

**UMEDIC GROUP BERHAD**  
Registration No. 202101015347 (1415647-D)  
(Incorporated in Malaysia)

**MINUTES OF THIRD ANNUAL GENERAL MEETING**

MINUTES OF THE THIRD ANNUAL GENERAL MEETING (“3<sup>RD</sup> AGM” OR “MEETING”) OF UMEDIC GROUP BERHAD (“UMC” OR THE “COMPANY”) 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.

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**PRESENT**

**Board of Directors**

Dato’ Ng Chai Eng	Non-Independent Non-Executive Chairman
Mr. Lim Taw Seong	Executive Director /Chief Executive Officer
Dr. Pakirisamy Baskaran A/L P Thangavelu	Independent Non-Executive Director
Ms. Tan Chye Suan	Independent Non-Executive Director
Mr. Lee Yee Wooi	Independent Non-Executive Director
Dato’ Dr. Teh Keng Hwang	Independent Non-Executive Director
Ms. Ng Sze Hui	Alternate Director to Dato’ Ng Chai Eng/ Legal Compliance Adviser

**In Attendance**

Ms. Ooi Yoong Yoong	Company Secretary
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**By Invitation**

Ms. Ng Hui Hooi	Financial Controller
Mr. Koay Theam Hock and Ms. Loh Chin Ling representing BDO PLT	External Auditors

Encik Mohamed Sophiee Ahmad Nawawi, Encik Anas Bin Khalid, Encik Muhammad Farhan representing Boardroom Share Registrars Sdn. Bhd.	Poll Administrator
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Ms. Teresa Tan Siew Kuan Ms. Chia Yue Juin, representing Value Creator Consultancy	Scrutineers
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Ms. Ng Siew Ee, and Ms. Tan Ai Peng representing Affin Hwang Investment Bank Berhad	Sponsor
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**Shareholders/Proxies/Corporate  
Representatives/Management Team/  
Guests**

As per attendance list

**CHAIRMAN OF THE MEETING**

Dato’ Ng Chai Eng (“Dato Chairman”) chaired the Meeting and extended a warm welcome to all present at the 3<sup>rd</sup> AGM.

**QUORUM**

There being a quorum, the 3<sup>rd</sup> AGM was duly convened.

### **NOTICE OF MEETING**

The notice convening the Meeting was tabled and taken as read.

### **PRELIMINARY**

- (a) Dato' Chairman introduced each and every member of the Board of Director ("Board") as well as Ms Ooi Yoong Yoong, the Company Secretary who were in attendance.
- (b) Dato' Chairman indicated that any visual or audio recording of the Meeting was strictly prohibited.
- (c) Dato' Chairman informed that there were 6 Ordinary Resolutions to be tabled for approval by the shareholders. He also informed that voting of the 3<sup>rd</sup> AGM would be conducted on a poll in accordance with Rule 8.31A of the Bursa Malaysia Securities Berhad ACE Market Listing Requirements. For this purpose, Dato' Chairman exercised his right as the Chairman of the Meeting to demand for a poll in accordance with Clause 121 of the Company's Constitution in respect of all resolutions which would be put to vote at the Meeting.
- (d) Dato' Chairman further informed that the Company had appointed Messrs. Boardroom Share Registrars Sdn. Bhd. as Poll Administrator to conduct the polling process and Value Creator Consultancy as Independent Scrutineers to verify the poll results. The polling process for the resolutions would be conducted upon completion of the deliberation of all items on the Meeting agenda.
- (e) Dato' Chairman briefed the members, corporate representatives and proxies present of their right to speak and vote on the resolutions set out in the Notice of the 3<sup>rd</sup> AGM dated 3 November 2023.

### **PRESENTATIONS BY COMPANY**

- (i) Mr. Lim Taw Seong, the CEO of UMC addressed the attendees of the 3<sup>rd</sup> AGM and thanked them for their presence and support. He highlighted the accomplishments and difficulties that the Company faced in the year 2023 and encouraged the shareholders to share their feedback and enquiries in relation to the Company's performance.

