

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF UMEDIC GROUP BERHAD (“UMC” OR “COMPANY”) DATED 6 JULY 2022 (“ELECTRONIC PROSPECTUS”)

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Prospectus shall apply throughout this notice).

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad’s (“**Bursa Securities**”) website at www.bursamalaysia.com (“**Website**”).

Availability and Location of Paper/Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request for a paper/printed copy of the Prospectus directly from the Company, Affin Hwang Investment Bank Berhad (“**Affin Hwang IB**”) or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Forms are not available in electronic format.

Jurisdictional Disclaimer

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, Affin Hwang IB and the Company take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the units outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any units, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

Close of Application

Applications will be accepted from **10:00 a.m. (Malaysian time) on 6 July 2022** and will close at **5:00 p.m. (Malaysian time) on 13 July 2022**. In the event there is any change to the timetable, UMC will advertise the notice of changes in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia and announce it on Bursa Securities’ website accordingly.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users’ access to the website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.

www.umedic.com.my



HEADQUARTERS

PMT 790, Jalan Cassia Selatan 5/2
Taman Perindustrian Batu Kawan
14110 Bandar Cassia, Penang

TEL : +604-589 9676
FAX : +604-589 9677
EMAIL : ir@umedic.com.my

"The images above depict the medical devices distributed and medical consumables manufactured by UMediC Group Berhad. Consent has been obtained from our suppliers/principals to feature the images of the medical devices in this Prospectus."

PROSPECTUS



UMEDIC GROUP BERHAD

Registration No. 202101015347 (1415647-D)
(Incorporated in Malaysia under the Companies Act 2016)

UMEDIC GROUP BERHAD

PROSPECTUS

INITIAL PUBLIC OFFERING ("IPO") IN CONJUNCTION WITH THE LISTING OF UMEDIC GROUP BERHAD ("UMC") ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") COMPRISING THE PUBLIC ISSUE OF 97,224,300 NEW ORDINARY SHARES IN UMC ("IPO SHARES") IN THE FOLLOWING MANNER:

- (i) 18,695,500 IPO SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- (ii) 13,086,800 IPO SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND BUSINESS ASSOCIATES WHO HAVE CONTRIBUTED TO THE SUCCESS OF UMC AND ITS SUBSIDIARIES; AND
- (iii) 65,442,000 IPO SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS

AT AN IPO PRICE OF RM0.32 PER IPO SHARE PAYABLE IN FULL UPON APPLICATION

Principal Adviser, Sponsor, Sole Placement Agent and Sole Underwriter



AFFIN HWANG INVESTMENT BANK BERHAD
(Registration No. 197301000792 (14389-U))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

THIS PROSPECTUS IS DATED 6 JULY 2022

THE ACE MARKET IS AN ALTERNATIVE MARKET DESIGNED PRIMARILY FOR EMERGING CORPORATIONS THAT MAY CARRY HIGHER INVESTMENT RISK WHEN COMPARED WITH LARGER OR MORE ESTABLISHED CORPORATIONS LISTED ON THE MAIN MARKET. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.

THE ISSUE, OFFER OR INVITATION FOR THE OFFERING IS A PROPOSAL NOT REQUIRING APPROVAL, AUTHORISATION OR RECOGNITION OF THE SECURITIES COMMISSION MALAYSIA ("SC") UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007 ("CMSA").

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER SIX (6) MONTHS FROM THE DATE OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 187 OF THIS PROSPECTUS.

THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC. THE REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE SECURITIES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENT OF THIS PROSPECTUS.

All defined terms used in this Prospectus are defined under “Presentation of Information”, “Definitions” and “Glossary of Technical Terms”.

RESPONSIBILITY STATEMENTS

Our Directors and Promoters have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Affin Hwang IB, being our Principal Adviser, Sponsor, Sole Placement Agent and Sole Underwriter, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the offering.

STATEMENTS OF DISCLAIMER

Approval has been granted by Bursa Securities for the listing and quotation of our Shares being offered. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

Bursa Securities is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

This Prospectus, together with the Application Form, has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

OTHER STATEMENTS

Investors should note that they may seek recourse under Sections 248, 249 and 357 of the CMSA for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Company.

Our Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning the offering, for which any person set out in Section 236 of the CMSA, is responsible.

This Prospectus is prepared and published solely in connection with the offering under the laws of Malaysia. Our Shares are offered in Malaysia solely based on the contents of this Prospectus. Our Company, our Promoters and our Principal Adviser, Sponsor, Sole Placement Agent and Sole Underwriter have not authorised anyone to provide you with information which is not contained in this Prospectus.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

The distribution of this Prospectus and the offering are subject to the laws of Malaysia. Our Company, our Promoters and our Principal Adviser, Sponsor, Sole Placement Agent and Sole Underwriter take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. No action has been taken to permit a public offering of the securities of our Company based on this Prospectus or the distribution of this Prospectus outside Malaysia.

This Prospectus may not be used for the purpose of and does not constitute an offer to sell or an invitation to buy the securities offered under the offering in any jurisdiction or in any circumstances in which such an offer or invitation is not authorised or is unlawful. This Prospectus shall also not be used to make an offer of or invitation to buy the securities offered under the offering to any person to whom it is unlawful to do so. Our Company, our Promoters and our Principal Adviser require you to inform yourselves of and to observe such restrictions.

We will not, prior to acting on any acceptance in respect of the offering, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith. It shall be your sole responsibility, if you are or may be subject to the laws of any countries or jurisdictions other than Malaysia, to consult your legal and/or other professional advisers as to whether your application for the offering would result in the contravention of any law of such country or jurisdiction which you may be subject to. Neither we nor our Principal Adviser, Sponsor, Sole Placement Agent and Sole Underwriter nor any other advisers in relation to the offering shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, voidable or void in any such country or jurisdiction.

