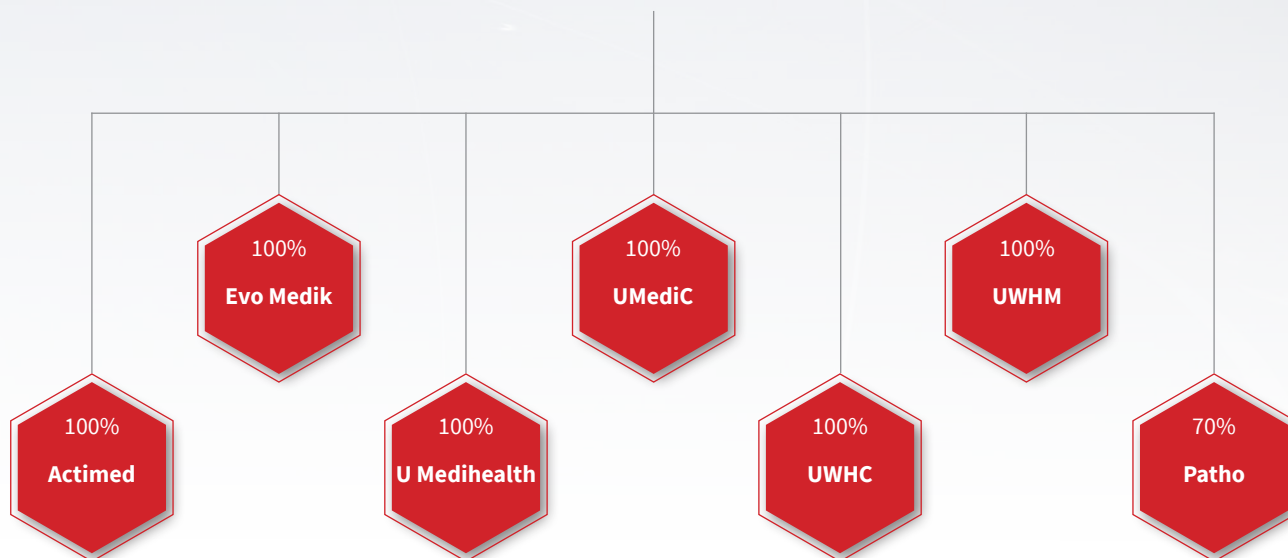
Subsector: Health Care Equipment & Services

CORPORATE STRUCTURE



UMediC Group Berhad

(Registration No. 202101015347) (1415647-D)



Company	Date of Incorporation	Ownership Interest	Principal Activities
UMediC Group Berhad ("UMC")	22 April 2021		Investment holding
Actimed Healthcare Sdn Bhd ("Actimed")	20 June 2003	100%	Marketing and distribution of medical devices
Evo Medik Sdn Bhd ("Evo Medik")	13 August 2007	100%	Marketing and distribution of medical devices as well as the provision of after-sales service, healthcare and other related services. To operate nursing homes and healthcare centres as well as the provision of other related services
U Medihealth Sdn Bhd ("U Medihealth")	10 May 2011	100%	Marketing and distribution of medical devices
UMediC Healthcare Sdn Bhd ("UMediC")	8 November 2002	100%	Marketing and distribution of medical devices as well as the provision of after-sales service, training, healthcare and other related services
UWHC Sdn Bhd ("UWHC")	31 July 2018	100%	Holding of intellectual property rights
UWHM Sdn Bhd ("UWHM")	28 September 2011	100%	Developing, manufacturing and marketing of medical devices
Patho Solutions (M) Sdn Bhd ("Patho")	9 July 2019	70%	Marketing and distribution of laboratory equipment and consumables

MEDIA HIGHLIGHTS

29 August 2022

The Edge Online-UMeDiC eyeing a bullish breakout, says RHB Retail Research

UMeDiC eyeing a bullish breakout, says RHB Retail Research

KUALA LUMPUR (August 29): RHB Retail Research said UMeDiC Group Bhd is eyeing a bullish breakout, after testing the immediate resistance level of 56 sen.

In a trading stocks note today, the research house said the stock charted a "higher high" bullish candlestick, showing that momentum is picking up pace.

"If a breakout happens, it should climb towards 59 sen, followed by 62.5 sen.

"On the downside, a fall below the 51.5 sen support level would indicate that a bearish bias has emerged," it said.

13 September 2022

Business Today Online-ACE Market Debuted UMeDiC Reported A 50% Jump In PAT For FY2022

ACE Market Debuted UMeDiC Reported A 50% Jump In PAT For FY2022

By Editor - September 13, 2022

Newly listed, UMeDiC Group Berhad reported a surge in revenue and profit before tax by 48.7% and 29.4% respectively, year on year, to RM50.7 million and RM8.5 million. The profit after tax, excluding the one-off listing expenses, leaped by 50% to RM8.4 million.

The group said the earnings were attributed to the higher demand for medical devices and consumables given the continued domestic and foreign investments. UMeDiC's marketing and distribution segment accounted for 80.1% of the total revenue with the remaining coming from the manufacturing segment which has been gaining traction since its introduction.

13 September 2022

New Straits Times Online-Higher demand for medical devices lifted UMeDiC Group Q4 earnings

Higher demand for medical devices lifted UMeDiC Group Q4 earnings

KUALA LUMPUR: UMeDiC Group Bhd (UMC) posted a net profit of RM568,000 for its fourth quarter (Q4) ended July 31, 2022 (FY22) mainly contributed by both the marketing, distribution and manufacturing segments.

There are no comparative figures for the preceding year corresponding quarter as this was the second interim financial report announced by the company in compliance with the Listing Requirements.

The company stated the increase in its Q4 net profit was mainly due to a higher demand for medical devices and consumables from both public and private hospitals as well as healthcare service providers.

Revenue for the quarter came in at RM7.41 million contributed by the sale of its manufactured medical consumables, namely HydroX series pre-filled humidifiers with a better foreign exchange rate for overseas revenue.

During the current quarter, the company had also commercialised its AirdroX series inhaler spacers.

14 September 2022

The Star-UMeDiC Group optimistic about growth prospects

UMeDiC Group optimistic about growth prospects

PETALING JAYA: UMeDiC Group Bhd (UMC) is confident of its growth prospects, and will continue to focus on its market expansion activities and expanding its product portfolio.

UMC is involved in the marketing and distribution of various branded medical devices and consumables and had debuted on the ACE Market on July 26.

For its financial year ended July 31, 2022 (FY22), net profit rose 26.3% to RM56.43mil while revenue grew 48.7% to RM50.74mil. Earnings per share for FY22 was 1.72 sen versus 1.36 sen a year earlier.

In a statement, UMC said the improved earnings were due to higher demand for domestic and foreign markets.

In a Bursa Malaysia filing, UMC also said the higher top line was also contributed by the increase in the sales of its manufactured medical consumables, namely the HydroX series pre-filled humidifiers with a better foreign exchange rate for overseas revenue.

The group noted that its marketing and distribution segment accounted for 80.1% of revenue, with the remaining coming from the manufacturing segment which has been gaining traction.

For its fourth quarter, UMC posted a net profit of RM568,000 while revenue was at RM7.41mil. During the quarter, the group also commercialised its AirdroX series inhaler spacers.

UMC also stated its financial position remained robust with a current ratio of 5.78 times and net gearing ratio of 0.15 times.

"We believe that this is a good indication of what to expect in the coming years, given the recovery of the economy along with the various growth drivers like healthcare tourism, as well as the support from the government which will spur our business growth.

"Given that UMC is still at a growth phase, we believe that we remain well positioned to capture all these opportunities," said UMC executive director and CEO Lim Taw Seong.

UMC reiterated that its future plans and business strategies included the construction of a new factory building in Batu Kawan, Penang as the group expects better sales in the future.

It is also setting up a new marketing and distribution office each in Kuala Lumpur and Johor Bharu, as well as developing and commercialising new products under its own brand, namely, sterile water for inhalation, pre-filled nebulisers, digital oxygen flowmeters and humidifier humidity sensors.

It also aims to develop new brand distribution channels.

14 September 2022

The Sun-UMeDiC records Q4 net profit RM568,000

UMeDiC records Q4 net profit RM568,000

KUALA LUMPUR: UMeDiC Group Bhd (UMC) recorded a net profit of RM568,000 for its fourth quarter (Q4) ended July 31, 2022 (FY22) mainly contributed by both the marketing, distribution and manufacturing segments.

The company, which made its debut on the ACE Market in July, saw revenue of RM7.41 million due to stronger demand in the marketing and distribution and the manufacturing segments.

There are no comparative figures for the preceding corresponding quarter as this is the second interim financial statement announced by the company in compliance with the listing requirements.

The group's marketing and distribution segment accounted for 80.1% of the total revenue with the remaining coming from the manufacturing segment.

UMC executive director and CEO Lim Taw Seong said that the group's net profit rose 26.3% to RM56.43 million while revenue increased 48.7% to RM50.74 million, mainly due to higher demand for medical devices and consumables from domestic and foreign markets.

During the quarter, UMC commercialised its AirdroX series of inhaler spacers.

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15 September 2022

Nanyang Siang Pau Online-HLIB Research-Stronger net profit ahead for UMeDiC

UMeDiC 集团 未来净利将更强劲

守住 HOLD

目标价：81 仙

最新进展 UMeDiC 集团 (UMC, 0256, 创业板) 2022 财年季末季净盈利 56 万 8000 令吉, 推高全年净利至 642 万 6000 令吉。

该公司发公告指出, 在扣除一次性的上市开支后, 全年核心净利实际录得 840 万令吉, 按年大派 50%, 去年同期为 508 万 7000 令吉。

本季营业额录得 741 万 1000 令吉, 使得全年营收按年增长 48.7%, 至 5073 万 8000 令吉。

行家建议 UMeDiC 集团 2022 财年核心净利为 830 万令吉, 符合我们的预期, 达全年预测的 98%。

我们认为该公司未来几年的净表现将更强劲, 主要是制造、营销和分销业务的贡献走高。

再来, 该公司本地业务的市场份额仍有巨大提升空间, 因为该公司在国内的市占率, 仅占大马整个医疗器械领域约 0.2%。

此外, 该公司有意推出自家品牌, 相信这些产品将会带来更高的赚幅。

我们维持净利预测不变, 但将目标价从原先的 61 仙, 调高至 81 仙。

不过, 我们下调评级至 "守住", 主要是因为目前的积极因素, 已基本反映在股价上。

截至 7 月底财年	2022	2023	2024
营业额 (令吉)	5070 万	6560 万	7590 万
经营净盈利 (令吉)	830 万	1190 万	1400 万
每股经营净盈利 (仙)	2.2	3.2	3.7
本益比 (倍)	39.8	27.7	23.5
股本回报率 (%)	15.7	17.1	17.3

资料来源: 丰隆投行研究

16 September 2022

The Star-UMC's distribution segment records healthy growth

UMC's distribution segment records healthy growth

PETALING JAYA: UMediC Group Bhd (UMC) is projected to sustain growth in earnings on the back of strong demand for its offerings, along with plans for a new venture.

Hong Leong Investment Bank (HLIB) Research said the medical devices maker's distribution segment and self-manufactured products are recording healthy levels of growth.

UMC's current orderbook stands at about RM10mil, evenly split between both the manufacturing segment as well as the distribution and marketing segment," said the research house in a report yesterday.

The group saw the rise in demand for automated external defibrillators (AED), following the government's mandate for the on-site installation of AED in all public facilities.

"We note that UMC has a market share of about 30% for its distribution business which is limited to the existing category of medical devices that UMC supplies.

"Hence, this new requirement by the government will undoubtedly benefit UMC," said HLIB Research.

Moreover, UMC's recently commercialised second own-brand product, the AirodX spacer, generated RM0.1mil of revenue within a month.

At present, the group is supplying the spacer to both hospitals and local pharmacies at an average asking price of roughly RM30 per unit.

"Given the manufacturing of AirodX spacer's components is outsourced to third party contract manufacturers while assembly is done in-house, we believe it would be relatively easier to ramp up the production of the product," said HLIB Research.

Overall, the research house noted it is likely for UMC to have further market share growth as certain products under the group's portfolio are relatively new.

Looking forward, the group has plans to venture into the laboratory supply business

to supply laboratory equipment and consumables.

For starters, UMC will be distributing laboratory equipment for prospective principals before looking into the manufacturing of waste-based and chemical-based consumables. The research house is of the view that the latter is expected to provide recurring income for the group.

"UMC has initiated discussion with targeted principals and is currently in the due diligence stage.

"The management also does not expect this new venture to require heavy capital expenditure, as the group can leverage on its existing facilities for the manufacturing of lab consumables," said HLIB Research.

HLIB Research maintained its 'hold' rating on UMC with an unchanged target price of RM81.

The valuation is based on a price to earnings ratio of 21.6 times with a earnings per share forecast of 3.7 sen per share.

17 September 2022

New Straits Times-HLIB Research retains 'hold' rating on UMediC

81 SEN TARGET PRICE

HLIB Research retains 'hold' rating on UMediC

“We believe the positives have been priced-in at current levels (share price rose 161 per cent since its debut).”

HONG LEONG INVESTMENT BANK BHD

KUALA LUMPUR: Hong Leong Investment Bank Bhd (HLIB Research) is optimistic about UMediC Group Bhd's (UMC) outlook for the coming quarters.

This is backed by healthy demand for its distribution and self-manufactured products.

The research house said UMC had indicated that there had been an increase in demand for automated external defibrillators (AED) after the government made it mandatory for all public facilities to have an AED unit installed on-site.

It added that UMC had a market share of 30 per cent for its distribution business (limited to the existing category of medical devices that UMC supplies).

"Hence, this new requirement by the government will benefit UMC. We reckon that there is room for market share growth as certain products in UMC's portfolio are relatively new."

HLIB Research said UMC had

in June commercialised its second brand product, the AirodX spacer.

It said within a month after its commercialisation, the AirodX spacer had generated RM360,000 worth of revenue in the fourth quarter of its financial year 2022, with an estimated sales volume of around 30,000 units.

"We gather that UMC is supplying the spacer to hospitals and pharmacies.

HLIB Research said it continued to like UMC for its anticipated rosy earnings growth.

It has kept its "hold" rating on UMC with an unchanged target price of 81 sen.

"We believe the positives have been priced-in at current levels (share price rose 161 per cent since its debut).

UMC's current order book stands at around RM10m, evenly split between its manufacturing and distribution and marketing segments.

4 November 2022

China Press-Strong rebound signal for UMediC

UMediC集團 反彈信號強烈

技術圖顯示，UMediC集團 (UMC, 0256, 创业板医疗保健) 目前在82仙時出現雙頂形態 (Double Top)，加上各項指標趨好，該股已出現強烈的反轉信號。

如果成功突破70仙即時阻力點，將刺激股價朝75仙、78仙和86仙前進；止損點定於54仙。

隨著政府強制要求所有公共場所需安裝自動体外除颤器 (AED)，市場需求日益增長，加上即將推出的新產品，豐隆投研研究看好，UMediC集團分銷業務的市場份額將從30%進一步擴大。

另外，該公司自家品牌AirodX推出的吸入器面市以來，已在今年末季帶來36萬令吉的營業額；該行看好，若UMediC集團持續推出更多品牌產品，賺幅有望再加大。

券商： 豐隆投研研究
投資建議： 技術先進
可買進價位： 59仙、60仙、62仙
上行目標： 75仙、78仙、86仙
止損點： 54仙
閉市價： 60.5仙 (截至11月3日)
每股盈利： 3.2仙 (2023財年估計)
本益比： 19.5倍 (2023財年估計)

2 December 2022

China Press Online-UMediC Group's Revenue increased by 52.7% quarter-on-quarter

中國報 中國新聞 CHINA PRESS

UMediC集團 营业额按季增长52.7%

2022年12月02日 411点阅读

(吉隆坡2日讯) 医疗器械分销商UMediC集团 (UMC, 0256, 创业板医疗保健) 截至10月底首季，营业额按季增长52.7%至1130万令吉，比较上一季为740万令吉。

该集团向马证交所报备，集团税前盈利按季飙涨650%至220万令吉，对比上一季为60万令吉。税后盈利也飙升252.6%至200万令吉。

该集团在文告指出，医疗器械和消耗品的强劲需求推动了集团的业绩。集团在2023财年首季，营销和分销分部的营业额按季增长了96%。

UMediC集团总执行长林植雄指出，尽管面对多重逆境，但是集团还是成功创下佳绩。他说，鉴于全球健康意识提高，医疗设备和耗材需求将持续强劲，并将是集团业务增加的催化剂。

"我们将继续专注于与内部研发，凭借着创新能力，我们相信集团的制造分部将在不久的将来，为营业额作出贡献。"

3 December 2022

Business Today Online-High Demand For Medical Devices Lifts UMediC Group's Profits

High Demand For Medical Devices Lifts UMediC Group's Profits

By Editor - December 3, 2022

Recently listed UMediC Group Berhad announced its results for the first quarter of the financial year reporting a revenue of RM11.3 million, marking a 52.7% quarter-on-quarter growth, against the previous quarter's RM7.4 million.

17 September 2022

The Star-UMediC sparks interest

CORPORATE UMediC sparks interest

By ELM POON eelpoon@thestar.com.my

ONE of the top performing initial public offerings (IPOs) this year has to be the medical device maker UMediC Group Bhd. It was listed on the ACE Market of Bursa Malaysia last month on a valuation of 4.8 billion, with a primary offering of 4.8 million shares at 95.5 sen this month.

Its share price has since settled at around 80 sen but that is well above its initial offering price.

In fact, the company's share price has risen 170% above its initial offering price.

Why are investors chasing up this company?

Reasons for that are many. One is that the company's products are well-received by the market. The company also has a strong order book. It is a solid manufacturing provider, which listed in 2019 at 42 sen and today trades at RM11.31 apiece, marking a 170% rise.

Secondly, for brokers say, it is that Finance Minister Tengku Zaheid Abdul Adul Aziz recently said that the government's most important goal is to support local manufacturers in the country.

Meanwhile, the common shareholder of UMediC and UMC is the big player, a Pengang-based businessman who founded UMC Group in 1999 and later ventured into medical products. He currently owned 50% of both companies, which are also based in close proximity with each other in Pengang.

UMediC was formerly known as UMediC Medical, which was established in 2002. The business then was involved in distributing products such as dental handpieces and local assemblable delivery systems.

Today UMediC is a distributor for international medical device companies, including Philips, Medtronic, and others. The company has also developed and commercialised two products.

One is its AirodX series handpieces which is used to routinely sterilise

sterilisable.

For starters, UMC will be distributing laboratory equipment for prospective principals before looking into the manufacturing of waste-based and chemical-based consumables. The research house is of the view that the latter is expected to provide recurring income for the group.

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"The management also does not expect this new venture to require heavy capital expenditure, as the group can leverage on its existing facilities for the manufacturing of lab consumables," said HLIB Research.

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The valuation is based on a price to earnings ratio of 21.6 times with a earnings per share forecast of 3.7 sen per share.

MEDIA HIGHLIGHTS (CONT'D)

4 December 2022

Berita Harian Online-UMediC catat keuntungan lebih besar

UMediC catat keuntungan lebih besar

Oleh Mohd Zakry Zainuddin - Disember 4, 2022 @ 12:39pm
zakry@bh.com.my



UMediC Group Bhd

KUALA LUMPUR: UMediC Group Bhd meraih keuntungan sebelum cukai (PBT) RM2.2 juta pada suku pertama tahun kewangan berakhir 31 Julai 2023, mencerminkan lonjakan ketara sebanyak 650 peratus berbanding suku keempat 2022.

Keuntungan selepas cukai (PAT) pula melonjak 252.6 peratus kepada RM2 juta pada suku dikaji daripada RM600,000 pada suku sebelumnya.

Dalam suku dikaji, syarikat peranti perubatan tempatan itu memperoleh pendapatan berjumlah RM11.3 juta, 52.7 peratus lebih tinggi berbanding RM7.4 juta yang diraih pada suku keempat tahun kewangan berakhir 2022.

5 December 2022

Berita Harian-UMediC Group catat keuntungan lebih besar

UMediC Group catat keuntungan lebih besar

UMediC Group Bhd meraih keuntungan sebelum cukai (PBT) RM2.2 juta pada suku pertama tahun kewangan berakhir 31 Julai 2023, lonjakan ketara sebanyak 650 peratus berbanding suku keempat 2022.

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Prestasi kewangan kumpulan yang memberangsangkan itu didorong oleh permintaan yang kukuh untuk peranti perubatan dan produk guna habis.

Bagi suku pertama tahun

kewangan 2023, pendapatan segmen pemasaran dan pengedaran UMC meningkat sebanyak 96 peratus berbanding suku sebelumnya.

Pengarah Eksekutif yang juga Ketua Pegawai Eksekutif UMC, Lim Taw Seong, berkata kumpulan itu mempamerkan rekod prestasi perniagaannya yang memberangsangkan sekali lagi dalam menghadapi pelbagai cabaran.

"Memandangkan peningkatan kesedaran kesihatan di seluruh dunia, permintaan untuk peranti perubatan dan barangan guna habis kekal teguh.

"Kami percaya tahap permintaan yang tinggi akan terus menjadi pemangkin utama pertumbuhan perniagaan kami pada tahun-tahun akan datang. Selain itu, kami memberi tumpuan kepada proses penyelidikan dan pembangunan dalaman (R&D)," katanya.

5 December 2022

New Straits Times-UMediC's Q1 net profit surges to RM2m on robust demand

MEDICAL DEVICES AND CONSUMABLES

UMediC's Q1 net profit surges to RM2m on robust demand

KUALA LUMPUR: UMediC Group Bhd's net profit surged to RM2 million in the first quarter ended Oct 31, 2022 from RM0.6 million in the previous quarter.

The medical device company's revenue of RM11.3 million was 52.7 per cent higher quarter-on-quarter than the previous quarter's RM7.4 million.

In a statement, the company said these were driven by the robust demand for medical devices and consumables.

For the first quarter of its financial year 2023, UMediC's marketing and dis-

tribution segment's revenue jumped 96 per cent compared to the fourth quarter of financial year 2022.

UMediC executive director and chief executive officer Lim Taw Seong said the company had again showcased its promising business track record in the face of multiple headwinds.

"Given the rise in health awareness worldwide, the demand for medical devices and consumables remain robust and will continue to be the main catalyst for our growth."

5 December 2022

The Star-Umedic to focus on market expansion

Umedic to focus on market expansion

PETALING JAYA: Umedic Group Bhd will be focusing on market expansion activities to further grow its business.

In a filing with Bursa Malaysia, the medical device company said it already has several plans and business strategies in place.

Among them is the construction of a new factory building in Batu Kawan, Penang, in anticipation of future increase in sales.

Umedic said it will increase inventory levels of product distribution from its marketing and distribution segment, as well as raw materials and finished goods from its manufacturing segment.

For its first quarter ended Oct 31, 2022, Umedic reported a net profit of RM2mil, on revenue of RM11.31mil. There are no comparative figures for the preceding corresponding quarter as this is the third interim financial statement announced by the company.

Basic earnings per share stood at 0.54 sen.

Umedic said revenue and net profit for the quarter were contributed by both the marketing and distribution and manufacturing segments. "The increase was mainly due to a higher demand for medical devices and consumables from both public and private hospitals, as well as healthcare service providers.

5 December 2022

The Star-UMediC post 2Q net profit of RM2.91mil

UMedic posts 2Q net profit of RM2.91mil

PETALING JAYA: UMedic Group Bhd expects the medical device industry in the near future to be driven by the on-going Covid-19 pandemic, resulting in demand for healthcare services.

For its second quarter ended Jan 31, 2023, UMedic reported a net profit of RM2.91mil on revenue of RM12.52mil. Basic earnings per share stood at 0.78 sen.

There are no comparative figures for the preceding corresponding quarter as this is the fourth interim financial statement announced by the company. For the six-month period ended Jan 31, 2023, UMedic recorded a net profit of RM4.91mil on revenue of RM23.83mil.

8 March 2023

The Star-Robust earnings seen for UMedic

Robust earnings seen for UMedic

Growth prospects of manufacturing arm augur well

CORPORATE

"The group is likely to see margin expansion in the coming years, as we expect the more lucrative manufacturing segment to form 50% of earnings before interest by FY25."

Affin Hwang Investment Bank

PETALING JAYA: Distributor of medical equipment and consumables, UMedic Group Bhd, is in a good position to chalk up strong earnings in the near term amid downside risks.

The company is not only the sole listed Malaysian entry in this field, but has the manufacturing capacity to add on new products to meet global demand.

Plans are underway for the allocation of more space for the production floor as well.

Affin Hwang Investment Bank, which is instating coverage with a "buy" call and a target price of RM1 for the company's share, said the upside risks to its estimates would happen if UMedic further penetrates developed markets.

"Our optimism on the company stems from the growth prospects of its manufacturing arm, with ample production space post-expansions earmarked for future capacity to tap on the strong global demand," it noted.

Affin Hwang said there is superior earnings potential for UMedic in the near term, coupled with its scarcity as the only listed Malaysian player in this field.

However, it said downside risks to its call

products act as high barriers of entry to the industry.

"The group is likely to see margin expansion in the coming years, as we expect the more lucrative manufacturing segment to form 50% of earnings before interest by financial year 2025 (FY25), from about 20% in FY22.

"Our optimism on the company stems from the growth prospects of its manufacturing arm, with ample production space post-expansions earmarked for future capacity to tap on the strong global demand," it noted.

For the six-month period ended Jan 31, 2023, UMedic recorded a net profit of RM4.91mil on a revenue of RM23.83mil.

The company said it expects the medical device industry in the near future to be driven by the ongoing Covid-19 pandemic.

9 March 2023

China Press-Great outlook for UMediC Group which opens up multiple streams of income

多管道推動收入增長 UMediC集團前景可期

UMediC集團 (UMC, 0256, 创业板医疗保健) 将通过新方式来带动营业额增长, 获豐隆投研看好前景。

UMediC集團将探讨进军预充式加强器的合约制造业务, 以提高整体规模经济并通过利用其潜在客户群的足速进入更多市场。该公司日前也投资在新一轮救护车以进军救护车服务市场, 并利用这项服务来推广旗下复苏设备。

该公司此前曾透露, 将收购一家公司70%股权来涉足实验室相关业务, 有关收购目标正从事实验室设备和实验室耗材的分销, 目前市场上只有不到10家业者。有关交易可望在今年4月完成。

尽管此次收购将增加盈利, 但豐隆投研预计该业务目前还不会做出重大贡献。该行维持“买进”建议, 1.06令吉目标价相等于26.5倍的市盈率。尽管比同行平均21.4倍, 估值溢价约24%, 但该行认为在强劲盈利增长下, 有关溢价是合理的。

券商: 豐隆投研研究
投资建议: 买进
目标价: 1.06令吉
闭市价: 87仙 (截至3月8日)
每股收益: 2.9仙 (2023财年估计)
本益比: 28.4倍 (2023财年估计)

UMC

7 March 2023

The Sun-UMediC posts improved revenue, earnings for second quarter

UMedic posts improved revenue, earnings for second quarter

GEORGE TOWN: UMedic Group Bhd (UMC), Malaysia's leading medical device company, recorded revenue of RM12.5 million for the second quarter of its financial year ending July 31, 2023 (Q2'23), an increase of 10.6% quarter-on-quarter (q-o-q) compared with Q1'23.

Announcing its quarterly results yesterday, UMC executive director CEO Lim Taw Seong said, "UMC continues to deliver impressive business performances since its listing, backed by the robust demand for medical devices and consumables. The sustained demand has been fuelled by the rising global awareness of health.

quarter's RM2.2 million. Profit after tax clocked in at RM2.9 million, equivalent to an increase of 45.4%.

The strong financial performance was primarily due to the sustained demand for medical devices and consumables.

UMC executive director CEO Lim Taw Seong said, "UMC continues to deliver impressive business performances since its listing, backed by the robust demand for medical devices and consumables. The sustained demand has been fuelled by the rising global awareness of health.

"The group also benefited from the increasing healthcare expenditure by the Malaysian government. This led to more investments in healthcare infrastructure and services, indirectly creating huge opportunities for medical devices distributors like us to tap into.

"Our in-house manufactured medical consumables also demonstrated significant growth in this quarter (under review), which further strengthened the group's position in the industry."

8 June 2023

The Star Online- Umedic Q3 financial results improve

The Star

Umedic Q3 financial results improve

CORPORATE NEWS

Thursday, 08 Jun 2023

Corporate NEWS

PETALING JAYA: Umedic Group Bhd recorded a 48% year-on-year (y-o-y) increase in revenue to RM9.6mil and a 58% y-o-y rise in net profit to RM2.03mil or an earnings per share of 0.54 sen for its third quarter ended April 30, 2023.

In a filing with Bursa Malaysia yesterday, the medical services provider noted the increase in revenue and profit was attributed to higher demand for medical devices and consumables from both public and private hospitals as well as healthcare service providers.

13 June 2023

The Malaysian Reserve Online - KPJ, IHH and Umedic top healthcare picks at Affin Hwang

The Malaysian Reserve

Tuesday, June 13th, 2023

KPJ, IHH and Umedic top healthcare picks at Affin Hwang

KPJ Healthcare Bhd, IHH Healthcare Bhd and Umedic Group Bhd are the healthcare stock top picks at Affin Hwang Investment Bhd.

In a research note released this morning, the research house has maintained its "overweight" stance on the sector, as it believes earnings resiliency will be supported by ongoing demand for healthcare-related products and services.

It said it picked KPJ (Buy, 52-week target price of RM6.70) due to the strong ongoing inpatient volume momentum coupled with its successful cost optimisation efforts while Umedic (Buy, RM1.00) on its strong earnings growth potential driven by the ongoing manufacturing expansion.

For Umedic, it said it liked the counter for its ongoing expansion plans which will allow it to tap on the surge in demand for its pre-filled humidifiers, as foreign manufacturers look to outsource production to relatively cheaper countries.

It noted that the IQ23 inpatient volumes for IHH (Buy, RM6.70) and KPJ's Malaysian hospitals have exceeded pre-pandemic levels.

"We gather that the momentum has sustained in recent months. Both companies are carrying out efforts to increase the bed capacity to cater to such improved demand. We do not foresee risks in earnings delivery for both companies due to the strong occupancy rates coupled with the ability to pass on higher costs by repricing its services," it said.

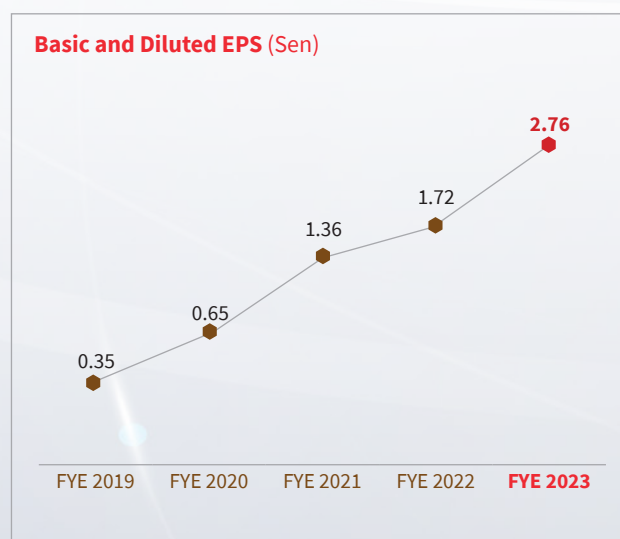
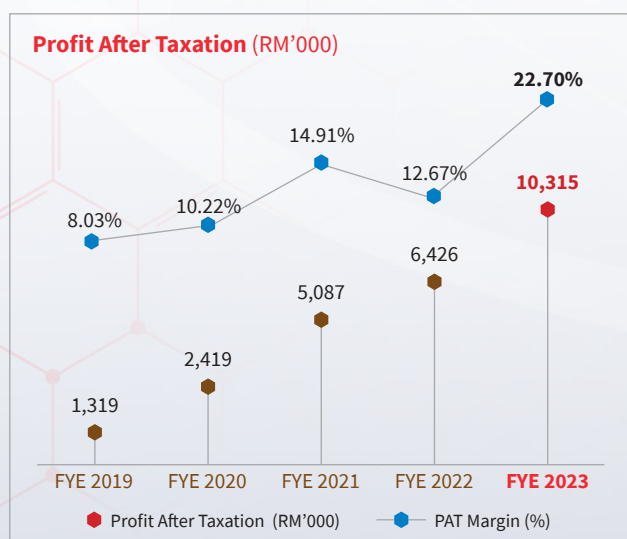
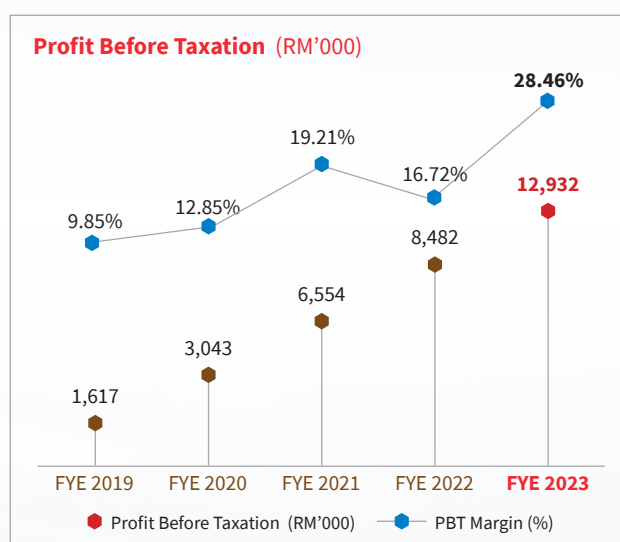
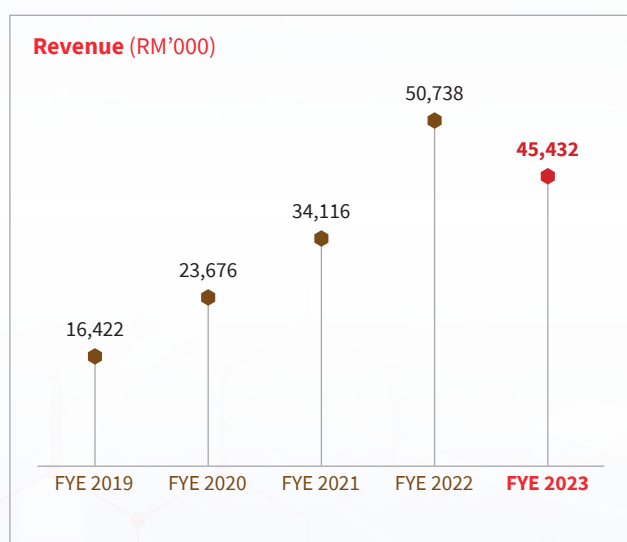
At 9:20am today, KPJ was trading at RM14, Umedic at 74 sen and IHH at RM5.75. **TMR**

FINANCIAL HIGHLIGHTS

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Revenue (RM'000)	16,422	23,676	34,116	50,738	45,432
Gross Profit (RM'000)	5,703	7,434	12,563	18,659	18,933
Profit Before Taxation (RM'000)	1,617	3,043	6,554	8,482	12,932
Profit After Taxation (attributable to owners of the parent) (RM'000)	1,319	2,419	5,087	6,426	10,315
EBITDA (RM'000)	2,081	4,154	8,096	10,833	14,591
Basic and Diluted EPS (sen)⁽¹⁾	0.35	0.65	1.36	1.72	2.76
Shareholders' Equity (RM'000)	5,278	6,632	15,739	52,679	62,994
Return on Equity	24.99%	36.47%	32.32%	12.20%	16.38%
Current Ratio (times)	1.03	1.34	1.23	5.78	11.68
Gearing Ratio (times)	0.41	2.46	1.67	0.15	0.06

Note:

⁽¹⁾ Computed based on the profit after taxation (attributable to owners of the parent) divided by the total number of issued shares of the Company of 373,910,000 shares.



CHAIRMAN'S STATEMENT



“FYE2023 was yet another remarkable year to be remembered for UMediC Group Berhad (“UMC” or the “Company”) as it carried out its growth strategies. In true UMC spirit, UMC and its subsidiaries (“Group”) were able to once again deliver a splendid set of financials, setting a new record over the preceding years bolstered by the overarching demand towards quality healthcare.”

Dato' Ng Chai Eng

Non-Independent Non-Executive Chairman

Dear esteemed shareholders,

On behalf of the board of directors, it is my utmost pleasure to present you with UMC's second annual report for the financial year ended 31 July (“FYE”) 2023.

As a recap, the year 2023 was definitely an exciting one for UMC given the many recent developments that we have undergone allowing us to continue on fuelling our Group's growth prospects and further solidifying our presence within the medical device and consumable industry. Provided the strategic decision to diversify our business offerings, we have since grown the business via a two-pronged approach through our involvement in both the marketing and distribution segment along with the manufacturing segment which has since been ramping up production following its penetration into the global markets. UMC is actively looking to fill in the gaps and tap into more addressable markets as we introduce more products into our portfolio and thereby providing us with ample opportunities to further grow within the vast categories under the medical device and consumable industry.

FINANCIAL PERFORMANCE

We are pleased to announce that we have reached a new milestone with our profit after taxation attributable to owners of the parent (“PAT”), demonstrating an outstanding performance by leaping an impressive 60.52% over the corresponding year's PAT to RM10.32 million. The revenue for FYE 2023 was driven by both segments with the marketing and distribution segment leading the way, contributing 67.08% of the revenue followed by the manufacturing segment which contributed 32.92%. During FYE 2023, the marketing and distribution segment recorded a lower revenue as compared to previous year. However, the revenue contribution from the manufacturing segment increased from RM10.10 million in FYE 2022 to RM14.95 million in FYE 2023. Despite the lower revenue, our Group's GP margin has improved from 36.78% in FYE 2022 to 41.67% in FYE 2023.

In FYE 2023, our Group had embarked on a new journey by acquiring Patho Solutions (M) Sdn. Bhd. (“Patho”) that is principally involved in the marketing and distribution of laboratory equipment and consumables.

All things considered, FYE2023 remained resilient given the continuous demand for our medical devices along with consumables which stemmed from both public and private hospitals as well as healthcare service providers that contributed to our Group's revenue stream. Likewise, given the sheer portfolio size of medical devices which our Group carries, we also benefited from the upgrading and replacement cycles of medical devices from hospitals paired with favourable demand for the manufacturing segment's products and services which further improved profitability.

CHAIRMAN'S STATEMENT (CONT'D)

FINANCIAL PERFORMANCE (CONT'D)

As at end FYE2023, our Group maintained a solid balance sheet with a net cash position of RM17.27 million⁽¹⁾ and a current ratio of 11.68 times, demonstrating strong financial standing and prudent cash management. Accompanied by the remaining initial public offering proceeds of RM7.92 million yet to be utilised, this will allow us to further maintain our competitive edge by further developing both our marketing and distribution segment and manufacturing segment in anticipation of the growing demand for medical devices and consumables over the future years ahead.

Note:

⁽¹⁾ Computed based on the sum of short-term funds and cash and bank balances and less current borrowing.

PROSPECTS AND OUTLOOK

Taking a glimpse into the outlook of the healthcare industry, we believe that we are amidst exciting times as healthcare remains the centre stage of the government's agenda. In light of this, healthcare expenditure, from both the public and private hospitals, has been growing at an exponential rate with higher allocation each year focusing on modernising and expanding healthcare facilities. Overcrowding in hospitals has also become one key area which the public and private hospitals are looking to address through the setting up of more hospitals which will ultimately increase healthcare expenditure as well as the demand for medical devices.

Looking ahead to the upcoming year, the Group is braced to further diversify its portfolio by entering the segment on nursing home management and ambulance services. It is in line with our commitment to provide essential healthcare services to our community.

In tandem with the various growth drivers mentioned, UMC Group is actively staying ahead of the evolving trends by looking to promote digital healthcare equipment. This is to keep up with the overwhelming industrial demand catering to the needs of our customers. Likewise, UMC recently acquired Patho Solutions (M) Sdn Bhd to further diversify its offerings into the laboratory segment, leveraging on its existing marketing and distribution networks as well as manufacturing capabilities.

Apart from that, our manufacturing segment has significantly grown in terms of revenue contribution following the commercialisation of the HydroX series prefilled humidifiers and AirdroX series inhaler spacers. We are currently on track to launch and commercialise other several medical consumables which are slated to be completed by the end of 2023. On top of that, in anticipation of higher volume orders for our HydroX series prefilled humidifiers, the construction of our new factory building is expected to be completed ahead of schedule before the end of 2023 which will allow us to double our production capacity.

To put it into perspective, given the overall positive outlook of the healthcare industry, our Group is eager to pursue new opportunities. This is to ensure that we are able to further grow the business and provide long term value for our stakeholders. We are confident that the next few years will be a pivotal for us as we continue to build on our strengths and expertise in the medical device and consumable industry and, leveraging on our highly skilled and experienced workforce to maintain our competitive edge.

SUSTAINABILITY

At UMC, we are committed to sustainability as a key driver of our long-term success. We believe that by integrating environmental, social and governance ("ESG") principles into our business operations, we can create a positive impact for our stakeholders as well as the planet. As the ESG landscape continuously evolves even as we step into the year 2023, we continue to enhance our framework and disclose our performance set out in our sustainability statement located in page 37 to 71. We invite you to read further about our efforts and achievements in advancing our sustainability agenda.

APPRECIATION

Before we wrap up, please allow me to take this opportunity to thank all our valued stakeholders. We would not be where we are if it was not for the trust and support of our clients, business partners, bankers, regulators and shareholders and the continuous collaborations and confidence they have in our capability to deliver.