Key highlights presented by Mr. Lim were as follows:

- In the past fiscal year, UMC witnessed another exciting chapter filled with remarkable developments in the medical device and consumable industry. The Group diversified its business into the laboratory segment, which helped to fill market gaps and expand its product range.
- UMC faced global challenges with strategic decisions that led to growth and innovation in its industry. UMC remained focused on its mission of providing quality healthcare and addressing chronic diseases through its advanced equipment and medical consumables. UMC adopted a two-pronged approach that combined marketing and distribution with strong manufacturing capabilities. The Group achieved a new record profit after taxation of RM10.32 million, which was a 60.5% increase from the previous year.
- UMC has expanded its product portfolio and market reach by acquiring Patho Solutions (M) Sdn Bhd ("Patho Solutions"), a leading laboratory equipment and consumables provider. UMC will explore possibility of diversifying into new segments, such as digital healthcare equipment and medical consumables, and would launch several innovative products in the next two years.

- Following the recent commercialisation of the prefilled nebulisers, other products such as sterile water for inhalation, digital oxygen flowmeters, and humidifier humidity sensors are on the horizon.
  - To support the growing business, UMC invested in a new 21,350 square feet factory plant which will enable UMC to expand the production capacity and deliver high-quality solutions to the customers.
  - The above notable accomplishments coupled with the Proposed Transfer from ACE Market to the Main Market of Bursa Malaysia Securities Berhad (“Proposed Transfer to Main Market”) serve as proof of UMC’s unwavering dedication to upholding excellence in the field of healthcare, guided by the core values of unity, motivation, and commitment.
  - He expressed his confidence in the management team and the future prospects of UMC and thanked the stakeholders for their support and collaboration and said that success was best when shared. Lastly, he urged the shareholders for their continuous support.
- (ii) Ms. Ng Sze Hui made a presentation which covered the Company’s business overview, key highlights, financial highlights and future outlook.

Key highlights presented by Ms. Ng were as follows:

Business Overview

- The Group operates in two core segments: marketing and distribution, and manufacturing. The marketing and distribution segment was strengthened by the acquisition of Patho Solutions, a leading lab equipment and services provider, which enables UMC to venture into the laboratory segment.
- The Company's HQ is based in Batu Kawan, but it has marketing and distribution offices, and sales representatives to serve all hospitals in Malaysia. In addition UMC has a strong export growth strategies focused on market opportunities and also has manufacturing customer base in over 30 countries. UMC intends to continue its effort to increase its market shares in the global market.

Key highlights for FYE 2023

- Expansion into laboratory segment  

UMC completed the acquisition of 70% stake in Patho Solutions while the remaining 30% stake is held by the founder who has 20 years’ experience in the laboratory industry. This strategic move allows UMC to position itself as a distributor of renowned lab brands and to tap into the growing demand for pre-disease screening in the healthcare industry. The management is confident that this segment will offer sustained and profitable growth in the coming years. She indicated that the global laboratory equipment market size is estimated to reach USD84.79 billion by 2030, and UMC is well-positioned to capture this opportunity.
- Expansion of operation capabilities  

UMC expanded its manufacturing facilities by constructing a new production floor behind the existing factory, which adds 21,350 square feet of floor space. This will increase the output of Hydrox Prefilled Humidifiers, Airdrox Inhaler Spacers and

Prefilled Nebulisers. The new production floor is expected to be fully operational by the first quarter of 2024.

- Embracing sustainability efforts

UMC had installed 420 solar panels at its existing factory.

- Commercialisation of new products

The successful launching of Prefilled Nebulisers.

- Delivering continuous growth in profits

UMC posted a all-time high for profit after tax at RM10.32 million.

- Proposed Transfer to Main Market

The Proposed Transfer to Main Market will enhance the market visibility and participation thereby improving shareholder's value.

#### Financial highlights

She briefed the Meeting about the financial position of FYE 2023 as compared to FYE 2022 and reported that the Group recorded revenue of RM45.43 million (2022: RM50.74 million), profit after tax of RM10.32 million (2022: RM6.43 million), total assets of RM73.29 million (2022: RM68.89 million), total equity of RM63.48 million (2022: RM52.68 million) and total liabilities of RM9.81 million (2022: RM16.21 million). She presented UMC's financial performance as prudent and sound.

She also highlighted the Group's revenue by geographical location. She said that Malaysia remains UMC's main market, and there was a significant increase in the European market share in FYE 2023. The revenue from Europe more than doubled, as the Company's manufactured products gained popularity in various countries, especially Spain. The management expects this trend to continue and intend to expand its presence in other regions as well.