Further, it shall also be your sole responsibility to ensure that your application for the offering would be in compliance with the terms of this Prospectus and would not be in contravention of any law of countries or jurisdictions other than Malaysia to which you may be subject to. We will further assume that you have accepted the offering in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the electronic Prospectus and the copy of this Prospectus registered with the SC are the same.

You are advised that the internet is not a fully secured medium and that your Internet Share Application may be subject to risks of problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions. These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt of the validity or integrity of an electronic Prospectus, you should immediately request from us, our Principal Adviser or our Issuing House, a paper/ printed copy of this Prospectus. In the event of any discrepancies arising between the contents of the electronic Prospectus and the contents of the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus, which are identical to the copy of the Prospectus registered with the SC, shall prevail.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**Third Party Internet Sites**") whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:

- (i) we and our Principal Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;
- (ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, information, files or other material provided by such parties; and

- (iii) any data, information, files or other material downloaded from the Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer systems or loss of data resulting from the downloading of any such data, information, files or other material.

Where an electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions, you are advised that:

- (i) the Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of an electronic Prospectus, to the extent of the contents of the electronic Prospectus situated on the web server of the Internet Participating Financial Institutions which may be viewed through web browser or other relevant software. The Internet Participating Financial Institutions shall not be responsible for the integrity of the contents of an electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions, and subsequently communicated or disseminated in any manner to you or other parties; and
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an electronic Prospectus, the accuracy and reliability of an electronic Prospectus cannot be guaranteed because the internet is not a fully secured medium.

The Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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INDICATIVE TIMETABLE

The indicative timetable for our IPO is set out below:

Event	Time / date
Opening of application for our IPO Shares	10.00 a.m., 6 July 2022
Closing of application for our IPO Shares	5.00 p.m., 13 July 2022
Balloting of applications for our IPO Shares	18 July 2022
Allotment of our IPO Shares to successful applicants	25 July 2022
Listing	26 July 2022

If there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia and announce it on Bursa Securities' website accordingly.

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PRESENTATION OF INFORMATION

All references to “our Company” or “UMC” in this Prospectus are to UMediC Group Berhad. All references to “our Group” or “UMC Group” in this Prospectus are to our Company and our subsidiaries collectively. All references to “we”, “us”, “our” and “ourselves” in this Prospectus are to our Company and where the context otherwise requires, shall include our subsidiaries. Unless the context otherwise requires, references to “Management” in this Prospectus are to our Directors and Key Senior Management as at the date of this Prospectus, and statements to our beliefs, expectations, estimates and opinions are those of our Management.

All references to “you” are to our prospective investors.

All references to the “LPD” in this Prospectus are to 31 May 2022, being the latest practicable date prior to the registration of this Prospectus with the SC.

Other abbreviations and acronyms used in this Prospectus are defined in the “Definitions” section and technical terms used in this Prospectus are defined in the “Glossary of Technical Terms” section. Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. Any reference to persons shall, where applicable, include companies and corporations.

Any reference in this Prospectus to any provision of the statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as reference to the provision of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

All references to times and dates in this Prospectus are references to times and dates in Malaysia, unless otherwise stated.

Certain amounts and percentage figures included in this Prospectus have been subjected to rounding adjustments. As a result, any discrepancy in the tables or charts between the amounts listed and totals in this Prospectus is due to rounding. Where information is presented in thousands or millions of units, amounts may have been rounded up or down.

This Prospectus includes statistical data provided by us and various third parties and cites third party projections regarding growth and performance of the industry in which we operate as well as our estimated market share in the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us or is extracted from the Independent Market Researcher Report (“**IMR Report**”) prepared by Protégé Associates Sdn Bhd (“**Protégé**”), an independent market researcher, as included in Section 7 of this Prospectus. In compiling their data for the review, Protégé had relied on its research methodology, industry sources, published materials, their private databanks and direct contacts within the industry. Further, third party projections, including the projections from the IMR Report, cited in this Prospectus are subject to uncertainties that could cause actual data to differ materially from the projected figures. We cannot give any assurance that the projected figures will be achieved and you should not place undue reliance on the statistical data and third party projections cited in this Prospectus.

If there are any discrepancies or inconsistencies between the English and Malay versions of this document, the English version shall prevail. The information on our website or any website, directly or indirectly, linked to such website does not form part of this Prospectus and you should not rely on the information for the purpose of your decision whether or not to invest in our Shares.

FORWARD LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies and prospects are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results to be materially different from any future result, performance or achievements, or industry result expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminologies such as the words “expect”, “believe”, “anticipate”, “plan”, “aim”, “intend”, “estimate”, “forecast”, “may”, “will”, “would” and “could” or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) the general industry environment, including the demand for and supply of our products;
- (ii) our future overall business development and operations plans;
- (iii) our business strategies, trends and competitive position and the effect of such competition;
- (iv) potential growth opportunities;
- (v) our financial performance and financing plan including future earnings, cash flows and liquidity; and
- (vi) the regulatory environment and the effects of future regulation.

Factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking statements in this Prospectus include those discussed in Section 8 of this Prospectus on “Risk Factors” and Section 11.3.2 of this Prospectus on “Significant Factors Affecting our Financial Condition and Results of Operations”. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made based on information available to us as at the LPD and made only as at the LPD.