Above all, we are proud of our management team and employees, who are the heart and soul of our Group. Each of you has demonstrated resilience and adaptability in overcoming challenges and seizing new opportunities and I am proud to be working alongside you all. Let's collectively grow as we uphold our core values and continue to bring excellence in healthcare.

Yours faithfully,

Dato' Ng Chai Eng

Non-Independent Non-Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF BUSINESS AND OPERATIONS

Company Profile and Principal Activities

Our Company is principally involved in investment holding. Through our subsidiaries, our Group is principally involved in marketing and distribution of various branded medical devices and consumables as well as the provision of after-sales service for all our products. Our Group is also involved in developing, manufacturing and marketing of our medical consumables.

- Marketing and distribution – marketing and distribution of medical devices as well as the provision of after-sales service for all our products, to both public and private hospitals, and other healthcare service providers as well as non-medical business entities. Our Group is the authorised distributor of multiple established international medical device companies including Philips, Mindray, GE and Merit; and
- Manufacturing – developing, manufacturing and marketing of medical consumables, namely HydroX series prefilled humidifiers and AirdroX series inhaler spacers. Our production facility conforms to the highest standards required by the relevant authorities.



Our existing owned office and factory building located in Batu Kawan, Penang

It has been a year since our Initial Public Offering (“IPO”) exercise, we had successfully listed on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 26 July 2022. With that, we embarked on a new journey as a newly public listed company.



Prospectus launch on 6 July 2022



Listing on 26 July 2022

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OVERVIEW OF BUSINESS AND OPERATIONS (CONT'D)

Expansion Strategies

1. Strategic Acquisition

In FYE 2023, as part of our strategy to boost our manufacturing segment's revenue, we are not only planning to introduce new medical consumables but have also successfully acquired a 70% stake in Patho Solutions (M) Sdn. Bhd. ("Patho"). Patho is principally involved in the marketing and distribution of laboratory equipment and consumables. This innovative company excels at tailoring solutions to meet the unique requirements of each laboratory.



2. Expansion of Operation Capabilities



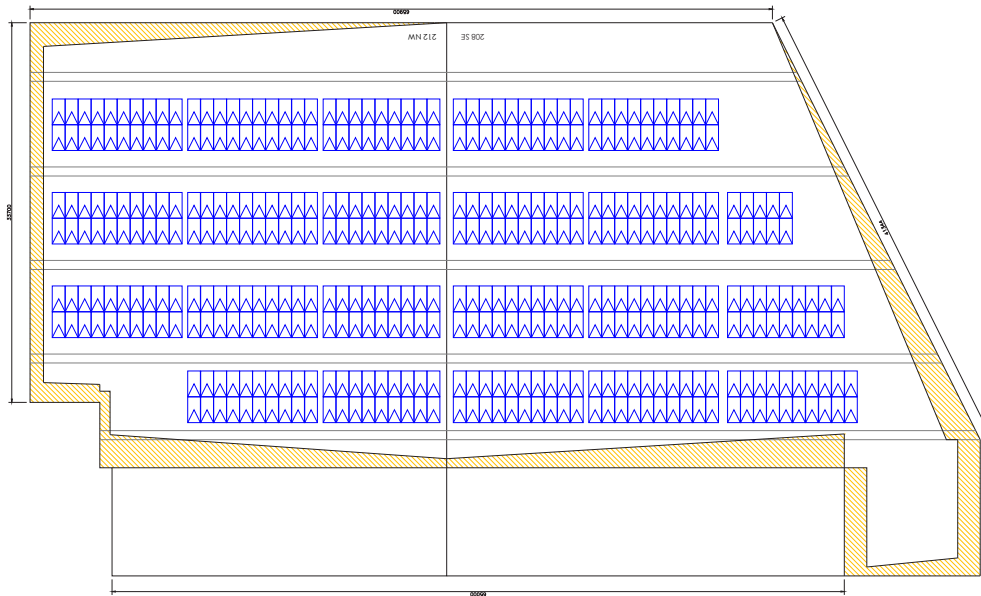
The Group is currently producing 300,000 bottles of prefilled humidifiers per month, with our RM3.50 million expansion underway next door, scheduled for completion by end of 2023, we are poised to make a significant leap in our operational capabilities. This expansion is set to double our production capacity, allowing us to manufacture an impressive 600,000 bottles per month. Notably, the new factory will play a pivotal role in the assembly of adaptors for our prefilled humidifiers and inhaler spacers, further strengthening our position in the market.

Considering our sales projection and market analysis, it is evident that the demand for our prefilled humidifiers will continue to surge. This anticipated sustained demand positions us for a promising future in meeting the needs of our valued customers.

OVERVIEW OF BUSINESS AND OPERATIONS (CONT'D)

Sustainability and Climate Change Management

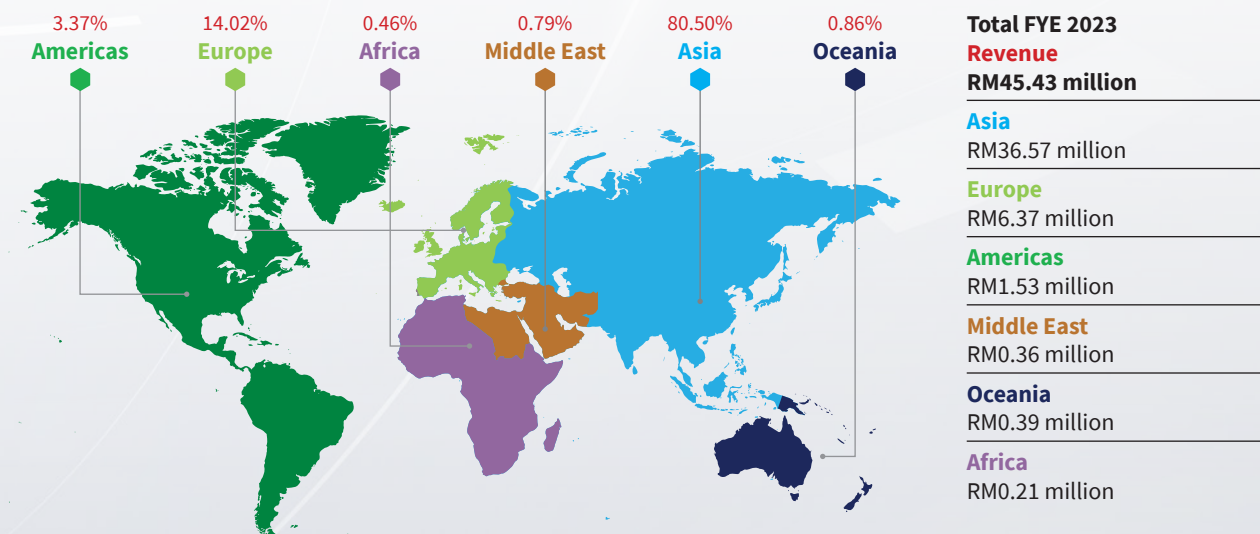
In August 2023, we have confirmed the installation of 420 solar panels with a total capacity of 231 kWp at our current plant, the installation of solar panels at our Company serves as a tangible manifestation of our firm commitment to sustainability, as well as our proactive approach to mitigating the risks posed by climate change. The proposed PV module layout is illustrated as below:



Our target is to commence utilizing solar panels by December 2023, a strategic milestone that will allow us to reap the benefits of sustainable energy adoption. As we move closer to this target date, we look forward to reaping the environmental, financial, and reputational rewards of our commitment to sustainability and climate change mitigation.

Principal Markets

Our customer base comprises of public and private hospitals, other healthcare service providers as well as non-medical business entities. Malaysia, being our principal market, contributed approximately RM30.78 million or 67.76% of our revenue for FYE 2023, while the remaining revenue of RM14.65 million or 32.24% was generated from the overseas markets. The FYE 2023 revenue by region is illustrated as below:



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OVERVIEW OF BUSINESS AND OPERATIONS (CONT'D)

Key Milestones

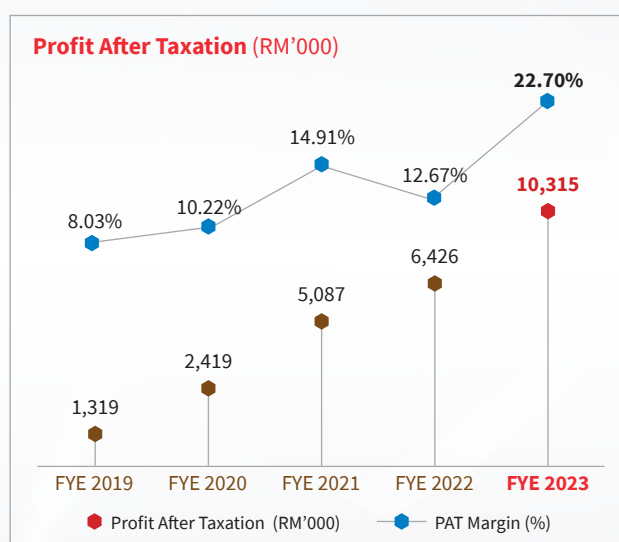
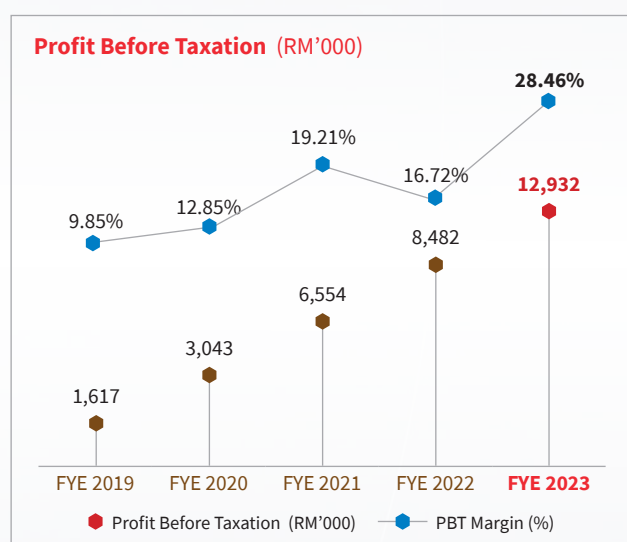
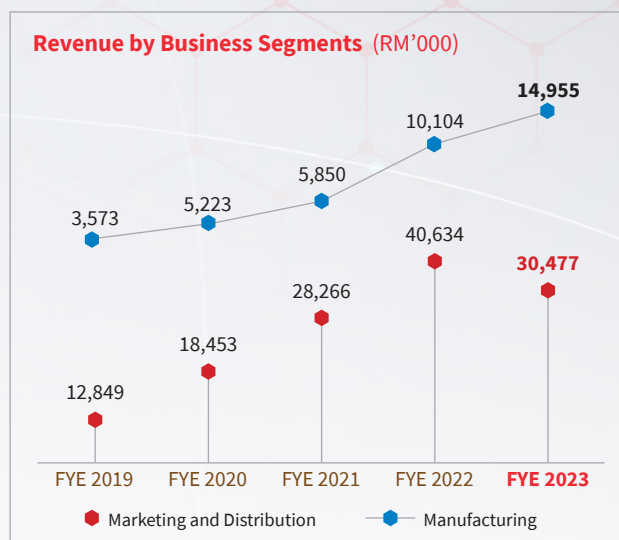
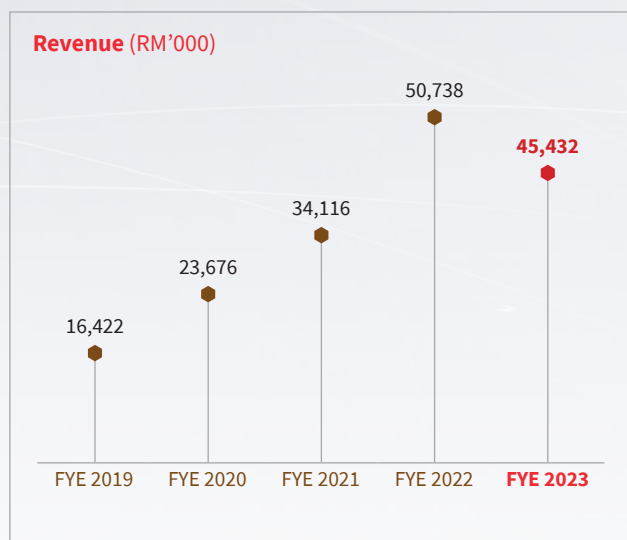
In 2023 and beyond, our unwavering commitment to our core values, Unity, Motivation and Commitment, remains at the forefront of our journey. With a remarkable track record spanning over 20 years, we strive to be the best in our industry and to provide an integrated healthcare supply chain with advanced technology, which ultimately improves the quality of human life. As we reflect on the milestones we've achieved, including our significant achievement of being listed on the stock exchange in 2022, we recognize that these successes are not endpoints but stepping stones towards our greater mission.

Looking ahead, we will continue to innovate, adapt, and excel, setting new benchmarks and consistently delivering value to our stakeholders. Together, we are poised to embark on an exciting journey towards shaping a brighter and healthier future for all.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

FINANCIAL REVIEW



Our Group achieved a revenue of RM45.43 million for FYE 2023 (FYE 2022: RM50.74 million), a minor decrease by 10.46% as compared with the previous financial year. Nevertheless, the PBT of our Group increased by approximately RM4.45 million or 52.46% from approximately RM8.48 million in the previous financial year to approximately RM12.93 million in the current financial year.

In FYE 2023, revenue from marketing and distribution segment accounted for 67.08% (FYE 2022: 80.09%) of our Group's revenue, decreased by 25.00% from RM40.63 million in the previous year to RM30.48 million in FYE 2023. On the other hand, the manufacturing segment accounted for the remaining 32.92% (FYE 2022: 19.91%) of our Group's revenue, increased by 48.01% from RM10.11 million in the previous year to RM14.95 million in FYE 2023.

Our Group's gross profit has increased by 1.47%, from RM18.66 million in FYE 2022 to RM18.93 million in FYE 2023. Our Group generated a profit before taxation ("PBT") of RM12.93 million in FYE 2023, a 52.46% increase from RM8.48 million in FYE 2022. The PBT margin was 28.46% in FYE 2023 as compared to 16.72% in FYE 2022. Our Group generated a profit after taxation attributable to owners of the parent ("PAT") of RM10.32 million in FYE 2023, increased by 60.52% from RM6.43 million in FYE 2022. In addition, the higher PBT and PAT was also contributed by the higher interest income, lower administrative and other expenses as well as lower finance costs. The PAT margin was 22.70% in FYE 2023 as compared to 12.67% in FYE 2022. Our Group's EBITDA recorded RM14.59 million, which represents an increase of 34.69%, as compared to RM10.83 million in the previous financial year.

As at 31 July 2023, our Group maintained a solid balance sheet with a net cash position of RM17.27 million⁽¹⁾.

Overall, our financial position remained healthy with a higher current ratio of 11.68 times (FYE 2022: 5.78 times) and a lower gearing ratio of 0.06 times (FYE 2022: 0.15 times). The lower gearing ratio was mainly due to the decrease in our bank borrowings where our Group utilised the allocated IPO proceeds for the repayment of bank borrowings.

Note:

⁽¹⁾ Computed based on the sum of short-term funds and cash and bank balances and less current borrowing.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OPERATION REVIEW

CORPORATE STRATEGIES

Operational Efficiency

Currently, our business and manufacturing activities are carried out at our existing owned office and factory building located in Batu Kawan, Penang which comprises approximately 8,300 sq ft of production floor space for our manufactured products and approximately 20,300 sq ft of storage area for both our distribution products and manufactured products. We commenced the expansion of our premises, which includes building a single storey production floor (with the necessary production machinery) and a storage area with a built-up area of approximately 35,000 sq ft and is to be located adjacent to our existing office and factory building. The purchase of the necessary production machinery will be financed using internally generated funds and/or bank borrowings and the machinery will be sourced from local and/or overseas suppliers. Upon completion, the new factory building will have approximately 30,000 sq ft of production floor space which can house up to two (2) production lines for new products that may be developed by our Group in the future. The new factory building will also house an additional storage area of approximately 5,000 sq ft in anticipation of a future increase in our inventory level of distribution products from our marketing and distribution segment as well as raw materials and finished goods from our manufacturing segment. To achieve this, we have allocated RM3.50 million of the IPO proceeds for the construction of new factory building. As at FYE 2023, we have utilised approximately RM2.38 million, translating to a 68.03% utilisation of the allocated IPO funds of RM3.50 million.

Domestic Presence and Reach

At present, we undertake our marketing and distribution activities in rented offices in Bandar Tun Razak, Kuala Lumpur and Johor Bahru, Johor and these rented offices do not have showrooms. To further strengthen our domestic presence and to tap into the potential business opportunities, we plan to set up of one (1) new marketing and distribution office each in the central area of Kuala Lumpur and Johor Bahru, Johor, through investment in new office units in the said regions. These offices will serve as a showroom for our products to showcase and demonstrate the functionality of our products to our existing and potential customers. To achieve this, we have allocated RM6.80 million of the IPO proceeds for setting up of new marketing and distribution offices. We are actively identifying suitable locations for these new marketing and distribution offices, ensuring they align perfectly with our growth strategy.

New Product Development and Commercialisation

Since FYE 2022, our Group had commercialised its AirdroX series inhaler spacers. We intend to expand our manufacturing segment and also to develop and commercialise more products under our own brand. These new own brand products will be cross marketed to our existing clientele. We continually assess the market demands to seize opportunities. We have identified the new products to be developed and commercialised in the next two (2) years, namely (a) sterile water for inhalation; (b) prefilled nebulisers; (c) digital oxygen flowmeters; and (d) humidifier humidity sensors.

Product Portfolio Expansion

Presently, our Group is the appointed distributor for international brand owners/ manufacturers, namely Philips, Mindray, GE and Merit. The demand for medical devices is expected to continue growing, and we intend to offer a wider and more comprehensive selection of medical devices to our end customers. As the appointed distributor, we are able to source medical devices in different specifications, price ranges and features directly from them in order to fulfil the different requirements of our end-customers including public and private hospitals, other healthcare service providers as well as non-medical business entities. We also intend to develop a new brand distribution business by continuing to look out for other suppliers/principals as a means to expanding our brand and product offerings.

CHALLENGES & RISKS

Economic and Market Environment

The growth in the healthcare industry depends on various factors, particularly in the number of patient admissions (which are driven by factors such as a rise in incidences of chronic diseases, growing ageing population and increased accessibility to healthcare services due to growth in income and/or uptake of medical insurance), as well as the increase in public and private healthcare expenditure. Should there be any decrease or reduction in public and private healthcare expenditure, this may have an impact on the spending on hospital supplies and equipment and may also affect the business and financial performance of our Group.

To manage the risk, our Group is actively assessing the market demand and the opportunities available to develop and commercialise more products under own brand. The new products will also complement and add to list of own brand product offerings and it can be cross marketed to existing clientele.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OPERATION REVIEW (CONT'D)

CHALLENGES & RISKS (CONT'D)

Foreign Currency Exchange Fluctuation

We are exposed to foreign currency exchange risks arising from any appreciation or depreciation of the denominated foreign currencies against our Group's reporting currency as approximately 32% of our Group's revenue are denominated in foreign currencies.

To manage the foreign exchange risks, our Group monitors closely the movement of the foreign exchange. Our Group has entered into forward foreign currency contracts as well as maintain foreign currency accounts whereby collections arising from foreign sales are used to settle purchases in the same foreign currency. This would provide, to a certain extent, a natural hedge against the foreign exchange fluctuations.

Human Capital

We recognise our employees as the most valuable asset and we believe that the continuing success of our Group is significantly dependent on the efforts, commitment, abilities and values created by our management and employees. With growing business operations, attracting and retaining the right talents are vital to bring our Group to a new height of performance.

To ensure our Group able to attract and retain the right talents, we will continue to invest in employees' professional development, review the effectiveness of our recruitment process, review employee remuneration and benefit packages, uphold human and labour rights and provide a good and safe working environment for employees. Our Group performs ongoing planning and continuous discussion on succession planning. Our management facilitates skills transfer so as to ensure smooth running and continuity of our Group.

DIVIDEND

Our Group presently does not have any formal dividend policy. However, it is the intention of our Board to retain adequate reserves for our future growth as well as to reward our shareholders with participation in the profits of our Group. As we are an investment holding company, our ability to pay dividends will depend on the dividends or other distributions that we receive from our subsidiaries. Any declarations and payment of dividends in the future will be at the discretion of our Board.

FORWARD-LOOKING STATEMENT

In last few years, many hospitals have understandably directed significant investments toward Covid-related healthcare equipment. However, as we transition into the post-Covid era, a noticeable shift is taking place. There is a surge in orders for non-Covid healthcare equipment, including ultrasound machines and maternal and infant care machines. This shift underscores a change in hospital budget priorities. For instance, hospitals that may have temporarily deferred investments in essential equipment like patient monitors and hospital beds are now redirecting funds back into these critical areas. Furthermore, government initiatives to construct additional public hospitals in the coming years are expected to further boost the demand for various medical equipment. This evolving landscape signals a positive trend as healthcare institutions adapt to changing needs, ensuring a more comprehensive and resilient healthcare infrastructure moving forward.

Aligned with the Malaysian government's emphasis and commitment towards improving the nation's quality of healthcare, our Group maintains a positive outlook on its future. This is premised on several growth drivers, which include the rapidly growing and ageing population as well as medical tourism, which in turn increases the need to upgrade existing medical devices and establish new healthcare facilities.

The Ministry of Health has allocated RM36.3 billion under Budget 2023 which represents a 12.0%, or RM3.9 billion increase against the previous year's allocation of RM32.4 billion, and this is the second highest budget allocation which attests to the government's continued emphasis on the healthcare sector. This augurs well for our Group as this will further elevate demand for its medical devices over the coming financial periods.

Moving ahead, our Group will continue to expand our current production capacity to gain higher revenues and profitability. To achieve this, we will utilise the proceeds raised from our listing to construct new factory building which is located adjacent to our existing office and factory building in Batu Kawan, Penang. We will set up new marketing and distribution offices each in Kuala Lumpur and Johor Bahru as a showroom for our products to showcase and demonstrate the functionality of our products as well as to outreach to more potential customers. We will continue to expand our manufacturing segment by developing and commercialising new products under our own brand. We also aim to develop new brand distribution channels to grow our marketing and distribution channel.

Looking ahead to the upcoming year, the Group is braced to further diversify its portfolio by entering the segment on nursing home management and ambulance services. It is in line with our commitment to provide essential healthcare services to our community. Our Group remains confident of the upcoming future as the medical industry has adopted positive stance which will likely contribute to our business segments.

BOARD OF DIRECTORS



from left to right

1 Tan Chye Suan
Independent Non-Executive Director

2 Dr. Pakirisamy Baskaran A/L P Thangavelu
Independent Non-Executive Director

3 Dato' Ng Chai Eng
Non-Independent Non-Executive Chairman

4 Lim Taw Seong
Executive Director/Chief Executive Officer

5 Lau Chee Kheong
Non-Independent Non-Executive Director
(Resigned on 5 October 2023)

6 Lee Yee Wooi
Independent Non-Executive Director

7 Dato' Dr. Teh Keng Hwang
Independent Non-Executive Director
(Appointed on 5 October 2023)

8 Ng Sze Hui
Alternate Director to Dato' Ng Chai Eng

PROFILE OF DIRECTORS



DATO' NG CHAI ENG

Non-Independent Non-Executive Chairman

Age 60 | Gender Male | Nationality Malaysian

Qualification

- ❖ Malaysian Skills Certificate Level 1 (formerly known as Sijil Kecekapan Ketukangan Peringkat Asas)
- ❖ Malaysian Skills Certificate Level 2 (formerly known as Sijil Kecekapan Ketukangan Peringkat Pertengahan)
- ❖ Certificate in Administrative Management - Centre for Business Studies (London)
- ❖ Certificate in Production and Quality Control Management - Centre for Business Studies (London)

Date first appointed to the Board

- ❖ 7 October 2021

Membership of Board Committee

- ❖ None

Working Experience and Occupation

- ❖ 1982-1983: Apprentice electrician - Mattel (Malaysia) Sdn Bhd
- ❖ 1985-1990: Senior Technician - GUH Electrical Appliances Sdn Bhd (formerly known as Leader Electrical Appliances Manufacturing Sdn Bhd)
- ❖ 1990: Plant Manager - GUH Electrical Appliances Sdn Bhd (formerly known as Leader Electrical Appliances Manufacturing Sdn Bhd)
- ❖ 1990-Present: Co-founder - UWC Holding Sdn Bhd (now a subsidiary company of UWC Berhad)

Present Appointment

- ❖ Advisor for the Federation of Malaysian Foundry and Engineering Industries Associations (FOMFEIA)
- ❖ Member of the Machinery and Equipment Investment Advisory Panel of MIDA
- ❖ Chairman in Sekolah Jenis Kebangsaan (C) Beng Teik (Pusat)
- ❖ Executive Director/Group Chief Executive Officer of UWC Berhad
- ❖ Director of all subsidiaries of UWC Berhad
- ❖ Director of several private limited companies

Any family relationship with any director and/or major shareholder of UMC

- ❖ Father of Ng Sze Hui, his Alternate Director
- ❖ Uncle of Lim Taw Seong, our Executive Director/Chief Executive Officer

Any conflict of interests that the person has with UMC

- ❖ None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during financial year

- ❖ None

Number of board meetings attended in the financial year

- ❖ 5/5

PROFILE OF DIRECTORS (CONT'D)



LIM TAW SEONG

Executive Director/ Chief Executive Officer

Age 45 | Gender Male | Nationality Malaysian

Qualification

- ❖ Bachelor of Engineering (Mechanical) - Universiti Teknologi Malaysia

Date first appointed to the Board

- ❖ 22 April 2021

Membership of Board Committee

- ❖ None

Working Experience and Occupation

- ❖ 2002-2004: Sales Executive – UMediC Healthcare (formerly known as UWC Healthcare Sdn Bhd)
- ❖ 2004-2006: Sales Manager - UMediC Healthcare (formerly known as UWC Healthcare Sdn Bhd)
- ❖ 2006-2021: Director - UMediC Healthcare (formerly known as UWC Healthcare Sdn Bhd)
- ❖ 2021-Present: Executive Director/Chief Executive Officer - UMC

Present Appointment

- ❖ Director of several private limited companies

Any family relationship with any director and/or major shareholder of UMC

- ❖ Nephew of Dato' Ng Chai Eng, our Non-Independent Non-Executive Chairman
- ❖ Cousin of Ng Sze Hui, the Alternate Director to Dato' Ng Chai Eng

Any conflict of interests that the person has with UMC

- ❖ None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during financial year

- ❖ None

Number of board meetings attended in the financial year

- ❖ 5/5

PROFILE OF DIRECTORS (CONT'D)



LAU CHEE KHEONG

Non-Independent Non-Executive Director
(Resigned on 5 October 2023)

Age 60 | Gender Male | Nationality Malaysian

Qualification

- ❖ Sekolah Menengah Jenis Kebangsaan Hua Lian in Taiping, Perak
- ❖ Professional Diploma in Business Administration (Finance) - Genovasi Centre for Higher Learning

Date first appointed to the Board

- ❖ 7 October 2021

Membership of Board Committee

- ❖ None

Working Experience and Occupation

- ❖ 1980-1984: Technical Supervisor - Tekskill Component Sdn Bhd
- ❖ 1984-1986: Production Supervisor - Toriki Metal Engineering Sdn Bhd
- ❖ 1986-1991: Assistant Factory Manager - GUH Electrical Appliances Sdn Bhd (formerly known as Leader Electrical Appliances Manufacturing Sdn Bhd)
- ❖ 1990-Present: Co-founder - UWC Holding Sdn Bhd (now a subsidiary company of UWC Berhad)

Present Appointment

- ❖ Executive Director/Group Chief Operating Officer – UWC Berhad
- ❖ Director of all subsidiaries of UWC Berhad
- ❖ Director of several private limited companies
- ❖ Vice President of Persatuan Alumni Sekolah Hua Lian Taiping Zon Utara Malaysia
- ❖ Member of Persatuan Kebajikan 88 Kapten Pulau Pinang
- ❖ Vice President of Lembaga Jemaah Pengurus Sekolah SJK (C) Chiao Nan, Pulau Pinang

Any family relationship with any director and/or major shareholder of UMC

- ❖ None

Any conflict of interests that the person has with UMC

- ❖ None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during financial year

- ❖ None

Number of board meetings attended in the financial year

- ❖ 5/5

PROFILE OF DIRECTORS (CONT'D)



DR. PAKIRISAMY BASKARAN A/L P THANGAVELU

Independent Non-Executive Director

Age 61 | **Gender** Male | **Nationality** Malaysian

Qualification

- ❖ Bachelor of Medicine and Surgery - University of Madras, India
- ❖ Master's of Obstetrics and Gynaecology - University of Malaya

Date first appointed to the Board

- ❖ 7 October 2021

Membership of Board Committee

- ❖ Audit and Risk Management Committee (Member)
- ❖ Remuneration Committee (Member)
- ❖ Nomination Committee (Chairman)

Working Experience and Occupation

- ❖ 1990-1991: House Officer - Hospital Sultanah Aminah, Johor Bahru
- ❖ 1991-1993: Medical Officer in the Paediatric Surgical Unit of the Department of Surgery - Queen Elizabeth Hospital, Kota Kinabalu
- ❖ 1998-2016: Junior Specialist - Maternity Hospital, Kuala Lumpur
- ❖ 2016: Senior Consultant - Maternity Hospital, Kuala Lumpur
- ❖ 2016: Consultant Obstetrician and Gynaecologist and a Maternal Fetal Medicine Specialist
- ❖ Present: Resident consultant in Gleneagles Hospital Kuala Lumpur and a visiting consultant in Subang Jaya Medical Centre, Damai Service Hospital (HQ) as well as in several other hospitals in the Klang Valley

Present Appointment

- ❖ Director of several private limited companies

Any family relationship with any director and/or major shareholder of UMC

- ❖ None

Any conflict of interests that the person has with UMC

- ❖ None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during financial year

- ❖ None

Number of board meetings attended in the financial year

- ❖ 5/5



TAN CHYE SUAN

Independent Non-Executive Director

Age 55 | Gender Female | Nationality Malaysian

Qualification

- ❖ Bachelor of Laws (Hons) - University of Malaya
- ❖ Advocate and Solicitor of the High Court of Malaya

Date first appointed to the Board

- ❖ 7 October 2021

Membership of Board Committee

- ❖ Audit and Risk Management Committee (Member)
- ❖ Remuneration Committee (Chairman)
- ❖ Nomination Committee (Member)

Working Experience and Occupation

- ❖ 1993-1995: Advocate and Solicitor - Messrs Ban Eng, Anual & Foong
- ❖ 1995-1999: Partner - Messrs Lim Huck Aik & Co
- ❖ 1999: Co-founder - Messrs See, Ramsun & Tan
- ❖ Present: Managing Partner - Messrs See, Ramsun & Tan

Present Appointment

- ❖ Member of the Disciplinary Committee of the Advocates' & Solicitors' Disciplinary Board
- ❖ Board of Governors of Convent Light Street Primary School
- ❖ A life member of Women Centre for Change
- ❖ Vice President of Federation of Women's Lawyers

Any family relationship with any director and/or major shareholder of UMC

- ❖ None

Any conflict of interests that the person has with UMC

- ❖ None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during financial year

- ❖ None

Number of board meetings attended in the financial year

- ❖ 5/5

PROFILE OF DIRECTORS (CONT'D)



LEE YEE WOON

Independent Non-Executive Director

Age 51 | Gender Male | Nationality Malaysian

Qualification

- ❖ Bachelor of Accounting (Hons) - University of Malaya
- ❖ Registered member of the Malaysia Institute of Accountants

Date first appointed to the Board

- ❖ 7 October 2021

Membership of Board Committee

- ❖ Audit and Risk Management Committee (Chairman)
- ❖ Remuneration Committee (Member)
- ❖ Nomination Committee (Member)

Working Experience and Occupation

- ❖ 1997-1999: Tax Assistant - Ernst & Young
- ❖ 1999-2002: Tax Consultant - Ernst & Young
- ❖ 2002: Finance Analyst - Smart Modular Technologies Sdn Bhd
- ❖ 2002: Accounts/Finance Manager - Scope Manufacturers (M) Sdn Bhd
- ❖ 2004-2009: Financial Controller - Scope Industries Berhad
- ❖ 2009-2013: Financial Director - Transform Electrical Industry Sdn Bhd
- ❖ 2016-2019: Director - Prestij Gemilang Sdn Bhd
- ❖ 2013-2022: Director - Income Sector Sdn Bhd
- ❖ 2019-Present: Accountant - Biochem Laboratories Sdn Bhd
- ❖ 2019-Present: Director - Amanpuri Leisure Sdn Bhd
- ❖ 2020-Present: Director - Tarzan Travel (M) Sdn Bhd

Present Appointment

- ❖ Non-Independent Non-Executive Director of HHRG Berhad (formerly known as Heng Huat Resources Group Berhad)
- ❖ Director of several private limited companies

Any family relationship with any director and/or major shareholder of UMC

- ❖ None

Any conflict of interests that the person has with UMC

- ❖ None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during financial year

- ❖ None

Number of board meetings attended in the financial year

- ❖ 5/5



DATO' DR. TEH KENG HWANG

Independent Non-Executive Director

Age 70 | Gender Female | Nationality Malaysian

Qualification

- ❖ Clinical Fellowship Paediatric Critical Care Medicine – University of Toronto, Canada
- ❖ Membership of the Royal Colleges of Physicians of the United Kingdom - University of Glasgow, United Kingdom
- ❖ Bachelor of Medicine and Bachelor of Surgery – University of Malaya

Date first appointed to the Board

- ❖ 5 October 2023*

Membership of Board Committee

- ❖ None

Working Experience and Occupation

- ❖ 1978-1979: House officer – General Hospital Penang
- ❖ 1979-1984: Medical Officer - General Hospital Alor Setar, Sungai Petani and Penang in Paediatrics
- ❖ 1984-1985: Attachment – Royal Hospital for Sick Children Yorkhill Glasgow
- ❖ 1985-1988: Consultant Paediatrician - Hospital Kuala Terengganu
- ❖ 1988-1997: Consultant Paediatrician - Hospital Alor Setar, Kedah
- ❖ 1997-1998: Fellowship Training - Paediatric Intensive Care at the Critical Care Unit of the Hospital for Sick Children (SickKids) Toronto Canada
- ❖ 1998-2012: Consultant Paediatrician and Paediatric Intensivist - Hospital Alor Setar, Kedah
- ❖ 2012-2016: Consultant Paediatrician and Paediatric Intensivist - Hospital Sultan Abdul Halim, Sungai Petani, Kedah

- ❖ 2017-present: Lecturer (Professor of Paediatrics) - University Islam Antarabangsa Sultan Abdul Halim Muadzam Shah, Kuala Ketil, Kedah

Present Appointment

- ❖ Lecturer (Professor of Paediatrics) - University Islam Antarabangsa Sultan Abdul Halim Muadzam Shah, Kuala Ketil, Kedah

Any family relationship with any director and/or major shareholder of UMC

- ❖ None

Any conflict of interests that the person has with UMC

- ❖ None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during financial year

- ❖ None

Number of board meetings attended in the financial year

- ❖ N/A

Note:

* Dato' Dr. Teh Keng Hwang was not included in the Directors' Report of the Financial Statements because she became a board member after the issuance of the Financial Statements.

PROFILE OF DIRECTORS (CONT'D)



NG SZE HUI

Alternate Director to Dato' Ng Chai Eng

Age 27 | Gender Female | Nationality Malaysian

Qualification

- ❖ Bachelor of Laws - London School of Economics and Political Science
- ❖ Master of Laws and Bar Professional Training Course - City, University of London
- ❖ Admitted to the Bar of England and Wales by the Honourable Society of the Middle Temple
- ❖ Advocate and Solicitor of the High Court of Malaya
- ❖ Registered trademark agent

Date first appointed to the Board

- ❖ 6 March 2023

Membership of Board Committee

- ❖ None

Working Experience and Occupation

- ❖ 2020: Wong & Partners (a member firm of Baker McKenzie International)
- ❖ 2020-2021: Azmi & Associates (a member firm of TerraLex Worldwide)
- ❖ 2021-2022: Legal and Corporate Adviser – UMC
- ❖ 2023 – present: Partner - Messrs Ng Law Firm
- ❖ 2023 – present: Legal & Product Development Manager (Jan – Mar) and Legal Compliance Adviser (Mar - present) – UMC

Present Appointment

- ❖ Member of the Inns of Court Malaysia (ICM)
- ❖ Member of the Federation of Malaysian Manufacturers (FMM) Youth Committee
- ❖ Director of a private limited company
- ❖ Partner of a legal firm

Any family relationship with any director and/or major shareholder of UMC

- ❖ Daughter of Dato' Ng Chai Eng, our Non-Independent Non-Executive Chairman
- ❖ Cousin of Lim Taw Seong, our Executive Director/Chief Executive Officer

Any conflict of interests that the person has with UMC

- ❖ None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during financial year

- ❖ None

Number of board meetings attended in the financial year

- ❖ 1/1

PROFILE OF DIRECTORS (CONT'D)

Training Programs attended by our Director

The following are the seminars, conferences, exhibitions, workshops attended by all our Directors as at FYE 2023.

Name of Directors	Mode of Training	Title
Dato' Ng Chai Eng	Webinar	<ul style="list-style-type: none"> PowerTalk ESG Series #5 – Climate Change and Carbon: From the Financial Risk & Reporting Perspectives
	Webinar	<ul style="list-style-type: none"> PowerTalk ESG Series #6 - Characteristics of ESG & Sustainability Leadership
	Webinar Webinar	<ul style="list-style-type: none"> Rising to the ESG Challenge: Routes Towards Effective Governance Investor Expectations on Climate Change: Introducing the FBM Top 100 ESG Low Carbon Select Indices
	External	<ul style="list-style-type: none"> MGTC Fulfilling Your ESG Agenda with Eco-Schools Programme by Green Growth Asia Foundation
Lim Taw Seong	External	<ul style="list-style-type: none"> Loweinstein GA Machine 1
	External	<ul style="list-style-type: none"> Loweinstein GA Machine 2
	Webinar	<ul style="list-style-type: none"> OCBC Bank Presents: Foundation Towards Better Opportunities
	External	<ul style="list-style-type: none"> Overview on Interventional Oncology Procedure
	Webinar	<ul style="list-style-type: none"> Steam Sterilization Part 1: Basic Principle
	Webinar	<ul style="list-style-type: none"> Calibration Certificate Review and Analysis Seminar For Healthcare Industries
	Webinar	<ul style="list-style-type: none"> Steam Sterilization Part 2: Preparing Components
	Webinar	<ul style="list-style-type: none"> Steam Sterilization Part 3: Improving Quality and Efficiency
	Webinar	<ul style="list-style-type: none"> OCBC Premier Banking webinar
	Internal Briefing	<ul style="list-style-type: none"> CPR & AED Training
Lau Chee Kheong (Resigned on 5 October 2023)	External	<ul style="list-style-type: none"> Global Financial Market Mid Year Outlook 2023
	Webinar	<ul style="list-style-type: none"> Bursa PLCS Investor Relations Series 1: What Do Investors Look For in Your Company
	Webinar	<ul style="list-style-type: none"> PowerTalk ESG Series #5 – Climate Change and Carbon: From the Financial Risk & Reporting Perspectives
	Webinar	<ul style="list-style-type: none"> PowerTalk ESG Series #6 - Characteristics of ESG & Sustainability Leadership
	Webinar Webinar	<ul style="list-style-type: none"> Rising to the ESG Challenge: Routes Towards Effective Governance Investor Expectations on Climate Change: Introducing the FBM Top 100 ESG Low Carbon Select Indices
	External	<ul style="list-style-type: none"> Industrial Transformation Asia Pacific 2022 (Industry 4.0 For Business Sustainability)
Dr. Pakirisamy Baskaran A/L P Thangavelu	External	<ul style="list-style-type: none"> 26th International Sheet Metal Working Technology Exhibition at Hannover Germany
	External	<ul style="list-style-type: none"> The 2nd Malaysian Sustainability Leadership Summit
	External	<ul style="list-style-type: none"> 6th Asia Economic & Entrepreneurship Summit
Tan Chye Suan	External	<ul style="list-style-type: none"> Asian Federation of Societies for Ultrasound in medicine and biology (ASUMB) 2022
	Webinar	<ul style="list-style-type: none"> Invitation to the Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees
	Webinar	<ul style="list-style-type: none"> Crucial Conversations in Accelerating Sustainability for Corporate Malaysia by Malaysia Institute of Management
	Webinar	<ul style="list-style-type: none"> #digital4ESG Forum
	External Webinar	<ul style="list-style-type: none"> Women Board Opportunities The Power of Generational Diversity: Building Collaborative and Inclusive Work Environments by Malaysia Institute of Management
	Internal Briefing	<ul style="list-style-type: none"> CPR & AED Training

PROFILE OF DIRECTORS (CONT'D)

Training Programs attended by our Director (Cont'd)

Name of Directors	Mode of Training	Title
Lee Yee Wooi	External Webinar	<ul style="list-style-type: none"> 23rd time, Conference and Exhibition On Safety and Health (COSH) Invitation to the Securities Commission Malaysia's Audit Oversight Board Conversation
	Webinar	<ul style="list-style-type: none"> Seminar Percukaian Kebangsaan 2022-LHDN
	Webinar	<ul style="list-style-type: none"> Session link to NACRA 2023 Virtual Launch
	External	<ul style="list-style-type: none"> Unlock the power of ESG with 5W1H
	Internal	<ul style="list-style-type: none"> Training for Monitoring of Airborne Chemical Hazardous to Health 2022 by Biochem
Ng Sze Hui	Webinar	<ul style="list-style-type: none"> Investment Strategies for Long Term Success
	Webinar	<ul style="list-style-type: none"> ISO 13485:2016 Quality Management System - Intermediate
	Webinar	<ul style="list-style-type: none"> Human Resource/Industrial Relations (HR/IR) Forum and Human Resources (HR) Clinic Session in 2023
	Webinar	<ul style="list-style-type: none"> Steam Sterilization Part 1: Basic Principle
	Webinar	<ul style="list-style-type: none"> Steam Sterilization Part 2: Preparing Components
	Webinar	<ul style="list-style-type: none"> Steam Sterilization Part 3: Improving Quality and Efficiency
	External	<ul style="list-style-type: none"> Health Tech Summit 2023
	Webinar	<ul style="list-style-type: none"> EU Medical Device Regulation (EU MDR 2017/745) - Intermediate
	Internal Briefing	<ul style="list-style-type: none"> CPR & AED Training
	Webinar	<ul style="list-style-type: none"> Complaint handling webinar
External	<ul style="list-style-type: none"> Global Financial Market Mid Year Outlook 2023 	
External	<ul style="list-style-type: none"> SIRIM – Industry Workshop On Frontier Technology 	

Remuneration

The following are the remuneration breakdown of all directors as at FYE 2023.