She updated the shareholders on the status of the IPO proceeds utilisation as of 31 October 2023. She informed that all the proceeds were utilised as planned namely to repay the bank borrowing and listing expenses, as well as for working capital. However, the fund for setting up new marketing and distribution offices was still unused yet and the money for the new factory building was 82.20% spent.

#### Future outlook

##### Upcoming new products

UMC manufacturing strength is in respiratory products, which gives UMC an edge in this market segment. The new upcoming respiratory products are:

- Sterile water for inhalation  
The global market for this product is expected to grow to USD 1.6 billion by 2029.
- Digital humidifier monitoring sensor  
The global market for medical sensors is expected to grow to USD 3.0 billion by 2026.

- Digital oxygen flowmeter
- The global market for oxygen flow meters is expected to grow to USD 1.9 billion by 2032.

These products are targeted to be launched in the next two years.

#### Revised budget 2024

The Ministry of Health budget for 2024 increased by 13.5% to RM41.2 billion as compared to Budget 2023. The budget included funds for replacing obsolete equipment and expanding new service areas (RM766 million), upgrading dilapidated clinics (RM300 million), and procuring medicine, consumables, reagents, and vaccines (RM5.5 billion). The budget also covered the maintenance of the healthcare IT system (RM150 million) and the reimbursement of medical devices. The increased budget would support the growth of the Company's marketing and distribution segment in the healthcare sector.

- (iii) Dato' Chairman thanked Mr. Lim and Ms. Ng for their presentations and sharings.

### **1.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

- 1.1 Dato' Chairman tabled the Audited Financial Statements for the financial year ended 31 July 2023 together with the Reports of the Directors and Auditors thereon to the members.

- 1.2 There were no questions raised on this agenda.

- 1.3 Dato' Chairman declared that the Audited Financial Statements for the financial year ended 31 July 2023 together with the Reports of the Directors and Auditors thereon were received and duly tabled at the 3<sup>rd</sup> AGM.

### **2.0 ORDINARY RESOLUTION NO. 1 APPROVAL OF 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 OF THE COMPANY TO BE HELD IN 2025**

- 2.1 Dato' Chairman informed that the next agenda in the notice of the 3<sup>rd</sup> AGM was 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 of the Company to be held in 2025.

- 2.2 Dato' Chairman advised the Non-Executive Directors who are also the shareholders of the Company to abstain from voting on the resolution concerning their fees and benefit.

- 2.3 There were no questions raised on this agenda.

### **3.0 ORDINARY RESOLUTIONS NO. 2 RE-ELECTION OF DIRECTORS OF THE COMPANY PURSUANT TO CLAUSE 165.1 OF THE COMPANY'S CONSTITUTION**

- 3.1 Dato' Chairman informed that the next agenda is on re-election of Directors and as he was one of the Directors subjects to re-election; therefore, he hands over the chair to Mr. Lim Taw Seong, the Executive Director/ Chief Executive Officer.

3.2 Mr. Lim took over the chair and informed the meeting that the Directors who retired by rotation pursuant to Clause 165.1 of the Company's Constitution offered themselves for re-election as Directors of the Company were as follows: -

- a) Dato' Ng Chai Eng under Ordinary Resolution 2; and
- b) Ms. Tan Chye Suan under Ordinary Resolution 3.

3.3 Mr. Lim then informed that the profiles of the Director were provided in page 19 and 23 of the 2023 Annual Report.

3.4 There were no questions raised on this agenda.

3.5 Mr. Lim handed the Chair back to Dato' Chairman.

**4.0 ORDINARY RESOLUTIONS NO. 4  
RE-ELECTION OF DIRECTOR OF THE COMPANY PURSUANT TO  
CLAUSE 156 OF THE COMPANY'S CONSTITUTION**

4.1 Dato' Chairman informed that Dato' Dr. Teh Keng Hwang retired pursuant to Clause 156 of the Company's Constitution, has offered herself for re-election as Director of the Company.