Should we become aware of any subsequent significant change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment of our IPO Shares, we will issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

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DEFINITIONS

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

ACE Market	:	ACE Market of Bursa Securities
Acquisitions	:	Actimed Acquisition, Evo Medik Acquisition, U Medihealth Acquisition, UMediC Acquisition, UWHC Acquisition and UWHM Acquisition, collectively
Act	:	Companies Act 2016
Actimed Acquisition	:	The acquisition by UMC of the entire issued share capital of Actimed from Dato' Ng Chai Eng, Lim Taw Seong, Lau Chee Kheong, Lim Suat Gim and Kong Yoen Hoo for a purchase consideration of RM1,498,520, which was satisfied via the issuance of 29,970,400 new Shares at an issue price of RM0.05 per Share. The Actimed Acquisition was completed on 28 September 2021
ADA	:	Authorised Depository Agent
Admission	:	Admission of our Shares to the Official List
Affin Hwang IB, Principal Adviser, Sponsor, Sole Placement Agent or Sole Underwriter	:	Affin Hwang Investment Bank Berhad (Registration No. 197301000792 (14389-U))
Application	:	Application for our IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Form	:	Application form for the application of our IPO Shares
ATM	:	Automated teller machine
Authorised Financial Institution(s)	:	Authorised financial institution(s) participating in the Internet Share Application in respect of the payment for our IPO Shares
Batu Kawan Land	:	A double-storey office building annexed with a single-storey factory building on a leasehold land known as PMT 790, Jalan Cassia Selatan 5/2, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang
Board	:	Board of Directors of our Company
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))

DEFINITIONS (CONT'D)

BSI	:	BSI Assurance UK Limited
By-Laws	:	The rules, terms and conditions of the SGS as may be modified, varied and/or amended from time to time
CAGR	:	Compound annual growth rate
CCC	:	Certificate of completion and compliance
CDS	:	Central Depository System
CDS Account	:	An account established by Bursa Depository for a depositor to record his deposits or withdrawals of securities and to deal in such securities
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
COVID-19	:	Coronavirus disease 2019
Director(s)	:	The director(s) of our Company and shall have the meaning given in Section 2 of the CMSA
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
Electronic Prospectus	:	An electronic copy of this Prospectus that has been registered by the SC, which is being issued, circulated, disseminated, stored or hosted on digital platforms or electronic storage mediums, including but not limited to website, mobile application, email, compact disc, thumb drive and cloud-based storage
Electronic Share Application	:	Application for our IPO Shares through a Participating Financial Institution's ATMs
Eligible Person(s)	:	Eligible Director(s), employee(s) and business associate(s) of our Group who have contributed to the success of our Group
EPS	:	Earnings per Share
Evo Medik Acquisition	:	The acquisition by UMC of the entire issued share capital of Evo Medik from Kong Yoen Hoo and UMediC for a purchase consideration of RM1,210,470 which was satisfied via the issuance of 24,209,400 new Shares at an issue price of RM0.05 per Share. The Evo Medik Acquisition was completed on 28 September 2021
Financial Periods Under Review	:	FPE 2021 and FPE 2022, collectively
Financial Years Under Review	:	FYE 2019, FYE 2020 and FYE 2021, collectively

DEFINITIONS (CONT'D)

FPE	:	Six (6)-month financial period ended 31 January
FYE	:	Financial year ended/ending 31 July, as the case may be
GDPMD	:	Good Distribution Practices for Medical Devices
GE	:	GE Healthcare Sdn Bhd
GP	:	Gross profit
Grant Date	:	The date on which the Grants are made by the SGS Committee
Grantee(s)	:	Eligible Director(s) and employee(s) selected by the SGS Committee to whom the Grants are made pursuant to the By-Laws
Grants	:	The grants of the SGS Shares made in writing by the SGS Committee to an eligible Director and employee in accordance with the By-Laws
IMR or Protégé	:	Protégé Associates Sdn Bhd (Registration No. 200401037256 (675767-H))
IMR Report	:	Independent market research report prepared by Protégé
Internet Participating Financial Institution(s)	:	Participating financial institution(s) for the Internet Share Application, as listed in Section 15.6 of this Prospectus
Internet Share Application	:	Application for our IPO Shares through an Internet Participating Financial Institution
IPO	:	Public Issue of 97,224,300 new Shares
IPO Price	:	RM0.32 for each IPO Share
IPO Share(s)	:	97,224,300 new Share(s) to be issued pursuant to the IPO
ISO	:	International Organisation for Standardisation
Issuing House	:	Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))
Key Senior Management	:	Key senior management of our Group including our Executive Director/Chief Executive Officer and those as set out in Section 4.5 of this Prospectus
Listing	:	Listing of and quotation for the entire enlarged issued share capital of UMC on the ACE Market
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
LPD	:	31 May 2022, being the latest practicable date prior to the registration of this Prospectus with the SC
Malaysian Public	:	Malaysian citizens, companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day	:	A day on which Bursa Securities is open for trading in securities

DEFINITIONS (CONT'D)

MCO	:	Movement control order
MDA	:	Medical Device Act 2012 (Act 737)
MDA Malaysia	:	Medical Device Authority Malaysia
Merit	:	Merit Medical Singapore Pte Ltd
MFRS	:	Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board
MIDA	:	Malaysian Investment Development Authority
Mindray	:	Mr Global (HK) Limited
MITI	:	Ministry of International Trade and Industry of Malaysia
MNC	:	Multinational corporation
MOF	:	Ministry of Finance, Malaysia
MOH	:	Ministry of Health of Malaysia
MyIPO	:	Intellectual Property Corporation of Malaysia
N/A	:	Not applicable
NA	:	Net assets
NBV	:	Net book value
Official List	:	A list specifying all securities which have been admitted for listing and have not been removed from Bursa Securities
Participating Financial Institution(s)	:	Participating financial institution(s) for the Electronic Share Application, as listed in Section 15.5 of this Prospectus
PAT	:	Profit after taxation
PBT	:	Profit before taxation
Philips	:	Philips Malaysia Sdn Bhd
Pink Form Allocations	:	13,086,800 IPO Shares made available for application by the Eligible Persons
Promoters	:	The promoters of UMC, namely UMediC Capital, Dato' Ng Chai Eng, Lim Taw Seong and Lau Chee Kheong , details of which are set out in Section 4.1 of this Prospectus
Prospectus	:	This Prospectus dated 6 July 2022 in relation to our IPO
QMS	:	Quality management system
R&D	:	Research and development

DEFINITIONS (CONT'D)