Name of Directors	Salaries (RM'000)	Fees (RM'000)	Bonus (RM'000)	Employee Provident Fund and Social Security Organisation (RM'000)	Allowances (RM'000)	Share Grant Scheme Expense (RM'000)	Total (RM'000)
Dato' Ng Chai Eng	-	60	-	-	1	-	61.0
Lim Taw Seong	264	-	95	33	72	-	464.0
Lau Chee Kheong (Resigned on 5 October 2023)	-	30	-	-	0.5	-	30.5
Dr. Pakirisamy Baskaran A/L P Thangavelu	-	30	-	-	0.5	-	30.5
Tan Chye Suan	-	30	-	-	0.5	-	30.5
Lee Yee Wooi	-	30	-	-	0.5	-	30.5
Dr. Ng Chin Liang (Cessation of Office on 6 Mar 2023)	-	-	-	-	-	-	-
Ng Sze Hui (Appointed on 6 Mar 2023)	75	-	19.5	10	12	-	116.5

PROFILE OF KEY SENIOR MANAGEMENT



Ng Hui Hooi

Financial Controller

Age 47 | Gender Female | Nationality Malaysian

Qualification

- Bachelor of Commerce, majoring in Accountancy - Deakin University in Australia
- Certified Practising Accountant (CPA) from CPA Australia
- Member of the Malaysian Institute of Accountants

Date first appointed to the Key Senior Management

- 1 April 2021

Working experience and Occupation

- 2000-2004: Auditor - Wong Liu & Partners
- 2004: Accountant - Sin Tiong Lee Food Industry Sdn Bhd
- 2004-2007: Accounts Manager - Wangsaga Industries Sdn Bhd (a subsidiary of Tek Seng Holdings Berhad)
- 2007-2008: Assistant Finance Manager - Texchem Resources Berhad
- 2008-2018: Finance Manager - UWC Holdings Sdn Bhd (now a subsidiary company of UWC Berhad)
- 2018-2021: Financial Controller - UWC Berhad
- 2021-Present: Financial Controller - UMC

Present Appointment

- None

Any family relationship with any director and/or major shareholder of UMC

- None

Any conflict of interests that the person has with UMC

- None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year

- None



Kong Yoen Hoo

Sales Vice President

Age 45 | Gender Male | Nationality Malaysian

Qualification

- Bachelor of Engineering (Mechanical) - Universiti Teknologi Malaysia

Date first appointed to the Key Senior Management

- 1 May 2021

Working experience and Occupation

- 2003-2006: Engineer - Zama Corporation Ltd
- 2006-2007: Project Engineer - DPL Holdings Ltd
- 2007-2021: Branch Manager - Evo Medik
- 2021-Present: Sales Vice President - UMC

Present Appointment

- None

Any family relationship with any director and/or major shareholder of UMC

- None

Any conflict of interests that the person has with UMC

- None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year

- None

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)



Lim Suat Gim

Sales Vice President

Age 39 | Gender Female | Nationality Malaysian

Qualification

- Bachelor of Science degree with Honours in Biochemistry - Universiti of Malaya

Date first appointed to the Key Senior Management

- 1 May 2021

Working experience and Occupation

- 2007: Quality Assurance Executive - Public Packages (NT) Sdn Bhd
- 2007-2010: Sales Executive - UMediC Healthcare (formerly known as UWC Healthcare Sdn Bhd)
- 2010-2021: Branch Manager - Actimed
- 2021-Present: Sales Vice President - UMC

Present Appointment

- None

Any family relationship with any director and/or major shareholder of UMC

- None

Any conflict of interests that the person has with UMC

- None

Other than traffic offences, the list of convictions for offences within the past five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year

- None

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Our Board is committed to implement and maintain high standards of corporate governance practices that are premised on the notions of transparency, accountability and integrity with a view to enhance stakeholders' value. As such, our Board strives to adopt the substance behind corporate governance prescriptions and not merely the form.

The disclosures in this Corporate Governance ("CG") Overview Statement are made pursuant to Rule 15.25 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("AMLR") and the Corporate Governance Guide (4th Edition) issued by Bursa Securities.

The objective of this CG Overview Statement is to provide an overview of the application of the corporate governance practices of our Group during the FYE 2023. In accordance with the Malaysian Code on Corporate Governance ("MCCG") the main principles governing these governance practices are as outlined below:

Principle A	Principle B	Principle C
Board Leadership and Effectiveness	Effective Audit and Risk Management	Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

We have also provided specific disclosures on the application of each Practice in its CG Report which is made available on our Company's website at www.umed.com.my.

In order to achieve a granular understanding of our Group's governance framework and practices, this CG Overview Statement should also be read in tandem with other statements in this Annual Report, namely the Statement on Risk Management and Internal Control, Audit and Risk Management Committee Report, Sustainability Statement and Management Discussion and Analysis as the depth or relevance of applying certain corporate governance promulgations may be better explained in the context of the respective statements.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

Our Board is entrusted to oversee the overall management of the business affairs of our Group; determine all major policies; ensure effective strategies and management are in place; assess the performance of our Group and our management team; and review the systems of risk management and internal control of our Group. When implementing the business plan, our Executive Director/ Chief Executive Officer is responsible for executing corporate decisions made by our Board while the Non-Executive Directors scrutinize the management performance by providing independent views and advice in the interests of the shareholders at large.

To ensure that the obligations to our shareholders and other stakeholders are understood, our Board has defined and collectively reviewed and approved the roles and responsibilities as well as the schedule of reserved matters in the Board Charter. In order to assist the Board in the oversight function on specific responsibility areas, our Board has established three (3) Board Committees, namely Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). Governed by their respective Terms of References, the Board Committees report to our Board on their meeting proceedings and deliberations as well as make recommendations to our Board on the matters under their purview. Our Board ensures our Directors have unrestricted access to the advice and services of Senior Management and Company Secretaries and may obtain independent professional advice at our Company's expense in order to discharge their duties effectively.

Our Group has formed a Sustainability Committee and Sustainability Working Group to assist our Board in overseeing the formulation, implementation and effective management of our Company's sustainability strategies.

Performance evaluations of our Board and Senior Management in addressing our Company's material sustainability risks and opportunities has been conducted for the financial year under review.

Our Board Chairman instils good governance practices, leadership and effectiveness in our Board through chairing of board and shareholders meetings and deliberating together with our Board members on board matters and policies. The position of Board Chairman and Chief Executive Officer are held by different individuals. Our Board is assisted by a qualified and competent Chartered Secretary who is an associate member of Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"). The Company Secretary assists our Board in discharging its duties in regard to compliance with regulatory requirements, guidelines, legislations and the principles of best corporate governance practices.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1. Board Responsibilities (Cont'd)

During the year, our Board has reviewed and approved the following:

- Report by Audit and Risk Management Committee Chairman, Nomination Committee Chairman and Remuneration Committee Chairman;
- Approval of quarterly results;
- Approval of contents of annual report;
- Review and approval of the Board Charter Code of Conduct, Anti Bribery and Anti Corruption Policy and Whistleblowing Policy; and
- Business updates by the Executive Director/Chief Executive Officer.

Our Board has established the Anti Bribery and Anti Corruption Policy in keeping with the commitment set forth to prevent and detect bribery and corruption. Our Group takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and integrity in all business dealings and relationships wherever our Group operates and expects the individuals and organization our Group works with to uphold and adopt the same approach.

As an additional measure to safeguard the integrity of our Group, our Board has defined its Whistleblowing Policy to provide guidance for stakeholders to report genuine concerns of any possible improprieties pertaining to financial reporting, compliance, malpractices and unethical business conduct within our Group. In addition, our Board has also defined its Code of Conduct which serves as a tool for our Board to convey and instil its values into the organization.

Our Board Charter, Terms of Reference of the Board Committees, Directors' Fit and Proper Policy, Anti Bribery and Anti Corruption Policy, Whistleblowing Policy and Code of Conduct are also posted on our Company's website at www.umedic.com.my.

2. Board Composition

The appointment of Board is based on objective criteria, merit and with due regards for diversity in skills, experience, age, cultural background and gender. When considering appointment of directors, the Nomination Committee will consider the following attributes in the recruitment and screening process:

- Skills, knowledge, expertise and experience;
- Professionalism;
- Integrity;
- Boardroom diversity (including gender diversity); and
- In the case of candidates for the position of Independent Non-Executive Directors, the committee should also evaluate the candidates' ability to discharge such responsibilities/ functions as expected from Independent Non-Executive Directors.

Presently, our Board is led by Non-Independent Non-Executive Chairman. Our Board consists of six (6) members, i.e. two (2) Non-Independent Non-Executive Director, one (1) Executive Director/ Chief Executive Officer, three (3) Independent Non-Executive Directors. Our current Board composition complies with Rule 15.02 of AMLR that requires at least one-third (1/3) of the Board to be Independent Directors. The profile of each Director is presented in page 19 to 26 of this Annual Report.

As stated in the Terms of Reference of the Nomination Committee, one of the duties of Nomination Committee is to properly document all assessments and evaluations and report to our Board all the results of the assessments and evaluations on an annual basis. During FYE 2023, the Nomination Committee had reviewed the size, composition and principal functions of each Board Committee. Additionally, the results of self-evaluation by all Directors had been reviewed and the results are satisfactorily. The Nomination Committee thereby concluded that the performance of the current Board, coupled with the experiences, competencies of each Director enable the Board to discharge their duties and responsibilities effectively. The outcome of the assessment had been presented to our Board subsequently.

Our Board understands that quality of information affects the effectiveness of our Board to oversee the conduct of business and to evaluate the Management's performance of our Group. Information and materials that are important to our Board's understanding of the business to be conducted at a Board or committee meeting will be distributed to the Directors in order to provide ample time for review beforehand. As stated in the Board Charter, notice of Board meetings shall be issued at least five (5) working days prior to the meeting. Upon conclusion of meeting, the Company Secretary will ensure that accurate and proper records of the proceedings and resolutions passed are recorded and the minutes is circulated to the Board members before the next meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2. Board Composition (Cont'd)

During FYE 2023, there were five (5) meetings held and all the Board Papers were circulated to our Board in timely manner. Our Directors' attendance at the Board meetings during FYE 2023 were as follows:

Director	Attendance
Dato' Ng Chai Eng	5/5
Mr. Lim Taw Seong	5/5
Mr. Lau Chee Kheong (Resigned on 5 October 2023)	5/5
Dr. Pakirisamy Baskaran A/L P Thangavelu	5/5
Ms. Tan Chye Suan	5/5
Mr. Lee Yee Wooi	5/5
Dr. Ng Chin Liang (Cessation of Office on 6 March 2023)	4/4
Ms. Ng Sze Hui (Appointed on 6 March 2023)	1/1

Directors were encouraged and afforded the opportunity to upskill and keep themselves abreast with the market and regulatory changes throughout the financial year. During the FYE 2023, our Directors attended continuous professional development programme covering various topics ranging from financial, changes in statutory and regulatory requirements, governance, sustainability and industry knowledge. During FYE 2023, our Directors attended the following training programmes:

Director	Training Attended
Dato' Ng Chai Eng	<ul style="list-style-type: none"> PowerTalk ESG Series #5 – Climate Change and Carbon: From the Financial Risk & Reporting Perspectives; PowerTalk ESG Series #6 – Characteristics of ESG & Sustainability Leadership; Rising to ESG Challenge: Routes Towards Effective Governance; Investor Expectations on Climate Change: Introduction the FBM Top 100 ESG Low Carbon Select Indices; and MGTC Fulfilling Your ESG Agenda with Eco-Schools Programme by Green Growth Asia Foundation.
Mr. Lim Taw Seong	<ul style="list-style-type: none"> Loweinstein GA Machine 1; Loweinstein GA Machine 2; OCBC Bank Presents: Foundation Towards Better Opportunities; Overview on Interventional Oncology Procedure; Steam Sterilization Part 1: Basic Principle; Calibration Certificate Review and Analysis Seminar For Healthcare Industries; Steam Sterilization Part 2: Preparing Components; Steam Sterilization Part 3: Improving Quality and Efficiency; OCBC Premier Banking webinar; Global Financial Market Mid Year Outlook 2023; Bursa PLCS Investor Relations Series 1: What Do Investors Look For in Your Company; and CPR & AED Training.
Mr. Lau Chee Kheong (Resigned on 5 October 2023)	<ul style="list-style-type: none"> PowerTalk ESG Series #5 – Climate Change and Carbon: From the Financial Risk & Reporting Perspectives; PowerTalk ESG Series #6 – Characteristics of ESG & Sustainability Leadership; Rising to ESG Challenge: Routes Towards Effective Governance; Investor Expectations on Climate Change: Introduction the FBM Top 100 ESG Low Carbon Select Indices; Industrial Transformation Asia Pacific 2022 (Industry 4.0 For Business Sustainability); 26th International Sheet Metal Working Technology Exhibition at Hannover Germany; The 2nd Malaysian Sustainability Leadership Summit; and 6th Asia Economic & Entrepreneurship Summit.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2. Board Composition (Cont'd)

Director	Training Attended
Dr. Pakirisamy Baskaran A/L P Thangavelu	<ul style="list-style-type: none"> Asian Federation of Societies for Ultrasound in medicine and biology (ASUMB) 2022.
Ms. Tan Chye Suan	<ul style="list-style-type: none"> Invitation to the Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees; Crucial Conversations in Accelerating Sustainability for Corporate Malaysia; #digital4ESG Forum; Women Board Opportunities; The Power of Generational Diversity: Building Collaborative and Inclusive Work Environments; and CPR & AED Training.
Mr. Lee Yee Wooi	<ul style="list-style-type: none"> 23rd Conference and Exhibition on Safety and Health ("COSH"); Invitation to the Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees; Seminar Percukaian Kebangsaan 2022-LHDN; Session link to NACRA 2023 Virtual Launch; Unlock the power of ESG with 5W1H; Training for Monitoring of Airborne Chemical Hazardous to Health 2022 by Biochem; and Investment Strategies for Long Term Success.
Ms. Ng Sze Hui	<ul style="list-style-type: none"> ISO 13485:2016 Quality Management System – Intermediate; Human Resource/Industrial Relations (HR/IR) Forum and Human Resources (HR) Clinic Session in 2023 Steam Sterilization Part 1: Basic Principle; Steam Sterilization Part 2: Preparing Components; Steam Sterilization Part 3: Improving Quality and Efficiency; Health Tech Summit 2023; EU Medical Device Regulation (EU MDR 2017/745) – Intermediate; Complaint Handling Webinar; Global Financial Market Mid Year Outlook 2023; CPR & AED Training; and SIRIM – Industry Workshop On Frontier Technology.

3. Remuneration

Our Board has put in place a Remuneration Policy to set out principles to be used in recommending the remuneration package of the Non-Executive Directors, Executive Director, Chief Executive Officer and Financial Controller, in order to attract, motivate and retain talent. As stated in the Remuneration Policy, the remuneration of the Independent Non-Executive Directors to be determined in accordance with their experience and the level of responsibilities assumed in the Board Committees, their attendance, performance and expertise they bring to our Board, whilst the remuneration of the Executive Directors and Senior Management will be based on the individual's and Group's performance. The Remuneration Policy is available on our Company's website at www.umedic.com.my.

Our Board has made a detailed disclosure on named basis for the remuneration of individual directors. Similarly, our Board also disclosed on a named basis the top senior management's remuneration component in bands of RM50,000. The remuneration details of both individual directors and top senior management for FYE 2023 were disclosed in Practice 8.1 and Practice 8.2 of the CG Report accordingly.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. ARMC

The members of ARMC comprise of fully Independent Non-Executive Directors. The Chairman of the ARMC is distinct from the Chairman of the Board so as to promote unfettered objectivity during our Board's review of the ARMC's findings and recommendations. The current ARMC composition meets the requirements of Rule 15.09 of AMLR where the ARMC Chairman, Mr. Lee Yee Wooi is a member of Malaysia Institute of Accountant since 2000. The present composition of the ARMC allows it to possess the requisite level of financial literacy and business acumen to have a sound understanding of the financial matters of our Group as well as an understanding of the latest developments in financial reporting, accounting and auditing standards.

None of the members of the ARMC are former audit partners of the current external audit firm of our Group. As stated in the Terms of Reference of the ARMC, the Committee is mindful of the minimum three (3) years cooling off period best practice under the MCGG when considering the appointment of former key audit partner from its current external audit firm to ensure that the review of our Group's financial statements and the performance and independence of the External Auditors are being done objectively by the Committee.

Before the commencement of the current financial year audit, the ARMC has reviewed and deliberated with the External Auditors on their audit planning memorandum, covering the audit risk areas, approach, emphasis and timeline. The ARMC also noted the External Auditors' independence check and confirmation procedures carried out in the firm as well as no conflict of interest for rendering their non-audit services to our Group presently.

Full details of the ARMC's duties and responsibilities are stated in its Terms of Reference which is made available on our Company's website at www.umedic.com.my and the detailed disclosure on the role and activities undertaken by the ARMC during the financial year is provided in the ARMC Report on page 76 to 82 of this Annual Report.

2. Risk Management and Internal Control Framework

In an ever-evolving and disruptive market landscape, it is imperative for our Group to be well-equipped to face any existing and emerging risks that could threaten business continuity. A Group-wide Enterprise Risk Management ("ERM") Framework has been established to support the timely identification, evaluation, action development, reporting and management of principal business risks. The ERM Framework includes formalized processes, policies and procedures surrounding the implementation, monitoring and review of our Group's internal control systems.

The Internal Audit Function is outsourced to MCM International Consultancy PLT ("MCMIC"), an independent professional firm. There is no other engagement between our Group and MCMIC which may create conflict of interest or impair their objectivity and independence. The internal audit engagement shall be led by a Partner, Ms. Phoon Yee Min, who is a Certified Internal Auditor ("CIA"), member of Association of Chartered Certified Accountants ("ACCA") and member of Malaysia Institute of Accountants ("MIA"). She has accumulated over 19 years of experience in Audit and Advisory engagement before becoming the partner of MCMIC in 2021. She provides overall direction for the internal audit engagement and is responsible for all stages of the internal audit work. She also maintains contact with our Management to ensure open communication is practiced and all internal audit works are carried out effectively and in a timely manner. She is further supported by other MCMIC professional staffs. All the personnel deployed by MCMIC do not have any family relationship or conflicts of interest with our Group that could impair their objectivity and independence during the course of their work. The Internal Auditors execute the internal audit work based on a risk-based internal audit plan which is approved by the ARMC before the commencement of work. The Internal Auditors conduct their work in consideration of the broad principles of the International Professional Practice Framework ("IPPF") of Institute of Internal Auditors covering the conduct of the audit planning, execution, documentations, communication of findings and consultation with key stakeholders. The Internal Auditors will report their observations and findings according to the approved Internal Audit Plan to the ARMC.

A detailed narrative of our Group's risk management and internal control framework, including the internal audit function is presented in the Statement on Risk Management and Internal Control on page 72 to 75 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Engagement with Stakeholders

Our Board always ensures there is effective, transparent and timely communication with the stakeholders. Shareholders and other stakeholders are kept informed of the latest developments of our Group via announcements to Bursa Securities, annual reports, quarterly financial results, circulars to shareholders and press releases.

In addition, our Company maintains a corporate website at www.umedic.com.my to promote accessibility of information to our Group's diverse stakeholder groups. Our Board ensures that the website is regularly updated with recent announcements, past and current reports to shareholders as well as news and press releases pertaining to our Group. Any comments, queries and suggestions can be directed to a designated e-mail address, namely ir@umedic.com.my.

In addition, we also utilise social media network as a platform for disseminating messages of our Company.

Our Group also periodically organises investor relation activities such as conferences and briefing sessions targeted at market analysts and fund managers to allow for constructive and informative communication with shareholders and potential investors.

Detailed information regarding stakeholder engagement methods can be found in the Sustainability Statement, which is available in the Annual Report.

2. Conduct of General Meetings

AGM serves as the primary platform for shareholders to engage our Board and Senior Management in a productive two-way dialogue. Shareholders are accorded with the opportunity to put forward questions and seek clarifications on the broad areas of our Group's performance, business activities and outlook during a question and answer session held during the AGM.

For our 2nd AGM held on 10 January 2023, we circulated the notice of AGM on 30 November 2022, which goes above and beyond the standard 28 days notification period. This proactive approach showcases our dedication to facilitating shareholders' involvement and preparedness. For the upcoming AGMs, we will continue to ensure the notice will be circulated to the shareholders at least 28 days prior to the meeting.

Our Board recognises its accountability to shareholders, underlining the imperative to foster active engagement and deliver meaningful responses to the shareholders' queries. In demonstration of this commitment, all the Directors, the Chairman of our Board and Board Committees attended the 2nd AGM. Throughout the AGM, the shareholders were given with ample and sufficient opportunity to pose their queries and our Company ensured that all the questions were answered.

Shareholders who were unable to attend the AGM were advised that they can appoint proxies to attend and vote on their behalf by completing the proxy form enclosed in the Annual Report and depositing it at the Registered Office before the time for holding the meeting or any adjournment thereof. The guideline to appointing a proxy was outlined in the notice of AGM. All resolutions set out in the Notice of AGM were put to vote by poll. Our Company had appointed independent scrutineer to validate the vote cast in the AGM. The outcome of the AGM was announced to Bursa Securities on the same meeting day, which is 10 January 2023.

Our Company is mindful of the requirement to circulate the minutes of the general meeting no later than 30 business days after the general meeting. The minutes of 2nd AGM duly confirmed and signed by the Chairman were uploaded on our Company's website at www.umedic.com.my, not later than 30 business days after the AGM.

CORPORATE GOVERNANCE FOCUS AREAS AND FUTURE PRIORITIES

Moving forward, our Board will continue to identify and introduce improvement measures in the area of corporate governance:

Boardroom Diversity

The Board recognises the government's call for gender diversity of at least 30% women directors in companies. As at 31 July 2023, there is one (1) female Director sitting on our Board, which is in accordance with Ace Market Listing Requirements on at least 1 female Director on Board and testifies the Company's commitment to gender diversity.

On 6 March 2023, we have appointed Ms. Ng Sze Hui as Alternate Director to Dato' Ng Chai Eng. This strategic appointment stands as another significant step towards strengthening our commitment to inclusivity and creating a more balanced and representative leadership landscape.

Our Board is mindful that any gender representation should be in the best interest of our Company. Our Board is committed to workplace diversity and has established a Diversity Policy which aims to set out approach to achieve diversity on our Board and workforce.

Our Board will continually review our Group's governance practices to ensure our Group meets the expectations of regulators and stakeholders. This CG Overview Statement was approved by the Board on 25 September 2023.

SUSTAINABILITY REPORT

INTRODUCTION

We are pleased to present our second Sustainability Statement (“Sustainability Statement” or the “Statement”) for the financial reporting period from 1 August 2022 to 31 July 2023 (“FYE 2023”), providing an overview of our Group’s sustainability initiatives and practices, highlighting our economic, environmental, social and governance impacts.

This Sustainability Statement has been prepared as required under the ACE Market Listing Requirement (“AMLR”) and in accordance with the Sustainability Reporting Guide (“Guide”) 3rd Edition issued by Bursa Securities.

Our Group has been guided by the principles outlined in the Guide for our sustainability practices. This guide helps us understand how to make sustainability a natural part of our organization. It also assists us in recognizing, assessing, and handling important Economic, Environmental, Social and Governance (EESG) risks and opportunities. Our sustainability practices aim to generate long term benefits to our stakeholders in terms of business continuity and value creation. Besides, we strongly support the UN 17 Sustainability Development Goals (“UN SDGs”) and such goals will be progressively integrated into our sustainability practices.

REPORTING PERIOD AND SCOPE OF REPORTING

This Statement covers the sustainability performance of our core business operations for the FYE 2023 unless stated otherwise. Where possible, information from previous years has been included to provide comparative data. Our core business operations comprise of marketing and distribution of various branded medical devices and consumables as well as

COMMITMENT TO SUSTAINABILITY

Our corporate vision is to provide an integrated healthcare supply chain with advanced technology, which ultimately improve the quality of human life.

Our corporate mission is to be the trusted and preferred partner for all our stakeholders, which include our investors, suppliers, customers, employees and the communities.

At UMC, we uphold our core values which guide us in our work and businesses.

the provision of after-sales service for all our products. We are also involved in developing, manufacturing and marketing of our medical consumables.

REPORTING FRAMEWORK

This Statement has been prepared in accordance with the Sustainability Reporting Guide (3rd edition) and Toolkits released by Bursa Securities. This Statement should be read alongside with other sections in this Annual Report namely Management Discussion and Analysis, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control as sustainability efforts may be better contextualised and narrated in the respective sections.

ASSURANCE




There is no external assurance on seeking an independent evaluation of performance data published in this Statement. Regular audits/ reviews are in place in relation to the policies and procedures quoted in this Statement. This Statement is reviewed and approved by our Board.

AVAILABILITY

This Statement is made available on our Company’s website at www.umedic.com.my.

FEEDBACKS





To continuously improve on our sustainability efforts, we welcome and encourage our stakeholders to provide feedback pertaining to this Statement or our sustainability practices and initiatives. Please email us at ir@umedic.com.my.

Core Values	Description
Unity 	<ul style="list-style-type: none"> We combine technology with talents across different segments of our businesses to create cost-effective solutions that drive growth; We respect, honour and value our stakeholders based on their professional contributions without discrimination; and We communicate openly and conduct our work transparently to ensure traceability.
Motivation 	<ul style="list-style-type: none"> We are determined to achieve our goals, regardless of all the obstacles and difficulties; We believe that nothing is impossible with a willing attitude and hard work; and We adapt to changes and innovate effectively alongside the market trends.
Commitment 	<ul style="list-style-type: none"> We practise integrity to deliver high-quality solutions on time; We take accountability and great pride in our work; and We are committed to excellence, intelligent planning and focused effort to enhance our productivity.

SUSTAINABILITY REPORT (CONT'D)

SUSTAINABILITY PRACTICES

In line with the Guide, our Group's sustainability is viewed in the context of EESG. The terms of EESG can be explained as follows:

Economic	Environmental	Social	Governance
 <p>An organisation's impacts on the economic conditions of its stakeholders and on economic systems at local, national, and global levels. It does not focus on the financial condition of the organisation.</p> <p>Note: These may include the organisation's procurement practices, or community investment.</p>	 <p>An organisation's impact on living and non-living natural systems, including land, air, water and ecosystems.</p> <p>Note: These may include the organisation's usage of energy and water.</p>	 <p>The impacts an organisation has on the social systems within which it operates.</p> <p>Note: These may include the organisation's relationships with communities, employees, consumers, etc.</p>	 <p>An organization's influence on the systems and structures that govern its operations, including the rules, regulations, and ethical standards it adheres to.</p> <p>Note: These may include the organization's commitment to transparency, accountability, and ethical behavior in its decision-making processes.</p>

SUSTAINABILITY GOVERNANCE

Our Board is committed to sustainability practices in our organisation and has appointed Mr. Lim Taw Seong, Executive Director/ Chief Executive Officer, to lead the sustainability development efforts. Mr. Lim Taw Seong is responsible for identifying material sustainability matters and formulating the related sustainability initiatives. He provides strong stewardship towards the implementation of the sustainability initiatives within our Group and he is supported by a number of sub-committees to aid him to discharge this responsibility effectively. Together, Mr. Lim Taw Seong and the sub-committees form the Sustainability Committee which ensures that sustainability practices are embedded and integrated into our Group's business operations rather than as a standalone basis, to ensure continuity, relevance and sustainability of the practices.

The reporting governance structure and roles and responsibilities are as follows:









Governance	Roles and Responsibilities
<p>Board of Directors</p> 	<ul style="list-style-type: none"> Oversees the sustainability efforts and initiatives of our Group; Reviews and endorses our Group's material sustainability matters; Reviews and endorses the sustainability initiatives proposed by the Sustainability Committee; Reviews and endorses the annual sustainability report for inclusion in our annual report; and Sets strategies that support long-term value creation and includes strategies on EESG considerations underpinning sustainability.
<p>Sustainability Committee (Chaired by Mr. Lim Taw Seong, Executive Director/ Chief Executive Officer; supported by representatives from relevant department/ function)</p>	<ul style="list-style-type: none"> Identifies material sustainability matters that are relevant to our Group's business operations; Proposes sustainability initiatives and measures to be implemented across our Group; Implements sustainability initiatives that have been approved by our Board; and The Chairman reports the overall progress of our Group's sustainability efforts to our Board.

SUSTAINABILITY REPORT (CONT'D)

STAKEHOLDER ENGAGEMENT

A stakeholder is essentially an individual or a group that has an effect on, or is affected by our Group and our activities. Naturally, our stakeholders influence the way we carry out our business activities and how we formulate our strategies to meet their expectations and to generate long term benefits to our stakeholders in terms of business sustainability and value creation.

The table below lists the needs of our different stakeholder groups and how we engaged and addressed their needs.

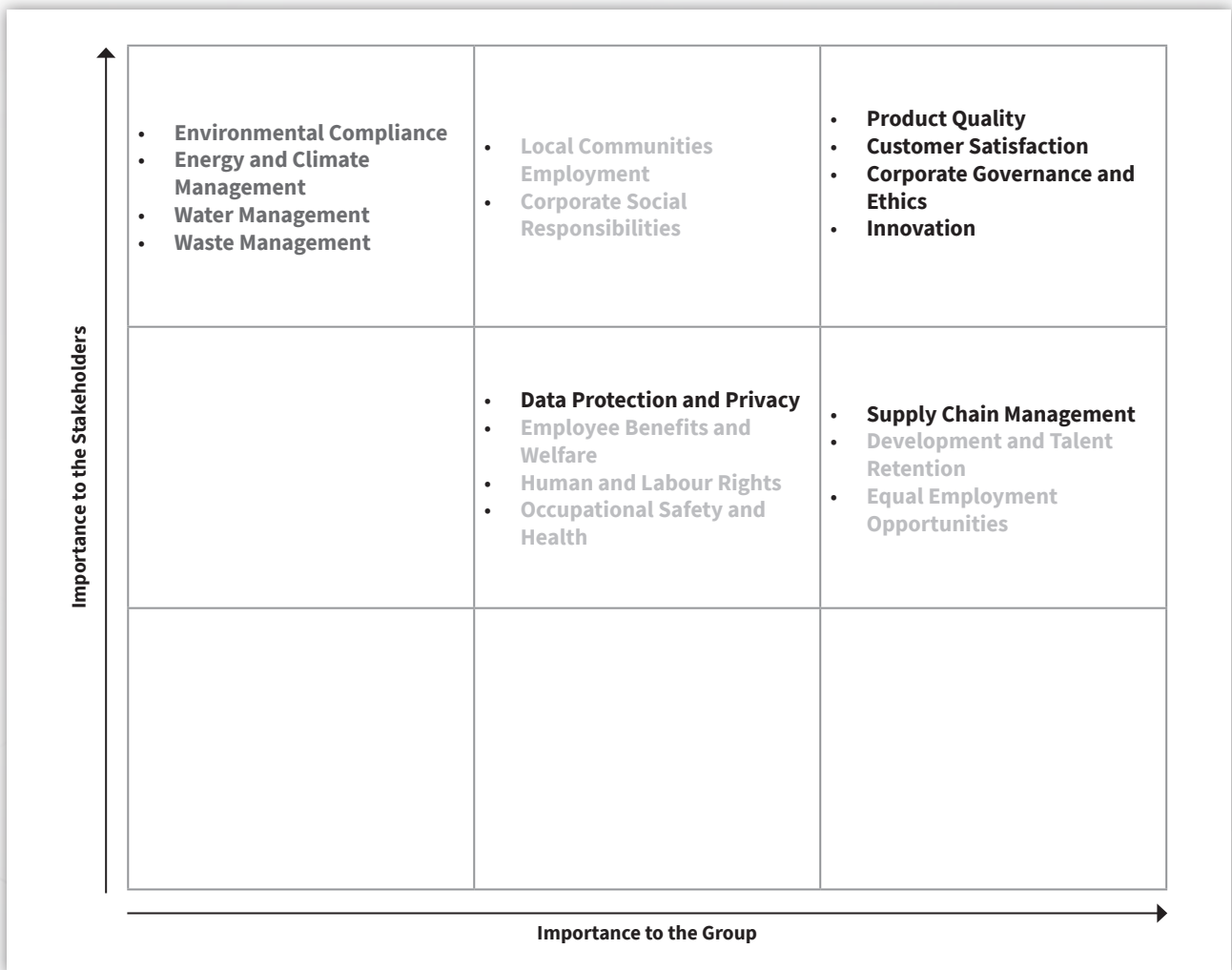
Stakeholder Groups	Areas of Interest	Engagement Methods	Engagement Frequency
Investor/ Shareholders 	<ul style="list-style-type: none"> Return on investment Business prospects Future roadmap Corporate governance 	<ul style="list-style-type: none"> Annual general meeting Quarterly reporting Company's website Roadshow/ Investor briefing Whistleblowing policy, Shareholder communication policy, Corporate disclosure policy and Investor relation policy 	<ul style="list-style-type: none"> Monthly, quarterly, annually
Directors 	<ul style="list-style-type: none"> Return on investment Business prospects Future roadmap Corporate governance 	<ul style="list-style-type: none"> Board of Directors meetings Business updates and CEO reports Company events 	<ul style="list-style-type: none"> Quarterly, annually
Management 	<ul style="list-style-type: none"> Human capital Financial performance Production performance Business strategy 	<ul style="list-style-type: none"> Continuous management progress meeting and reporting On-going interaction Company events 	<ul style="list-style-type: none"> Daily, weekly, monthly, quarterly, annually
Employees 	<ul style="list-style-type: none"> Competitive salary and benefits package Occupational safety and health Clear line of reporting and proper communication channel Work - life balance Career path and opportunities 	<ul style="list-style-type: none"> Employee handbook Monthly employee meetings Employee satisfaction survey and feedback Performance appraisal Internal training and development Engagement with employees Occupational safety and health programme Anti Bribery and Anti Corruption briefing 	<ul style="list-style-type: none"> Daily, weekly, monthly, quarterly, annually
Customers 	<ul style="list-style-type: none"> Product quality Reliable delivery Competitive prices Technical advancement Customer service and responsiveness 	<ul style="list-style-type: none"> Customer feedback/ survey After sales service Customer periodic visit/ audit Customer evaluation on suppliers Training and development Customer survey 	<ul style="list-style-type: none"> Daily, weekly, monthly, quarterly, annually
Suppliers/ vendors/ business partners 	<ul style="list-style-type: none"> Procurement policy and procedures Product cost Industry standard and requirement Prompt payments within credit period Business prospects and financial stability 	<ul style="list-style-type: none"> Disseminate procurement policy and procedures Supplier evaluation and assessment on suitability of vendors Reinforcement of code of conduct for ethical practices Supplier periodic visit and audit 	<ul style="list-style-type: none"> Daily, weekly, monthly, quarterly, annually
Local communities/ societies 	<ul style="list-style-type: none"> Impact of operations on surrounding environment Corporate social responsibility Corporate governance 	<ul style="list-style-type: none"> Engagement with local communities Provide job opportunities Pay attention to 3Rs (reduce, reuse and recycle) 	<ul style="list-style-type: none"> On an as needed basis and driven by events
Governments/ Regulatory authorities 	<ul style="list-style-type: none"> Compliance with existing laws Standards and certification 	<ul style="list-style-type: none"> Updates on rules and regulations Consultation with authorities Attendance at relevant seminars and conferences Member of the Federation of Malaysia Manufacturers Member of AMMI 	<ul style="list-style-type: none"> Monthly, quarterly, annually

SUSTAINABILITY REPORT (CONT'D)

MATERIALITY ASSESSMENT

Our materiality assessment process enables us to identify and assess key risks and opportunities to ensure long-term sustainable growth. Our first materiality assessment was conducted in FYE 2022, by gathering inputs from our internal stakeholders such as employees and representatives from different functional groups. External stakeholders were not directly involved in the materiality process, but rather represented through internal knowledge of the ongoing stakeholder dialogues.

We have been integrating Bursa Securities' Common Sustainability Matters as part of our materiality assessment since FYE 2022. We have identified 17 sustainability matters during our materiality assessment. We undertook a review in FYE 2023 and there have been no significant changes in our Group's operations that impacted the conditions of the materiality assessment, thus, we concluded that the materiality assessment conducted in FYE 2022 remains relevant and applicable. Looking ahead, our Group is committed to conducting periodic reviews of our material sustainability matters, ensuring they align with the dynamic business environment and evolving expectations of stakeholders.







- Economic and Governance
- Environmental
- Social

SUSTAINABILITY REPORT (CONT'D)

UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS ("UN SDGS")

The UN SDGs are the blueprint that set by United Nations with collection of 17 interlinked global goals to achieve a better and more sustainable future for all. Our Group is committed to support and fulfil the UN SDGs. We believe in the symbiotic partnership between business, regulatory and society in achieving sustainability in our organisation.

We focus on aligning our efforts to adopt the UN SDGs which are relevant to our operations. The table below showcases how our sustainability initiatives are aligned with the UN SDGs.

Sustainability Matters	Sustainability Goals	FYE 2023 Performance
<p>Economic and Governance</p> <ul style="list-style-type: none"> Product Quality Customer Satisfaction Supply Chain Management Innovation Data Protection and Privacy Corporate Governance and Ethics 	<ul style="list-style-type: none"> Deliver quality products and services which meet customers' requirements and expectations Promote local procurement Deliver financial values to shareholders such as growth in revenue and earnings and dividend pay out Uphold the high standard of corporate governance and ethics 	<ul style="list-style-type: none"> No major customer complaints received 83% procurement with local suppliers Zero complaints concerning breaches of customer privacy and losses of customer data Zero confirmed cases for corruption
<p>Environmental</p> <ul style="list-style-type: none"> Environmental Compliance Energy and Climate Management Water Management Waste Management 	<ul style="list-style-type: none"> Compliance with local regulatory requirements for scheduled waste disposal Efficient in energy management Efficient in water management Efficient in waste management 	<ul style="list-style-type: none"> Zero cases reported for non-compliance and breach of environmental regulations
<p>Workplace</p> <ul style="list-style-type: none"> Equal Employment Opportunities Development and Talent Retention Employee Benefits and Welfare Human and Labour Rights Occupational Safety and Health 	<ul style="list-style-type: none"> Provide equal employment and career growth opportunities for all irrespective of gender, race, religion and disabilities Provide employment with development and talent retention Zero tolerance to discrimination and harassment Protection of human and labour rights Provide safe and health work environment 	<ul style="list-style-type: none"> Zero cases reported for forced or child labour, discrimination, harassment, breach of human and labour rights No work injury Organised regular employee wellness programme such as workplace health promotion competition
<p>Local Communities</p> <ul style="list-style-type: none"> Local Communities Employment Corporate Social Responsibility 	<ul style="list-style-type: none"> Support local communities through Corporate Social Responsibility programs 	<ul style="list-style-type: none"> Offer internship programme and 4 students were hired in current financial year

SUSTAINABILITY REPORT (CONT'D)






ECONOMIC AND GOVERNANCE

Product Quality

Our Group places emphasis on the quality of products that we manufacture. Our production facility adheres to the highest standards required by the relevant authorities. We take great pride in our numerous accreditations, including **ISO 9001:2015**, **ISO 13485:2016** and **EN ISO 13485:2016**. In addition, we have also received the **Good Distribution Practice for Medical Devices (“GDPMD”)** and the **Halal certification** for our prefilled humidifiers. We were also accredited with a **certificate of EC registration** from BSI, which certifies that our manufactured medical consumables comply with the European Commission health, safety and environment protection legislation, under the **European Commission 93/42/EEC**.