4.2 Dato' Chairman then informed that Dato' Dr. Teh's profile was provided in page 25 of the 2023 Annual Report.

4.3 There were no questions raised on this agenda.

**5.0 ORDINARY RESOLUTION NO. 5  
RE-APPOINTMENT OF MESSRS. BDO PLT AS AUDITORS OF THE  
COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR  
REMUNERATION**

5.1 Dato' Chairman informed that Ordinary Resolution 5 was to re-appoint Messrs. BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

5.2 There were no questions raised on this agenda.

**6.0 ORDINARY RESOLUTION NO. 6  
AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT,  
2016 FOR THE DIRECTORS TO ISSUE SHARES**

6.1 Dato' Chairman moved on to the special business on the morning's agenda. He informed that the Ordinary Resolution 6 was to obtain shareholders' mandate for the Directors to issue shares in the Company up to a maximum of 10% of the issued share capital of the Company.

6.2 The rationale for obtaining this mandate is to provide certain amount of flexibility to the Board, when need arises, to issue additional shares subject to the approval of authorities being obtained.

6.3 There were no questions raised on this agenda.

**7.0 ANY OTHER BUSINESS**

7.1 Dato' Chairman informed that the Company Secretary had confirmed that the Company had not received any notice for transaction of any other business at the Meeting.

## 8.0. POLLING PROCESS

- 8.1 Dato' Chairman invited the poll administrator to explain the procedures for the conduct of poll at the Meeting.
- 8.2 Encik Muhammad Farhan briefed the Meeting that voting slips for the 3<sup>rd</sup> AGM were pre-printed with name, identity card number/ company number, and number of shares held. The shareholders were requested to indicate their votes by marking an "X" in the appropriate box for all the Resolutions, and sign on the voting slip for the 3<sup>rd</sup> AGM which was given upon registration. All the voting slips should be placed in the ballot box. The poll vote count would commence after the adjournment of the Meeting and the results of the poll would be verified by the Scrutineers, Value Creator Consultancy.
- 8.3 Dato' Chairman then declared that the Meeting be adjourned for 20 minutes for the poll vote count and would resume later for the declaration of poll results in respect of all the Resolutions.
- 8.4 The Meeting had no objection to the adjournment.

## 9.0 ANNOUNCEMENT OF POLL RESULTS

- 9.1 Dato' Chairman reconvened the Meeting at 11.40 a.m. He informed that he had received the poll results from the Scrutineers and the same was shown on the screen for Members' information. The results announced were as follows:

Ordinary	For			Against		
	Number of Shares	No. of Voters	%	Number of Shares	No. of Voters	%
<b>Resolution 1</b>	250,514,942	14	99.9513	122,000	2	0.0487
<b>Resolution 2</b>	231,432,742	18	99.9991	2,000	1	0.0009
<b>Resolution 3</b>	251,534,942	18	99.9992	2,000	1	0.0008
<b>Resolution 4</b>	251,834,942	19	99.9992	2,000	1	0.0008
<b>Resolution 5</b>	251,834,942	19	99.9992	2,000	1	0.0008
<b>Resolution 6</b>	251,834,942	19	99.9992	2,000	1	0.0008

- 10.2 Dato' Chairman then declared that Ordinary Resolutions 1 to 6 were carried and duly passed as follows: -
- a) Ordinary Resolution 1
- "That 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 of the Company to be held in 2025 be approved."
- b) Ordinary Resolution 2
- "That Dato' Ng Chai Eng who retired in accordance with the Clause 165.1 of the Company's Constitution, be re-elected as Director of the Company."
- c) Ordinary Resolution 3
- "That Ms. Tan Chye Suan who retired in accordance with the Clause 165.1 of the Company's Constitution, be re-elected as Director of the Company."
- d) Ordinary Resolution 4

“That Dato’ Dr. Teh Keng Hwang who retired in accordance with the Clause 156 of the Company’s Constitution, be re-elected as Director of the Company.”

e) Ordinary Resolution 5

“That the re-appointment of Messrs. BDO PLT as Auditor of the Company and authorization to the Directors to fix their remuneration be approved.”

f) Ordinary Resolution 6

“THAT, subject always to the Companies Act, 2016 (“the Act”), the Company’s Constitution, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) 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.”

## 10.0 CONCLUSION

- 10.1 There being no further business, Dato’ Chairman thanked the members present for their support and attendance; and declared the Meeting closed at 11.42 a.m.

READ AND CONFIRMED BY,



CHAIRMAN