Rules of Bursa Depository	:	The rules of Bursa Depository as issued under the SICDA
SC	:	Securities Commission Malaysia
Selected Investors	:	Being the investors that meet the requirements of Schedule 6 or 7 of the CMSA and subscribe for our IPO Shares through private placement
SGS or Scheme	:	Establishment of an employees' share grant scheme of up to 15% of the total number of issued shares of our Company (excluding treasury shares, if any) at any point of time during the SGS Period for the eligible Directors and employees of our Group (excluding subsidiary companies which are dormant)
SGS Committee	:	The committee to be established to implement and administer the SGS in accordance with the By-Laws
SGS Period	:	The duration of the Scheme in accordance with the By-Laws
SGS Share(s)	:	UMC Share(s) granted to the Grantees pursuant to the Grants under the Scheme which will be vested to the Grantees in accordance with the By-Laws
Share Registrar	:	Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D))
SICDA	:	Securities Industry (Central Depositories) Act 1991 of Malaysia
sq ft	:	Square feet
U Medihealth Acquisition	:	The acquisition by UMC of the entire issued share capital of U Medihealth from Dato' Ng Chai Eng, Lim Taw Seong, Lau Chee Kheong and Lee Yi Kai, for a purchase consideration RM160,835 which was satisfied via the issuance of 3,216,700 new Shares at an issue price of RM0.05 per Share. The U Medihealth Acquisition was completed on 28 September 2021
UMC Group or Group	:	Our Company and subsidiaries, collectively
UMC or Company	:	UMediC Group Berhad (Registration No. 202101015347 (1415647-D))
UMC Share(s) or Share(s)	:	Ordinary share(s) in our Company
UMediC Acquisition	:	The acquisition by UMC of the entire issued share capital of UMediC from Dato' Ng Chai Eng, Lim Taw Seong and Lau Chee Kheong for a purchase consideration of RM6,098,815 which was satisfied via the issuance of 121,976,300 new Shares at an issue price of RM0.05 per Share. The UMediC acquisition was completed on 28 September 2021
UMediC Capital	:	UMediC Capital Sdn Bhd (Registration No. 202101023414 (1423714-U))
Underwriting Agreement	:	The underwriting agreement dated 3 June 2022 entered into between our Company and our Sole Underwriter for the purpose of the IPO

DEFINITIONS (CONT'D)

- UWHC Acquisition : The acquisition by UMC of the entire issued share capital of UWHC from Dato' Ng Chai Eng, Lim Taw Seong, Lau Chee Kheong, Ng Chin Aik and Ang Choon Seong for a purchase consideration of RM46,315 which was satisfied via the issuance of 926,300 new Shares at an issue price of RM0.05 per Share. The UWHC Acquisition was completed on 28 September 2021
- UWHM Acquisition : The acquisition by UMC of the entire issued share capital of UWHM from Dato' Ng Chai Eng, Lim Taw Seong, Lau Chee Kheong and Ng Chin Aik, for a purchase consideration of RM4,819,300 which was satisfied via the issuance of 96,386,000 new Shares at an issue price of RM0.05 per Share. The UWHM Acquisition was completed on 28 September 2021

SUBSIDIARIES OF OUR COMPANY

- Actimed : Actimed Healthcare Sdn Bhd (Registration No. 200301016809 (619229-H))
- Evo Medik : Evo Medik Sdn Bhd (Registration No. 200701026421 (784442-T))
- U Medihealth : U Medihealth Sdn Bhd (Registration No. 201101015786 (943920-K))
- UMediC : UMediC Healthcare Sdn Bhd (Registration No. 200201030512 (598175-W))
- UWHC : UWHC Sdn Bhd (Registration No. 201801027503 (1289529-V))
- UWHM : UWHM Sdn Bhd (Registration No. 201101033860 (961995-K))

CURRENCIES

- CNY : Chinese yuan renminbi, the lawful currency of the People's Republic of China
- Euro : Euro, the lawful currency of the European Union
- RM and sen : Ringgit Malaysia and sen, the lawful currency of Malaysia
- SGD : Singapore Dollar, the lawful currency of Singapore
- USD : United States Dollar, the lawful currency of the United States of America

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GLOSSARY OF TECHNICAL TERMS

This glossary contains an explanation of certain terms used throughout this Prospectus in connection with and in the context of our business. The terminologies and their meanings may not correspond to the standard industry usage of these terms.

3D	:	Three-dimensional, or an object having three dimensions of length, width and height
3D chest compressor	:	An electric-powered medical device used to perform cardiac external chest compression on the go with a purpose of replacing manual compression for cardiopulmonary resuscitation on patient with cardiac arrest without spontaneous breathing
ABS	:	Acrylonitrile butadiene styrene, a common thermoplastic used for injection molding applications such as pipe, automotive body parts, wheel covers, enclosures and protective head gear
AED	:	Automated external defibrillators, a portable device used to correct abnormal heart rhythm by delivering brief electrical shocks to restore normal heartbeat
Alternating pressure air mattresses	:	An air mattress that is placed on top of a regular bed mattress; used to promote skin integrity and prevent skin breakdown. It has air-filled channels that alternately fill and empty to keep bearing weight off bony prominences of immobilised or weak patients who are unable to shift their weight frequently
Capnography	:	A monitoring device that measures the concentration of carbon dioxide in exhaled air and displays a numerical readout and waveform tracing
Cardiac	:	A term that refers to parts relating to or situated near the heart
Cardiotocography monitor	:	An electronic medical device used for monitoring and recording the fetal heartbeat and the uterine contractions during pregnancy
Colposcope	:	A surgical instrument used to examine the vagina and the cervix of the uterus
Defibrillators	:	An electronic medical device used to correct abnormal heart rhythm by delivering brief electrical shocks to restore normal heartbeat
Demineralisation	:	The process of removing mineral salts from water by using the ion exchange process
Dental handpiece	:	A hand-held, mechanical instrumental used to perform a variety of common dental procedures, including removing decay, polishing fillings, performing cosmetic dentistry and altering prostheses
Expiration	:	The act or process of releasing air from the lungs