An overview of the key internal controls for ensuring product quality and safety is illustrated as follows:

Internal Controls	Description
<p>New product development</p> 	<p>For new product, they will be sent for laboratory and clinical testing to assess its quality prior to submitting an application to the relevant authorities for approvals. If the product does not meet the quality during the laboratory and clinical testing, we will improve the product quality based on the feedback and undergo further laboratory and clinical testing.</p>
<p>Manufacturing process inspection</p> 	<p>First shot will be inspected during the initial machine setup. In Process Quality Control (“IPQC”) will be performed.</p>
<p>Finished products and outgoing inspection</p> 	<p>Quality check on finished products including namely leak test and sterility will be performed prior to sending for packing.</p> <ul style="list-style-type: none"> Leak tests are performed where a sample prefilled humidifier is placed into a pressurised press jig and checks performed manually to test the seal on the front and back tubes of prefilled humidifier for leakage. Sterility tests are performed at our microbiology laboratory or any other qualified contract laboratory where a sterilised sample is collected and tested for the presence of micro-organisms. The sample meets the requirements for sterility if there are no presence of micro-organisms after 14 full days of incubation.

Customer Satisfaction

Customer satisfaction is important to spur the establishment of loyal customers. The customers’ loyalty and trust in our Group significantly reduce the likelihood of them switching suppliers while the goodwill generated among these customers will translate into more business opportunities through their recommendation to other prospective customers.

It is our current practice to carry out post-market surveillance activities on an on-going basis to collect data, evaluate and identify the need to take any action to ensure our products continue to be safe and well-performing as well as opportunities to improve the product quality.

The awards and recognitions that the Group has received over the years serve as an acknowledgement of our efforts and commitment to our products.



ECONOMIC AND GOVERNANCE (CONT'D)

Customer Satisfaction (Cont'd)

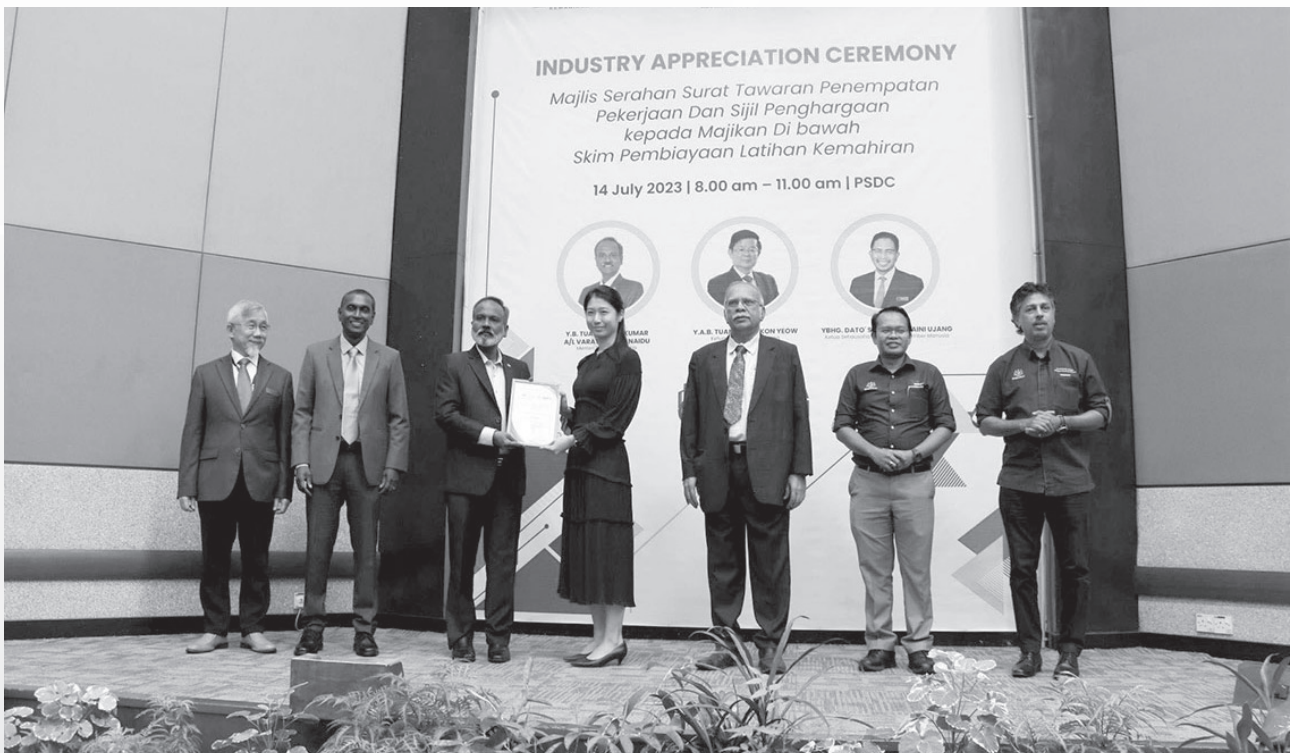
List of awards and recognitions:

- Best Country Order Growth, Patient Care & Monitoring Solution Malaysia (by Philips in 2015);
- Best Channel Partner Performance, Value Segment for Patient Monitors (by Philips in 2016);
- Rising Star Award (by Mindray in 2020); and
- Best Innovation Award (by Malaysia Technology Expo 2020).



Awards and Recognitions

On 14 July 2023, we were invited to Industry Appreciation Ceremony at Penang Skills Development Centre (“PSDC”) to receive a Certificate of Appreciation from the Minister of Human Resources. Our employees are one of the trainers under the Industry Driven Talent Acceleration Programme (“ID-TAP”) at PSDC. This is an initiative by the Skill Development Fund Corporation (“PTPK”) in collaboration with Talent Corporation Malaysia Berhad (“TalentCorp”), which aims to improve skills and retrain workers in Malaysia based on industry needs.



SUSTAINABILITY REPORT (CONT'D)



ECONOMIC AND GOVERNANCE (CONT'D)

Market Presence

To constantly build our market share, we regularly visit our customers and suppliers to solidify our market presence. We have regularly visited customers to engage with them and to obtain feedback which will form part of our database to formulate our business strategy to expand our market share. These ongoing engagements serve as a testament to our unwavering dedication to meeting their needs and expectations. Through these personal connections, we not only ensure their satisfaction but also strengthen our presence and influence within our markets, ultimately contributing to our mutual growth and success.



We also set up our showroom at our headquarters to display our products. Looking ahead, we are actively planning to expand our market footprint by setting up new marketing and distribution offices. These strategic moves will play a pivotal role in strengthening our market presence even further.



Showroom at headquarters display our products such as patient monitors/ MRI-compatible Patient Monitors, Ultrasound Machines, Maternal and Infant Care Equipment, Ventilators and etc.



ECONOMIC AND GOVERNANCE (CONT'D)

Market Presence (Cont'd)

Our Group recognises that participation in exhibitions and trade shows not only can provide valuable insight to our potential customers in both local and overseas markets, but also allow us to create public awareness and promote our products and services. In addition, our Group also able to keep abreast on the relevant market trends and technical information. The trade exhibitions and trade shows that our Group participated in FYE 2023 are shown in below.



4th EMAS 2022 at KLCC, Kuala Lumpur (17-18 October 2022)



ASMIC 2022 at Shangri-La Hotel, Kuala Lumpur (17-18 October 2022)



Medica Trade Fair 2022 at Düsseldorf, Germany (13-16 November 2022)

SUSTAINABILITY REPORT (CONT'D)



ECONOMIC AND GOVERNANCE (CONT'D)

Market Presence (Cont'd)



Advance Trauma Care at Ixora Hotel,
Penang (7-8 June 2023)



Merit Lunch Talk – Northern at Olive Tree Hotel,
Penang (10 June 2023)



A Session with Ministry of Health (“MOH”) and Ministry of Investment, Trade and Industry (“MITI”) at Penang Skills Development Centre, Penang (18 July 2023)



OGSM 2023 at Setia SPICE Convention Centre, Penang (21-23 July 2023)



ECONOMIC AND GOVERNANCE (CONT'D)

Market Presence (Cont'd)



1st Armed Pediatric Update at Hospital Angkatan Tentera Tunku Mizan, Kuala Lumpur (27-28 July 2023)

In addition, we also have several corporate visits by Ministry of Health (“MOH”) and JCI.



Go Global 2.0: Connect Penang Corporate Visit at our headquarters (3 March 2023)



MOH Visit at our headquarters (18 July 2023)

SUSTAINABILITY REPORT (CONT'D)



ECONOMIC AND GOVERNANCE (CONT'D)

Supply Chain Management

New Supplier Selection

As part of our supplier management activities, we are committed to ensure that all new suppliers are assessed through our supplier selection, qualification and evaluation procedures. The selection of supplier must be done through the Supplier Selection and Qualification Report and will be based on the risks associated with the medical devices.

Our Anti Bribery and Anti Corruption Policy states our commitment to dealing with suppliers in a fair, honest and professional manner while seeking best values for the business. Potential suppliers are treated on an equal basis and no unmerited favouritism is to be shown in the procurement of goods and services. Employees and business associates shall not enter into any contract on behalf of our Group or for our Group's benefits where the entry into the contract is in any way affected by a breach of Anti Bribery and Anti Corruption Policy as well as any applicable law and regulations. We will avoid dealing with prospective suppliers known for offering or providing bribes while suppliers will be made known to our Anti Bribery and Anti Corruption Policy and encourage them to adhere to similar high standards of corporate responsibility. Procurement practices shall be made in accordance with our Group's Control of External Providers Procedure and External Providers Information Procedure. Risk assessment on supplier should be carried out in accordance with the Control of External Providers Procedures and this will include an assessment of bribery risk.

Supplier Evaluation

We evaluate our selected suppliers on an annual basis to enhance the suppliers' performance and quality. Below are the key criteria used in our supplier evaluation:

- Number of supplier lot rejected;
- Number of supplier late delivery; and
- Time of price increase.

Responsible Supply Chain

Suppliers are required to sign the Supplier Code of Conduct and Compliance Declaration Form. The Supplier Code of Conduct sets out the requirements expected of suppliers regarding compliance with laws and regulations, corruption and bribery, social and working conditions, child labour, and the outside environment. The main objective is to partner with suppliers to ensure full compliance with these requirements as they, in turn, apply them to their own employees, agents, subcontractors, suppliers with whom they work with in the delivery of goods and services to our Group.

The key issues addressed in the Supplier Code of Conduct are as below:

Key Issues	Description
Compliance with Laws and Regulations	<ul style="list-style-type: none">• Comply with all applicable national and international laws and regulations, including the International Labour Organization and the internationally recognised Base Code of Labour standards, industry standards and all other relevant statutory requirements whichever requirements impose the highest standard of conduct.
Doing Business with Integrity	<ul style="list-style-type: none">• Conduct their business in accordance with the highest ethical standards with timely delivery.• Comply with all applicable laws and regulations concerning corruption, bribery, fraud and unfair and prohibited business practices.
Representation	<ul style="list-style-type: none">• Provide an honest, accurate and open representation of its organisation, its qualification, experience and capabilities.• Disclose if requested, accurate reference of previous work undertaken. Where references of previous work undertaken cannot be disclosed due to confidentiality obligations, suppliers shall reasonably endeavour to obtain the appropriate permissions and shall at a minimum disclose such information without breaching such obligations of confidentiality.



ECONOMIC AND GOVERNANCE (CONT'D)

Supply Chain Management (Cont'd)

Responsible Supply Chain (Cont'd)

The key issues addressed in the Supplier Code of Conduct are as below (cont'd):

Key Issues	Description
Quality	<ul style="list-style-type: none"> Any goods supplied shall be without fault and of the best available design, quality, material and workmanship, be fit for any purpose held out by the supplier and representatives. Any services supplied shall be provided by appropriately qualified and trained personnel, with due care and diligence.
Privacy, Freedom of Expression and Data Protection	<ul style="list-style-type: none"> Recognize and respect privacy and freedom of expression within the supplier's operation. Use due skill, care and diligence to implement adequate and document security controls and take necessary precautions to protect any data against unauthorized or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure.
Social and Working Condition	<ul style="list-style-type: none"> Recognize and be committed to upholding the human rights of their employees and treat them with dignity and respect as understood by the international community.
Environment	<ul style="list-style-type: none"> Recognize that environmental responsibility is integral to producing high quality products. Comply with all applicable environmental laws, regulations and industry standards.

Local vs Foreign Procurement

In our commitment to promote the sustainability of the local economy, our Group prioritises the procurement of goods and services from local suppliers who meet our stringent standards. This approach not only supports local business but also has a positive environmental impact by minimising transportation needs, thereby indirectly contributing to a reduction in carbon emissions. In FYE 2023, our local procurement stood at 83% where by contrast, our foreign procurement spending amounted to 17%.

The proportion of spending on local and foreign suppliers is illustrated as below:

Proportion of spending (in %)	FYE 2021	FYE 2022	FYE 2023
Local suppliers	55%	53%	83%
Foreign suppliers	45%	47%	17%

SUSTAINABILITY REPORT (CONT'D)



ECONOMIC AND GOVERNANCE (CONT'D)

Innovation

We use various types of technologies to develop and manufacture our own medical consumables as follows:

Technology	Description	Technology	Description
<p>Enterprise Resource Planning System</p> 	<p>Computer software programme that an organisation in the provision of production-based or distribution business uses to manage day-to-day business activities such as accounting, procurement, order management, supply chain operations and manufacturing with the core function of accounting.</p>	<p>FEDEGARI Steam Air Steriliser</p> 	<p>A technology used for the counter pressure sterilisation of aqueous solutions in sealed containers.</p>
<p>Fill-seal-leak Test Machine</p> 	<p>A fully automated medical product packaging technology that fills, seals and performs a fill leak test on sealed parts to ensure that it is leak tight.</p>	<p>OMRON Collaborative Robot System</p> 	<p>A technology designed to share the same workspace with humans and can be easily switched for any task including pick and place processes etc.</p>
<p>Adaptor Automated Assembly Line</p> 	<p>An adaptor assembly line comprises multiple modules including rubber insertion station, cap insertion station and packaging that adapts to the production process.</p>	<p>Zalpha Autonomous Guided Vehicle ("AGV")</p> 	<p>Installed AGV to transfer trolley between clean room and production room to reduce ergonomic injury, increase throughput, reduce machine dwell time, eliminate errors, improve material traceability and allow employees to focus on tasks given.</p>
<p>BWT OSMOTRON® PRO</p> 	<p>A skid-mounted system for the production of pharmaceutical water that meets the current United States Pharmacopeia Convention and European Pharmacopoeia requirements.</p>	<p>Vision Inspection System</p> 	<p>A technology which could help to ensure all outgoing goods in accurate quantity, eliminate human error, and all goods are in place properly.</p>
<p>BWT LOOPO</p> 	<p>A system for the distribution, sanitisation, control and monitoring of purified and highly purified water or water-for-injection circulation systems.</p>		



ECONOMIC AND GOVERNANCE (CONT'D)

Data Protection and Privacy

Our business model relies heavily on the users' trust on their data security and safety. Our IT system has all the necessary security features in place to secure our database and to protect against cyber-attacks. We secure information assets and personal data of our customers, suppliers and employees through the use of integrated data protection and information security strategies. Below are examples of cybersecurity measures, protocols and practices that we have implemented to ensure the safety of our business model from cyber threats.

- Password Policy for accessing to PCs, notebooks and servers, which requires users to periodically change the passwords;
- Disaster Recovery Plan to ensure continuity of operations in the event of major systems failure or catastrophe;
- Scheduled backup on an external drive which is placed outside of the Company's premises;
- Control over access to data information to prevent unauthorised access; and
- Anti-virus software to minimise the risk of introducing and spreading computer viruses.

In FYE 2023, there were no reports of major cyber security violations and no complaints concerning breaches of customer privacy and losses of customer data.

Number of cases	FYE 2021	FYE 2022	FYE 2023
Reports of major cyber security violations	0	0	0
Substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

Corporate Governance and Ethics

Our Board has continuously pursued the advancement of sound governance by implementing policies that not only comply with the latest regulatory requirements but also adhere to the core principles of best corporate governance practices. These requirements and practices include, but are not limited to, the Listing Requirements of Bursa Securities and the principles of the Malaysian Code on Corporate Governance ("MCCG") 2021.

Below are our key policies and governance framework, which are readily accessible to the public on our website at www.umedic.com.my.

Code of Conduct

Anti Bribery and Anti
Corruption Policy

Whistleblowing Policy

Code of Conduct

Our Code of Conduct is formulated for Directors, key management and employee to reflect our corporate value on commitment of integrity, responsibility, diligence and professionalism. The Code of Conduct is formulated to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following aims:

- To encourage high expected standards of honesty, integrity, ethical and law-abiding behaviour of Directors;
- To uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administrating a company; and
- To provide guidance to our Board to maintain the confidence of shareholders and other stakeholders on our Company's integrity.

Our Code of Conduct governs the rules implemented for Conflict of Interest, Confidentiality, Insider Information and Securities Trading, Protection of Assets and Funds, Compliance, Directorships in Other Companies, Gifts and Hospitality, Anti Bribery and Anti Corruption, Safety, Health and Environment. We communicated these Code of Conduct to all Directors and employees to ensure the uphold with our core value.

Stakeholders are encouraged to report the incidents via whistleblowing channel should they know of or suspect any violation of the Code of Conduct. In FYE 2023, there were no non-compliance cases and breach of Code of Conduct.



Corporate Governance and Ethics (Cont'd)

Anti Bribery and Anti Corruption Policy

We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and integrity in all our business dealings and relationships wherever we operate and expect the individuals and organisation we work with to uphold and adopt the same approach. Our Employee Handbook states that our Group reserves the right to undertake disciplinary action against an employee who committed bribery and corruption.

We pride ourselves on our reputation for acting fairly and ethically wherever we do business. Our reputation is built on our values as a company, the values of our employees and our collective commitment to acting with integrity throughout our organization.

With the implementation of the new Section 17A of the Malaysian Anti-Corruption Commission (“MACC”) Act 2009 which introduces corporate liability provision for bribery and corruption offences that came into effect on 1 June 2020, we have established Anti Bribery and Anti Corruption Policy. We condemn corruption in all its forms and we will not tolerate it in our business or in those we do business with. It is our policy to conduct all of our business in an honest and ethical manner. Employees are required to sign the Acknowledgement of Anti Bribery and Corruption Policy as evidence that they have read and understood the Anti Bribery and Anti Corruption Policy and will abide by the requirements set out in the said policy.

The prevention, detection and reporting of bribery is the responsibility of each employee and employee must report any activity or conduct which is not complying to Anti Bribery and Anti Corruption Policy as well as the applicable law and regulations, through whistleblowing channel. Stakeholders are encouraged to report the incidents via whistleblowing channel should they aware of or suspect any bribery and corruption activities.

Similarly, our Code of Conduct also recognise that involvement in bribery by any Directors and employees will adversely affect the image and reputation of our Company and hence there is a clear need to create a corporate culture of good corporate governance free of bribery and other forms of corruption.

In FYE 2023, we further intensified anti corruption in our Group by implementing several initiatives, including anti corruption training for our employees to foster a positive compliance culture. On 24 July 2023, we have conducted an anti corruption training session for our employees. This training served as a comprehensive briefing on our Group policies and procedures pertaining to anti bribery and anti corruption measures, reaffirming our commitment to upholding highest ethical standards within our organisation.



Anti corruption trainings to employees



ECONOMIC AND GOVERNANCE (CONT'D)

Corporate Governance and Ethics (Cont'd)

Anti Bribery and Anti Corruption Policy (Cont'd)

In FYE 2023, there were no confirmed incidents of corruption.

Number of cases	FYE 2021	FYE 2022	FYE 2023
Confirmed incidents of corruption	0	0	0

Our commitment to anti corruption extends beyond our workforce, our Supplier Code of Conduct emphasis that our suppliers are equally accountable for conducting business in accordance with the highest ethical standards and complying with all relevant laws and regulations pertaining to corruption and bribery.

Whistleblowing Policy

Our Board has defined the Whistleblowing Policy for our Group, which provides guidance for stakeholders to report genuine concerns of any possible improprieties pertaining to financial reporting, compliance, malpractices and unethical business conduct within our Group. The Whistleblowing Policy aims to instil confidence on and assure our employees that they will be protected from possible reprisals or victimization that if they raise concerns in good faith, and believing them to be true. The types of concerns can be reported through whistleblowing mechanism includes but not limited to the following:

- Financial malpractice, impropriety or fraud;
- Corruption, bribery or blackmail;
- Failure to comply with laws or regulations or group/ company policies and procedures;
- Criminal offences and miscarriage of justice;
- Endangerment of an individual's health and safety;
- Falsification or destruction of business or financial records or misrepresentation or suppression of financial information; or
- Concealment of any or a combination of the above.

In FYE 2023, there were no whistleblowing reports being reported.



ENVIRONMENT

Environmental Compliance

We are aware of our responsibilities to protect the environment where we operate in and we believe in preserving the environment for the future generation whilst meeting the needs of our stakeholders. We are committed to sustainability development goals and to comply with all applicable environmental laws and regulations. We continuously develop and maintain a sustainable mechanism to protect the environment by managing our energy consumption, water consumption, waste generated throughout our businesses.

In FYE 2023, there were no non-compliance cases and breach of environmental regulations.

Energy and Climate Management

Carbon emissions are a major contributor to climate change, a critical global issue. Therefore, we are committed to an ongoing initiative aimed at reducing our carbon footprint. This initiative includes reducing electricity consumption to combat climate change. As part of our commitment to this cause, in August 2023, we have confirmed the installation of 420 solar panels with a total capacity of 231 kWp at our current plant, the installation of solar panels at our company serves as a tangible manifestation of our firm commitment to sustainability, as well as our proactive approach to mitigating the risks posed by climate change.

Our target is to commence utilizing solar panels by December 2023, a strategic milestone that will allow us to reap the benefits of sustainable energy adoption. As we move closer to this target date, we look forward to reaping the environmental, financial, and reputational rewards of our commitment to sustainability and climate change mitigation.

SUSTAINABILITY REPORT (CONT'D)



ENVIRONMENT (CONT'D)

Energy and Climate Management (Cont'd)

Furthermore, we also integrate climate-related risks into our Group's overall risk management. Through a rigorous risk assessment process, we evaluated the potential risks and their impacts on our business operation, ensuring that we have strategies in place to navigate the challenges posed by climate change.

Electricity Consumption (in Kw)	FYE 2021	FYE 2022	FYE 2023
Total electricity consumption (Kw)	695,422	1,098,199	1,070,528
Revenue (RM)	34,115,959	50,738,156	45,432,437
Percentage of electricity consumption over revenue (%)	2.04	2.16	2.36

Note: Consumption of electricity is measured based on the quantities consumed according to the electricity bill.

Petrol Consumption (in litre)	FYE 2021	FYE 2022	FYE 2023
Total petrol consumption – RON95 (litre)	38,549.80	60,462.66	67,428.25
Total petrol consumption – Diesel (litre)	2,748.56	1,969.58	1,819.58
Total petrol consumption	41,298.36	62,432.24	69,247.83
Revenue (RM)	34,115,959	50,738,156	45,432,437
Percentage of petrol consumption over revenue (%)	0.12	0.12	0.15

Note: Consumption of petrol is measured based on the petrol claimed.

Scope 1, direct CO2 emissions: emissions come from the consumption of petrol and diesel for vehicles, calculated based on the reported fuel quantities.

Scope 2, indirect CO2 emissions: emissions come from the consumption of electricity, calculated based on the energy quantities.

Emissions Type (in Tonnes CO2)	FYE 2021	FYE 2022	FYE 2023
Direct Emissions (Scope 1)	100.27	150.99	167.38
Indirect Emissions (Scope 2)	406.82	642.45	626.26
Total	507.09	793.44	793.64
Revenue (RM)	34,115,959	50,738,156	45,432,437
Percentage of Scope 1 over revenue (%)	0.0003	0.0003	0.0004
Percentage of Scope 2 over revenue (%)	0.0012	0.0013	0.0014

Notes:

- The GHG emission for Scope 1 is calculated using the emission factor obtained from IPCC Fifth Assessment Report, while the default emissions factors were based on IPCC Guidelines for National Greenhouse Gas Inventories (2006).
- The GHG emission for Scope 2 is calculated using the emission factor obtained from 2017 Clean Development Mechanism ("CDM") Electricity Baseline for Malaysia.

We support all minor activities in our operation which do not appear to be significant but also can help in fighting climate change such as planting in office, placing friendly reminder posters to users of electricity, encouraging employees to drive green vehicles (by providing designated parking space for green vehicles), putting photocopy machines into sleep mode during period of inactivity and etc. Through these minor activities, we able to contribute in preserving energy and reducing air pollution.

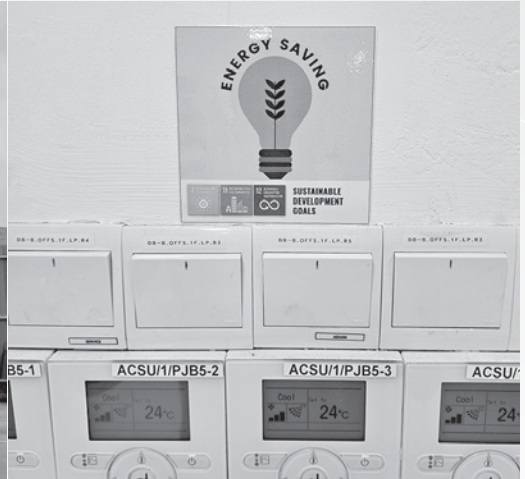


ENVIRONMENT (CONT'D)

Energy and Climate Management (Cont'd)



Outdoor plantations



Energy saving poster near switches



Designated parking space for green vehicles

SUSTAINABILITY REPORT (CONT'D)



ENVIRONMENT (CONT'D)

Water Management

Our operation sites utilise water from water supply companies with developed water distribution structure and we do not withdraw surface water from rivers, lakes, natural ponds, groundwater from wells, quarry water or sea water. Presently, our operations are not located in water stressed areas and our production activities do not cause water pollution. Nevertheless, our Group is committed to contribute to better water management and protect clean water. We place friendly reminder posters to users of our water. To further solidify our dedication to sustainability, we have installed a rainwater harvesting tank at our Batu Kawan plant. This initiative allows us to harness a natural resource for various purposes including gardening and sanitary purposes.

Water Consumption (in m3)	FYE 2021	FYE 2022	FYE 2023
Total water consumption (m3)	4,948	10,297	11,674
Revenue (RM)	34,115,959	50,738,156	45,432,437
Percentage of water consumption over revenue (%)	0.0145	0.0203	0.0257

Note: Consumption of water is measured based on the quantities consumed according to the water bill.



Save water posters



Rainwater harvesting tank

Waste Management

Our Code of Conduct emphasises that all employees shall at all times be committed to prevent wasteful use of natural resources, protect the environment by minimizing and mitigating environmental impacts throughout the life cycle of operations. We are aware of our responsibility to reduce the waste generation and hence we manage our wastes through reduction, reuse and recycling of wastes. For instance, we reuse wooden pallet to build signatories in our warehouse, print documents on recycled papers (which do not contain confidential data) and etc. These initiatives have reduced the consumption of new material which leads to cost savings and effective use of materials.

Paper Usage (in reams)	FYE 2021	FYE 2022	FYE 2023
Total no. of paper reams (A4 papers)	288	254	363
Total no. of paper reams (photostat reading)	355	372	396

We also trained our employees to differentiate different types of waste so they can segregate the waste based on the types and identify the appropriate treatment or disposal method. Presently, we are in the midst of exploring the process of collecting data on waste generated, waste diverted from disposal and waste directed to disposal.

SOCIAL

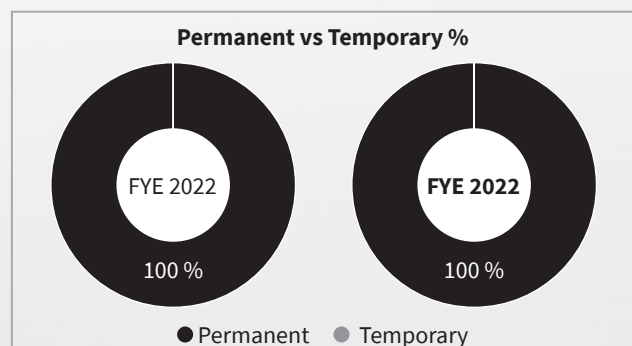
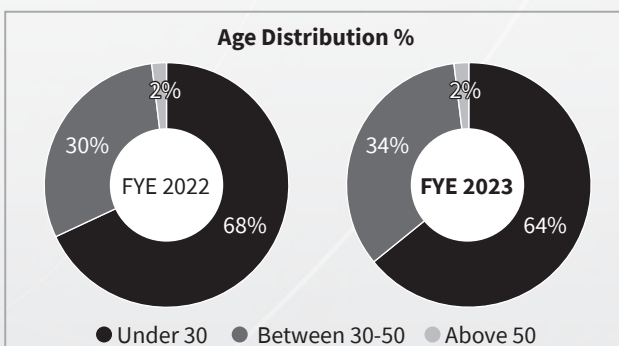
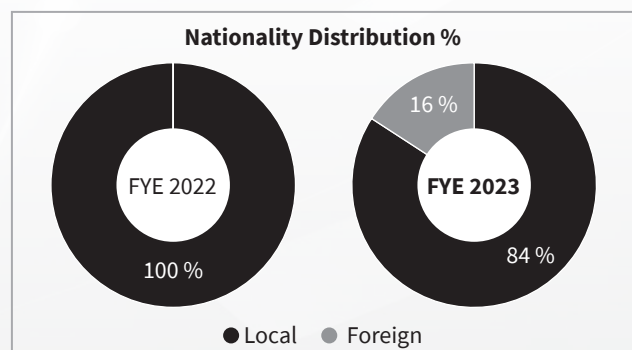
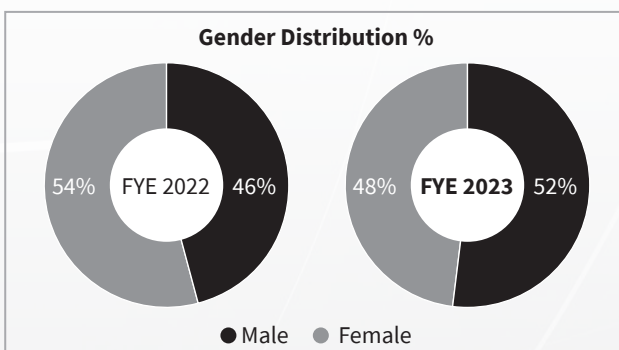
Workplace



Equal Employment Opportunity

We strive to provide equal employment opportunity for all employees as we believe that true innovation and growth are built on a culture that respects diversity, inclusion and equality. We have implemented a standard recruitment procedure which will ensure the proper identification and recruitment of new talent to join our organisation to contribute to the growth of our business. All employment decisions are based on business needs and job requirement regardless of age, race, gender, religion, nationality, marital status, pregnancy, disability or any other status protected by the local laws or regulations. Bonuses, increments, benefits and promotions are provided to our employees benchmarked against set KPIs, purely based on merits and aligned with the principles of equal employment opportunities.

In FYE 2023, we recorded a total of 122 employees and the details of the employee profile are presented as below:



SUSTAINABILITY REPORT (CONT'D)



SOCIAL (CONT'D)

Equal Employment Opportunity (Cont'd)

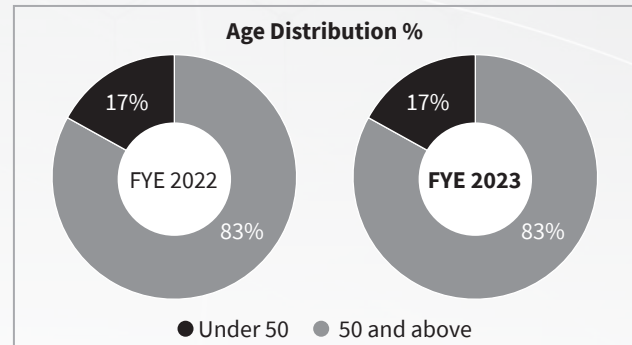
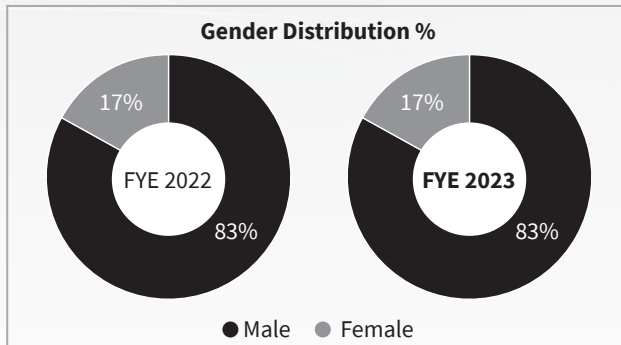
	FYE 2022	FYE 2023
Employee Distribution (in %)	Percentage (%)	Percentage (%)
By Gender		
Male	46	52
Female	54	48
By Age		
Under 30	68	64
Between 30-50	30	34
Above 50	2	2
By Nationality		
Local	100	84
Foreign	-	16
Permanent vs Temporary		
Permanent	100	100
Temporary	-	-
Employee Category		
Manager and above	11.50	10.66
Executive	60.18	57.38
Non-Executive	28.32	31.96
By Gender – Employee Category		
Manager and above – Male	6.20	5.74
Manager and above – Female	5.30	4.92
Executive – Male	23.89	22.13
Executive – Female	36.29	35.25
Non-Executive – Male	18.58	23.76
Non-Executive – Female	9.74	8.20
By Age – Employee Category		
Manager and above – Under 30	1.77	1.64
Manager and above – Between 30-50	8.85	8.20
Manager and above – Above 50	0.88	0.82
Executive – Under 30	40.72	39.35
Executive – Between 30-50	18.58	16.39
Executive – Above 50	0.88	1.64
Non-Executive – Under 30	25.65	22.94
Non-Executive – Between 30-50	1.78	9.02
Non-Executive – Above 50	0.89	-



SOCIAL (CONT'D)

Equal Employment Opportunity (Cont'd)

The details of the Board of Directors profile are presented as below:



	FYE 2022	FYE 2023
Board of Directors Distribution (in %)	Percentage (%)	Percentage (%)
By Gender		
Male	83	83
Female	17	17
By Age		
Under 50	17	17
50 and above	83	83

Development and Talent Retention

We believe in empowering our employees by having in place a standard operating procedure on training and personnel development. By providing appropriate training to our employees, it helps our employees achieve excellence in their respective fields, enable them to prepare for future, result in better customer service, productivity improvements, better efficiency and better workplace safety practices.

On annual basis, Annual Training Plan will be developed to plan both internal and external trainings to be conducted. In FYE 2023, we have carried out a total of 2,451.50 hours (FYE 2022: 1,934 hours) of training with average 20 training hours per employee (FYE 2022: average 16 training hours per employee).

Training Hours (in hours)	FYE 2021	FYE 2022	FYE 2023
By Gender			
	Hours	Hours	Hours
Male	935	999	955.50
Female	1,130	935	1,496
By Age			
Under 30	1,359	1,334	1,871
Between 30-50	684	587	572.50
Above 50	22	13	8
By Employee Category			
Manager and above	361	158	349.50
Executive	1,701	1,718	2,090
Non-Executive	3	58	12
Total (in hours)	2,065	1,934	2,451.50

SUSTAINABILITY REPORT (CONT'D)



SOCIAL (CONT'D)

Equal Employment Opportunity (Cont'd)

Training Types	Description
Orientation	<ul style="list-style-type: none"> One time programme to welcome new employees. The topics cover company overview, key corporate policies and conduct, overview of benefits and attendance, paperwork, health and safety procedures. Facility tour helps new employees to get acquainted with new workplace.
On-the-Job (OJT) Training	<ul style="list-style-type: none"> Focus on departmental goals by delivering the necessary skills, knowledge, and core competencies to new employees to perform the task efficiently. Mentoring programme drives rich learning and development for both mentees and mentors.
Technical Skills Training	<ul style="list-style-type: none"> It is job-specific training which focus on building employee's prerequisite technical skills and competencies relevant to his role. Regular training is conducted to keep abreast of latest development.
Soft Skills Training	<ul style="list-style-type: none"> Soft skill development training is carried out periodically to enable our employees to work together as a team for the benefit of their own and the organisation's success. The training module covers the topics such as leadership, communication, teamwork, collaboration, time management, problem-solving and etc.
Mandatory Training	<ul style="list-style-type: none"> All employees are required to undergo Safety and Health Training. All employees are expected to discharge their respective duties in line with our standards and policies.

As an integral component of our talent retention strategies, we are committed to fostering the growth of high potential employees, facilitating their development into senior positions within our Group. We conduct performance appraisals and it is our Company policy to first consider promoting suitable employees within our Company as far as possible before turning to recruitment from the external sources.

There is a reduction in employee turnover in FYE 2023, compared to the previous year.

Employee Turnover (in number)	FYE 2021	FYE 2022	FYE 2023
By Gender	Number	Number	Number
Male	8	52	15
Female	5	32	15
By Age			
Under 30	10	73	22
Between 30-50	3	9	7
Above 50	0	2	1
By Employee Category			
Manager and above	0	2	1
Executive	7	24	16
Non-Executive	6	58	13
Total (in number)	13	84	30
Total (in %)	13.98	66.67	24.59



SOCIAL (CONT'D)

Employee Benefits and Welfare

We aim to provide a conducive working environment for our employees, supporting them in pursuing reasonable standard of lifestyle and work life balance. We adhere to the Employment Act 1955 which is the main legislation on labour matters in Malaysia. We provide competitive remuneration packages and benefits to attract and retain good talents.

To promote a healthy working life, we believe in providing a balanced work-life environment to all our employees to enable them to have more time for their family and/or to pursue and advance their areas of interest. In this respect we do not encourage overtime work unless it is absolutely necessary such as to meet customer's order or regulatory deadlines. All our employees are entitled to national and state public holidays. In addition, our employees are entitled to annual leave, medical leave, maternity leave and etc. The details of employee benefits and welfare are outline as follows:

Statutory Benefits	Leave Provision	Employment Benefits & Welfare	Facilities
<ul style="list-style-type: none"> Adhere to minimum wages Statutory contributions (EPF, SOCSO, EIS and Income Tax) Annual salary increment Performance bonus Service awards Overtime payments National and state public holidays 	<ul style="list-style-type: none"> Annual leave Medical leave Hospitalization leave Maternity leave Marriage leave Paternity leave Compassionate leave 	<ul style="list-style-type: none"> Outpatient medical benefits Group Hospitalization and Surgical Insurance Group Personal Accident Insurance Newborn baby gift Mileage claim Travel expenses claim 	<ul style="list-style-type: none"> Car park Cafeteria Pantry Sports Dedicated parking space for disabled employees Dedicated parking space for employees with green vehicles Personal lockers Prayer rooms



Cafeteria

SUSTAINABILITY REPORT (CONT'D)



SOCIAL (CONT'D)

Employee Benefits and Welfare (Cont'd)



Leisure area





SOCIAL (CONT'D)

Human and Labour Rights

Basic human rights shall be universally protected by any responsible business. Our human rights practices are clearly stated in our Code of Conduct and Employee Handbook and all employees are expected to adhere to these high standards. Our actions implemented to avoid, prevent and mitigate human and labour rights issues include, but are not limited to the following:

✓ **Dedicated resources to oversee human and labour rights matters**

We will not tolerate the use of child or forced labour under no circumstances. Our HR department oversees the issues regarding human rights and ensure there are no forced and child labour within our operations. In this regard, our hiring process requires candidates to furnish photocopy of identity card which our HR department will able to verify the age and not process the hiring of underage labour.

✓ **Established policies**

We maintain a working environment with zero tolerance towards unethical labour practices. Accordingly, we prohibit conduct that constitutes or that could lead to or contribute to harassment based on age, race, gender, religion, nationality, marital status, pregnancy, disability or sexual orientation. Our Sexual Harassment Policy in Employee Handbook states that our Group will take all reasonable steps to ensure that the Sexual Harassment Policy is observed by all employees and any other persons who have contacts with employees. Based on our Discipline Management Policy, sexual harassment is considered as major misconduct.

✓ **Grievance management**

We have established Grievance Management procedures where employee who feels violated or sexually harassed or discriminated can report the incidence or event to the respective Department Manager or file the grievances through formal channel to HR department. The HR department will investigate immediately and should there be any sufficient evidence to prove that the alleged sexual harassment did take place, our Group has the option to suspend the accused employee immediately to facilitate further investigation. If an employee is found guilty, he or she shall be terminated from employment without notice.

In FYE 2023, there were no substantiated complaints concerning human rights violations and cases reported for child labour, discrimination or harassment incidents.

Number of cases (in number)	FYE 2021	FYE 2022	FYE 2023
Substantiated complaints concerning human rights violations	0	0	0

Occupational Safety and Health

We are committed to provide a safe and healthy environment for all employees and customers while within our company premises. We have complied to the best of our ability the existing laws and regulations relevant to our operations such as Occupational Safety and Health Act 1994, Environmental Quality Act 1974, Factories and Machinery Act 1967, Fire Services Act 1988 and Prevention and Control of Infectious Diseases Act 1988.

Our Safety, Health and Environmental Policy states that all employees are required to adhere to the established policies and procedures pertaining to the Safety, Health and Environmental. Our employees are required to always adopt a Safety First attitude while performing their job and promptly report any potentially hazardous conditions. Safety, Health and Environment Team will identify potential hazards in workplace, eliminate and reduce the identified hazards through Risk Assessment and Risk Control. The team convenes regular meetings to address and deliberate upon all matters pertaining to safety within our workplace.

The team will also provide the necessary training to increase the consciousness of Safety, Health and Environment among the employees. On 24 July 2023, we have also conducted CPR and AED training to our employees to raise awareness and knowledge about life-saving techniques.