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Gamma sterilisation	: A physical/chemical means of sterilisation to deactivate microorganisms such as bacteria, viruses and other living contaminants
General anaesthesia machine	: An electronic medical device which aids the delivery of drugs that cause unconsciousness to a patient before medical procedures
Healthcare service provider(s)	: Institution or facility involved in providing the reception, hospitalisation, treatment and care of person/patient who suffering from diseases or required medical treatment
Incubator	: An enclosed apparatus in which premature newborn or unusually small babies are placed and provides a controlled and protective warmth environment for their care
Infant radiant warmer	: A body warming device to stabilise the body temperature of a newborn or premature newborn
Infant resuscitation system	: A portable medical device that used to provide neonatal ventilatory support
Inhaler spacer	: A type of medical device that aimed to improve the delivery of asthma medication. It is a tube-like device which is attached to inhaler to assist with the delivery of aerosolised medications
Inspiration	: The inhalation of air into the lungs
LDPE	: Low density polyethylene, a thermoplastic made from the monomer ethylene used for manufacturing of container, dispensing bottles, wash bottles, tubing, plastic parts, molded laboratory equipment and plastic bags
Local anaesthetic delivery system	: A one-time injection of medicine that numbs a small area during dental treatments
Mechanical ventilator	: A breathing machine that gets oxygen into the lung and removes carbon dioxide from the body to help a person breathe easier when they are having surgery or cannot breathe on their own due to a critical illness
Medical bed	: A bed specially designed (having side rails that can be raised or lowered, can be adjusted especially to raise the head end, foot end or middle as required) for hospitalised patients or others in need of some form of health care
Medical cart	: Used by medical professional to temporarily or permanently hold and/or store medical equipment, instruments, consumables and accessories
Medical consumables	: Single-use/disposable medical devices that are used on a day-to-day basis to provide care within a hospital or surgical environment

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Medical devices	: Any instrument, apparatus, implement, machine, appliance, implant, and in-vitro reagent that is used for the purpose of diagnosing, preventing, monitoring, or treating disease, injuries, ailments, as well as other physical and psychological health conditions
Medical furniture	: Furniture such as medical bed, cart, treatment trolley, examination table, bedside locker, cabinet and drawer, wheelchair, etc that used in hospitals, medical or health care bodies during medical examination of the patients
Microfiltration	: Is one of the processes during water pre-treatment process that utilises physical filtration to physically removing suspended solids from water, usually through a membrane
MRI	: A non-invasive medical imaging technique used in radiology that uses a magnetic field and computer-generated radio waves to produce 3D detailed anatomical images of the body
Obstetrics and gynaecology	: The medical specialty that comprises two (2) distinct fields, obstetrics which involves care during pre-conception, pregnancy, childbirth, and immediately after delivery; gynaecology which involves care of all women's health issues
Patient monitor	: An electronic medical device with a screen display that allowed medical professionals to record and monitor a patient's medical vital signs (i.e. body temperature, blood pressure, pulse rate and respiratory rate) during and after surgery
Phototherapy	: A treatment use of visible light to treat severe jaundice in the neonatal period by lowering the bilirubin levels in newborn
PP	: Polypropylene, a thermoplastic polymer used in a wide variety of applications including moulded parts, electrical insulation, packaging, and fibres for wearing apparels
Prefilled humidifier	: A type of medical consumables filled with sterile water used to humidify the respiratory gas for patient
Prefilled nebuliser	: A type of medical consumables filled with sterile water used for respiratory patients who requiring sterile water for inhalation
Reverse osmosis	: A water purification process that uses a partially permeable membrane to separate ions, unwanted molecules and larger particles from water, and pure usable water is then produced
Shuttle	: An apparatus used to provide better thermoregulation and reduce the risks associated with traditional intra-hospital transport for premature newborn
Sterile water	: Purified, distilled water with no preservatives or additives and no microbial growth

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Suction unit	: A type of medical device that is primarily used for removing phlegm and mucus fluids from a person's airway
Softening	: Water softening is one of the processes during water pre-treatment process in which the ions of calcium, magnesium and sometimes iron are removed
Sonogram	: A visual image produced from an ultrasound examination
Tee connector	: Used for medical fluid control applications, such as to provide easy access to peripheral intravenous ("IV") catheters and the convenient connection of IV fluid lines
Ultrasound	: A form of medical imaging that uses high-frequency sound waves to capture live images from the inside of the body
Wheelchair	: A manually operated or power-driven device designed primarily for use by an individual with a mobility disability

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CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Nationality	Address
Dato' Ng Chai Eng	Non-Independent Non-Executive Chairman	Malaysian	110B-13A-06, Summerton Persiaran Bayan Indah 11900 Bayan Lepas Pulau Pinang
Lim Taw Seong	Executive Director/ Chief Executive Officer	Malaysian	28, Lorong Bukit Minyak 23/1 Taman Sentul Indah 14000 Bukit Mertajam Pulau Pinang
Lau Chee Kheong	Non-Independent Non-Executive Director	Malaysian	1A-39-01, The Jazz Jalan Seri Tanjung Pinang 1 10470 Tanjung Tokong Pulau Pinang
Dr Pakirisamy Baskaran A/L P Thangavelu	Independent Non-Executive Director	Malaysian	19, Jalan Udang Gantung Taman Cuepacs Segambut 52000 Kuala Lumpur
Tan Chye Suan	Independent Non-Executive Director	Malaysian	26, Lebuhraya Bodhi 10400 George Town Pulau Pinang
Lee Yee Wooi	Independent Non-Executive Director	Malaysian	14, Lorong Cermai 7 Taman Cermai 13500 Permatang Pauh Pulau Pinang
Ng Chin Liang	Alternate Director to Dato' Ng Chai Eng	Malaysian	110B-13A-06, Summerton Persiaran Bayan Indah 11900 Bayan Lepas Pulau Pinang

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
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