SUSTAINABILITY REPORT (CONT'D)



SOCIAL (CONT'D)

Occupational Safety and Health (Cont'd)



Our Group also established Emergency Preparedness and Response Procedure to prepare people, equipment and develop procedures to prevent and mitigate safety and health risks caused during accidents, dangerous occurrence or potential emergency situations.

There were no work injuries in FYE 2023.

Number of cases (in number)	FYE 2021	FYE 2022	FYE 2023
Number of work-related fatalities	0	0	0
Lost time incident rate	0	0	0



TV display at production area showing safety rules



SOCIAL (CONT'D)

Local Communities

Local Communities Employment

We are committed to contribute to the local community and economy. We prioritise local recruitment to promote healthy development of local social wellbeing and local society. Our workforce majority is made up of local hires.

In addition, we also recognise youth plays a pivotal role in defining the future of the world and of the industry. Hence, we are devoted to building a robust talent pipeline that brings talented individuals into our Group through our internship program. In FYE 2023, we offered 4 (FYE 2022: 2) internship positions.

Corporate Social Responsibility

We believe in the philosophy of giving back to society to show our gratitude and appreciation for our success and in giving, we strengthen the local communities which will contribute to nation building and at the same time helps to create a culture of giving among our employees.

Over the years, we have donated Automated External Defibrillators (“AED”) to Dialysis Centre, Religious Organisation, Sport Societies, Ambulance Communities, Care Homes, Old Folks Homes, Fire and Rescue Associations, Community Townhalls, Schools and etc. We have also been providing public trainings for AEDs.

In FYE 2022, together with Guang Ming, we have donated 100 AEDs (RM1,000,000) to non-profit organisation and schools. Building upon this momentum in FYE 2023, our dedication to social responsibility remains unwavering. The highlights of our Corporate Social Responsibility endeavours during this period are outlined below:

Installation of AED and provide user training at schools and charity organisations

In conjunction with World Heart Day, SJK(C) Union Pulau Pinang held a program namely “CPR and AED training program” on 29 September 2022. We involved in providing training to the students and teachers at the schools.



SUSTAINABILITY REPORT (CONT'D)



SOCIAL (CONT'D)

Sponsorship of AED to Institute Pendidikan Guru Kampus Perempuan Melayu Melaka

On 22 March 2023, we have sponsored AED to Institute Pendidikan Guru Kampus Perempuan Melayu Melaka. This initiative benefited approximately 1,000 students and teachers.



**拯救心臟病發男子
陳愛婷獲贈AED電擊貼片**

(馬六甲23日訊) 馬來女子師範學院講師陳愛婷獲贈自動体外心臟去纖維器 (AED) 電擊貼片，以在緊急事件時能搶救上場。

陳愛婷也是馬來西亞聖約翰救傷機構馬六甲中央區指揮官兼該機構急救教官。她曾在今年1月底通過使用AED，成功拯救一名在打羽球時心臟病發的男子。

陳愛婷說，上述意外是發生在1月底，當時全國師範學院運動嘉年華羽球賽在東街羽球館進行，打羽球心臟病發的55歲男子，為羽球心臟病發的55歲男子，為羽球將組隊參賽者之一。

“對方比賽中，身體不適，當場倒下。她與多名在場人員先進行了心肺復甦法，後來從車上取了AED使用，最終男子獲救。”

她因此獲得UMed-C Healthcare公司的醫藥高級銷售員伍俊欣，代表該公司移交電擊貼片，由學院院長卡蒂妮見證。

馬六甲馬來女子師範學院院長卡蒂妮說，該學院的教職員和學生人數大約1000多人，目前學院並沒有AED。她認同學院也應該設有AED，以備不時之需。

伍俊欣(左)將電擊貼片移交陳愛婷(右)，由卡蒂妮(中)見證。(黃之珠攝)

**用AED 救了一命
教官獲贈回貼片**

(馬六甲23日訊) 馬來西亞聖約翰救傷機構馬六甲中央區指揮官兼該機構急救教官陳愛婷，在今年1月底通過心肺復甦法及自動体外心臟去纖維器 (AED)，救回一名在打羽球時心臟病發男子的一命。陳氏獲一家公司贈送一個AED電擊貼片，以在緊急事件時派上用場。

陳愛婷也是馬六甲馬來女子師範學院講師，今日由UMed-C Healthcare公司醫藥高級銷售員伍俊欣代表該公司，移交電擊貼片給陳氏，并由學院院長卡蒂妮見證。

疑心臟有狀況

陳愛婷說，該宗意外發生在1月底，當時全國師範學院運動嘉年華羽球賽在東街羽球館進行，打羽球時心臟病發的55歲男子，為男子將組隊參賽者之一。

她說，對方在比賽中，身體不適，並在球場倒下。她發現對方疑是心臟出現狀況後，馬上為患者施行心肺復甦法，並使用放在車上的AED，最終患者獲救。

她說，AED電擊貼片使用后，就无法再用。UMed-C Healthcare公司獲知陳愛婷救人善舉后，特贈送后者AED電擊貼片。

此外，馬六甲馬來女子師範學院院長卡蒂妮說，該學院教職員和學生人數大約1000多人，目前學院並沒有AED。她認同學院也應該設有AED，以備不時之需。

陳愛婷(右起)在卡蒂妮見證下移交電擊貼片給伍俊欣(左)。



SOCIAL (CONT'D)

Collaboration with Persatuan Bantuan Kecemasan Bukit Mertajam Pulau Pinang to launch mobile AED

We are immensely grateful to be chosen by Persatuan Bantuan Kecemasan Bukit Mertajam Pulau Pinang for their AED program. On 22 July 2023, we were invited to the Mobile AED launching ceremony at Bukit Mertajam and we have provided 2 hours of AED training to the Persatuan Bantuan Kecemasan Bukit Mertajam Pulau Pinang.

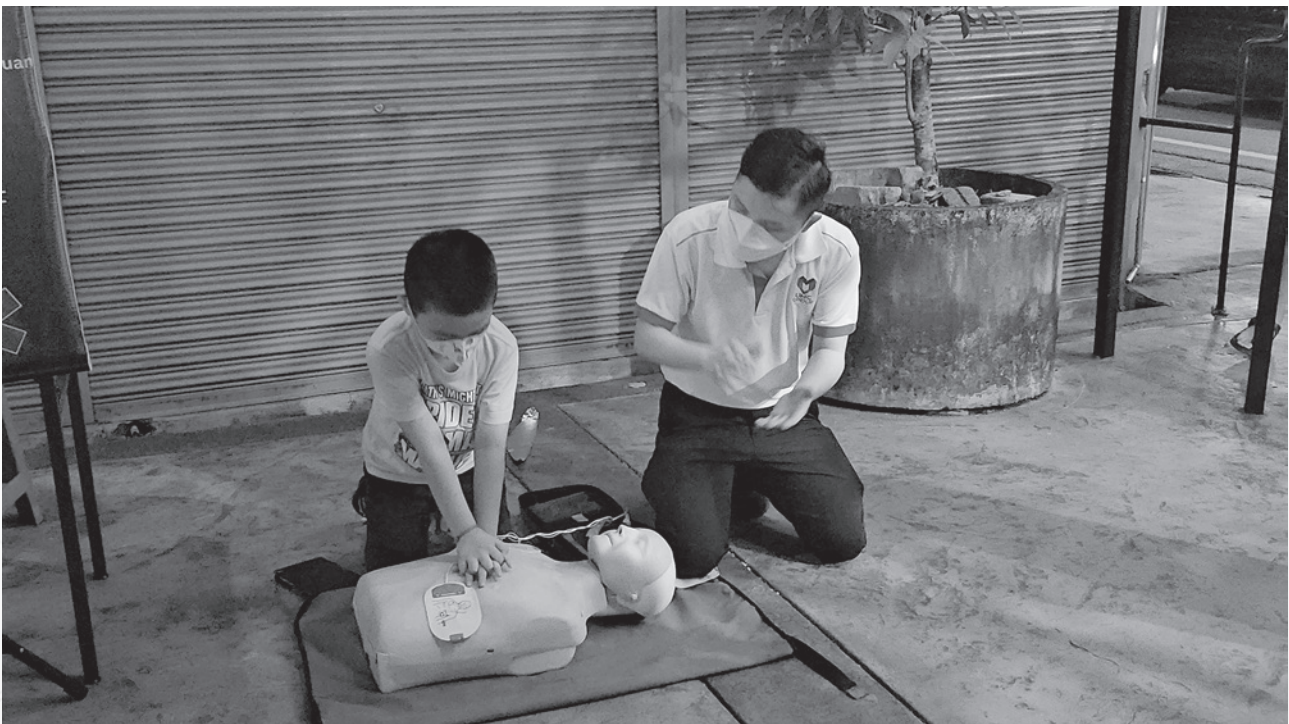




SOCIAL (CONT'D)

Conduct Public CPR and AED Talk

On 22 July 2023, we conducted a public talk about CPR and AED at the Bukit Mertajam Art Walk, aiming to raise awareness and knowledge about life-saving technique.





SOCIAL (CONT'D)

Continuous efforts in installing AED to non-profit organisations and schools



SJKC Kelang Lama, Kulim
(1 August 2022)



SJKC Chio Min B, Kulim
(1 August 2022)



Pertubuhan Bakti Fo En Bandar Kulim, Kedah
(1 August 2022)



Persatuan Dermawan Jishan, Bukit Mertajam
(26 September 2022)



Persatuan Kebajikan dan Amal Qi Li Xiang, Bukit Mertajam
(26 September 2022)

SUSTAINABILITY REPORT (CONT'D)



SOCIAL (CONT'D)

Continuous efforts in installing AED to non-profit organisations and schools (Cont'd)



SJKC Pai Teik
(27 September 2022)



Persatuan Bomba Sukarela, Sungai Udang
(27 September 2022)



SMJK Krian, Parit Buntar
(27 September 2022)



SM Sin Min (Persendirian), Alor Setar
(7 November 2022)



Dewan Perhimpunan Cina Kedah
(7 November 2022)



SOCIAL (CONT'D)

Continuous efforts in installing AED to non-profit organisations and schools (Cont'd)



SJKC Kee Chee, Alor Setar
(7 November 2022)



SJKC Keat Hwa (K), Alor Setar
(15 November 2022)



SJKC Keat Hwa (S) Alor Setar
(16 November 2022)



SMJK Heng Eee (Bayan Baru)
(17 November 2022)

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1. Introduction

Our Board acknowledges the importance of maintaining good risk management and internal control system within our Group and is pleased to present its Statement on Risk Management and Internal Control for the financial year ended (“FYE”) 31 July 2023 and up to the date of approval of this statement disclosed pursuant to the Rule 15.26(b) of ACE Market Listing Requirement (“AMLR”) and Malaysian Code on Corporate Governance 2021 (“MCCG”). This statement was prepared by taking into account of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”) pursuant to Guidance Note 11 of AMLR.

2. Board Responsibilities

Our Board recognises the importance of risk management and maintaining a sound internal control system for our Group to safeguard the shareholders’ investment and our Group’s assets, and to discharge their stewardship responsibilities in identifying and reviewing risks and ensuring the implementation of appropriate systems to manage these risks. Our Board, in discharging its responsibilities, is fully committed to maintain appropriate risk management and internal controls system and for reviewing their adequacy and effectiveness so as to provide assurance on the achievement of the objectives of our Group. However, in view of the limitations that are inherent in any risk management system, the system is designed to manage, rather than to eliminate, the risk of failure to achieve the business objectives of our Group. Accordingly, the system can only provide reasonable and not absolute assurance against material misstatement, losses or fraud.

Our Board has delegated the oversight of the risk management and the internal control function to the Audit and Risk Management Committee (“ARMC”) which is comprised solely of Independent Non-Executive Directors. The ARMC is tasked to determine that there is a robust process in place for identifying, managing and monitoring critical risks, oversee execution of that process and ensure it is continuously improved as the business environment changes. On a periodic basis, our Board, via the ARMC, evaluates the adequacy and operating effectiveness of the risk management and internal control system and, where appropriate, requires the Management to implement pertinent controls to address emerging issues or areas of control deficiencies. The process has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in this Annual Report.

3. Risk Management Framework

Our Group has established an Enterprise Risk Management (“ERM”) framework in Risk Management Handbook which serves as a methodical approach for identifying, evaluating, managing and documenting key operational risks in our Group. It sets out the principles, structure, roles and responsibilities, approach and measurement criteria. The Risk Management processes are embedded in the operation and business processes. These processes are performed by key senior management in their course of work and matters reported to our Chief Executive Officer, ARMC and Board of Directors. The reporting structure is outlined as below:



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

3. Risk Management Framework (Cont'd)

Our risk assessment had been outsourced to an independent professional firm, YNC Business Consulting Sdn. Bhd. (“YNC”) to assist our Board and Management in updating our Group’s key business risks which could affect its strategic, operational and reputational well-being via ERM assessment activities.

The ERM assessment activities encompasses:-

- Discussions with Executive Directors and Senior Management to identify our Group’s strategic concerns and to align risk assessment procedures accordingly;
- Evaluate the risk rating by considering the potential impact and likelihood of risk occurrence, effectiveness of controls and action plans taken to manage the risks to the desired level; and
- Assess and document the Management’s controls for key business risks identified.

The results of ERM assessment, which encompassed the updates since the last assessment and management action plans, were presented to the Management and subsequently reported to the ARMC and Board for further deliberation. The management action plans include proposed measures to mitigate weaknesses in the control environment as well as corresponding treatment measures to manage the material exposures identified. To ensure effective risk management, our Management and Heads of Department have been entrusted with the responsibility to manage identified risks within defined parameters. This delegation empowers our skilled teams to proactively and proficiently navigate potential challenges while fostering a culture of accountability and adaptability across the organisation.

4. Internal Audit Function

Our Group has outsourced the internal audit function to MCM International Consultancy PLT (“MCMIC”), an independent professional firm, which is independent of the activities and operations of our Group as an Internal Auditor to review the adequacy and sufficiency of systems, procedures and controls of our Group. The firm is free from any relationships or conflicts of interest, which could impair its objectivity and independence of the internal audit function. The firm does not have any direct operational responsibility or authority over any of the activities audited. Functionally, the Internal Auditors report directly to the ARMC. The primary responsibility of the Internal Auditors is to assist our Board and the ARMC in reviewing and assessing management systems of internal control and procedures. The ARMC reviews and approves the Internal Audit Engagement and fees to ensure the independence and objectivity of the Internal Auditors.

The Internal Audit engagement by MCMIC is led by Ms. Phoon Yee Min, who is a Certified Internal Auditor (“CIA”), member of Association of Chartered Certified Accountants (“ACCA”) and member of Malaysia Institute of Accountants (“MIA”). She has accumulated over 19 years of experience in Audit and Advisory engagement. She provides overall direction for the internal audit engagement and is responsible for all stages of the internal audit work. She also maintains contact with the Management to ensure open communication is practised and all internal audit works are carried out effectively and in a timely manner. All the personnel deployed by MCMIC do not have any family relationship or conflicts of interest with our Group that could impair their objectivity and independence during the course of their work.

The Internal Auditors execute the internal audit work based on a risk-based internal audit plan which will be approved by the ARMC before the commencement of work. The Internal Auditors conduct their work in consideration of the broad principles of the International Professional Practice Framework (“IPPF”) of Institute of Internal Auditors covering the conduct of the audit planning, execution, documentations, communication of findings and consultation with key stakeholders.

During the financial year under review, the Internal Auditors conducted an internal audit focusing on Production Management. The observations noted during the internal audit, together with the recommendations, were reported to Management and subsequently presented to the ARMC. The total cost incurred for the internal audit function during the financial year under review was approximately RM18,000.

5. Other Internal Control Processes

Apart from risk management and internal audit, the system of internal controls of our Group also comprises the following key elements:

a. Organisation Structure and Limit of Authority

Our Group has an organisational structure that well defines lines of responsibility, delegation of authority, segregation of duties and flow of information, aligned to the operational requirements of the business of our Group within management, which provides the levels of accountability and responsibility of the respective job functions of management.

Our Group has established authorisation limits and approval levels for management to follow including those requiring approval from our Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

5. Other Internal Control Processes (Cont'd)

b. Policies and Procedures

Standard Operating Procedures (“SOP”) and various policies are formalised to serve as a guiding principle to all employees within our Group for their day-to-day activities to safeguard the assets of our Group against material losses. The policies and procedures shall be periodically reviewed and updated to cater to the changing business environment and operational requirements, and statutory reporting needs. Our Group has also documented policies and procedures to regulate relevant key processes in compliance with the following:

- ISO 9001:2015;
- ISO 13485:2016;
- EN ISO 13485:2016;
- Good Distribution Practice for Medical Devices (“GDPMD”);
- Halal certification; and
- European Commission health, safety and environment protection legislation (“European Commission 93/42/EEC”).

c. Integrity and Ethical Value

The tone from the top on integrity and ethical value are enshrined in the formal Code of Conduct (“the Code”) established and approved by our Board. The Code forms the foundation of the integrity and ethical value of our Group.

Integrity and ethical value expected from the employees are incorporated in the Employee Handbook whereby the ethical behaviours expected with customers and of suppliers as well as employees to carry out their duties and responsibilities assigned are also established and formalised in the Handbook.

In line with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, a formal Anti Bribery and Anti Corruption Policy had been put in place to prevent the risk of bribery and conflict of interest within our Group with a Whistleblowing Policy implemented for all stakeholders to raise genuine concerns about possible improprieties in matters of unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements at the earliest opportunity.

d. Board of Directors/ Board Committee Meetings

The role, functions, composition, operation and processes of our Board are guided by the Board Charter. Board Committees, namely ARMC, NC and RC are established with terms of references clearly outlining their functions and duties delegated by our Board. ARMC assists our Board to review the effectiveness of the ongoing monitoring processes on risk and control matters for areas within their scope of work.

Meetings of our Board and respective Board Committees are carried out on a scheduled basis to review the performance of our Group, from financial and operational perspective.

e. Employee Handbook

Guidelines on human resource management are in place to ensure the ability of our Group to operate in an effective and efficient manner by employing and retaining adequate competent employees possessing the necessary knowledge, skill and experience in order to carry out their duties and responsibilities assigned effectively and efficiently.

Performance evaluations are carried out for all levels of staff to identify performance gaps, for training needs identification and talent development.

Emphasis is placed on enhancing the quality and ability of employees through a wide variety of training programs and workshops to enhance their knowledge and expand the employees’ competency level in executing daily jobs. Relevant trainings and courses are provided to personnel across all functions to maintain a high level of competency and capability.

f. Information and Communication

Our Group has put in place effective and efficient information and communication infrastructures and channels, i.e., computerised systems, secured intranet and electronic mail system, so that operation data and management information can be communicated timely and securely to dedicated personnel within our Group for decision making and for communication with relevant external stakeholders for execution and information collection. Our Management and Board meetings are held for effective two-way communication of information at different level of management and our Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

5. Other Internal Control Processes (Cont'd)

g. Monitoring and Review Activities

Our Executive Director/Chief Executive Officer is closely involved in the daily operations regularly reviews the operational information. Our Group conducts quarterly management meeting which is chaired by our Executive Director/Chief Executive Officer and attended by the various Head of Departments to review and discuss on various matters covering operational, financial, business development and human resources areas.

h. Company Secretary

The Company Secretary provides the necessary advice and guidance on matters relating to the Constitution of our Company, Board policies and procedures, and compliance with relevant regulatory requirements, codes or guidance.

6. Review of the Statement by External Auditors

The external auditors have reviewed the Statement on Risk Management and Internal Control pursuant to Rule 15.23 of the AMLR and in accordance with the Audit and Assurance Practice Guide 3 (“AAPG 3”), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants (“MIA”) for inclusion in the annual report of our Group for the FYE 31 July 2023 and reported to our Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of our Group, in all material respects:

- a) Has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; or
- b) Is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the risk management and internal control system of our Group including the assessment and opinion by our Board and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact remedy the problems.

7. Conclusion

Our Board has received assurance from the Chief Executive Officer that the risk management and internal control system adopted by our Group is operating adequately and effectively, in all material aspects, based on their observations in the course of their management of daily operations of our Group. Our Board is of the view that the risk management and internal control systems are operating satisfactorily and effectively to safeguard the interest of stakeholders and assets of our Group for the financial year under review, and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the annual report of our Company. Our Board continues to take measures to review and, where necessary, enhance the risk management and internal control systems of our Group to meet the strategic objectives of our Group.

Our Board is committed to maintaining a sound internal control system and an effective risk management throughout our Group and reaffirms its commitment to continuously review and where necessary, enhance further the risk management and internal control systems.

This Statement on Risk Management and Internal Control is made in accordance with a resolution passed in our Board of Directors’ meeting held on 25 September 2023.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION AND DESIGNATION

Lee Yee Wooi

Chairman
(Independent Non-Executive Director)

Dr. Pakirisamy Baskaran A/L P Thangavelu

Member
(Independent Non-Executive Director)

Tan Chye Suan

Member
(Independent Non-Executive Director)

Our members of the Audit and Risk Management Committee (“ARMC” or “Committee”) comprise wholly Independent Non-Executive Directors.

Our ARMC Chairman, Lee Yee Wooi is a member of Malaysian Institute of Accountants.

Members of our Committee are financially literate, with diverse background, experience and knowledge in accountancy, business management, commercial and corporate laws.

TERMS OF REFERENCE

Following are the details of our ARMC’s terms of reference. The terms of reference are also posted at our Company’s website at www.umedic.com.my.

1.0 Appointment/Composition

- 1.1 The members of the ARMC shall be appointed by the Board and the chairman of the Board shall not be a member of the Committee.
- 1.2 The Committee shall consist of not less than three (3) members, comprises exclusively Non-Executive Directors and financially literate, a majority of whom are Independent Directors.
- 1.3 At least one (1) member of the Committee:
 - (i) Must be a member of the Malaysian Institute of Accountants; or
 - (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years’ working experience and
 - he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
 - he must be a member of one (1) of the associations of accountants specified in Part II of the First Schedule of the Accountants Act, 1967; or
 - (iii) fulfils such other requirements as prescribed or approved by Bursa Securities.
- 1.4 No Alternate Director shall be appointed as a member of the Committee.
- 1.5 No former audit partner shall be appointed as a member of the Committee before observing a cooling-off period of at least 3 years.
- 1.6 The Chairman of the Committee shall be appointed by the members of the Committee among their number who is an Independent Director.
- 1.7 The Board shall, within three (3) months of a vacancy occurring in the Committee which result in the number of members reduced to below three (3), appoint such number of new members as may be required to make up the minimum number of three (3) members.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

TERMS OF REFERENCE (CONT'D)

2.0 Meetings

- 2.1 Meetings shall be held not less than four (4) times in a year. In addition, the Chairman of the Committee may call a meeting of the Committee if a request is made by any Committee members, the Company's Executive Chairman/Chief Executive Officer or the internal or external auditors if they consider it necessary.
- 2.2 Meeting will be attended by the members of the Committee and the Company Secretary or the representative of the Secretary shall act as the secretary of the Committee.
- 2.3 Participants may be invited from time to time to attend the meeting depending on the nature of the subject under review. These participants may include the Directors, General Managers, Divisions Heads, representatives from the Finance and Internal Audit Departments and external auditors. The head of finance, the head of internal audit and a representative of the external auditors should normally attend meetings.
- 2.4 The quorum of the Committee meeting shall be two (2) members both of whom shall be Independent Directors.
- 2.5 The Chairman of the Committee should engage on a continuous basis with the senior management, such as the Executive Chairman, the Chief Executive Office, the Head of Finance, the Head of the Internal Audit and the External Auditors in order to be kept informed of matters affecting the Company.
- 2.6 The Committee should meet with the external auditors without the presence of executive board members at least twice a year.
- 2.7 A member of the Committee may participate in a meeting by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- 2.8 Questions arising at any meeting of the Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Committee shall have a second or casting vote. However, at meetings where two (2) members are present or when only two (2) members are competent to vote on an issue, the Chairman shall not have a second or casting vote. All conflicting views shall be submitted to the Board for its final decision. Any member who has an interest in any matters being reviewed or considered shall abstain from voting on the matter.
- 2.9 A circular resolution in writing signed by a majority of the members of the Committee, shall be valid and effectual as if it had been passed at a meeting of the Committee duly convened. Any such resolution may consist of several documents in like form, each signed by one (1) or more members of the Committee and shall include signed copies via legible facsimile transmission or other written electronic means.

3.0 Authority

- 3.1 The Committee is authorised by the Board to carry out the duties mentioned below and the Board and the Management shall give all assistance that is necessary to enable the Committee to discharge its duties.
- 3.2 The Committee shall, whenever necessary and reasonable for the performance of its duties and in accordance with a procedure to be determined by the Board and at the Company's cost:
 - (a) have authority to investigate any matter within its terms of reference;
 - (b) have the resources which are required to perform its duties;
 - (c) have full and unrestricted access to any information pertaining to the Company;
 - (d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
 - (e) be able to obtain independent professional or other advice; and
 - (f) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the company, whenever deemed necessary.
- 3.3 The Head of Internal Audit shall report directly to the Committee.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

TERMS OF REFERENCE (CONT'D)

4.0 Functions and Responsibilities

The functions and responsibilities of the Committee shall include the following:

4.1 Internal Audit

- (a) To review and report to the Board the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work.
- (b) To review the internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and whether or not appropriate action is taken by management on the recommendations.
- (c) To review any appraisal or assessment of the performance of members of the internal audit function.
- (d) To approve any appointment or termination of senior staff members of the internal audit function, if the internal audit function is performed in-house.
- (e) To take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reason for resigning, if the internal audit function is performed in-house.
- (f) To ensure the person responsible for the internal audit reports directly to the Committee.

4.2 External Audit

- (a) To review with the external auditors, the audit report, the nature and scope of their audit plan and report the same to the Board.
- (b) To review with the external auditors, their audit report and evaluation of accounting policies and systems of internal controls and report the same to the Board.
- (c) To review internal audit findings and the management's responses or action plans, including the status of the previous audit recommendations.
- (d) To review the assistance given by employees of the Group to the external Auditors.
- (e) To review and report the same to the Board any letter of resignation from the external Auditors of the Company as well as whether there is any reason (supported by grounds) to believe that the Company's external Auditors are not suitable for re-appointment.
- (f) To make recommendations concerning the appointment of the external auditors and their remuneration to the Board.
- (g) To review the non-audit fees paid or payable to the external auditors, or a firm or corporation affiliated to the external auditors' firm.
- (h) To assess the suitability, objectivity and independence of the external auditor, taking into consideration: -
 - (i) the competence, audit quality and resource capacity of the external auditor in relation to the audit;
 - (ii) the nature and extent of the non-audit fees rendered and the appropriateness of the level of fees; and
 - (iii) obtaining assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the term of all relevant profession and regulatory requirements.

4.3 Audit Reports

The reports of the Committee and the external and internal auditors and corrective action taken shall be tabled for discussion by the Board of Directors.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

TERMS OF REFERENCE (CONT'D)

4.0 Functions and Responsibilities (Cont'd)

4.4 Financial Reporting

To review quarterly results and year-end financial statements prior to the approval of the Board, focusing particularly on:

- (a) changes in or implementation of major accounting policy changes;
- (b) significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters addressed; and
- (c) compliance with accounting standards and other legal requirements.

4.5 Related Party Transaction and Conflict of Interest

To review any related party transactions and conflict of interest situation that arise, persist or may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity and the measures taken to resolve, eliminate or mitigate such conflicts.

4.6 Allocation of Options

To review and verify the allocation of options to employees under employees share option scheme.

4.7 Risk Management

- (a) To determine that there is a robust process in place for identifying, managing, and monitoring critical risks; oversee execution of that process; and ensure it is continuously improved as the business environment changes;
- (b) To provide timely input to management on critical risk issues;
- (c) To engage management in an ongoing risk appetite dialogue as conditions and circumstances change and new opportunities arise;
- (d) To oversee the conduct, and review the results, of company-wide risk assessments, including the identification and reporting of critical risks;
- (e) To oversee the management of certain risks, with regard to the complexity and significance of these risk exposures;
- (f) To provide advice to the Board on risk strategies and coordinate the activities of the various standing board committees for risk oversight;
- (g) To promote a healthy risk culture and watch for dysfunctional behaviour that could undermine the effectiveness of the risk management process (e.g. excessive risk-taking due to misaligned key performance indicators and remuneration schemes);
- (h) To review the Company's internal control and risk management framework, strategic, policies, processes, responsibilities and actions;
- (i) To identify, assess and monitor the key business risk and management's action plan and assess whether risks are managed adequately and effectively;
- (j) To conduct an annual review and periodic testing of the Company's internal control and risk management framework and make necessary changes to the framework arising from the review;
- (k) To solicit feedback on the adequacy and effectiveness of risk management and internal control from the Executive Director, management, internal auditors and external auditors at least annually; and
- (l) To review and ensure that risk disclosure in the annual report are made in compliance with the provisions of the authority.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

TERMS OF REFERENCE (CONT'D)

4.0 Functions and Responsibilities (Cont'd)

4.8 Listing Requirements

To report any breach of listing requirements, which have not been satisfactory resolved to Bursa Securities.

4.9 Other Matters

- (a) To ensure the inclusion of corruption risk as one of the risks assessed in the Group's risk register.
- (b) To review the Anti-Bribery & Corruption Policy and Whistleblowing Policy at least once every 3 years and to make recommendations to the Board thereon.
- (c) To consider other topics as defined by the Board.

5.0 Minutes

5.1 The Secretary shall maintain minutes of the proceedings of the meetings and circulate such minutes to all members of the Committee and to the Board members.

6.0 Audit and Risk Management Committee Report

The Committee shall ensure that an audit and risk management committee report is prepared at the end of each financial year that complies with subparagraph (6.1) and (6.2) below:

6.1 The audit and risk management committee report shall be clearly set out in the annual report of the Company;

6.2 The audit and risk management committee report shall include the following:

- (a) the composition of the Committee, including the name, designation (indicating the Chairman) and directorship of the members (indicating whether the Directors are independent or otherwise);
- (b) the number of Committee meetings held during the financial year end and details of attendance of each member;
- (c) a summary of the work of the Committee in the discharge of its functions and duties for that financial year of the Company and how it has met its responsibilities; and
- (d) a summary of the work of the internal audit function.

7.0 Continuous Professional Development

7.1 The Committee members shall undertake continuous professional development training to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

ATTENDANCE

During the financial year ended 31 July 2023, there were Five (5) meetings held. These meetings were attended by all members of ARMC.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF ACTIVITIES

The activities undertaken by our ARMC in discharging its duties and functions during the financial year are summarised as follows:

a. Reviewing External Audit Planning Memorandum and the Independence of the External Auditors

Our ARMC conducted three (3) times of private dialogue session with the external auditors without the presence of Executive Directors on 13 September 2022, 11 November 2022, and 7 June 2023 respectively.

Before the commencement of the current financial year audit, our ARMC has reviewed and deliberated with the External Auditors on their audit planning memorandum, in particular the audit risk areas, approach, emphasis and timeline.

b. Reviewing Audited Financial Statements

Our ARMC has reviewed the Audited Financial Statements for the financial year ended 31 July 2022 together with the Reports of Directors and Auditors on 11 November 2022 before presentation to the Board for approval and for release to the authorities and public.

c. Reviewing the Interim Financial Results

Our ARMC has reviewed the financial statements and the quarterly results, cash flows, and financial positions with management. During this review, our Financial Controller was invited to present and respond to questions raised by the ARMC on the financial performance and significant financial reporting concerning compliance with applicable approved accounting standards and other regulatory requirements. Based on the clarifications and answers provided by our management, our ARMC resolved to present the quarterly results to our Board for consideration and approval.

d. Reviewing the Related Party Transactions and Conflict of Interest

In order to safeguard the interest of our Group and its minority shareholders, and to mitigate any potential conflict of interest, our ARMC has reviewed the related party transactions and conflict of interest situation that may arise within the Company or the Group.

Save as disclosed below, there is no related party transaction or conflict of interest during the year.

Sunray Medical Sdn Bhd is carrying on export and import of medical diagnostic preparation, which carrying on a similar trade as that of our Group and Dr. Pakirisamy Baskaran A/L P Thangavelu is one of the shareholders which hold 50% equity interest in Sunray Medical Sdn Bhd. On 15 February 2022, he had resigned as a director of Sunray Medical Sdn Bhd and was not involved in the day-to-day operations of Sunray Medical Sdn Bhd.

Besides that, Dr. Pakirisamy Baskaran A/L P Thangavelu is an Independent Non-Executive Director and he is not involved in the day-to-day management of our Group.

As such, our Board is of the view that the involvement and interests of our Director, as described above, do not give rise to any existing and potential conflict of interest situation.

e. Reviewing the Internal Audit Functions

The ARMC has reviewed and approved the Internal Audit Plan FYE 2023 presented by Internal Auditor on 13 September 2022. The Internal Auditor reported its findings together with the management action plan and recommendations to the ARMC for review on 7 June 2023. The ARMC also reviewed the adequacy of the scope, function, competency and resources of the internal audit functions, and ensures that it has the necessary authority to carry out its work. The ARMC and Management work closely with the outsourced internal audit function to review the internal control issues and ensure that significant issues are brought to the attention of the Board.

f. Reviewing the Audit and Risk Management Committee Report and Statement on Risk Management and Internal Control

Our ARMC has reviewed the Audit and Risk Management Committee Report and Statement on Risk Management and Internal Control prior to recommending the same for Board's approval for inclusion in the Annual Report 2022 on 11 November 2022.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

INTERNAL AUDIT FUNCTION

During the FYE 2023, our Group has outsourced the internal audit function to MCM International Consultancy PLT (“MCMIC”), an independent professional firm, which is independent of the activities and operations of our Group as its Internal Control Review Consultant to review the adequacy and sufficiency of systems, procedures and controls of our Group. The annual cost incurred for our Group’s internal audit function is RM18,000.

Functionally, the Internal Auditors report directly to our ARMC. The primary responsibility of the Internal Auditors is to assist our Board and our ARMC in reviewing and assessing the effectiveness of management systems of internal control and procedures. Our ARMC reviews and approves the Internal Audit Engagement and fees to ensure the independence and objectivity of the Internal Auditors.

The Internal Auditors will execute the internal audit work based on a risk-based internal audit plan which will be approved by our ARMC before the commencement of work. The Internal Auditors will conduct their work in consideration of the broad principles of the International Professional Practice Framework (“IPPF”) of Institute of Internal Auditors covering the conduct of the audit planning, execution, documentations, communication of findings and consultation with key stakeholders.

During the financial year under review, one internal audit cycle with the following audit scopes of work was carried out to assess the internal control systems:

No.	Audit Area	Reporting Date
1.	Production management	15 May 2023

Findings arising from the internal audit exercise with recommendation and management action plan were reported and discussed at the ARMC meeting on 7 June 2023.

NOMINATION COMMITTEE STATEMENT

COMPOSITION AND DESIGNATION

- Chairman : Dr. Pakirisamy Baskaran A/L P Thangavelu
(Independent Non-Executive Director)
- Member : Tan Chye Suan
(Independent Non-Executive Director)
- Lee Yee Wooi
(Independent Non-Executive Director)

TERMS OF REFERENCE

The terms of reference of our Nomination Committee (“NC” or “Committee”) are also posted at our Company’s website at www.umedic.com.my.

1.0 Appointment/Composition

- 1.1 The members of the NC shall be appointed by the Board and the chairman of the Board shall not be a member of the Committee.
- 1.2 The NC shall consist of not less than three (3) members, comprises exclusively Non-Executive Directors, a majority of whom are Independent Directors.
- 1.3 The Board shall, within three (3) months of a vacancy occurring in the Committee which result in the number of members reduced to below three (3), appoint such number of new members as may be required to make up the minimum number of three (3) members.
- 1.4 The Chairman of the Committee shall be appointed by the members of the Committee among their number who is an Independent Director.

2.0 Meetings

- 2.1 Meetings shall be held at least once a year and also as and when required.
- 2.2 The Committee shall meet to carry out the duties and responsibilities mentioned below. The quorum for a meeting shall be two (2) members both of whom shall be Independent Directors.
- 2.3 Meeting will be attended by the members of the Committee and the Company Secretary or the representative of the Secretary shall act as the secretary of the NC.
- 2.4 The Executive Directors or any other person(s) may be invited by the Committee to attend its meetings as may be deemed necessary to assist in its deliberations.
- 2.5 A member of the Committee may participate in a meeting by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- 2.6 Questions arising at any meeting of the Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Committee shall have a second or casting vote. However, at Meetings where two (2) members are present or when only two (2) members are competent to vote on an issue, the Chairman shall not have a second or casting vote. All conflicting views shall be submitted to the Board for its final decision. Any member who has an interest in any matters being reviewed or considered shall abstain from voting on the matter.
- 2.7 A circular resolution in writing signed by a majority of the members of the Committee, shall be valid and effectual as if it had been passed at a meeting of the Committee duly convened. Any such resolution may consist of several documents in like form, each signed by one (1) or more members of the Committee and shall include signed copies via legible facsimile transmission or other written electronic means.

NOMINATION COMMITTEE STATEMENT (CONT'D)

TERMS OF REFERENCE (CONT'D)

3.0 Authority

- 3.1 The Committee is authorised by the Board to investigate any activity within its Terms of Reference. It shall be provided with the resources to perform its duties and shall have at the expense of the Company, unlimited/unrestricted access to all information and documents/resources which are required to perform its duties.
- 3.2 The Committee shall also have the right to be able to obtain advice from independent parties and other professionals where they consider it necessary to carry out their duties.
- 3.3 The Board shall make all decisions after considering the recommendations of the Committee.

4.0 Functions and Responsibilities

4.1 The functions and responsibilities of the Committee shall include the following:

- (a) to propose, consider and recommend to the Board suitable persons for appointment as Directors of the Company.

In making its recommendations, the NC should consider the candidates:-

- skills, knowledge, expertise and experience;
- professionalism;
- integrity;
- boardroom diversity (including gender diversity); and
- in the case of candidates for the position of independent Non-Executive Directors, the Committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

The Committee shall also consider candidates for directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any Director or shareholder.

If the selection of candidates is based on recommendations made by existing directors, management or major shareholders, the Committee should explain why these source(s) suffice and other sources were not used.

- (b) to recommend to the Board, candidates to fill the seats on Board committees.
- (c) to assist the Board to review on an annual basis the required mix of skills, independence and experiences and other qualities, including core competencies, which non-executive directors should bring to the Board.
- (d) to assess on an annual basis on the effectiveness of the Board as a whole, the committees of the Board and contribution of each individual director including chairman of the Board, independent Non-Executive Directors, as well as the Chief Executive Officer and the Chief Operating Officer. All assessment and evaluations carried out by the Committee in the discharge of all its functions should be properly documented.
- (e) to review the tenure of each director with an aim to ensure that the composition of the Board is refreshed periodically.
- (f) to lead the succession planning and oversee the development of a diverse pipeline for the Board and management succession, including the future chairman of the Board, Executive Directors and Chief Executive Officer.
- (g) to assess the skill gaps of the Directors and recommend appropriate training and development programmes for the Directors.
- (h) to review the term of office and performance of the Audit and Risk Management Committee and each of its members annually to determine whether the Audit and Risk Management Committee and members have carried out their duties in accordance with their terms of reference.
- (i) to carry out such other responsibilities as may be delegated by the Board from time to time.

5.0 Minutes

- 5.1 The Secretary shall maintain minutes of the proceedings of the meetings and circulate such minutes to all members of the Committee and to the Board members.

NOMINATION COMMITTEE STATEMENT (CONT'D)

ATTENDANCE

During the financial year ended 31 July 2023, there were two (2) meetings held. These meetings were attended by all members of NC.

SUMMARY OF ACTIVITIES

On 13 September 2022, our NC reviewed the outcome of an annual evaluation process on the Board, Board Committees and individual Directors that reviews their performance and assesses their effectiveness and contribution during the year under review. The assessment is administered using questionnaires that incorporate a range of criteria including Board composition, skills and competencies, meeting conduct and administration as well as self and peer evaluation model with an eye towards improvement opportunities. Our NC evaluated each individual Director taking into consideration of their skillsets, experience, competence and commitment required of them to discharge their respective role and is satisfied with the performance of all the directors.

In addition, NC also reviewed and is satisfied with the current Board structure, size and composition which ensured appropriate balance and size of non-executive participation as well as having the right mix of skill sets and diversity of experience. Our NC is cognisant of the need to increase female representation on Board and agreed to seek suitable female candidate to align with the best practice of Malaysian Code on Corporate Governance.

NC has also assessed and recommended to the Board of the proposed re-election and re-appointment of Lim Taw Seong and Dr. Pakirisamy Baskaran A/L P Thangavelu by the shareholders at the forthcoming AGM after reviewing their skill and experience.

NC has conducted a review on the term of office and performance of the ARMC and each of the members individually for FYE 2022. Upon its assessment, the NC is satisfied and has recommended to the Board that the ARMC and its members have discharged their duties in accordance with the ARMC's terms of reference.

Our NC is of the view that the Directors should determine their training needs in order for them to discharge their duty diligently. At the same time, the NC recommended trainings to keep abreast of industry updates, changes to accounting standards and policies and taxation laws and how implementation of these standards impact financial reporting as well as changes to the regulatory environment particularly with the focus on sustainability.

On 6 March 2023, NC has reviewed and has no objection for the proposed appointment of Ng Sze Hui as alternate director to Dato' Ng Chai Eng replacing Dr. Ng Chin Liang.