CORPORATE DIRECTORY (CONT'D)**NOMINATION COMMITTEE**

Name	Designation	Directorship
Dr Pakirisamy Baskaran A/L P Thangavelu	Chairman	Independent Non-Executive Director
Tan Chye Suan	Member	Independent Non-Executive Director
Lee Yee Wooi	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Tan Chye Suan	Chairman	Independent Non-Executive Director
Dr Pakirisamy Baskaran A/L P Thangavelu	Member	Independent Non-Executive Director
Lee Yee Wooi	Member	Independent Non-Executive Director

COMPANY SECRETARY : Ooi Yoong Yoong
39 Irving Road
10400 George Town
Pulau Pinang

Telephone No. : +604 210 9828
Professional qualification : Malaysian Institute of Chartered Secretaries and Administrators (“**MAICSA**”) (MAICSA Membership No.: 7020753 / SSM PC. No.: 202008002042)

REGISTERED OFFICE : 39 Irving Road
10400 George Town
Pulau Pinang

Telephone No. : +604 210 9828

HEAD/MANAGEMENT OFFICE : PMT 790, Jalan Cassia Selatan 5/2
Taman Perindustrian Batu Kawan
14110 Bandar Cassia
Pulau Pinang

Telephone No. : +604 589 9676
Website : www.umedic.com.my
E-mail : ir@umedic.com.my

CORPORATE DIRECTORY (CONT'D)

**PRINCIPAL ADVISER,
SPONSOR, SOLE
PLACEMENT AGENT
AND SOLE
UNDERWRITER** : Affin Hwang Investment Bank Berhad
27th Floor, Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur

Telephone No. : +603 2142 3700

**AUDITORS AND
REPORTING
ACCOUNTANTS** : BDO PLT (LLP0018825-LCA & AF 0206)
Chartered Accountants
51-21-F, Menara BHL
Jalan Sultan Ahmad Shah
10050 Pulau Pinang

Telephone No. : +604 222 0288
Partner in-charge : Koay Theam Hock
Approval No. : 02141/04/2023 J
Professional : Chartered Accountant,
qualification Malaysian Institute of Accountants
(Membership no. 6420)

SOLICITORS : Wong Beh & Toh
1st Floor, No. 173 & 174
Jalan Kelab Cinta Sayang
Taman Ria Jaya
08000 Sungai Petani
Kedah Darul Aman

Telephone No. : +604 442 9081

**INDEPENDENT
MARKET
RESEARCHER** : Protégé Associates Sdn Bhd
Suite C-09-12, Plaza Mont' Kiara
No. 2, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur

Telephone No. : +603 6201 9301
Name of signing : Dr Tan Chin How
partner
Professional : • Doctor of Business Administration from
qualification HELP University
• Master of Business Administration from
Charles Sturt University
• Bachelor of Science in Computing from
the University of Portsmouth

(Please refer to Section 7 of this Prospectus for the profile of the firm and signing partner)

CORPORATE DIRECTORY (CONT'D)

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

Telephone No. : +603 7890 4700

ISSUING HOUSE : Malaysian Issuing House Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

Telephone No. : +603 7890 4700

LISTING SOUGHT : ACE Market of Bursa Securities

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1. INTRODUCTION

1.1 APPROVALS AND CONDITIONS

1.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 7 April 2022, approved the following:

- (i) our Admission;
- (ii) our Listing; and
- (iii) up to 15% of the total number of issued shares in UMC pursuant to the SGS.

The approval from Bursa Securities is subject to the following conditions:

No.	Conditions	Status of Compliance
1.	Submit the following information in respect of the moratorium on the shareholdings of promoters to Bursa Depository: (i) Name of shareholders; (ii) Number of Shares; and (iii) Date of expiry of the moratorium for each block of Shares.	Complied
2.	Approvals from other relevant authorities have been obtained for implementation of the listing proposal.	Complied
3.	To make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Note 15 of the Listing Requirements.	To be complied
4.	To furnish to Bursa Securities with a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of UMC on the first day of listing.	To be complied
5.	In relation to the public offering to be undertaken by UMC, to announce at least two (2) market days prior to the listing date, the result of the offering including the following: (i) Level of subscription of public balloting and placement; (ii) Basis of allotment/ allocation; (iii) A table showing the distribution for placement tranche as per the format in Appendix I of Bursa Securities' approval letter; and (iv) Disclosure of placees who become substantial shareholders of UMC arising from the public offerings, if any. Please be reminded that the overall distribution of UMC's securities is properly carried out to mitigate any disorderly trading in the secondary market.	To be complied
6.	UMC or Affin Hwang IB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of UMC to the Official List.	To be complied

1. INTRODUCTION (CONT'D)

1.1.2 SC

Our listing is an exempt transaction under Section 212(8) of the CMSA and is therefore not subject to the approval of the SC.

The SC had, vide its letter dated 23 May 2022, approved the resultant equity structure of our Company pursuant to our Listing under the Bumiputera equity requirements for public listed companies.

The approval from the SC is subject to the following conditions:

No.	Conditions	Status of Compliance
1.	UMC to make available at least 50% of the Shares offered to the Malaysian Public investors via balloting to Bumiputera public investors at the point of Listing.	To be complied
2.	UMC to allocate 12.5% of its enlarged number of issued shares to Bumiputera investors to be approved by the MITI within one (1) year after achieving the profit requirement for companies seeking listing on the Main Market of Bursa Securities or five (5) years after being listed on the ACE Market of Bursa Securities, whichever is earlier (" Compliance Date ");	To be complied
3.	UMC to submit to the SC a proposal to comply with the equity condition stated in paragraph 2 above, at least six (6) months prior to the Compliance Date; and	To be complied
4.	Affin Hwang IB or UMC to submit UMC's equity structure to the SC upon completion of the Listing.	To be complied

1.2 MORATORIUM ON OUR SHARES

In accordance with Rule 3.19 of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Promoters as follows:

- (i) the moratorium applies to the entire shareholdings of our Promoters for a period of six (6) months from the date of our Admission ("**First Six (6)-Month Moratorium**");
- (ii) upon the expiry of the First Six (6)-Month Moratorium, our Company must ensure that our Promoters' aggregate shareholdings amounting to at least 45% of our total number of issued Shares (adjusted for any bonus issue or subdivision of Shares) remain under moratorium for another period of six (6) months ("**Second Six (6)-Month Moratorium**"); and
- (iii) upon the expiry of the Second Six (6)-Month Moratorium, subject to the Listing Requirements, our Promoters may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight line basis) of their Shares held under moratorium.