DIRECTORS' RESPONSIBILITY STATEMENT

Our Directors are responsible to ensure the annual audited financial statement of our Group and of our Company are drawn up in accordance with applicable Financial Reporting Standards, the provisions of the Companies Act 2016 and the AMLR so as that give a true and fair view of the state of affairs of our Group and of our Company at the end of the financial year, and of the financial performance and cash flows of our Group and of our Company for the financial year.

In preparing the financial statements for the financial year ended 31 July 2023, our Directors have: -

- adopted appropriate accounting policies and applied consistently;
- made judgements and estimates that are reasonable and prudent;
- ensure all applicable Malaysian Financial Reporting Standards have been complied with; and
- prepared the financial statements on a going concern basis.

Our Directors are responsible to ensure that our Group and our Company maintain proper accounting records which disclose the financial position of our Group and of our Company with reasonable accuracy to ensure that the financial statements comply with the Companies Act 2016.

Our Directors are responsible for taking reasonable steps to ensure that appropriate systems are in place to safeguard the assets of our Group and of our Company to prevent and detect fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

UMC listed on the ACE Market of Bursa Securities (“Listing”) on 26 July 2022. As part of the listing exercise, our Company undertook a public issue of 97,224,300 new ordinary shares at an issue price of RM0.32 per share, raising gross proceeds of RM31.11 million (“IPO proceeds”).

As at 31 July 2023, our utilisation of the IPO Proceeds is as follows:

Details of the use of proceeds	Estimated timeframe for the use of proceeds upon Listing ⁽ⁱ⁾	RM'000	Actual Utilisation RM'000	Percentage Utilised %
Capital expenditure				
(i) Construction of new factory building	Within thirty (30) months	3,500	2,381	68.03
(ii) Setting up new marketing and distribution offices	Within thirty-six (36) months	6,800	-	-
		10,300	2,381	23.12
Repayment of bank borrowings ⁽ⁱⁱ⁾	Within six (6) months	9,000	9,000	100.00
Working capital	Within thirty-six (36) months	8,662	8,662	100.00
Estimated listing expenses	Within two (2) months	3,150	3,150	100.00
Total		31,112	23,193	

Notes:

- (i) From the date of Listing on 26 July 2022.
- (ii) Including lease liabilities owing to financial institutions

The utilisation of gross proceeds as disclosed above should be read in conjunction with the Prospectus of our Company dated 6 July 2022.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered to our Group for the FYE 2023 by our Company's Auditors are as follows:

Category	Audit Fees (RM)	Non-Audit Fees (RM)*
Company	27,500	-
Subsidiaries	38,900	2,500
	66,400	2,500

Notes:

- * Non-Audit fees include review of Statement on Risk management and Internal Control, professional fees in respect of the review of interim financial statements.

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

3. RECURRENT RELATED PARTY TRANSACTION

There was no recurrent related party transaction entered into by our Group during FYE 2023.

4. MATERIAL CONTRACTS

There were no material contracts entered into by our Group involving the interest of our Directors, Chief Executive who is not a Director and major shareholders, either still subsisting as at 31 July 2023 or entered into since the end of the previous financial year.

5. EMPLOYEE SHARE GRANT SCHEME (“SGS”)

On 1 February 2023, our Company established and implemented an employees' Share Grant Scheme of up to 15% of the total number of issued shares of UMC (excluding treasury shares) at any point of time during the duration of the scheme period for the eligible Directors and employees of the UMC and its subsidiary companies (excluding subsidiary companies which are dormant) (“SGS”). The SGS shall be in force for a period of ten (10) years from the effective date.

During the financial year, no SGS shares were issued by our Company.

FINANCIAL STATEMENTS

- 90 Directors' Report
- 96 Statement by Directors
- 96 Statutory Declaration
- 97 Independent Auditors' Report To The Members
- 100 Statements of Financial Position
- 101 Statements of Profit or Loss and Other Comprehensive Income
- 102 Consolidated Statement of Changes in Equity
- 103 Statement of Changes in Equity
- 104 Statements of Cash Flows
- 106 Notes to the Financial Statements



DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 July 2023.

PRINCIPAL ACTIVITIES

The Company is principally engaged as investment holding company. The principal activities of subsidiaries are mainly developing, manufacturing, marketing, distribution of medical devices as well as provision of after-sale services. The details of the subsidiaries are set out in Note 8 to the financial statements.

As of 22 September 2023, one of the subsidiary, Evo Medik Sdn. Bhd., has expanded its principal activities to include business operation of nursing homes and healthcare centres. There have been no significant changes in the nature of these activities other than those disclosed above.

RESULTS

	Group RM	Company RM
Profit/(Loss) for the financial year	<u>10,363,623</u>	<u>(191,923)</u>
Attributable to:		
Owners of the parent	10,315,334	(191,923)
Non-controlling interests	<u>48,289</u>	<u>0</u>
	<u>10,363,623</u>	<u>(191,923)</u>

DIVIDENDS

No dividend has been proposed, paid or declared by the Company since the previous financial year.

The Directors do not recommend any payment of dividend for the current financial year ended 31 July 2023.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

SHARE GRANT SCHEME ('SGS')

On 1 February 2023, the Company established and implemented an employees' Share Grant Scheme ("SGS"). The SGS shall be in force for a period of ten (10) years from the effective date.

SHARE GRANT SCHEME ('SGS') (continued)

The salient features and terms of the SGS are as follows:

- (i) The Board of Directors ('Board') shall appoint the SGS Committee to administer the SGS. The SGS Committee shall be vested with such powers and duties conferred upon it by the Board and the Board may determine all matters pertaining to the SGS Committee, including its duties, power and limitations;
- (ii) The maximum number of shares which may be made available under the SGS shall not in aggregate exceed fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the SGS period;
- (iii) The aggregate maximum number of SGS shares that may be allocated to the executive directors and senior management of the Group shall not be more than seventy percent (70%);
- (iv) The aggregate maximum shares allocated to any individual eligible executive director or employee who, either singly or collectively through persons connected with him/her, holds twenty percent (20%) or more of the total number of issued shares of the Company (excluding treasury shares, if any), shall not be more than ten percent (10%) of the maximum number of shares which may be made available under the SGS;
- (v) Subject to the discretion of the SGS Committee, an employee or a director of the Group who fulfils the relevant conditions of the By-Laws of the SGS shall be eligible to participate in the SGS ("Grantees");
- (vi) The number of SGS shares to be allocated to the Grantees shall be determined by the SGS Committee at its sole discretion after taking into consideration factors which may include the Grantees' position, job performance, seniority, duration of service, potential for future development and contribution to the Group and/or such other factors as the SGS Committee deems fit; and
- (vii) The Shares to be issued and/or transferred to the Grantees pursuant to the SGS will rank pari passu, in all respects with the existing shares, save and except that the shares will not be entitled to any dividends, rights, allotments and/ or other distributions which may be declared, made or paid, where the entitlement date is before the date of issuance and/or transfer of the abovementioned shares.

The Company did not issue or grant any SGS during the financial year.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Lim Taw Seong*	
Dato' Ng Chai Eng*	
Lau Chee Kheong*	
Dr. Pakirisamy Baskaran A/L P Thangavelu	
Tan Chye Suan	
Lee Yee Wooi	
Ng Sze Hui	(Appointed on 6 March 2023, alternate Director to Dato' Ng Chai Eng)
Dr. Ng Chin Liang	(Resigned on 6 March 2023, alternate Director to Dato' Ng Chai Eng)

*These Directors of the Company are also Directors of subsidiaries of the Company.

Subsidiaries of UMediC Group Berhad (excluding those Directors listed above)

Lai Eng Seong	(Appointed on 30 March 2023)
Tiam Kian Peng	(Appointed on 30 March 2023)
Lee Yi Kai	(Resigned on 13 October 2022)
Ng Chin Aik	(Resigned on 30 December 2022)
Kong Yoen Hoo	(Resigned on 13 July 2023)
Lim Suat Gim	(Resigned on 1 August 2023)

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company during the financial year ended 31 July 2023 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	[----- Number of ordinary shares -----]			
	Balance as at 1.8.2022	Bought	Sold	Balance as at 31.7.2023
Shares in the Company				
Direct interests:				
Lim Taw Seong	20,402,200	0	(500,000)	19,902,200
Dato' Ng Chai Eng	20,402,200	0	0	20,402,200
Lau Chee Kheong	17,754,022	0	0	17,754,022
Dr. Pakirisamy Baskaran A/L P Thangavelu	300,000	0	0	300,000
Tan Chye Suan	300,000	0	0	300,000
Lee Yee Wooi	300,000	0	0	300,000
Ng Sze Hui [®]	300,000	0	0	300,000
Indirect interests:				
Lim Taw Seong #	192,327,220	0	0	192,327,220
Dato' Ng Chai Eng *	192,627,220	0	0	192,627,220
Lau Chee Kheong #	192,327,220	0	0	192,327,220

[®] Shares held as at date of appointment.

Deemed interest through shares held in UMediC Capital Sdn. Bhd. by virtue of Section 8(4) of the Companies Act 2016 in Malaysia.

* Deemed interest through shares held in UMediC Capital Sdn. Bhd. by virtue of Section 8(4) of the Companies Act 2016 in Malaysia and the shares held by his daughter, Ng Sze Hui pursuant to Section 59(11)(c) of the Companies Act 2016 in Malaysia.

By virtue of Lim Taw Seong, Dato' Ng Chai Eng and Lau Chee Kheong interests in the ordinary shares of the Company, these Directors are deemed to be interested in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) 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, other than the following:

- Certain Directors who may be deemed to derive benefits by virtue of trade transactions entered into with companies in which certain Directors have substantial financial interests; and
- Certain Directors who received remuneration from the subsidiaries as Directors of the subsidiaries.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the Directors of the Company during the financial year are as follows:

	Group RM	Company RM
Fee	180,000	180,000
Salaries and other emoluments	434,000	3,000
Contributions to defined contribution plan	31,680	0
Social security contributions	1,022	0
Other benefits	117	0
	<u>646,819</u>	<u>183,000</u>

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There were no indemnity given to or insurance effected for the Directors, officers and auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that there are no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made; and

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (continued)

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT (continued)

(d) In the opinion of the Directors (continued):

- (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial period which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 30 March 2023, the Company had completed the acquisition of 280,000 ordinary shares in Patho Solutions (M) Sdn. Bhd. ("Patho"), representing 70% equity interest in Patho for a purchase consideration of RM600,000 ("Acquisition") by way of cash. Following this, the Company regards Patho Solutions (M) Sdn. Bhd. as its subsidiary.

On 31 March 2023, the Company acquired additional 700,000 new ordinary shares at RM1 each in Patho, for a total cash consideration of RM700,000.

There are no changes to the percentage of shareholding of the Group on the subsidiary arising from these additional investment.

- (b) During the financial year, the Group has entered into a Sale and Purchase agreement with a third party for the purchase of land comprised in Lot No. 20697, Mukim 14, Daerah Seberang Perai Selatan, Pulau Pinang with area measuring approximately 690 square meters together with a unit of four storey semi detached office erected bearing assessment address known as No.2, Jalan Perniagaan Vorteks 3, Pusat Perniagaan Vorteks, 14100 Simpang Ampat, Pulau Pinang, for a cash consideration of RM2,300,000 ("Acquisition").

A total deposit of RM230,000 has been paid by the Group upon execution of the Sale and Purchase Agreement.

As at the date of this report, the Acquisition has yet to be completed.

ULTIMATE HOLDING COMPANY

The Directors regard UMediC Capital Sdn. Bhd. as the ultimate holding company, which is a company incorporated in Malaysia.

DIRECTORS' REPORT (CONT'D)

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 July 2023 were as follows:

	Group RM	Company RM
Statutory audit	66,400	27,500
Non-audit services	2,500	0
	<u>68,900</u>	<u>27,500</u>

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

Lim Taw Seong

Director

Penang

25 September 2023

Dato' Ng Chai Eng

Director

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 100 to 153 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2023 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Lim Taw Seong

Director

Penang

25 September 2023

Dato' Ng Chai Eng

Director

STATUTORY DECLARATION

I, Lim Taw Seong (I/C No. 781014-07-5121), being the Director primarily responsible for the financial management of UMediC Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 100 to 153 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 at Georgetown in the State of Penang this 25 September 2023.

Lim Taw Seong

Before me,

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UMEDIC GROUP BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UMediC Group Berhad, which comprise the statements of financial position as at 31 July 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 100 to 153.

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 July 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ('MFRSs') and International Financial Reporting Standards ('IFRSs') 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 ('ISAs'). 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 Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ('By-Laws') and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of trade receivables

Gross trade receivables of the Group as at 31 July 2023 were RM12,001,672 as disclosed in Note 11 to the financial statements.

We determined this to be key audit matter because it requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

Audit response

Our audit procedures included the following:

- (a) Recomputed the probability of default using historical data and forward-looking information adjustment applied by the Group;
- (b) Recomputed the correlation coefficient between the macroeconomic indicators used by the Group and historical credit losses to determine the appropriateness of the forward-looking information used by the Group; and
- (c) Inquired of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses.

We have determined that there are no key audit matters to communicate in our report in respect of the audit of the financial statements of the Company.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UMEDIC GROUP BERHAD (CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual 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 other information 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 other information and, in doing so, consider whether the other information 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 this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRSs and the requirement of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- (a) 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.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UMEDIC GROUP BERHAD (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (continued):

- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of the Company 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.
- (e) 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 of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) 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 Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

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

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Penang
25 September 2023

Koay Theam Hock
02141/04/2025 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 31 JULY 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
ASSETS					
Non-current assets					
Property, plant and equipment	6	24,370,374	21,008,594	0	0
Right-of-use assets	7	4,810,178	4,900,058	0	0
Investments in subsidiaries	8	0	0	15,134,255	13,834,255
Goodwill on consolidation	9	287,237	0	0	0
Deferred tax assets	10	0	432,297	0	0
Other receivables	11	0	0	3,330,000	0
		<u>29,467,789</u>	<u>26,340,949</u>	<u>18,464,255</u>	<u>13,834,255</u>
Current assets					
Inventories	12	12,514,209	9,460,303	0	0
Trade and other receivables	11	12,799,213	7,359,553	11,450,300	9,880,166
Current tax assets		524,573	562,899	0	0
Derivative assets	13	5,625	0	0	0
Short term funds	14	11,873,704	21,007,257	11,873,704	18,006,261
Cash and bank balances	15	6,106,628	4,159,584	16,517	253,135
		<u>43,823,952</u>	<u>42,549,596</u>	<u>23,340,521</u>	<u>28,139,562</u>
TOTAL ASSETS		<u>73,291,741</u>	<u>68,890,545</u>	<u>41,804,776</u>	<u>41,973,817</u>
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	16	44,348,333	44,348,333	44,348,333	44,348,333
Reserves	17	18,645,648	8,330,314	(2,596,261)	(2,404,338)
		<u>62,993,981</u>	<u>52,678,647</u>	<u>41,752,072</u>	<u>41,943,995</u>
Non-controlling interests	8(c)	482,331	0	0	0
TOTAL EQUITY		<u>63,476,312</u>	<u>52,678,647</u>	<u>41,752,072</u>	<u>41,943,995</u>
LIABILITIES					
Non-current liabilities					
Borrowings	18	2,877,676	5,584,199	0	0
Lease liabilities	7	6,705	15,016	0	0
Government grants	20	2,872,997	3,242,954	0	0
Deferred tax liabilities	10	307,076	4,587	0	0
		<u>6,064,454</u>	<u>8,846,756</u>	<u>0</u>	<u>0</u>
Current liabilities					
Trade and other payables	21	2,583,504	4,052,722	52,422	28,222
Borrowings	18	710,630	2,412,469	0	0
Lease liabilities	7	43,911	39,794	0	0
Government grants	20	369,957	369,957	0	0
Current tax liabilities		42,973	490,200	282	1,600
		<u>3,750,975</u>	<u>7,365,142</u>	<u>52,704</u>	<u>29,822</u>
TOTAL LIABILITIES		<u>9,815,429</u>	<u>16,211,898</u>	<u>52,704</u>	<u>29,822</u>
TOTAL EQUITY AND LIABILITIES		<u>73,291,741</u>	<u>68,890,545</u>	<u>41,804,776</u>	<u>41,973,817</u>

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Revenue	24	45,432,437	50,738,156	0	0
Cost of sales		(26,499,374)	(32,079,084)	0	0
Gross profit		18,933,063	18,659,072	0	0
Other income		1,883,447	642,554	516,750	12,173
Net gains on impairment of financial assets	11(f)	12,057	14,378	0	0
Marketing expenses		(700,070)	(647,533)	(5,610)	0
Administrative and other expenses		(6,943,564)	(9,379,411)	(704,381)	(2,404,714)
Finance costs	26	(253,217)	(807,393)	0	0
Profit/(Loss) before tax		12,931,716	8,481,667	(193,241)	(2,392,541)
Taxation	27	(2,568,093)	(2,055,672)	1,318	(1,600)
Profit/(Loss) for the financial year		<u>10,363,623</u>	<u>6,425,995</u>	<u>(191,923)</u>	<u>(2,394,141)</u>
Profit/(Loss) for the financial year attributable to:					
Owners of the parent		10,315,334	6,425,995	(191,923)	(2,394,141)
Non-controlling interests	8(c)	<u>48,289</u>	<u>0</u>	<u>0</u>	<u>0</u>
		<u>10,363,623</u>	<u>6,425,995</u>	<u>(191,923)</u>	<u>(2,394,141)</u>
Other comprehensive income, net of tax		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income/ (loss), attributable to:					
Owners of the parent		10,315,334	6,425,995	(191,923)	(2,394,141)
Non-controlling interests	8(c)	<u>48,289</u>	<u>0</u>	<u>0</u>	<u>0</u>
		<u>10,363,623</u>	<u>6,425,995</u>	<u>(191,923)</u>	<u>(2,394,141)</u>
Earnings per share attributable to owners of the parent:					
Basic and diluted (sen)	29	<u>2.76</u>	<u>2.74</u>		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

Group	Note	Share capital RM	Reorganisation debit reserve RM	Retained earnings RM	Total equity RM
Balance as at 1 August 2021		6,907,501	0	8,831,074	15,738,575
Profit for the financial year		0	0	6,425,995	6,425,995
Other comprehensive income, net of tax		0	0	0	0
Total comprehensive income		0	0	6,425,995	6,425,995
<u>Transaction with owners</u>					
Issuance of ordinary shares pursuant to:					
- acquisition of subsidiaries in business combination under common control		6,926,755	(6,851,755)	0	75,000
- ordinary shares	16	30	0	0	30
- Initial Public Offering	16	31,111,776	0	0	31,111,776
Share issue expenses	16	(597,729)	0	0	(597,729)
Dividend paid	28	0	0	(75,000)	(75,000)
Total transaction with owners		37,440,832	(6,851,755)	(75,000)	30,514,077
Balance as at 31 July 2022		44,348,333	(6,851,755)	15,182,069	52,678,647

Group	Note	Share capital RM	Reorganisation debit reserve RM	Retained earnings RM	Total attributable to owners of the parent RM	Non- controlling interests RM	Total equity RM
Balance as at 1 August 2022		44,348,333	(6,851,755)	15,182,069	52,678,647	0	52,678,647
Profit for the financial year		0	0	10,315,334	10,315,334	48,289	10,363,623
Other comprehensive income, net of tax		0	0	0	0	0	0
Total comprehensive income		0	0	10,315,334	10,315,334	48,289	10,363,623
<u>Transactions with owners</u>							
Acquisition of a subsidiary	8 (b)	0	0	0	0	134,042	134,042
Additional investment in subsidiary by non-controlling interests		0	0	0	0	300,000	300,000
Total transactions with owners		0	0	0	0	434,042	434,042
Balance as at 31 July 2023		44,348,333	(6,851,755)	25,497,403	62,993,981	482,331	63,476,312

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

Company	Note	Share capital RM	Accumulated losses RM	Total (capital deficiency)/ equity RM
Balance as at 1 August 2021		1	(10,197)	(10,196)
Loss for the financial year		0	(2,394,141)	(2,394,141)
Other comprehensive income, net of tax		0	0	0
Total comprehensive loss		0	(2,394,141)	(2,394,141)
<u>Transaction with owners</u>				
Issuance of ordinary shares pursuant to:				
- acquisition of subsidiaries	16	13,834,255	0	13,834,255
- ordinary shares	16	30	0	30
- Initial Public Offering	16	31,111,776	0	31,111,776
Share issue expenses	16	(597,729)	0	(597,729)
Total transaction with owners		44,348,332	0	44,348,332
Balance as at 31 July 2022		44,348,333	(2,404,338)	41,943,995
Balance as at 1 August 2022		44,348,333	(2,404,338)	41,943,995
Loss for the financial year		0	(191,923)	(191,923)
Other comprehensive income, net of tax		0	0	0
Total comprehensive loss		0	(191,923)	(191,923)
Balance as at 31 July 2023		44,348,333	(2,596,261)	41,752,072

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		12,931,716	8,481,667	(193,241)	(2,392,541)
Adjustments for:					
Depreciation of property, plant and equipment	6	2,048,425	1,529,343	0	0
Depreciation of right-of-use assets	7	138,232	218,481	0	0
Amortisation of government grants	20	(369,957)	(86,660)	0	0
Finance costs	26	253,217	807,393	0	0
Reversal of impairment losses on trade receivables	11(f)	(12,057)	(14,378)	0	0
Interest income		(108,280)	(115,498)	(4,305)	(5,912)
Distribution income from short-term funds		(302,578)	(1,184)	(283,821)	(740)
Gain on disposal of property, plant and equipment		0	(2,124)	0	0
Property, plant and equipment written off		1,836	0	0	0
Gain on lease termination		(250)	(368)	0	0
Gain on fair value adjustment on short-term funds		(267,881)	(6,073)	(228,624)	(5,521)
Gain on fair value adjustment on derivative assets	13	(5,625)	0	0	0
Unrealised loss/(gain) on foreign exchange		142,087	(9,157)	0	0
Operating profit/(loss) before changes in working capital		14,448,885	10,801,442	(709,991)	(2,404,714)
(Increase)/Decrease in inventories		(2,693,094)	656,128	0	0
(Increase)/Decrease in trade and other receivables		(5,357,295)	2,743,231	(4,900,134)	(9,880,166)
(Decrease)/Increase in trade and other payables		(2,449,255)	(3,172,905)	24,200	18,025
Cash generated from/(used in) operations		3,949,241	11,027,896	(5,585,925)	(12,266,855)
Interest received		108,280	115,498	4,305	5,912
Tax paid		(2,677,090)	(2,665,224)	0	0
Tax refunded		423,647	0	0	0
Net cash from/(used in) operating activities		1,804,078	8,478,170	(5,581,620)	(12,260,943)
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of a subsidiary	8(b)	0	0	(600,000)	0
Additional investment in subsidiary	8(d)	0	0	(700,000)	0
Net cash inflow on acquisition of a subsidiary	8(b)	286,775	0	0	0
Placement of short-term funds		(25,799,999)	(21,000,000)	(18,200,000)	(18,000,000)
Purchase of property, plant and equipment	6	(5,313,071)	(1,011,261)	0	0
Proceeds from disposal of short-term funds		35,504,011	0	24,845,002	0
Proceeds from disposal of property, plant and equipment		0	32,000	0	0
Net cash from/(used in) investing activities		4,677,716	(21,979,261)	5,345,002	(18,000,000)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONT'D)

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Capital contribution of non-controlling interests		300,000	0	0	0
Drawdown of bankers' acceptance		6,100,000	1,450,000	0	0
Repayment of bankers' acceptance		(7,550,000)	(9,450,000)	0	0
Drawdown of term loans		0	597,049	0	0
Repayment of term loans		(2,958,362)	(9,789,320)	0	0
Interest paid		(251,070)	(743,611)	0	0
Payment of lease liabilities	7	(55,160)	(1,217,425)	0	0
Proceeds from issuance of shares		0	30,514,077	0	30,514,077
Government grants received	20	0	3,549,571	0	0
Net cash (used in)/from financing activities		<u>(4,414,592)</u>	<u>14,910,341</u>	<u>0</u>	<u>30,514,077</u>
Net increase/(decrease) in cash and cash equivalents		2,067,202	1,409,250	(236,618)	253,134
Effect of foreign exchange rates changes		(120,158)	(11,001)	0	0
Cash and cash equivalents at beginning of financial year		4,159,584	2,761,335	253,135	1
Cash and cash equivalents at end of financial year	15	<u>6,106,628</u>	<u>4,159,584</u>	<u>16,517</u>	<u>253,135</u>

Reconciliation of liabilities arising from financing activities

Group	Lease liabilities (Note 7) RM	Bankers' acceptance (Note 18) RM	Term loans (Note 19) RM	Total RM
Balance as at 1 August 2022	54,810	1,450,000	6,546,668	8,051,478
Cash flows	(55,160)	(1,450,000)	(2,958,362)	(4,463,522)
Non-cash flows:				
- acquisition of a subsidiary	59,874	0	0	59,874
- terminations	(11,055)	0	0	(11,055)
- unwinding of interest	2,147	0	0	2,147
Balance as at 31 July 2023	<u>50,616</u>	<u>0</u>	<u>3,588,306</u>	<u>3,638,922</u>
Balance as at 1 August 2021	1,140,390	9,450,000	15,738,939	26,329,329
Cash flows	(1,217,425)	(8,000,000)	(9,192,271)	(18,409,696)
Non-cash flows:				
- additions	81,004	0	0	81,004
- terminations	(12,941)	0	0	(12,941)
- unwinding of interest	63,782	0	0	63,782
Balance as at 31 July 2022	<u>54,810</u>	<u>1,450,000</u>	<u>6,546,668</u>	<u>8,051,478</u>

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

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at 39, Irving Road, 10400 George Town, Pulau Pinang.

The principal place of business of the Company is located at PMT 790, Jalan Cassia Selatan 5/2, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang.

The Directors regards UMediC Capital Sdn. Bhd., a company incorporated in Malaysia as the ultimate holding company.

The consolidated financial statements for the financial year ended 31 July 2023 comprise the financial statements of the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia ('RM'), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 25 September 2023.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged as investment holding company. The principal activities of subsidiaries are mainly developing, manufacturing, marketing, distribution of medical devices as well as provision of after-sale services. The details of the subsidiaries are set out in Note 8 to the financial statements.

As of 22 September 2023, one of the subsidiary, Evo Medik Sdn. Bhd., has expanded its principal activities to include business operation of nursing homes and healthcare centres. There have been no significant changes in the nature of these activities other than those disclosed above.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ('MFRSs'), International Financial Reporting Standards ('IFRSs') and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 35.1 to the financial statements.

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

The preparation of financial statements in conformity with MFRSs and IFRSs requires the Directors 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 Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 5 to the financial statements. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (a) Power over the investee;
- (b) Exposure, or rights, to variable returns from its involvement with the investee; and
- (c) The ability to use its power over the investee to affect its returns.

If the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) The contractual arrangement with the other vote holders of the investee;
- (b) Rights arising from other contractual agreements; and
- (c) The voting rights of the Group and potential voting rights.

Intragroup balances, transactions, income and expenses are eliminated on consolidation. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the interest of the Group in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent equity in subsidiaries that are not attributable, directly or indirectly, to owners of the parent, and is presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to owners of the parent.

If the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between:

- (i) The aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- (ii) The previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.1 Basis of consolidation (continued)

Amounts previously recognised in other comprehensive income in relation to the subsidiaries are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiaries at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 9 *Financial Instruments* or, where applicable, the cost on initial recognition of an investment in associate or joint venture.

4.2 Business combinations under common control

Business combination involving entities under common control are accounted for by applying the merger method of accounting. The assets and liabilities of the merger entities are reflected at their carrying amounts reported in the individual combined financial statements.

In a business combination under common control, any differences between the cost of the merger and the share capital of the 'acquired' entity are reflected within equity as reorganisation debit reserve.

The combined statements of profit or loss and other comprehensive income reflect the results of the combining entities for the full financial years and the comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

4.3 Business combinations not under common control

Business combinations not under common control are accounted for by applying the acquisition method of accounting.

Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the acquisition date, except that:

- (a) Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with MFRS 112 *Income Taxes* and MFRS 119 *Employee Benefits* respectively;
- (b) Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement by the Group of an acquiree's share-based payment transactions are measured in accordance with MFRS 2 *Share-based Payment* at the acquisition date; and
- (c) Assets (or disposal groups) that are classified as held for sale in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration payable is recognised at fair value at the acquisition date. Measurement period adjustments to contingent consideration are dealt with as follows:

- (a) If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity; and
- (b) Subsequent changes to contingent consideration classified as an asset or liability that is a financial instrument within the scope of MFRS 9 *Financial Instruments* are recognised either in profit or loss or in other comprehensive income in accordance with MFRS 9 *Financial Instruments*. All other subsequent changes are recognised in profit or loss.

In a business combination achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Business combinations not under common control (continued)

Components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests in the acquiree (if any), and the fair value of the previously held equity interest of the Group in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

4.4 Goodwill

Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost, being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the interest of the Group in the net fair value of the acquiree's identifiable assets, liabilities and provision for contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

At each reporting date, the Group assesses whether there is any indication that goodwill may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

4.5 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset would flow to the Group and the cost of the asset could be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful life, is depreciated separately.

After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Leasehold buildings	2%
Plant and machinery	10%
Production equipment	10%
Furniture, fittings, office equipment and computer system	10% to 20%
Medical equipment	10%
Mould and simulator	10% to 20%
Tools and equipment	10%
Quality assessment equipment	10%
Motor vehicles	20%
Renovation	10% to 20%

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Property, plant and equipment and depreciation (continued)

Capital work-in-progress represents machinery under installation and factory building under construction. Capital work-in-progress is not depreciated until such time when the asset is available for use.

At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.8 to the financial statements on impairment of non-financial assets).

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss.

4.6 Leases

The Group as a lessee

The Group recognises right-of-use assets and lease liabilities at the commencement date of the contract for all leases excluding short-term leases or leases for which the underlying asset is of low value, conveying the right to control the use of an identified asset for a period of time.

The Group determines the lease term as the non-cancellable period of a lease, together with both:

- (a) Period covered by an option to the extend the lease if the lease is reasonably certain to exercise that options; and
- (b) Periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Group considers all relevant facts and circumstances that create economic incentive for the lessee to exercise the option to extend the lease, not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

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

Right-of-use assets

The right-of-use assets are initially recorded at cost, which comprises:

- (a) The amount of the initial measurement of the lease liability;
- (b) Any lease payments made at or before the commencement date of the lease, less any lease incentives received;

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.6 Leases (continued)

Right-of-use assets (continued)

The right-of-use assets are initially recorded at cost, which comprises (continued):

- (c) Any initial direct costs incurred by the Group; and
- (d) An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the lessor.

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

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold land	60 years
Offices	24 to 30 months
Warehouse	24 months

Capital work-in-progress represents machinery under installation. Capital work-in-progress is not depreciated until such time when the asset is available for use.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the incremental borrowing rate of the Group. Subsequent to the initial recognition, the Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

4.7 Investments in subsidiaries

A subsidiary is an entity in which the Group and the Company are exposed, or have rights, to variable returns from its involvement with the subsidiary and have the ability to affect those returns through its power over the subsidiary.

An investment in subsidiary, which is eliminated on consolidation, is stated in the separate financial statements of the Company at cost less impairment loss, if any. Put options written over non-controlling interests on the acquisition of subsidiary shall be included as part of the cost of investment in the separate financial statements of the Company. Subsequent changes in the fair value of the written put options over non-controlling interests shall be recognised in profit or loss. Investments accounted for at cost shall be accounted for in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* when they are classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with MFRS 5.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the Group would derecognise all assets, liabilities and non-controlling interests at their carrying amount and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Impairment of non-financial assets

The carrying amount of assets, except for financial assets (excluding investments in subsidiaries), inventories and deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset is estimated for an individual asset. Where it is not possible to estimate the recoverable amount of the individual asset, the impairment test is carried out on the cash generating unit ('CGU') to which the asset belongs.

The recoverable amount of an asset or CGU is the higher of its fair value less cost to sell and its value in use.

In estimating the value in use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. An impairment loss is recognised in profit or loss when the carrying amount of the asset or the CGU, exceeds the recoverable amount of the asset or the CGU. The total impairment loss is allocated to the assets of the CGU on a pro-rata basis of the carrying amount of each asset in the CGU.

The impairment loss is recognised in profit or loss immediately.

An impairment loss for assets is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Such reversals are recognised as income immediately in profit or loss.

4.9 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out formula. The cost comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition. The cost of work-in-progress and finished goods includes the cost of raw materials, direct labour, other direct cost and a proportion of production overheads based on normal operating capacity of the production facilities.

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

4.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, an equity instrument of another enterprise, a contractual right to receive cash or another financial asset from another enterprise, or a contractual right to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially favourable to the Group.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or a contractual obligation to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially unfavourable to the Group.

Financial instruments are recognised on the statement of financial position when the Group has become a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is recognised at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial instrument.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Financial instruments (continued)

(a) Financial assets

A financial asset is classified into the following three (3) categories after initial recognition for the purpose of subsequent measurement:

(i) Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ("SPPI") are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statements of comprehensive income.

(ii) Financial assets at fair value through other comprehensive income ("FVTOCI")

Financial assets that are debt instruments are measured at FVTOCI if they are held within a business model whose objectives are to collect contractual cash flows and selling the financial assets, and have contractual terms of financial assets which give rise on specific dates to cash flows that are SPPI on the principal amount outstanding.

Subsequent to initial recognition, financial assets that are debt instruments are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets measured at fair value through other comprehensive income are recognised directly in other comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified, at which time the cumulative gains or losses previously recognised in other comprehensive income are recognised in profit or loss. However, interest calculated using the effective interest method is recognised in profit or loss whilst dividends on equity instruments are recognised in profit or loss when the right of the Group to receive payment is established.

(iii) Financial assets at fair value through profit or loss ("FVTPL")

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. The Group may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. Fair value changes are recognised in profit or loss in the period which it arises.

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity, is recognised in profit or loss.

(b) Financial liabilities

A financial liability is any liability with contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities. The Group's significant financial liabilities include trade and other payables and borrowings which are initially measured at fair value and subsequently measured at amortised cost.

(i) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when financial liabilities are either held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Financial instruments (continued)

(b) Financial liabilities (continued)

(ii) Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(c) Equity investments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Equity investments which are not held for trading for which the Group has irrevocably elected at initial recognition to recognise at fair value through other comprehensive income. These are strategic investments for which the Group considers this classification to be appropriate and relevant.

Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVOCI are recognised in the statements of comprehensive income as applicable.

Ordinary shares are recorded at the proceeds received at issuance and classified as equity. Transaction costs directly related to the issuance of equity instrument are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise, they are charged to profit or loss.

Interim dividends to shareholders are recognised in equity in the period in which they are declared. Final dividends are recognised upon the approval of shareholders in a general meeting.

4.11 Impairment of financial assets

The Group and the Company recognise an impairment loss allowance for expected credit losses ("ECL") on a financial asset that is measured at amortised cost.

The Group and the Company recognise allowance for impairment loss for trade receivables based on a simplified approach in accordance with MFRS 9 *Financial Instruments* and measures the allowance for impairment loss based on a lifetime ECL from initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Impairment of financial assets (continued)

At the end of each reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets other than trade receivables by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which credit risk has not increased significantly since initial recognition of the financial asset, twelve (12)-month ECL along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime ECL along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime ECL along with interest income on a net basis are recognised.

The Group and the Company consider historical credit loss experience and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

4.12 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or production of a qualifying asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to profit or loss. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.13 Income taxes

Income taxes include all taxes on taxable profit. Income taxes also include other taxes, such as real property gains taxes payable on the disposal of properties, if any.

Taxes in the profit or loss and other comprehensive income comprise current tax and deferred tax.

(a) Current tax

Current tax expenses are determined according to the tax laws of the jurisdiction in which the Group operates and include all taxes based upon the taxable profits.

(b) Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the statement of financial position and its tax base.

Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profits.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profits would be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset would be reduced accordingly. When it becomes probable that sufficient taxable profits would be available, such reductions would be reversed to the extent of the taxable profits.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.13 Income taxes (continued)

(b) Deferred tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority on either:

- (i) The same taxable entity; or
- (ii) Different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax would be recognised as income or expense and included in the profit or loss for the period unless the tax relates to items that are credited or charged, in the same or a different period, directly to equity, in which case the deferred tax would be charged or credited directly to equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws by the Government in the annual budgets which have the substantive effect of actual enactment by the end of each reporting period.

4.14 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, the amount of a provision would be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits would be required to settle the obligation, the provision would be reversed.

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

4.15 Employee benefits

(a) Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are expensed when employees rendered their services to the Group.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur and they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Group.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plans

The Group makes contributions to a statutory provident fund. The contributions are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.16 Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the entities of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia, which is the functional and presentation currency of the Group and the Company.

(b) Foreign currency translations and balances

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the end of the reporting period are translated into Ringgit Malaysia at rates of exchange ruling at that date. All exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in profit or loss in the period in which they arise. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition, and non-monetary items which are carried at fair value are translated using the exchange rate that existed when the values were determined for presentation currency purposes.

4.17 Revenue recognition

(a) Sales of goods and services

The Group recognises revenue from contracts with customers for the sale of goods and services based on the five-step model as set out below:

- (i) Identify contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.
- (ii) Identify performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- (iii) Determine the transaction price. The transaction price is the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- (iv) Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Group and the Company allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group and the Company expect to be entitled in exchange for satisfying each performance obligation.
- (v) Recognise revenue when (or as) the Company satisfy a performance obligation.

The Group satisfies a performance obligation and recognise revenue at the point in time.

When the Group satisfies a performance obligation by delivering the promised goods or services, it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

Revenue is measured at the fair value of consideration received or receivable.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.17 Revenue recognition (continued)

(a) Sales of goods and services (continued)

Revenue from sale of goods and services is recognised when the Group satisfies a performance obligation by transferring a promised good or service to a customer. An asset is transferred as and when the customer obtains control of that asset, which coincides with the delivery of goods and services and acceptance by customers.

(b) Other income

(i) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(ii) Dividend income

Dividend income is recognised when the right to receive payment is established.

4.18 Fair value measurements

The fair value of an asset or a liability (except for lease transactions) is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

The Group measures the fair value of an asset or a liability by taking into account the characteristics of the asset or liability if market participants would take these characteristics into account when pricing the asset or liability. The Group has considered the following characteristics when determining fair value:

- (a) The condition and location of the asset; and
- (b) Restrictions, if any, on the sale or use of the asset.

The fair value of a financial or non-financial liability or an entity's own equity instrument assumes that:

The fair value measurement for a non-financial asset takes into account the ability of the market participant to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

- (a) A liability would remain outstanding and the market participant transferee would be required to fulfil the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date; and
- (b) An entity's own equity instrument would remain outstanding and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise extinguished on the measurement date.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.19 Government grants

Government grants are recognised in the financial statements as deferred income when there is reasonable assurance that:

- (a) The Group would comply with the conditions attached to the grants; and
- (b) The grants would be received.

Government grants related to costs are recognised as income in profit or loss in the period in which the grants had been received to match them with the costs which they are intended to compensate.

Where the grants related to an asset, they are recognised as income and transferred to profit or loss on a systematic basis over the useful lives of the related asset.

4.20 Operating segments

Operating segments are defined as components of the Group that:

- (a) Engages in business activities from which it could earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);
- (b) Whose operating results are regularly reviewed by the chief operating decision maker of the Group in making decisions about resources to be allocated to the segment and assessing its performance; and
- (c) For which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues.

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

- (a) Its reported revenue, including both sales to external customers and intersegment sales or transfers, is ten percent (10%) or more of the combined revenue, internal and external, of all operating segments.
- (b) The absolute amount of its reported profit or loss is ten percent (10%) or more of the greater, in absolute amount of:
 - (i) The combined reported profit of all operating segments that did not report a loss; and
 - (ii) The combined reported loss of all operating segments that reported a loss.
- (c) Its assets are ten percent (10%) or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least seventy-five percent (75%) of the revenue of the Group. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.21 Earnings per share

(a) Basic

Basic earnings per share for the financial year is calculated by dividing the profit for the financial year attributable to owners of the parent by the expected number of ordinary shares of the Company upon the completion of the Listing.

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to owners of the parent by the expected number of ordinary shares of the Company upon the completion of the Listing adjusted for the effects of dilutive potential ordinary shares.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the management of the Group and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have a material impact to the Group's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is outlined below:

Impairment of trade receivables

Management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information and recognised the expected credit loss accordingly.