1. INTRODUCTION (CONT'D)

The moratorium shall be imposed on our Promoters as set out below:

Promoters	Held under the First Six (6)-Month Moratorium		Held under the Second Six (6)-Month Moratorium	
	No. of Shares	(i)%	No. of Shares	(i)%
UMediC Capital	192,327,220	51.44	168,259,500	45.00
Dato' Ng Chai Eng	20,402,200	5.46	-	-
Lim Taw Seong	20,402,200	5.46	-	-
Lau Chee Kheong	17,754,022	4.75	-	-
Total	250,885,642	67.11	168,259,500	45.00

Note:

(i) Based on the enlarged total number of 373,910,000 Shares after our IPO.

Our Promoters have provided written undertakings to Bursa Securities that they will not sell, transfer or assign their respective shares under moratorium during the moratorium period in accordance with Rule 3.19 of the Listing Requirements.

The moratorium shall also apply to the shareholders of UMediC Capital, namely Dato' Ng Chai Eng, Lim Taw Seong, Lau Chee Kheong, Kong Yoen Hoo, Ng Chin Aik, Lim Suat Gim, Lee Yi Kai and Ang Choon Seong, who have collectively provided an undertaking that they will not sell, transfer or assign their respective shares in UMediC Capital during the moratorium period in accordance with Rule 3.19(2) of the Listing Requirements.

The moratorium restriction, which is fully accepted by our Promoters, will be specifically endorsed on the share certificates representing their shareholdings which are under moratorium to ensure that our Share Registrar does not register any sale, transfer or assignment that contravenes with the aforesaid restriction.

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2. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

2.1 PRINCIPAL DETAILS OF OUR IPO

	No. of IPO Shares
Number of Shares to be issued pursuant to our IPO:	
- For Malaysian Public	18,695,500
- For Pink Form Allocations	13,086,800
- For private placement to the Selected Investors	65,442,000
Total	97,224,300
Enlarged number of issued Shares upon Listing	373,910,000
IPO Price	RM0.32
Market capitalisation upon Listing (based on our IPO Price and enlarged number of issued Shares upon Listing)	RM119,651,200

Please refer to Section 3.3 of this Prospectus for further details of our IPO.

Our Promoters' entire shareholdings will be held under moratorium for six (6) months from the date of our Admission. Thereafter, our Promoters' aggregate shareholdings amounting to 45% of our total number of issued Shares will remain under moratorium for another six (6) months. Our Promoters may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight line basis) of their Shares held under moratorium upon expiry of the Second Six (6)-month Moratorium. Further details on the moratorium on our Shares are set out in Section 1.2 of this Prospectus.

2.2 OUR BUSINESS

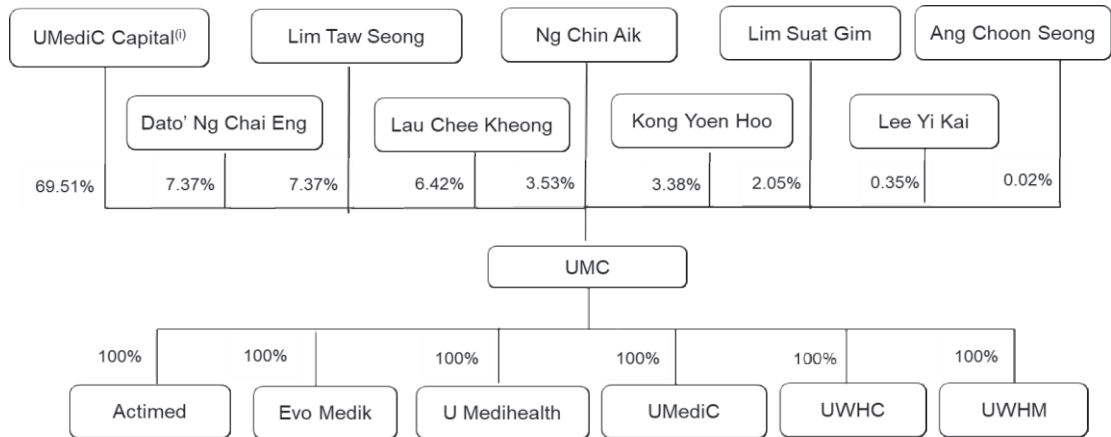
Our Company was incorporated in Malaysia under the Act on 22 April 2021 as a private company limited by shares under the name of UMediC Group Sdn Bhd. On 28 September 2021, we completed the Acquisitions which resulted in Actimed, Evo Medik, U Medihealth, UMediC, UWHC and UWHM becoming our wholly-owned subsidiaries. Subsequently, on 7 October 2021, our Company was converted to a public limited company to facilitate our Listing.

We are an investment holding company. Through our subsidiaries, we are 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. We are also involved in developing, manufacturing and marketing of our medical consumables.