Impairment of goodwill on consolidation

The Group determines whether goodwill on consolidation is impaired at least on an annual basis. This requires an estimation of the value-in-use of the subsidiaries to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the subsidiaries and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

6. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold buildings RM	Plant and machinery RM	Production equipment RM	Furniture, fittings, office equipment and computer system RM	Medical equipment RM	Motor vehicles RM	Mould and simulator RM	Tools and equipment RM	Quality assessment equipment RM		Renovation RM	Capital work-in-progress RM	Total RM
									RM	RM			
At cost													
Balance as at 1 August 2022	7,512,472	11,501,771	763,880	1,351,491	0	93,000	622,353	272,337	89,240	506,311	1,470,546	24,183,401	
Additions	0	1,872,536	94,580	158,451	344,298	176,589	0	53,793	24,599	129,593	2,458,632	5,313,071	
Written off	0	0	0	(48,586)	0	0	0	0	0	0	0	(48,586)	
Reclassification	0	1,388,045	14,904	0	0	0	46,312	0	0	0	(1,449,261)	0	
Acquisition of a subsidiary (Note 8 (b))	0	0	0	12,844	83,710	0	0	0	0	2,416	0	98,970	
Balance as at 31 July 2023	7,512,472	14,762,352	873,364	1,474,200	428,008	269,589	668,665	326,130	113,839	638,320	2,479,917	29,546,856	
Accumulated depreciation													
Balance as at 1 August 2022	166,740	1,755,451	205,836	520,780	0	38,750	225,713	74,128	35,359	152,050	0	3,174,807	
Current charge	131,763	1,365,304	80,976	198,971	33,470	30,372	60,467	30,283	9,510	107,309	0	2,048,425	
Written off	0	0	0	(46,750)	0	0	0	0	0	0	0	(46,750)	
Balance as at 31 July 2023	298,503	3,120,755	286,812	673,001	33,470	69,122	286,180	104,411	44,869	259,359	0	5,176,482	
Carrying amount													
Balance as at 31 July 2023	7,213,969	11,641,597	586,552	801,199	394,538	200,467	382,485	221,719	68,970	378,961	2,479,917	24,370,374	

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

6. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Leasehold buildings RM	Plant and machinery RM	Production equipment RM	Furniture, fittings, office equipment and computer system RM	Motor vehicles RM	Mould and simulator RM	Tools and equipment RM	Quality assessment equipment RM	Renovation RM	Capital work-in-progress RM	Total RM
At cost											
Balance as at 1 August 2021	6,631,956	2,037,811	657,780	1,016,395	0	596,953	145,985	85,640	368,364	10,153,090	21,693,974
Additions	69,314	177,197	106,100	127,940	0	25,400	126,352	3,600	137,947	237,411	1,011,261
Disposals	0	(46,560)	0	0	0	0	0	0	0	0	(46,560)
Reclassification	811,202	8,592,279	0	107,096	0	0	0	0	0	(9,510,577)	0
Transfer from right-of-use assets [^]	0	741,044	0	100,060	93,000	0	0	0	0	590,622	1,524,726
Balance as at 31 July 2022	7,512,472	11,501,771	763,880	1,351,491	93,000	622,353	272,337	89,240	506,311	1,470,546	24,183,401
Accumulated depreciation											
Balance as at 1 August 2021	47,643	564,825	135,000	311,065	0	167,679	46,941	26,527	62,364	0	1,362,044
Current charge	119,097	996,103	70,836	158,018	1,550	58,034	27,187	8,832	89,686	0	1,529,343
Disposals	0	(16,684)	0	0	0	0	0	0	0	0	(16,684)
Transfer from right-of-use assets [^]	0	211,207	0	51,697	37,200	0	0	0	0	0	300,104
Balance as at 31 July 2022	166,740	1,755,451	205,836	520,780	38,750	225,713	74,128	35,359	152,050	0	3,174,807
Carrying amount											
Balance as at 31 July 2022	7,345,732	9,746,320	558,044	830,711	54,250	396,640	198,209	53,881	354,261	1,470,546	21,008,594

[^] The assets previously acquired under hire purchase arrangements were reclassified from right-of-use assets as the lease liabilities for those assets have been fully settled.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

6. PROPERTY, PLANT AND EQUIPMENT (continued)

The carrying amount of property, plant and equipment of the Group which have been pledged to licensed banks for banking facilities granted to the Group as referred to in Note 18 and Note 19 to the financial statements are as follows:

	Group	
	2023 RM	2022 RM
Leasehold buildings	7,213,969	7,345,732

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group as lessee

Right-of-use assets

	Balance as at 1.8.2022 RM	Acquisition of a subsidiary RM	Terminations RM	Depreciation charge for the financial year RM	Balance as at 31.7.2023 RM
Leasehold land	4,845,846	0	0	(85,264)	4,760,582
Offices	54,212	0	0	(39,590)	14,622
Warehouse	0	59,157	(10,805)	(13,378)	34,974
	4,900,058	59,157	(10,805)	(138,232)	4,810,178

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group as lessee (continued)

Right-of-use assets (continued)

	Balance as at 1.8.2021 RM	Additions RM	Transfer to property, plant and equipment [^] RM	Terminations RM	Depreciation charge for the financial year RM	Balance as at 31.7.2022 RM
Leasehold land	4,931,110	0	0	0	(85,264)	4,845,846
Offices	15,677	81,004	0	(12,573)	(29,896)	54,212
Plant and machinery	597,764	0	(529,837)	0	(67,927)	0
Computer software and hardware	66,707	0	(48,363)	0	(18,344)	0
Motor vehicles	72,850	0	(55,800)	0	(17,050)	0
Capital work-in-progress	590,622	0	(590,622)	0	0	0
	<u>6,274,730</u>	<u>81,004</u>	<u>(1,224,622)</u>	<u>(12,573)</u>	<u>(218,481)</u>	<u>4,900,058</u>

[^] The assets previously acquired under hire purchase arrangements were reclassified from right-of-use assets as the lease liabilities for those assets have been fully settled.

Lease liabilities

	Balance as at 1.8.2022 RM	Acquisition of a subsidiary RM	Terminations RM	Lease payments RM	Interest expenses RM	Balance as at 31.7.2023 RM
Offices	54,810	0	0	(41,160)	1,366	15,016
Warehouse	0	59,874	(11,055)	(14,000)	781	35,600
	<u>54,810</u>	<u>59,874</u>	<u>(11,055)</u>	<u>(55,160)</u>	<u>2,147</u>	<u>50,616</u>

Carrying amount

	Balance as at 1.8.2021 RM	Additions RM	Terminations RM	Lease payments RM	Early settlement RM	Interest expenses RM	Balance as at 31.7.2022 RM
Offices	16,120	81,004	(12,941)	(31,060)	0	1,687	54,810
Plant and machinery	504,582	0	0	(229,554)	(306,178)	31,150	0
Computer software and hardware	51,628	0	0	(31,784)	(22,325)	2,481	0
Motor vehicles	76,742	0	0	(20,983)	(60,810)	5,051	0
Capital work-in-progress	491,318	0	0	(23,413)	(491,318)	23,413	0
	<u>1,140,390</u>	<u>81,004</u>	<u>(12,941)</u>	<u>(336,794)</u>	<u>(880,631)</u>	<u>63,782</u>	<u>54,810</u>

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group as lessee (continued)

Lease liabilities (continued)

	Group	
	2023 RM	2022 RM
Represented by:		
Current liabilities	43,911	39,794
Non-current liabilities	6,705	15,016
Lease liabilities owing to non-financial institutions	<u>50,616</u>	<u>54,810</u>

(a) As at the end of the reporting period, leasehold land of the Group with a total carrying amounts of RM4,760,582 (2022: RM4,845,846) have been charged to licensed bank for credit facilities granted to the Group as disclosed in Note 18 and Note 19 to the financial statements.

(b) The Group has certain leases of factory and hostels with lease terms of twelve (12) months or less and low-value asset of RM20,000 and below. The Group applies the "short term leases" and "low-value asset" exemptions for those leases.

(c) The following are the amounts recognised in profit or loss:

	Group	
	2023 RM	2022 RM
Depreciation charge of right-of-use assets		
- included in cost of sales	0	67,928
- included in administrative and other expenses	138,232	150,553
Interest expense on lease liabilities		
- included in finance costs	2,147	63,782
Expense relating to short-term leases		
- included in administrative and other expenses	44,250	13,071
Expense relating to leases of low-value assets		
- included in cost of sales	198	5,073
- included in administrative and other expenses	29,914	22,259
Gain on lease terminations	(250)	(368)
	<u>214,491</u>	<u>322,298</u>

(d) The following are total cash outflows for leases as a lessee:

	Group	
	2023 RM	2022 RM
Included in net cash from operating activities:		
Payment relating to low-value assets and short-term leases	74,362	40,403
Included in net cash from financing activities:		
Payment of lease liabilities	55,160	1,217,425
Total cash outflows for leases	<u>129,522</u>	<u>1,257,828</u>

(e) The Group leases several lease contracts that include extension and termination options. These are used to maximise operational flexibility in terms of managing those assets used in the Group's operations.

There is no potential future rental payments that are not included in the lease terms.

(f) Information on maturities profile of the lease liabilities is disclosed in Note 33 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

8. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023	2022
	RM	RM
Unquoted shares, at cost	15,134,255	13,834,255

(a) Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation /Principal place of business	Effective ownership interest		Principal activities
		2023 %	2022 %	
Actimed Healthcare Sdn. Bhd.	Malaysia	100	100	Marketing and distribution of medical devices
Evo Medik Sdn. Bhd. [^]	Malaysia	100	100	Marketing and distribution of medical devices as well as provision of after-sale service, healthcare and other related services and to operate nursing homes and healthcare centres as well as the provision of other related services
U Medihealth Sdn. Bhd.	Malaysia	100	100	Marketing and distribution of medical devices
UMediC Healthcare Sdn. Bhd.	Malaysia	100	100	Marketing and distribution of medical devices as well as provision of after-sale services, training, healthcare and other related services
UWHC Sdn. Bhd.	Malaysia	100	100	Holding of intellectual property rights
UWHM Sdn. Bhd.	Malaysia	100	100	Developing, manufacturing and marketing of medical devices
Patho Solutions (M) Sdn. Bhd.	Malaysia	70	0	Marketing and distribution of laboratory equipment and consumables

[^] As of 22 September 2023, Evo Medik Sdn. Bhd. has expanded its principal activities to include business operation of nursing homes and healthcare centres operator.

- (i) In the previous financial year, the Company acquired entire issued share capital of Actimed Healthcare Sdn. Bhd., for a purchase consideration of RM1,498,520 which was satisfied via the issuance of 29,970,400 new ordinary shares in the capital of the Company at an issue price of RM0.05 per share. The acquisition was completed on 28 September 2021. Following this, the Company regards Actimed Healthcare Sdn. Bhd. as its wholly-owned subsidiary.
- (ii) In the previous financial year, the Company acquired entire issued share capital of Evo Medik Sdn. Bhd., for a purchase consideration of RM1,210,470 which was satisfied via the issuance of 24,209,400 new ordinary shares in the capital of the Company at an issue price of RM0.05 per share. The acquisition was completed on 28 September 2021. Following this, the Company regards Evo Medik Sdn. Bhd. as its wholly-owned subsidiary.
- (iii) In the previous financial year, the Company acquired entire issued share capital of U Medihealth Sdn. Bhd., for a purchase consideration of RM160,835 which was satisfied via the issuance of 3,216,700 new ordinary shares in the capital of the Company at an issue price of RM0.05 per share. The acquisition was completed on 28 September 2021. Following this, the Company regards U Medihealth Sdn. Bhd. as its wholly-owned subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

8. INVESTMENTS IN SUBSIDIARIES (continued)

(a) Details of the subsidiaries are as follows (continued):

- (iv) In the previous financial year, the Company acquired entire issued share capital of UMediC Healthcare Sdn. Bhd., for a purchase consideration of RM6,098,815 which was satisfied via the issuance of 121,976,300 new ordinary shares in the capital of the Company at an issue price of RM0.05 per share. The acquisition was completed on 28 September 2021. Following this, the Company regards UMediC Healthcare Sdn. Bhd. as its wholly-owned subsidiary.
- (v) In the previous financial year, the Company acquired entire issued share capital of UWHC Sdn. Bhd., for a purchase consideration of RM46,315 which was satisfied via the issuance of 926,300 new ordinary shares in the capital of the Company at an issue price of RM0.05 per share. The acquisition was completed on 28 September 2021. Following this, the Company regards UWHC Sdn. Bhd. as its wholly-owned subsidiary.
- (vi) In the previous financial year, the Company acquired entire issued share capital of UWHM Sdn. Bhd., for a purchase consideration of RM4,819,300 which was satisfied via the issuance of 96,386,000 new ordinary shares in the capital of the Company at an issue price of RM0.05 per share. The acquisition was completed on 28 September 2021. Following this, the Company regards UWHM Sdn. Bhd. as its wholly-owned subsidiary.
- (vii) On 30 March 2023, the Company had completed the acquisition of 280,000 ordinary shares in Patho Solutions (M) Sdn. Bhd. ("Patho"), representing 70% equity interest in Patho for a purchase consideration of RM600,000 ("Acquisition") by way of cash. Following this, the Company regards Patho Solutions (M) Sdn. Bhd. as its subsidiary.

(b) Acquisition of a subsidiary

During the financial year, the Company had completed the acquisition of 280,000 ordinary shares in Patho Solutions (M) Sdn. Bhd. ("Patho"), representing 70% equity interest in Patho for a total consideration of RM600,000.

The recognised amounts of assets acquired and liabilities at the date of acquisition were:

	Pre-acquisition carrying amount RM
Property, plant and equipment	98,970
Right-of-use assets	59,157
Inventories	360,812
Trade and other receivables	92,753
Cash and bank balances	886,775
Deferred tax liabilities	(127)
Lease liabilities	(59,874)
Trade and other payables	(980,553)
Current tax liabilities	(11,108)
Total identifiable net assets	<u>446,805</u>
Purchase consideration settled in cash and cash equivalents	600,000
Non-controlling interests	134,042
Carrying amount of identifiable net assets	<u>(446,805)</u>
Goodwill on consolidation (Note 9)	<u>287,237</u>
Purchase consideration settled in cash and cash equivalents	(600,000)
Cash and cash equivalents of subsidiaries acquired	886,775
Net cash inflow on acquisition	<u>286,775</u>

If the acquisition occurred on 1 August 2022, revenue and profit after tax of the Group for the financial year ended 31 July 2023 would be RM46,363,171 and RM10,503,573 respectively.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

8. INVESTMENTS IN SUBSIDIARIES (continued)

(c) The subsidiary of the Group that has non-controlling interests ('NCI') is as follows:

	2023
NCI percentage of ownership interest and voting interest	30%
Carrying amount of NCI (RM)	<u>482,331</u>
Profit allocated to NCI (RM)	48,289
Other comprehensive income allocated to NCI (RM)	<u>0</u>
Total comprehensive income allocated to NCI (RM)	<u>48,289</u>

The summarised financial information before intra-group elimination of the subsidiary are not disclosed as they are not material to the Group.

(d) Changes in investments in subsidiaries during the financial year

On 31 March 2023, the Company acquired additional 700,000 new ordinary shares at RM1 each in Patho, for a total cash consideration of RM700,000.

There are no changes to the percentage of shareholding of the Group on subsidiary arising from these additional investment.

9. GOODWILL ON CONSOLIDATION

	2023	2022
	RM	RM
Balance as at beginning of the financial year	0	0
Acquisition through business combination (Note 8(b))	<u>287,237</u>	<u>0</u>
Balance as at end of the financial year	<u>287,237</u>	<u>0</u>

Impairment tests for goodwill with indefinite useful live

For the purpose of impairment testing, goodwill has been allocated to the Groups' cash-generating unit ("CGU"), i.e. Patho Solutions (M) Sdn. Bhd..

Goodwill is tested for impairment by comparing the carrying amounts with the recoverable amounts of the CGUs. The recoverable amount of a CGU is determined based on value in use calculations using cash flow projections from the financial budgets and forecasts approved by management covering a period of five (5) years. Cash flows beyond the five (5)-year period are extrapolated assuming zero growth rates.

Key assumptions used in the value in use calculations are as follows:

- (i) the pre-tax discount rates which are the weighted average cost of capital adjusted for specific risks relating to relevant segments. The average discount rates used is 8.64%;
- (ii) the growth rate of the revenue are determined based on the industry trends and past performances of the CGU; and
- (iii) profit margin applied to the projections are the average gross margins achieved in the year immediately before the budgeted year.

Based on the annual impairment testing undertaken by the Group, no impairment loss was required for the carrying amount of goodwill assessed as at 31 July 2023 as its recoverable amount was in excess of its carrying amount. Management believes that there is no reasonably possible change in the key assumptions on which management has based its determination of the CGU's recoverable amount, which would cause the CGU's carrying amount to materially exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

10. DEFERRED TAX (ASSETS)/LIABILITIES

(a) The deferred tax (assets) and liabilities are made up of the following:

	Group	
	2023	2022
	RM	RM
Balance as at beginning of financial year	(427,710)	130,687
Acquisition of a subsidiary (Note 8(b))	127	0
Relating to origination and reversal of temporary differences	734,043	(672,397)
Underprovision in prior years	616	114,000
	<u>734,659</u>	<u>(558,397)</u>
Balance as at end of financial year	<u>307,076</u>	<u>(427,710)</u>
Presented after appropriate offsetting:		
Deferred tax assets, net	0	(432,297)
Deferred tax liabilities, net	307,076	4,587
	<u>307,076</u>	<u>(427,710)</u>

(b) The components and movements of deferred tax (assets) and liabilities during the financial year are as follows:

Deferred tax (assets)/liabilities of the Group

	Property, plant and equipment	Unutilised reinvestment allowances	Accrued expenses	Total
	RM	RM	RM	RM
Balance as at 1 August 2022	4,587	(398,000)	(34,297)	(427,710)
Recognised in profit or loss	302,362	398,000	34,297	734,659
Acquisition of a subsidiary	127	0	0	127
Balance as at 31 July 2023	<u>307,076</u>	<u>0</u>	<u>0</u>	<u>307,076</u>
Balance as at 1 August 2021	130,687	0	0	130,687
Recognised in profit or loss	614,853	(913,650)	(259,600)	(558,397)
Set off	(740,953)	515,650	225,303	0
Balance as at 31 July 2022	<u>4,587</u>	<u>(398,000)</u>	<u>(34,297)</u>	<u>(427,710)</u>

(c) The amount of temporary differences for which no deferred tax asset has been recognised in the statements of financial position are as follows:

	Group	
	2023	2022
	RM	RM
Unabsorbed capital allowances	0	21,299
Unused tax loss - expired by 31 July 2022	0	5,058
	<u>0</u>	<u>26,357</u>

Deferred tax assets of the Group have not been recognised in respect of these items as it is not probable that future taxable profits of the Group would be available against which the deductible temporary differences could be utilised.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

10. DEFERRED TAX (ASSETS)/LIABILITIES (continued)

- (c) The amount of temporary differences for which no deferred tax asset has been recognised in the statements of financial position are as follows (continued):

The amount and availability of these items to be carried forward up to the period as disclosed above are subject to the agreement of the local tax authority.

The availability of unutilised reinvestment allowances shall be deductible for a maximum period of seven (7) consecutive years of assessment immediately following that year of assessment. Any amount which is not deducted at the end of the period of seven (7) years of assessment shall be disregarded.

Any unused tax losses shall be deductible for a maximum period of ten (10) consecutive years of assessment immediately following that year of assessment. Any amount which is not deducted at the end of the period of ten (10) years of assessment shall be disregarded.

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
<u>Non-current assets</u>				
Other receivables				
Amount owing by subsidiaries	0	0	3,330,000	0
<u>Current assets</u>				
Trade receivables				
Third parties	12,001,672	6,244,034	0	0
Less: Allowance for impairment losses	(54,465)	(66,522)	0	0
	11,947,207	6,177,512	0	0
Other receivables				
Third parties	95,818	331,943	0	0
Amount owing by subsidiaries	0	0	11,449,300	9,880,166
	95,818	331,943	11,449,300	9,880,166
Deposits and prepayments				
Deposits	338,928	73,574	1,000	0
Prepayments	417,260	776,524	0	0
	756,188	850,098	1,000	0
Total current receivables	12,799,213	7,359,553	11,450,300	9,880,166
Total trade and other receivables	12,799,213	7,359,553	14,780,300	9,880,166

- (a) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 30 to 90 days (2022: 30 to 90 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

- (b) Non-current amount owing by a subsidiary of the Company represents advances, which is unsecured and interest-free. The advances are not expected to be recalled within the next twelve (12) months.

Current amount owing by subsidiaries represents advances and payment on behalf, which are unsecured, interest-free and payable within next twelve (12) months or upon demand in cash and cash equivalents.

- (c) Included in the prepayments in was a total sum of RM220,636 (2022: RM741,460) paid in respect to the acquisition of plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

11. TRADE AND OTHER RECEIVABLES (continued)

(d) The currency exposure profile of trade and other receivables are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia ('RM')	10,143,040	4,687,002	14,780,300	9,880,166
United States Dollar ('USD')	2,598,769	2,672,551	0	0
Euro ('EURO')	44,521	0	0	0
Others	12,883	0	0	0
	<u>12,799,213</u>	<u>7,359,553</u>	<u>14,780,300</u>	<u>9,880,166</u>

(e) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime ECL.

The Group uses an allowance matrix to measure the ECL of trade receivables from their ageing. Expected loss rates are calculated using the roll rate method separately based on the common credit risk characteristic - by industry or allocation of customer base to a credit risk grade based on data that is determined to be predictive of the risk of loss and applying experience credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

During this process, the probability of non-payment by the trade receivables is adjusted by forward-looking information on macroeconomic factors, i.e. consumer price index and inflation index and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within administrative expenses in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying amount of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within administrative expenses in the combined statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying amount of the asset would be written off against the associated impairment.

Lifetime expected loss provision for trade receivables of the Group are as follows:

Group	Not past due	Trade receivables-days past due			Total
		1-60 days past due	61-120 days past due	>120 days past due	
As at 31 July 2023					
Trade receivables, gross (RM)	9,881,227	1,505,880	266,254	348,311	12,001,672
Lifetime ECL allowance (RM)	(19,616)	(18,999)	(4,431)	(11,419)	(54,465)
Trade receivables, net (RM)	<u>9,861,611</u>	<u>1,486,881</u>	<u>261,823</u>	<u>336,892</u>	<u>11,947,207</u>
As at 31 July 2022					
Trade receivables, gross (RM)	3,594,720	2,200,053	379,463	69,798	6,244,034
Lifetime ECL allowance (RM)	(9,202)	(18,073)	(7,393)	(31,854)	(66,522)
Trade receivables, net (RM)	<u>3,585,518</u>	<u>2,181,980</u>	<u>372,070</u>	<u>37,944</u>	<u>6,177,512</u>

The Group did not renegotiate the terms of any trade receivables for the financial year ended 31 July 2023 and 31 July 2022 respectively.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

11. TRADE AND OTHER RECEIVABLES (continued)

(f) Movements in the impairment allowance for trade receivables based on the simplified approach are as follows:

	Lifetime ECL allowance RM	Group Credit impaired RM	Total RM
Balance as at 1 August 2022	66,522	0	66,522
Reversal of impairment losses	(12,057)	0	(12,057)
Balance as at 31 July 2023	<u>54,465</u>	<u>0</u>	<u>54,465</u>
Balance as at 1 August 2021	77,155	3,745	80,900
Reversal of impairment losses	(10,633)	(3,745)	(14,378)
Balance as at 31 July 2022	<u>66,522</u>	<u>0</u>	<u>66,522</u>

Trade receivables that are individually determined to be impaired at the financial year end relate to trade receivables who are in significant financial difficulties and have defaulted in payments. The Group considers trade receivables to be in default when the trade receivables are more than 12 months past due.

(g) Impairment for other receivables are recognised based on the three-stage general approach within MFRS 9 *Financial Instrument* using the forward-looking ECL model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve (12) months ECL along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime ECL along with the gross interest income are recognised. As at the end of the reporting period, the Group assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime ECL along with interest income on a net basis are recognised.

The Group defined significant increase in credit risk based on payment trends and operational performance of other receivables.

No ECL is recognised arising from other receivables as it is negligible.

(h) Information on financial risks of trade and other receivables is disclosed in Note 33 to the financial statements.

12. INVENTORIES

	Group	
	2023 RM	2022 RM
At cost		
Raw materials	1,302,784	1,053,969
Finished goods	<u>11,211,425</u>	<u>8,406,334</u>
	<u>12,514,209</u>	<u>9,460,303</u>

During the financial year, inventories of the Group recognised as cost of sales amounted to RM20,081,588 (2022: RM26,357,804).

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

13. DERIVATIVE ASSETS

	Group 2023	
	Contracts amount RM	Asset RM
Financial asset at fair value through profit or loss		
Forward foreign exchange contracts	810,540	5,625

The fair value adjustments on derivative instruments are as follows:

	2023 RM
Gain on derivative assets	5,625

14. SHORT TERM FUNDS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
In Malaysia				
Money market funds	11,873,704	21,007,257	11,873,704	18,006,261

(a) Short term funds are denominated in RM.

(b) During the financial year, the Group and the Company have recognised an increase in fair value amounting to RM267,881 and RM228,624 (2022: Group: RM6,073; Company: RM5,521) respectively with regards to the short term funds.

15. CASH AND BANK BALANCES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cash and bank balances, representing cash and cash equivalent as reported in statements of cash flows	6,106,628	4,159,584	16,517	253,135

(a) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
RM	3,442,893	3,476,737	16,517	253,135
USD	2,628,032	443,680	0	0
EURO	35,703	239,167	0	0
	6,106,628	4,159,584	16,517	253,135

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

15. CASH AND BANK BALANCES (continued)

- (b) No expected credit loss is recognised arising from cash and bank balances because the probability of default of these financial institutions is negligible.
- (c) Information on financial risks of cash and bank balances is disclosed in Note 33 to the financial statements.

16. SHARE CAPITAL

	Group	
	Number of shares	RM
Issued and fully paid up with no par value:		
31 July 2023		
Balance as at 1 August 2022/31 July 2023	373,910,000	44,348,333
31 July 2022		
Balance as at 1 August 2021	6,907,501	6,907,501
Effects of business combinations under common control:		
- Elimination of issued and paid up ordinary share capital of Actimed Healthcare Sdn. Bhd.	(10,000)	(10,000)
- Elimination of issued and paid up ordinary share capital of Evo Medik Sdn. Bhd.	(25,000)	(25,000)
- Elimination of issued and paid up ordinary share capital of U Medihealth Sdn. Bhd.	(2,500)	(2,500)
- Elimination of issued and paid up ordinary share capital of UMediC Healthcare Sdn. Bhd.	(2,400,000)	(2,400,000)
- Elimination of issued and paid up ordinary share capital of UWHC Sdn. Bhd.	(50,000)	(50,000)
- Elimination of issued and paid up ordinary share capital of UWHM Sdn. Bhd.	(4,420,000)	(4,420,000)
- Restated to the ordinary share capital of the Company	276,685,100	13,834,255
	269,777,600	6,926,755
Issuance of ordinary shares	599	30
Issuance of ordinary shares pursuant to Initial Public Offering	97,224,300	31,111,776
Share issue expenses	0	(597,729)
Balance as at 31 July 2022	373,910,000	44,348,333
Company		
	Number of shares	RM
31 July 2023		
Balance as at 1 August 2022/31 July 2023	373,910,000	44,348,333
31 July 2022		
Balance as at 1 August 2021	1	1
Issuance of ordinary shares pursuant to:		
- acquisition of subsidiaries	276,685,100	13,834,255
- ordinary shares	599	30
- Initial Public Offering	97,224,300	31,111,776
Share issue expenses	0	(597,729)
Balance as at 31 July 2022	373,910,000	44,348,333

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

16. SHARE CAPITAL (continued)

- (a) In the previous financial year, the issued and paid up share capital of the Company has been increased from 1 to 373,910,000 by way of issuance of 373,909,999 new ordinary shares pursuant to the following:
- (i) issuance of 276,685,100 new ordinary shares of RM0.05 pursuant to the acquisition of subsidiaries;
 - (ii) allotment of 599 new ordinary shares issued at an issue price of RM0.05 each for cash; and
 - (iii) allotment of 97,224,300 new ordinary shares at an issue price of RM0.32 each for cash pursuant to its Initial Public Offering exercise.

The newly issued ordinary shares rank pari passu in all respects with existing ordinary shares of the Company. There were no issuance of shares during the financial year.

- (b) The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

17. RESERVES

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Non-distributable:				
Reorganisation debit reserve	(6,851,755)	(6,851,755)	0	0
Accumulated losses	0	0	(2,596,261)	(2,404,338)
Distributable:				
Retained earnings	25,497,403	15,182,069	0	0
	<u>18,645,648</u>	<u>8,330,314</u>	<u>(2,596,261)</u>	<u>(2,404,338)</u>

Reorganisation debit reserve

The reorganisation debit reserve arose as a result of the difference between consideration paid over the share capital and reserves of Actimed Healthcare Sdn. Bhd., Evo Medik Sdn. Bhd., U Medihealth Sdn. Bhd., UMediC Healthcare Sdn. Bhd., UWHC Sdn. Bhd. and UWHM Sdn. Bhd. pursuant to business combinations under common control.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

18. BORROWINGS

	Group	
	2023	2022
	RM	RM
Non-current liability		
Term loans (Note 19)	2,877,676	5,584,199
Current liabilities		
Bankers' acceptance	0	1,450,000
Term loans (Note 19)	710,630	962,469
	<u>710,630</u>	<u>2,412,469</u>
Total borrowings	<u>3,588,306</u>	<u>7,996,668</u>
Represented by:		
Bankers' acceptance	0	1,450,000
Term loans (Note 19)	3,588,306	6,546,668
	<u>3,588,306</u>	<u>7,996,668</u>

- (a) In the previous financial year, the bankers' acceptance were secured by the following:
- legal charge over property, plant and equipment and right-of-use assets of the Group as disclosed in Note 6 and Note 7 to the financial statements;
 - corporate guarantee by a subsidiary of the Group; and
 - joint and several guarantee by certain Directors of the Group.
- (b) Information on financial risks and remaining maturities of borrowings are disclosed in Note 33 to the financial statements.

19. TERM LOANS

	Group	
	2023	2022
	RM	RM
Secured		
Term loans:		
- current	710,630	962,469
- non-current	2,877,676	5,584,199
	<u>3,588,306</u>	<u>6,546,668</u>
The term loans are repayable as follows:		
- not later than one (1) year	710,630	962,469
- later than one (1) year and not later than five (5) years	1,890,027	2,280,145
- later than five (5) years	987,649	3,304,054
	<u>3,588,306</u>	<u>6,546,668</u>

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

19. TERM LOANS (continued)

The term loans are secured by the following:

- (a) legal charge over property, plant and equipment and right-of-use assets of the Group as disclosed in Note 6 and Note 7 to the financial statements;
- (b) corporate guarantee by the Company (2022: a subsidiary of the Group);
- (c) a guarantee from Syarikat Jaminan Pembiayaan Perniagaan Berhad for RM800,000 as the facility is under Government Guarantee Scheme - Prihatin (GGS-Prihatin); and
- (d) joint and several guarantee by certain Directors of the Group for the previous financial year.

20. GOVERNMENT GRANTS

	Group	
	2023	2022
	RM	RM
At cost		
Balance as at beginning of financial year	3,612,911	150,000
Add: Grants received during the year	0	3,549,571
Less: Amortisation during the year	(369,957)	(86,660)
Balance as at end of financial year	<u>3,242,954</u>	<u>3,612,911</u>
Represented by:		
Current	369,957	369,957
Non-current	2,872,997	3,242,954
	<u>3,242,954</u>	<u>3,612,911</u>

The government grants was obtained by UWHM Sdn. Bhd. from the Malaysian Investment Development Authority ("MIDA") for the purchase of certain item of property, plant and equipment. The subsidiary is not allowed to rent, sell or transfer the risk and rewards of the property, plant and equipment to third parties within five (5) years from the assets acquisition date.

21. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Trade payables				
Third parties	1,301,368	1,794,545	0	0
Other payables				
Third parties	610,189	600,596	9,922	15,222
Deposit	0	30,000	0	0
Accrued expenses	671,947	1,627,581	42,500	13,000
	<u>1,282,136</u>	<u>2,258,177</u>	<u>52,422</u>	<u>28,222</u>
Total trade and other payables	<u>2,583,504</u>	<u>4,052,722</u>	<u>52,422</u>	<u>28,222</u>

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

21. TRADE AND OTHER PAYABLES (continued)

- (a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days (2022: 30 to 90 days).
- (b) The currency exposure profile of trade and other payables is as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
RM	2,485,395	3,710,918	52,422	28,222
USD	97,370	270,794	0	0
EURO	739	11,488	0	0
Others	0	59,522	0	0
	<u>2,583,504</u>	<u>4,052,722</u>	<u>52,422</u>	<u>28,222</u>

- (c) Information on financial risks of trade and other payables is disclosed in Note 33 to the financial statements.

22. CAPITAL COMMITMENTS

	Group	
	2023 RM	2022 RM
Capital expenditure in respect of purchase of property, plant and equipment:		
- Approved but not contracted for	7,170,015	10,300,000
- Contracted but not provided for	3,008,756	1,187,920
	<u>10,178,771</u>	<u>11,487,920</u>

23. CONTINGENT LIABILITIES

The Company provides corporate guarantees up to a total amount of RM3,588,306 (2022: RM Nil) to licensed banks for banking facilities granted to subsidiaries.

The corporate guarantees are given to the financial institutions as one of the securities in relation to banking facilities granted to the subsidiaries.

The Company designates corporate guarantees given to banks for credit facilities granted to the subsidiary as insurance contracts as defined in MFRS 4 *Insurance Contracts*. The Company recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The Directors are of the view that the chances of the financial institutions to call upon the corporate guarantees are remote. Accordingly, the Directors have estimated the financial impact of the guarantees as at 31 July 2023 to be insignificant.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

24. REVENUE

	Group	
	2023	2022
	RM	RM
<i>Revenue from contracts with customers:</i>		
Sales of goods and services	<u>45,432,437</u>	<u>50,738,156</u>
Timing of revenue recognition:		
At a point in time	<u>45,432,437</u>	<u>50,738,156</u>

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary geographical market as disclosed in Note 31 to the financial statements.

25. EMPLOYEE BENEFITS

The details of the employee benefits are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Directors' fee	180,000	0	180,000	0
Directors' remuneration	678,687	550,246	3,000	0
Wages, salaries and bonuses	5,090,043	5,803,382	0	0
Contributions to defined contribution plans	543,150	472,229	0	0
Social security contributions	79,346	59,933	0	0
Other benefits	20,779	92,096	0	0
	<u>6,592,005</u>	<u>6,977,886</u>	<u>183,000</u>	<u>0</u>

Included in the employee benefits of the Group and of the Company are Directors' remunerations as below:

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Directors of the Company				
Fees	180,000	0	180,000	0
Salaries and other emoluments	434,000	334,500	3,000	0
Contributions to defined contribution plan	31,680	25,920	0	0
Social security contributions	1,022	829	0	0
Other benefits	117	1,354	0	0
Total Directors' remuneration	<u>646,819</u>	<u>362,603</u>	<u>183,000</u>	<u>0</u>
Directors of the subsidiaries				
Salaries and other emoluments	190,400	168,000	0	0
Contributions to defined contribution plan	19,488	17,280	0	0
Social security contributions	1,778	829	0	0
Other benefits	202	1,534	0	0
Total Directors' remuneration	<u>211,868</u>	<u>187,643</u>	<u>0</u>	<u>0</u>
Total Directors' remuneration				
Fees	180,000	0	180,000	0
Other emoluments	678,687	550,246	3,000	0
	<u>858,687</u>	<u>550,246</u>	<u>183,000</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

26. FINANCE COSTS

	Group	
	2023 RM	2022 RM
Interest expenses on:		
- bankers' acceptance	14,323	171,155
- term loans	212,232	541,279
- lease interest	2,147	63,782
- letter of credit interest	1,519	22,111
- others	22,996	9,066
	<u>253,217</u>	<u>807,393</u>

27. TAXATION

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Current tax expense based on profit/(loss) for the financial year	1,870,351	2,482,109	282	1,600
(Over)/Underprovision of tax expenses in prior years	(36,917)	131,960	(1,600)	0
	<u>1,833,434</u>	<u>2,614,069</u>	<u>(1,318)</u>	<u>1,600</u>
Deferred tax (Note 10):				
Relating to origination and reversal of temporary differences	734,043	(672,397)	0	0
Underprovision in prior years	616	114,000	0	0
	<u>734,659</u>	<u>(558,397)</u>	<u>0</u>	<u>0</u>
	<u>2,568,093</u>	<u>2,055,672</u>	<u>(1,318)</u>	<u>1,600</u>

The Malaysian income tax is calculated at the statutory tax rate of 24% (2022: 24%) of the estimated taxable profits for the fiscal year.

The numerical reconciliation between the tax expense and the product of accounting profit/(loss) multiplied by the applicable tax rates of the Group and of the Company are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Profit/(Loss) before tax	<u>12,931,716</u>	<u>8,481,667</u>	<u>(193,241)</u>	<u>(2,392,541)</u>
Tax at Malaysian statutory tax rate of 24% (2022: 24%)	3,103,600	2,035,600	(46,400)	(574,200)
Tax effects in respect of:				
- Non-allowable expenses	679,659	761,426	46,682	575,800
- Income not subject to tax	(244,846)	(22,133)	0	0
Different tax rate for the first RM600,000 (2022: RM600,000) of chargeable income	(18,610)	(42,710)	0	0
Reinvestment allowance claimed during the year	(909,083)	(924,246)	0	0
Deferred tax assets not recognised during the year	0	1,775	0	0
Utilisation of previously unrecognised deferred tax assets	(6,326)	0	0	0
Underprovision of deferred tax in prior years	616	114,000	0	0
(Over)/underprovision of tax expense in prior years	(36,917)	131,960	(1,600)	0
	<u>2,568,093</u>	<u>2,055,672</u>	<u>(1,318)</u>	<u>1,600</u>

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

28. DIVIDENDS

	Group 2022	
	Gross dividend per share RM	Amount of dividend RM
Distribution of ordinary shares in UMediC Group Sdn. Bhd. ('Distribution Shares') held by UMediC Healthcare Sdn. Bhd. by way of dividend-in-specie on 28 September 2021	<u>0.031</u>	<u>75,000</u>

No dividend has been proposed, paid or declared by the Company for the current financial year ended 31 July 2023.

29. EARNINGS PER SHARE

(a) Basic

Basic earnings per share for the financial year is calculated by dividing the profit for the financial year attributable to owners of the parent by the number of ordinary shares of the Company.

	Group 2023	2022
Profit attributable to owners of the parent (RM)	<u>10,315,334</u>	<u>6,425,995</u>
Weighted average number of ordinary shares in issue (units)	<u>373,910,000</u>	<u>234,409,557</u>
Basic earnings per share (sen)	<u>2.76</u>	<u>2.74</u>

(b) Diluted

Diluted earnings per share equals basic earnings per share because there are no potentially dilutive instruments in existence as at the end of each reporting period.

30. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other parties.

Related parties of the Group include:

- (i) The ultimate holding company, UMediC Capital Sdn. Bhd.;
- (ii) Subsidiaries as disclosed in Note 8 to the financial statements;
- (iii) Key management personnel are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include the Executive Directors of the Group; and
- (iv) Atnesis Sdn. Bhd., Empayar Stabil Sdn. Bhd., and Meditech Scientific Sdn. Bhd., whereby certain Directors of the Group and their family members have significant financial and controlling interests or are connected to certain Directors of the related parties.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

30. RELATED PARTY DISCLOSURES (continued)

- (b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following material transactions with related parties during the financial year:

	Group	
	2023	2022
	RM	RM
Related parties:		
- Sales of goods	0	40,644

Balances with related parties at the end of the financial year are disclosed in Note 11 and Note 21 to the financial statements.

The related party transactions described above were undertaken on mutually agreed and negotiated terms.

- (c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group.

The remuneration of certain Directors and other members of key management during the year were as follows:

	Group	
	2023	2022
	RM	RM
Short term employee benefits	1,659,665	1,183,555
Contributions to defined contribution plans	113,016	97,426
	<u>1,772,681</u>	<u>1,280,981</u>

Included in the compensation of key management personnel are Directors' remuneration of the Group as disclosed in Note 25 to the financial statements.

31. OPERATING SEGMENTS

The Company is principally involved in investment holding. Through its subsidiaries, the Group is principally involved in marketing and distribution of various branded medical devices and consumables as well as the provision of after-sales service for all its products. The Group is also involved in developing, manufacturing and marketing of its medical consumables.

For management purposes, the Group is organised into business units based on its products and services. The reportable segments of the Group are as follows:

- (a) Marketing and distribution - marketing and distribution of medical devices as well as the provision of after-sales service.
- (b) Manufacturing - developing, manufacturing and marketing of medical devices.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

The accounting policies of operating segments are the same as those described in Note 4 to the financial statements.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the financial statements. These policies have been applied consistently throughout the financial years.

Segment assets exclude cash and bank balances and tax assets. Segment liabilities exclude tax liabilities. Even though borrowings arise from financing activities rather than operating activities, they are allocated to the segments based on relevant factors (e.g. funding requirements).

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

31. OPERATING SEGMENTS (continued)

31 July 2023	Manufacturing RM	Marketing and distribution RM	Eliminations RM	Consolidated RM
Revenue from external customers	14,954,782	30,477,655	0	45,432,437
Inter-segment revenue	957,422	601	(958,023)	0
Total revenue	<u>15,912,204</u>	<u>30,478,256</u>	<u>(958,023)</u>	<u>45,432,437</u>
Interest income and distribution income from short-term funds	52,862	357,996	0	410,858
Interest expense	(38,082)	(228,530)	13,395	(253,217)
Net interest expense	<u>14,780</u>	<u>129,466</u>	<u>13,395</u>	<u>157,641</u>
Segment profit before tax	5,095,209	7,883,103	(46,596)	12,931,716
Taxation	(652,793)	(1,915,300)	0	(2,568,093)
Other material non-cash items:				
- Depreciation of property, plant and equipment	(1,781,676)	(266,749)	0	(2,048,425)
- Depreciation of right-of-use assets	(346,640)	(138,232)	346,640	(138,232)
- Depreciation of investment properties	0	(117,855)	117,855	0
- Impairment losses on trade receivables	30,748	0	0	30,748
- Reversal of impairment losses on trade receivables	0	(42,805)	0	(42,805)
- Gain on fair value adjustment on short-term funds	0	267,881	0	267,881
Additions to non-current assets other than financial instruments	<u>2,296,585</u>	<u>3,016,486</u>	<u>0</u>	<u>5,313,071</u>
Assets				
Segment assets	19,504,522	57,355,517	(22,073,203)	54,786,836
Short term funds	0	11,873,704	0	11,873,704
Cash and bank balances	3,483,080	2,623,548	0	6,106,628
Current tax assets	13,811	510,762	0	524,573
				<u>73,291,741</u>
Liabilities				
Segment liabilities	11,755,903	4,926,553	(7,217,076)	9,465,380
Deferred tax liabilities	19,500	287,576	0	307,076
Current tax liabilities	38,207	4,766	0	42,973
				<u>9,815,429</u>

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

31. OPERATING SEGMENTS (continued)

31 July 2022	Manufacturing RM	Marketing and distribution RM	Eliminations RM	Consolidated RM
Revenue from external customers	10,104,299	40,633,857	0	50,738,156
Inter-segment revenue	1,195,768	0	(1,195,768)	0
Total revenue	<u>11,300,067</u>	<u>40,633,857</u>	<u>(1,195,768)</u>	<u>50,738,156</u>
Interest income and distribution income from short-term funds	16,017	100,665	0	116,682
Interest expense	(365,864)	(454,495)	12,966	(807,393)
Net interest expense	<u>(349,847)</u>	<u>(353,830)</u>	<u>12,966</u>	<u>(690,711)</u>
Segment profit before tax	1,457,043	9,854,416	(2,829,792)	8,481,667
Tax expense	442,858	(2,498,530)	0	(2,055,672)
Other material non-cash items:				
- Depreciation of property, plant and equipment	(1,320,521)	(141,302)	(67,520)	(1,529,343)
- Depreciation of right-of-use assets	(449,313)	(65,117)	295,949	(218,481)
- Depreciation of investment properties	0	(117,563)	117,563	0
- Reversal of impairment losses on trade receivables	0	1,998,434	(1,984,056)	14,378
- Gain on fair value adjustment on short-term funds	0	6,073	0	6,073
Additions to non-current assets other than financial instruments	<u>697,668</u>	<u>394,597</u>	<u>0</u>	<u>1,092,265</u>
Assets				
Segment assets	18,659,331	51,970,203	(27,901,026)	42,728,508
Deferred tax assets	398,000	34,297	0	432,297
Short term funds	0	21,007,257	0	21,007,257
Cash and bank balances	1,094,453	3,065,131	0	4,159,584
Current tax assets	153,336	409,563	0	562,899
				<u>68,890,545</u>
Liabilities				
Segment liabilities	13,538,014	16,238,436	(14,059,339)	15,717,111
Deferred tax liabilities	1,587	3,000	0	4,587
Current tax liabilities	0	490,200	0	490,200
				<u>16,211,898</u>

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

31. OPERATING SEGMENTS (continued)

(a) Geographical information

In determining the geographical segment of the Group, revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	Group	
	2023	2022
	RM	RM
Revenue from external customers		
Malaysia	30,784,460	40,628,858
Asia Pacific	5,784,292	5,229,201
Americas	1,530,130	902,219
Europe	6,376,649	3,468,008
Middle East	355,640	236,065
Africa	210,567	94,233
Oceania	390,699	179,572
	<u>45,432,437</u>	<u>50,738,156</u>
Segment assets		
Malaysia	<u>73,291,741</u>	<u>68,890,545</u>

(b) Major customers

There are no major customers with revenue equal or more than ten percent (10%) of the revenue of the Group.

32. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the capital management of the Group is to ensure that the Group would be able to continue as a going concern whilst maximising return to shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remains unchanged throughout the reporting periods.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes throughout the reporting periods.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

32. FINANCIAL INSTRUMENTS (continued)

(a) Capital management (continued)

The Group monitors capital utilisation on the basis of net debt-to-equity ratio, which is net debt divided by total capital. The Group includes within net debt, loans and borrowings, lease liabilities and trade and other payables less short-term funds and cash and bank balances. Capital represents equity attributable to the owners of the Group. The net debt-to-equity ratios as at 31 July 2023 and 31 July 2022 are as follows:

	Note	Group	
		2023 RM	2022 RM
Borrowings	18	3,588,306	7,996,668
Lease liabilities	7	50,616	54,810
Trade and other payables	21	2,583,504	4,052,722
Total liabilities		6,222,426	12,104,200
Less: Short-term funds	14	(11,873,704)	(21,007,257)
Cash and bank balances	15	(6,106,628)	(4,159,584)
Net cash		(11,757,906)	(13,062,641)
Total equity		63,476,312	52,678,647
Net debt-to-equity ratio		*	*

* No net debt-to-equity ratio is presented as the Group are in net cash position.

Pursuant to the requirements of Guidance Note No. 3/2006 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of not less than or equals to twenty-five percent (25%) of the issued and paid-up capital of the Group. The Company has complied with this requirements for the financial year ended 31 July 2023.

The Group and the Company are not subject to any externally imposed capital requirements.

(b) Categories of financial instruments

Group	2023 RM	2022 RM
Financial assets measured at fair value through profit or loss		
Derivative assets	5,625	0
Short-term funds	11,873,704	21,007,257
	<u>11,879,329</u>	<u>21,007,257</u>
Financial assets measured at amortised cost		
Trade and other receivables (excluding prepayments)	12,381,953	6,583,029
Cash and bank balances	6,106,628	4,159,584
	<u>18,488,581</u>	<u>10,742,613</u>
Financial liabilities measured at amortised cost		
Borrowings	3,588,306	7,996,668
Trade and other payables	2,583,504	4,052,722
	<u>6,171,810</u>	<u>12,049,390</u>

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

32. FINANCIAL INSTRUMENTS (continued)

(b) Categories of financial instruments (continued)

Company	2023	2022
	RM	RM
<i>Financial assets measured at fair value through profit or loss</i>		
Short-term funds	<u>11,873,704</u>	<u>18,006,261</u>
<i>Financial asset measured at amortised cost</i>		
Trade and other receivables (excluding prepayments)	14,780,300	9,880,166
Cash and bank balances	<u>16,517</u>	<u>253,135</u>
	<u>14,796,817</u>	<u>10,133,301</u>
<i>Financial liability measured at amortised cost</i>		
Trade and other payables	<u>52,422</u>	<u>28,222</u>

(c) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

- (i) Financial instruments that are not carried at fair values and whose carrying amounts are reasonable approximation of fair values.

The carrying amounts of financial assets and financial liabilities, such as cash and bank balances, trade and other receivables, trade and other payables and borrowings (fixed interest rate), are reasonable approximation of fair values, either due to their short-term nature or they are floating rate instruments that are re-priced to market interest rates on or near the end of each reporting period.

During the financial year, the carrying amount of the non-current other receivable is a reasonable approximation of fair value due to the insignificant impact of discounting.

- (ii) Derivative assets

The fair value of a forward foreign exchange contracts are the amount that would be payable or receivable upon termination of the outstanding position arising and is determined by reference to the difference between contracted rate and the forward exchange rate as at the end of each reporting period applied to a contract of similar amount and maturity profile.

Derivatives assets of the Company are categories as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

- (ii) Short term funds

The fair value of short term funds are determined by reference to the counter party quotes at the end of each reporting period.

Short term funds of the Company are categories as Level 1 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management policy of the Group and of the Company is to ensure that adequate financial resources are available for the development of the operations of the Group and of the Company whilst managing its financial risks, including credit risk, liquidity and cash flow risks, interest rate risk, foreign currency risk and price risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

(a) Credit risk

Trade receivables could give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are the customers of the Group and licensed financial institutions. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade receivables. The trading terms of the Group with the customers are mainly on credit, except for new customers, where deposits in advance are normally required. The credit period is generally for a period of one (1) month, extending up to three (3) months for major customers. Nevertheless, the management of the Group may give longer credit terms by discretion. The Group consistently monitors its outstanding receivables to minimise credit risk.

Exposure to credit risk

At the end of the reporting period, the maximum exposure of the Group to credit risk is substantially represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the country and industry sector profiles of its trade receivables on an ongoing basis. The credit risk concentration profile of the trade receivables of the Group at the end of the reporting period are as follows:

By countries	2023	% of total	2022	% of total
	RM		RM	
Malaysia	9,218,365	77%	3,534,380	58%
South Korea	843,542	7%	622,405	10%
Spain	502,745	4%	425,211	7%
Chile	211,266	2%	203,791	3%
Thailand	68,150	1%	136,018	2%
Others	1,103,139	9%	1,255,707	20%
	<u>11,947,207</u>	<u>100%</u>	<u>6,177,512</u>	<u>100%</u>

At the end of each reporting period, approximately 53% (2022: 52%) of the trade receivables of the Group were due from five (5) (2022: seven (7)) major customers.

(b) Liquidity and cash flow risks

Liquidity and cash flow risks are the risks that the Group will not be able to meet its financial obligations when they fall due. The exposure of the Group to liquidity risk arises principally from its trade and other payables, borrowings and lease liabilities.

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintain a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Liquidity and cash flow risks (continued)

The table below summarises the maturities profile of the liabilities of the Group at the end of the reporting period based on contractual undiscounted repayment obligations.

Financial liabilities	On demand or within one year RM	One to five years RM	More than five years RM	Total RM
Group				
As at 31 July 2023				
Trade and other payables	2,583,504	0	0	2,583,504
Borrowings	859,965	2,203,193	1,076,380	4,139,538
Lease liabilities	44,630	7,350	0	51,980
Total undiscounted financial liabilities	<u>3,488,099</u>	<u>2,210,543</u>	<u>1,076,380</u>	<u>6,775,022</u>
As at 31 July 2022				
Trade and other payables	4,052,722	0	0	4,052,722
Borrowings	2,627,045	2,926,027	3,977,360	9,530,432
Lease liabilities	41,160	15,230	0	56,390
Total undiscounted financial liabilities	<u>6,720,927</u>	<u>2,941,257</u>	<u>3,977,360</u>	<u>13,639,544</u>
Company				
As at 31 July 2023				
Trade and other payables	52,422	0	0	52,422
Financial guarantees	3,588,306	0	0	3,588,306
Total undiscounted financial liabilities	<u>3,640,728</u>	<u>0</u>	<u>0</u>	<u>3,640,728</u>
As at 31 July 2022				
Trade and other payables	28,222	0	0	28,222
Total undiscounted financial liabilities	<u>28,222</u>	<u>0</u>	<u>0</u>	<u>28,222</u>

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market interest rates.

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk and fair value interest rate risk. Interest rates of bank borrowings are mainly subject to fluctuations in the banks' base lending rates. Short term borrowings which are on fixed rates are not significantly subject to interest rate risk.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group's floating rate instrument if interest rates at the end of reporting period changed by fifty (50) basis points with all other variables held constant:

	Group	
	2023 RM	2022 RM
Profit after tax		
- Increase by 0.5%	(9,539)	(19,260)
- Decrease by 0.5%	<u>9,539</u>	<u>19,260</u>

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Interest rate risk (continued)

The following table sets out the carrying amounts, the incremental borrowing rate ('IBR')/weighted average effective interest rates ('WAEIR') as at the end of each reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk, which included fixed rates financial instruments:

	IBR*/ WAEIR per annum	Within					Total RM
		1 year RM	1-2 years RM	2-3 years RM	3-4 years RM	4-5 years RM	
31 July 2023							
Fixed rate							
Term loans	3.50%	399,151	426,481	252,458	0	0	1,078,090
Lease liabilities	2.71% - 3.84%*	43,911	6,705	0	0	0	50,616
		<u>311,479</u>	<u>302,772</u>	<u>302,772</u>	<u>302,772</u>	<u>987,649</u>	<u>2,510,216</u>
Floating rate							
Term loans	4.76%						
31 July 2022							
Fixed rate							
Bankers' acceptance	2.71%	1,450,000	0	0	0	0	1,450,000
Term loans	3.50%	409,277	420,002	410,570	238,485	0	1,478,334
Lease liabilities	2.71% - 3.84%*	39,794	15,016	0	0	0	54,810
		<u>553,192</u>	<u>302,772</u>	<u>302,772</u>	<u>302,772</u>	<u>3,304,054</u>	<u>5,068,334</u>
Floating rate							
Term loans	3.54%						

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

The Group are exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group. The currencies giving rise to this risk are primarily in USD and EURO.

The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes. At the end of each reporting period, such foreign currency balances in USD and EURO amounted to RM2,663,735 (2022: RM682,847).

The following table demonstrates the sensitivity analysis of the Group to a reasonably possible change in the USD and EURO exchange rate against the functional currency of the Group, with all other variables held constant:

	2023 RM	2022 RM
Profit before tax		
USD/RM		
- strengthen by 15%	585,396	324,380
- weaken by 15%	<u>(585,396)</u>	<u>(324,380)</u>
EURO/RM		
- strengthen by 15%	9,061	25,955
- weaken by 15%	<u>(9,061)</u>	<u>(25,955)</u>

Sensitivity analyses of other foreign currencies are not disclosed as they are not material to the Group.

(e) Price risk

Price risk is the risk that the fair value of future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group and the Company is exposed to changes in market quoted prices arising from short term funds held by the Group and the Company. The short term funds comprises mainly money market funds in Malaysia.

As the short term funds are mainly money market fund placement where the volatility of these fund's prices is considered low, the Directors were of the opinion that the Company was not subject to the significant exposure to price risk and accordingly, no sensitivity analysis was being presented at the end of each financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

34. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 30 March 2023, the Company had completed the acquisition of 280,000 ordinary shares in Patho Solutions (M) Sdn. Bhd. ("Patho"), representing 70% equity interest in Patho for a purchase consideration of RM600,000 ("Acquisition") by way of cash. Following this, the Company regards Patho Solutions (M) Sdn. Bhd. as its subsidiary.

On 31 March 2023, the Company acquired additional 700,000 new ordinary shares at RM1 each in Patho, for a total cash consideration of RM700,000.

There are no changes to the percentage of shareholding of the Group on the subsidiary arising from these additional investment.

- (b) During the financial year, the Group entered into a Sale and Purchase agreement with a third party for the purchase of land comprised in Lot No. 20697, Mukim 14, Daerah Seberang Perai Selatan, Pulau Pinang with area measuring approximately 690 square meters together with a unit of four storey semi detached office erected bearing assessment address known as No.2, Jalan Perniagaan Vorteks 3, Pusat Perniagaan Vorteks, 14100 Simpang Ampat, Pulau Pinang, for a cash consideration of RM2,300,000 ("Acquisition").

As at 11 July 2023, a total deposit of RM230,000 has been paid by the Group prior to the control transfer.

As at the date of this report, the Acquisition has yet to complete.

35. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

35.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Amendments to the Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ('MASB') during the financial year.

Title	Effective date
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contract - Cost of Fulfilling a Contract</i>	1 January 2022

Adoption of the above Amendments to Standards did not have any material effect on the financial performance or position of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2023 (CONT'D)

35. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

35.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2023

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ('MASB') but have not been early adopted by the Group and the Company:

Title	Effective date
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	Refer MFRS 112 Paragraph 98M
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 112 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments to Standards, since the effects would only be observable for the future financial years.

LIST OF PROPERTIES

No.	Name of registered owner/Address	Description/ Existing use	Land Area / Built-up area (sq. feet)	Tenure	Approximate age of building (years)	Carrying Amount as at 31 July 2023 (RM'000)	Date of Acquisition
1	<p>Title Identification: PT 6031 held under HSD 50873 in Mukim 13, Daerah Seberang Perai Selatan, Negeri Pulau Pinang</p> <p>Postal Address: PMT 790, Jalan Cassia Selatan 5/2, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang</p>	A double-storey office building annexed with a single-storey factory building	126,852.68/ 48,487.40	60 years' lease expiring on 20 September 2079 (remaining tenure 56 years)	2	11,975	17 May 2019

ANALYSIS OF SHAREHOLDINGS

TOTAL NUMBER OF ISSUED SHARES	:	373,910,000
CLASS OF SHARE	:	Ordinary shares
VOTING RIGHTS	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	%	No. of Shares	%
1 - 99	-	-	-	-
100 - 1,000	286	11.08	176,100	0.05
1,001 - 10,000	1,228	47.56	7,632,100	2.04
10,001 - 100,000	887	34.35	29,918,950	8.00
100,001 - 18,695,499 (*)	178	6.89	103,551,230	27.69
18,695,499 AND ABOVE (**)	3	0.12	232,631,620	62.22
Total	2,582	100.00	373,910,000	100.00

* Less than 5% of issued shares

** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS AS AT 29 SEPTEMBER 2023

Size of Shareholdings	Direct Interest		Indirect Interest	
	No. of Shares	% of Shares	No. of Shares	% of Shares
1 UMediC Capital Sdn. Bhd.	192,327,220	51.44	-	-
2 Dato' Ng Chai Eng	20,402,200	5.46	192,627,220*	51.52
3 Lim Taw Seong	19,902,200	5.32	192,327,220^	51.44
4 Lau Chee Kheong	17,754,022	4.75	192,327,200^	51.44

* Deemed interest through shares in UMediC Capital Sdn. Bhd. by virtue to Section 8 of the Company Act 2016 and the shares held by his daughter, Ng Sze Hui pursuant to Section 8 of the Company Act 2016

^ Deemed interest through shares in UMediC Capital Sdn. Bhd. by virtue to Section 8 of the Company Act 2016

DIRECTORS' SHAREHOLDINGS AS AT 29 SEPTEMBER 2023

No.	Directors	Direct Interest	%	Indirect Interest	%
1	Dato' Ng Chai Eng	20,402,200	5.46	192,627,220*	51.52
2	Lim Taw Seong	19,902,200	5.32	192,327,220^	51.44
3	Lau Chee Kheong	17,754,022	4.75	192,327,220^	51.44
4	Dr. Pakirisamy Baskaran A/L P Thangavelu	300,000	0.08	-	-
5	Tan Chye Suan	300,000	0.08	-	-
6	Lee Yee Wooi	300,000	0.08	-	-
7	Ng Sze Hui	300,000	0.08	-	-
Total		59,258,422	15.85		

* Deemed interest through shares in UMediC Capital Sdn. Bhd. by virtue to Section 8 of the Company Act 2016 and the shares held by his daughter, Ng Sze Hui pursuant to Section 8 of the Company Act 2016

^ Deemed interest through shares in UMediC Capital Sdn. Bhd. by virtue to Section 8 of the Company Act 2016

ANALYSIS OF SHAREHOLDINGS (CONT'D)

LIST OF 30 LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES HELD	PERCENTAGE (%)
1	UMEDIC CAPITAL SDN. BHD.	192,327,220	51.44
2	DATO' NG CHAI ENG	20,402,200	5.46
3	LIM TAW SEONG	19,902,200	5.32
4	LAU CHEE KHEONG	17,754,022	4.75
5	KONG YOEN HOO	8,941,298	2.39
6	LIM SUAT GIM	6,075,050	1.63
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM WEI YUEN	3,955,000	1.06
8	LIM WEI YUEN	3,029,000	0.81
9	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAY MOY KOH (MY3164)	2,686,300	0.72
10	AMANAHRAYA TRUSTEES BERHAD PB ISLAMIC SMALLCAP FUND	2,204,000	0.59
11	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB BANK BERHAD (EDP 2)	2,185,400	0.58
12	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD FOR PMB SHARIAH EQUITY FUND	2,000,000	0.54
13	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR MAYBANK MALAYSIA SMALLCAP FUND	1,800,000	0.48
14	NG SZE LING	1,626,000	0.44
15	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR FORTRESS GLOBAL GROWTH FUND	1,546,800	0.41
16	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR UNITED MALAYSIA FUND	1,500,000	0.40
17	HSBC NOMINEES (ASING) SDN BHD J.P. MORGAN SECURITIES PLC	1,377,400	0.37
18	AMANAHRAYA TRUSTEES BERHAD PB GROWTH SEQUEL FUND	1,316,600	0.35
19	TAN AH NYAH	1,118,700	0.30
20	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR PHILLIP MASTER EQUITY GROWTH FUND (50144 TR01)	1,000,000	0.27
21	TOKIO MARINE LIFE INSURANCE MALAYSIA BHD AS BENEFICIAL OWNER (TMEF)	1,000,000	0.27
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD MTRUSTEE BERHAD FOR PHILLIP PEARL FUND (UT-PM-PPF) (419471)	976,100	0.26
23	LIM CHIN HON	850,000	0.23
24	QUAH ZHENG WEI	850,000	0.23
25	TAN TIO CHENG @ TAN CHOW CHENG	800,000	0.21
26	LIM SIN CHING	780,700	0.21
27	AMANAHRAYA TRUSTEES BERHAD PUBLIC E-ISLAMIC FLEXI ALLOCATION FUND	767,000	0.21
28	PAN KUAN YEN	763,500	0.20
29	LING SIEW LUAN	660,000	0.18
30	PHILLIP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP CAPITAL MANAGEMENT SDN BHD	616,500	0.17

NOTICE OF THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Third Annual General Meeting (“3rd AGM”) of UMediC Group Berhad (“UMC” or the “Company”) will be held at Sri Mas Ballroom, Level 4, Bayview Hotel Georgetown Penang, 25-A Farquhar Street, 10200 George Town, Pulau Pinang on Tuesday, 16 January 2024 at 10.30 a.m. for the transaction of the following business:

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for financial year ended 31 July 2023 together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of Directors’ fees and benefits of up to an aggregate amount of RM200,000.00 to the Non-Executive Directors for the period from 17 January 2024 until the conclusion of the next annual general meeting (“AGM”) of the Company to be held in 2025.
3. To re-elect the following Directors who retire by rotation in accordance with Clause 165.1 of the Company’s Constitution and who, being eligible, offer themselves for re-election: -
 - (i) Dato’ Ng Chai Eng
 - (ii) Ms. Tan Chye Suan.
4. To re-elect Dato’ Dr. Teh Keng Hwang as Director who retires pursuant to Clause 156 of the Company’s Constitution and being eligible, has offered herself for re-election.
5. To re-appoint Messrs. BDO PLT as Auditors of the Company and to authorise the Directors to determine their remuneration.

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution, with or without modification, as an Ordinary Resolution:

6. **AUTHORITY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES**

“THAT, subject always to the Companies Act, 2016 (“the Act”), the Company’s Constitution, the ACE/ Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (as the case may be) and the approvals of the relevant government and/or regulatory authorities, the Directors of the Company be and are hereby authorised, pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company at any time until the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deemed fit provided that the aggregate number of the shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and that the Directors are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares to be issued.

THAT pursuant to Section 85 of the Act read together with Clause 31 of the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this mandate.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new share.”

Ordinary Resolution 6

7. To transact any other business of which due notice shall have been given in accordance with the Company’s Constitution and the Companies Act, 2016.

BY ORDER OF THE BOARD

OOI YOONG YOONG (MAICSA 7020753/ SSM PC NO. 202008002042)

Company Secretary

Penang

3 November 2023

NOTICE OF THIRD ANNUAL GENERAL MEETING (CONT'D)

Notes :-

Appointment of Proxy

1. A proxy need not be a member and a member may appoint any person to be his proxy without limitation save that the proxy must be of full age.
 2. A member of the Company entitled to attend, participate, speak and vote at the meeting is entitled to appoint one (1) or more proxies (who need not be members) to attend, participate, speak and vote at the same meeting.
 3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
 4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing.
 5. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
 6. Where a member is an exempt authorised nominee as defined under the SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
 7. For a proxy to be valid, the instrument appointing a proxy must be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting PROVIDED that in the event the member(s) duly execute(s) the Proxy Form but does/do not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, PROVIDED ALWAYS that the rest of the Proxy Form, other than the particulars of the proxy, have been duly completed by the member(s):
 - i. In hard copy form
The proxy form must be deposited at the office of the 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.
 - ii. By electronic means via facsimile
The proxy form must be received via facsimile at +603-7890 4670.
 - iii. By electronic means via email
The proxy form must be received via email at bsr.helpdesk@boardroomlimited.com.
 - iv. By electronic means via Boardroom Smart Investor Portal, BSIP online (for individual shareholder only)
The Proxy Form can be lodged electronically via BSIP Online website at <https://investor.boardroomlimited.com>. Please refer to the Administrative Guide on the procedure for electronic lodgement of proxy form via Online.
- For option (ii) and (iii), the Company will require the member to deposit the original executed proxy form to the office of Share Registrar before or on the day of meeting for verification purpose.
8. Any authority pursuant to which an appointment is made by a power of attorney must be deposited at the office of the Share Registrar before the cut-off time for the lodgement of the proxy form.
 9. Please ensure that ALL particulars as required in the Proxy Form are completed and the said Proxy Form is duly signed and dated.
 10. Last date and time for lodging the Proxy Form is **Sunday, 14 January 2024 at 10.30 a.m.**

NOTICE OF THIRD ANNUAL GENERAL MEETING (CONT'D)

Notes (Cont'd):-

11. For corporate member who has appointed an authorised representative instead of a proxy to attend this meeting, please bring the **original / duly certified** certificate of appointment executed in the following manner if the Proxy Form has not been lodged at the office of the Share Registrar earlier:
 - (a) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the Constitution of the corporate member.
 - (b) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

General Meeting Record of Depositors

12. Only a depositor whose name appears on the Record of Depositors of the Company as at **29 December 2023** shall be entitled to attend this 3rd AGM or appoint proxies to attend, participate, speak and/or vote on his/her behalf.

Ordinary Business

13. **Audited Financial Statements for financial year ended 31 July 2023**
The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.
14. **Ordinary Resolution 1 – To approve the payment of Directors' fees and benefits of up to an aggregate amount of RM200,000.00 to the Non-Executive Directors for the period from 17 January 2024 until the conclusion of the next AGM of the Company to be held in 2025**
Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors of the Company and its subsidiaries shall be approved at a general meeting.

The Ordinary Resolution 1 is to seek shareholders' approval on the payment of Directors' fees and benefits to the Non-Executive Directors. In determining the estimated total amount of fees and benefits, the Board considered various factors including the number of scheduled meetings as well as the number of Directors involved in these meetings for the period from 17 January 2024 until the next AGM to be held in 2025. In the event that the proposed amount is insufficient (due to enlarged Board size and additional number of meetings), approval will be sought at the next AGM to meet the shortfall.

15. **Ordinary Resolutions 2, 3 and 4 – Re-election of Directors**

Clause 165.1 of the Company's Constitution states that one-third (1/3) of the Directors shall retire from office and shall be eligible for re-election at each AGM. All the Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Clause 156 of the Company's Constitution states that the Board can appoint a person as an additional director or as a replacement for another director. A director appointed in this way automatically retires at the next AGM after their appointment in accordance with Clause 165 unless elected or re-elected at that AGM.

Dato' Ng Chai Eng and Ms. Tan Chye Suan retire in accordance with Clause 165.1 and Dato' Dr. Teh Keng Hwang retires in accordance with Clause 156 of the Company's Constitution and being eligible, have offered themselves for re-election.

In determining the eligibility of the Directors due for retirement to stand for re-election at the forthcoming 3rd AGM, the Nomination Committee ("NC") has assessed the retiring Directors and recommended the re-election of retiring Directors based on the following consideration:

- (i) they met the criteria of character, experience, integrity, competence and time commitment in discharging their roles as directors of the Company;
- (ii) their active participation at the Board meetings showed that they were prepared and were effective in the discharge of their responsibilities; and
- (iii) Ms. Tan Chye Suan is an Independent Non-Executive Director of the Company. She has fulfilled the requirements on independence as set out in the ACE LR. No circumstances have arisen in the past year to impair the independent judgement of Ms. Tan on matters brought for Board discussion and she has always acted in the best interest of the Company as a whole.

Based on the above, the Board supports the re-election of the retiring Directors. The retiring Directors had abstained from deliberation and decision making on their own eligibility to stand for re-election at the relevant NC and Board meetings.

NOTICE OF THIRD ANNUAL GENERAL MEETING (CONT'D)

Notes (Cont'd):-

16. **Ordinary Resolution 5 – Re-appointment of Messrs. BDO PLT as Auditors**

The Audit and Risk Management Committee (“ARMC”) and the Board have considered the re-appointment of Messrs. BDO PLT as Auditors of the Company, are satisfied with the performance, competency, audit approach and independence of Messrs. BDO PLT and collectively agreed that they have met the relevant criteria prescribed by Rule 15.21 of the ACE LR. The Board endorsed ARMC’s recommendation to seek for shareholders’ approval to re-appoint Messrs. BDO PLT as external auditors of the Company and to authorise the Directors to fix their remuneration.

Special Business

17. **Ordinary Resolution 6 - Authority pursuant to Sections 75 and 76 of the Companies Act, 2016 for the Directors to allot and issue shares**

The proposed Ordinary Resolution 6, if passed, will give authority to the Directors to allot and issue up to a maximum of ten per centum (10%) of the total number of issued shares of the Company at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

By voting in favour, the shareholders of the Company will waive their statutory pre-emptive right and thus will allow the Directors to issue new shares to any person under the General Mandate without having to offer the new shares to be issued equally to all existing shareholders of the Company prior to issuance.

This new general mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect thereof.

Voting at 3rd AGM

18. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 3rd AGM will be put to vote by poll.

STATEMENT ACCOMPANYING NOTICE OF 3rd AGM

(Pursuant to Rule 8.29 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

As at date of this notice, there are no individuals who are standing for election as Directors (excluding Directors who are standing for re-election as stated above) at this forthcoming 3rd AGM.

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UMedC Group Berhad
(Registration No. 202101015347) (1415647-D)

PROXY FORM

Number of shares held	
CDS account number	

I/We _____ NRIC/Passport/Company No _____
(Full name in block)

Tel no./ Email Address: _____ of _____
(Full Address)

being member(s) of UMEDIC GROUP BERHAD, hereby appoint: -

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Email Address	Telephone No.		
Address			

* and/or failing him/her

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Email Address	Telephone No.		
Address			

or failing *him/her, the Chairman of the meeting, as *my/our proxy/proxies to vote for *me/us on *my/our behalf at the Third Annual General Meeting ("3rd AGM") of the Company to be held at Sri Mas Ballroom, Level 4, Bayview Hotel Georgetown Penang, 25-A Farquhar Street, 10200 George Town, Pulau Pinang on Tuesday, 16 January 2024 at 10.30 a.m. or and at any adjournment thereof, on the following resolutions referred to in the notice of 3rd AGM. My/our proxy is to vote as indicated below:

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees and benefits of up to an aggregate amount of RM200,000.00 to the Non-Executive Directors for the period from 17 January 2024 until the conclusion of the next AGM of the Company to be held in 2025.		
2.	To re-elect Dato' Ng Chai Eng as Director of the Company.		
3.	To re-elect Ms. Tan Chye Suan as Director of the Company.		
4.	To re-elect Dato' Dr. Teh Keng Hwang as Director of the Company.		
5.	To re-appoint Messrs. BDO PLT as Auditors of the Company and to authorise the Directors to determine their remuneration.		
6.	Authority pursuant to Sections 75 and 76 of the Companies Act, 2016 for the Directors to allot and issue shares.		

Please indicate with an "X" in the appropriate space provided above on 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.

Dated this _____ day of _____ 20 _____

Signature of Member(s)/ Common Seal

* strike out whichever is not desired.

Notes:

Appointment of Proxy

- A proxy need not be a member and a member may appoint any person to be his proxy without limitation save that the proxy must be of full age.
- A member of the Company entitled to attend, participate, speak and vote at the meeting is entitled to appoint one (1) or more proxies (who need not be members) to attend, participate, speak and vote at the same meeting.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an exempt authorised nominee as defined under the SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- For a proxy to be valid, the instrument appointing a proxy must be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting PROVIDED that in the event the member(s) duly execute(s) the Proxy Form

but does/do not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, PROVIDED ALWAYS that the rest of the Proxy Form, other than the particulars of the proxy, have been duly completed by the member(s):

- In hard copy form
The proxy form must be deposited at the office of the 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.
- By electronic means via facsimile
The proxy form must be received via facsimile at +603-7890 4670.
- By electronic means via email
The proxy form must be received via email at bsr.helpdesk@boardroomlimited.com.
- By electronic means via Boardroom Smart Investor Portal, BSIP online (for individual shareholder only)
The Proxy Form can be lodged electronically via BSIP Online website at <https://investor.boardroomlimited.com>. Please refer to the Administrative Guide on the procedure for electronic lodgement of proxy form via Online.

For option (ii) and (iii), the Company will require the member to deposit the original executed proxy form to the office of Share Registrar before or on the day of meeting for verification purpose.

- Any authority pursuant to which an appointment is made by a power of attorney must be deposited at the office of the Share Registrar before the cut-off time for the lodgement of the proxy form.
- Please ensure that ALL particulars as required in the Proxy Form are completed and the said Proxy Form is duly signed and dated.

10. Last date and time for lodging the Proxy Form is **Sunday, 14 January 2024 at 10.30 a.m.**

11. For corporate member who has appointed an authorised representative instead of a proxy to attend this meeting, please bring the **original / duly certified** certificate of appointment executed in the following manner if the Proxy Form has not been lodged at the office of the Share Registrar earlier:

- If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the Constitution of the corporate member.
- If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - at least two (2) authorised officers, of whom one shall be a director; or
 - any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

General Meeting Record of Depositors

12. Only a depositor whose name appears on the Record of Depositors of the Company as at **29 December 2023** shall be entitled to attend this 3rd AGM or appoint proxies to attend, participate, speak and/or vote on his/her behalf.

Personal Data Privacy

By submitting the duly executed Proxy Form, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 3rd AGM, and any adjournment thereof.



Please fold across the line and close

Affix
Stamp

The Share Registrar

UMEDIC GROUP BERHAD

Registration No. 202101015347 (1415647-D)

c/o Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor.

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Dear Shareholders

Greeting from UMEDIC GROUP BERHAD

(A) Details of the 3rd AGM

- Date : Tuesday, 16 January 2024
- Time : 10:30 a.m. or any adjournment thereof
- Venue : Sri Mas Ballroom, Level 4, Bayview Hotel Georgetown Penang, 25-A Farquhar Street,
10200 George Town, Pulau Pinang

(B) Registration

1. Registration will start at 9.00 a.m. on Tuesday, 16 January 2024.
2. Kindly produce your original MyKad/Passport (for foreigners) to the registration staff at the registration counter for verification. Please ensure to collect your MyKad/Passport thereafter.
3. Upon verification, you are required to sign on the Attendance list prepared by the registration staff.
4. After registration, a polling slip will be issued to the respective shareholders and will only be given a wristband as identification in order to vote.
5. No person will be allowed to register on behalf of another person, even with the original MyKad/Passport of that person.
6. The registration counter will handle only the verification of identity and registration.
7. Please vacate the registration area immediately after registration and proceed to the meeting hall.
8. For any clarification or enquiry, please proceed to the Company's Helpdesk at the registration counter.
9. Poll Administrator's Helpdesk will handle the revocation of a proxy's appointment.

(C) Entitlement to Participate in the AGM

Only members whose names appear on the Record of Depositors as at 29 December 2023 shall be entitled to attend the AGM or appoint proxy(ies)/ Corporate representative (s)/ attorney to attend and to vote in his/her stead. A proxy must be 18 years and above and need not be a member of the Company.

(D) Proxy

1. A member entitled to attend and vote is entitled to appoint proxy/proxies, to attend and vote instead of him/her. If you are unable to attend the meeting and wish to appoint a proxy to vote on your behalf, please submit your proxy form in accordance with the notes and instructions printed therein.
2. You may submit your proxy form to the office of the Share Registrar of our Company, Boardroom Share Registrars Sdn. Bhd. or by email to bsr.helpdesk@boardroomlimited.com or by fax +603-7890 4670. We do not acknowledge receipt of the form(s) of proxy.



(D) Proxy (Cont'd)

3. The proxy appointment may also be lodged electronically via Boardroom Smart Investor Portal (“BSIP”) at <https://investor.boardroomlimited.com> or email to bsr.helpdesk@boardroomlimited.com which is free and available to all individual shareholders. For further information, kindly refer to Table 1 below for proxy appointment via BSIP.

Table 1 – Proxy Appointment via Boardroom Smart Investor Portal

<p>Step 1 -</p> <p>Register Online with Boardroom Smart Investor Portal</p> <p>(For first time registration only)</p>	<p><i>Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2.</i></p> <ul style="list-style-type: none"> • Access the website https://investor.boardroomlimited.com • Click “Register” to sign up as a user. • Complete registration with all the required information. Upload and attach a softcopy of your Identity Card (NRIC) (front and back) or Passport. Click “Register”. • You will receive an email from BSIP Online for email address verification. Click on “Verify Email Address” from the email received to continue with the registration. • Once your email address is verified, you will be re-direct to BSIP Online for verification of mobile number. • Click on “Request OTP Code” and an OTP code will be sent to the registered mobile number. You will need to enter the OTP Code and click “Enter” to complete the process. • Once your mobile number is verified, registration of your new BSIP account will be pending for final verification. • An email will be sent to you to inform the approval of your BSIP account within one (1) business day. Subsequently, you can login at https://investor.boardroomlimited.com with the email address and password filled up by you during the registration to proceed.
<p>Step 2 -</p> <p>Appointment of Proxy</p>	<ul style="list-style-type: none"> • Login to https://investor.boardroomlimited.com using your user ID and password from Step 1 above. • Click “Corporate Meeting” and select from the list of companies “THIRD (3RD) UMediC Group Berhad” and click “Enter”. • Click “Submit eProxy Form”. • Read and accept the General Terms and Conditions and enter your CDS account number. • Select your proxy – either the Chairman of the meeting or individual named proxy(ies) and enter the required particulars of your proxy(ies). • Indicate your voting instructions – FOR or AGAINST or ABSTAIN. If you wish to have your proxy(ies) to act upon his/her discretion, please indicate DISCRETIONARY. • Review and confirm your proxy appointment. Click “Apply”. Download or print the eProxy Form as acknowledgement. <p>Corporate Shareholders, Authorised Nominee and Exempt Authorised Nominee</p> <ol style="list-style-type: none"> a) Write in to bsr.helpdesk@boardroomlimited.com by providing the name of Member, CDS Account Number accompanied with the Certificate of Appointment of Corporate Representative or Proxy Form (as the case may be) to submit the request latest by 14 January 2024 at 10:30 a.m. b) Please provide a copy of Corporate Representative’s or Proxy’s Identity Card (front and back) or Passport as well as his/her email address.

3. If you wish to attend the Meeting yourself, please do not submit any Proxy Form. You will not be allowed to attend the Meeting together with a proxy appointed by you.
4. If you have submitted your proxy form prior to the meeting and subsequently decided to attend the meeting yourself, please proceed to the Poll Administrator’s Helpdesk to revoke the appointment of your proxy.



(E) Covid-19 Prevention Measures

1. Attendees are highly encouraged to perform self-test for Covid-19 at home a day before the meeting.
2. A shareholder/proxy who has symptoms of being unwell or showing any symptoms of Covid-19 is advised not to attend the AGM.
3. Wear a face mask throughout the meeting and clean your hands frequently with alcohol-based hand rub or soap and water.

(F) Poll Voting

1. In accordance with Rule 8.31A(1) of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the voting at the 3rd AGM will be conducted by poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
2. The Poll Administrator will be available to brief and/or guide all 3rd AGM Attendees before the commencement of and during the voting process.
3. Upon completion of the voting session for the 3rd AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration of whether the resolutions are duly passed.

(G) Annual Report 2023

1. The Company's Annual Report 2023, Proxy Form, Corporate Governance Report and Administrative Guide are available on the following websites:
 - (a) <https://www.bursamalaysia.com>
 - (b) <https://www.umedic.com.my>
2. If you wish to request a printed copy of the Annual Report 2023, please complete and send the Requisition Form which can be downloaded from the Company's website at <https://www.umedic.com.my> and email the same to the Share Registrar or visit Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com> by selecting "Request Annual Report" under "Investor service".
3. Kindly think of the environment before you decide to print the Annual Report 2023. We would appreciate your support by joining us to promote "Act Green" initiative to achieve environmentally responsible and paperless.

(H) Enquiry

If you have any queries prior to the meeting, please contact the following officers during office hours:

Boardroom Share Registrars Sdn. Bhd. [199601006647 (378993-D)] 11th Floor, Menara Symphony No. 5, Jalan Professor Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya Selangor Darul Ehsan, Malaysia	Tel No.	+603-7890 4700 / 4603
	Fax No.	+603-7890 4670
	Email Add	bsr.helpdesk@boardroomlimited.com
	Contact Person:	EN. MUHAMMAD FARHAN

The Company and its subsidiary companies, their officers and employees shall have no liability whatsoever to any and all shareholders, their proxies, corporate representatives and/or any other party arising out of or in connection of any infection or suspicion of any infection from Covid-19 and/or suffering any losses arising out of or in connection with attendance at the Company's AGM and/or measures are undertaken by the Company in the Company's sole discretion in response to the Covid-19 pandemic.

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HEALTHCARE



PATIENT
MONITORING
SYSTEM

LIFE-
SUPPORT
SOLUTION



HOSPITAL
FURNITURE



UMediC Group Berhad
(Company No. 202101015347) (1415647-D)

PMT 790, Jalan Cassia Selatan 5/2,
Taman Perindustrian Batu Kawan,
14110 Bandar Cassia, Penang.

Tel : +604-589 9676
Fax : +604-589 9677
Email : info@umedichealthcare.com

www.umedic.com.my