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2. PROSPECTUS SUMMARY (CONT'D)

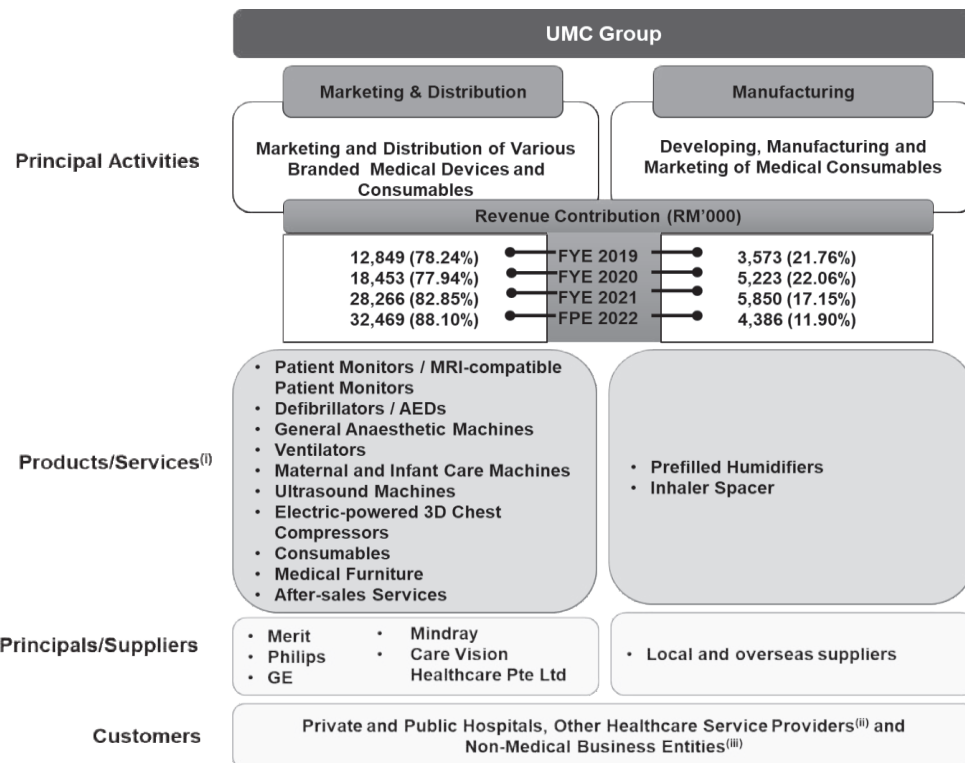
As at the LPD, our Group structure is as follows:



Note:

- i. UMediC Capital is owned by Dato' Ng Chai Eng (29.97%), Lim Taw Seong (29.97%), Lau Chee Kheong (26.02%), Kong Yoen Hoo (5.42%), Ng Chin Aik (5.11%), Lim Suat Gim (2.96%), Lee Yi Kai (0.53%) and Ang Choon Seong (0.02%).

A summary of our business model is as follows:



Notes:

- (i) We have entered into distributorship agreements/arrangement with Philips, Mindray, GE, Merit, Care Vision Healthcare Pte Ltd and E-Medtest (M) Sdn Bhd.
- (ii) The other healthcare service providers include public and private health clinics as well as health screening centres.
- (iii) Non-medical business entities include government entities such as municipal councils, government agencies, schools, etc, private organisations such as hotels, airports, factories, etc.

2. PROSPECTUS SUMMARY (CONT'D)

Malaysia, being our principal market, contributed approximately RM28.56 million or 83.71% of our revenue for FYE 2021, while the remaining revenue of approximately RM5.56 million or 16.29% was generated from the overseas market. For FPE 2022, Malaysia contributed approximately RM32.54 million or 88.29% of our revenue, while the overseas market contributed approximately RM4.32 million or 11.71% of our revenue.

Please refer to Sections 5 and 6 of this Prospectus for further details of our Group and business respectively.

2.3 OUR COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

(i) Established track record and reputation

With around 20 years of cumulated market presence, and in view of our Group's track record in terms of being able to retain certain repeat customers over the past years, we have established ourselves as a reputable distributor of medical devices and consumables. Our established track record has facilitated the development and growth of our business. Our revenue grew by approximately RM7.25 million or 44.17% from approximately RM16.42 million in FYE 2019 to approximately RM23.68 million in FYE 2020 and by approximately RM10.44 million or 44.10% to approximately RM34.12 million in FYE 2021. Our revenue for the six (6) month period for FPE 2022 was recorded approximately RM36.86 million.

(ii) Our ability to develop and produce quality products which meets customers' expectations

With our ability and experience in both the development and manufacture of our own range of medical consumables through our in-house R&D activities, we are able to innovate and respond to customers' needs and requirements in tandem with market demands. We regularly conduct customer surveys in terms of market demand, as well as user experience and product failure analysis, for our medical consumables that are in the market as a means of data collection and evaluation. Based on the feedback received, we will then pursue the necessary product improvement. As such, we are able to discern invaluable insights on customers' needs and requirements through our constant engagements with them, and this enables us to develop high quality products which meet their expectations.

We commenced R&D activities for our HydroX series prefilled humidifiers in 2011 and successfully developed and commercialised it in 2012. For our AirdroX series inhaler spacers, we commenced R&D activities in 2018 and successfully developed it in 2021. These products are mainly used for respiratory treatments and are not developed based on our customers' request. Our Group developed these products as we saw the market opportunity for these products and it is part of our Group's business development and market expansion strategies. In addition, we have another four (4) new products under our product development pipeline. Please refer to Section 6.6.3 of this Prospectus for details of our new product development progress.

Currently, we have commercialised our HydroX series prefilled humidifiers and AirdroX series inhaler spacers.

(iii) Wide geographical market coverage

We have established a wide marketing and distribution network that effectively covers public and private hospitals, other healthcare service providers in both the local and overseas markets. We also serve customers from non-medical business entities and sell products such as AEDs, HydroX series prefilled humidifiers and ventilators to them. Our marketing and distribution offices are strategically located in Penang, Kuala

2. PROSPECTUS SUMMARY (CONT'D)

Lumpur and Johor. We market our products through our in-house sales representatives in Malaysia. In addition, we have also expanded our customer network to include overseas markets in over 30 countries globally.

Our marketing and distribution network enables us to market our products and serve our customers, both local and overseas, in an efficient and effective manner.

(iv) We have an experienced management team

We have an experienced and capable management team who have been collectively contributing to the growth and development of our Group. Our Executive Director/Chief Executive Officer, Lim Taw Seong, has around 20 years of experience in the medical device industry. He is responsible for the overall strategy and corporate direction of our Group, including sales, marketing initiatives, general management, resources planning and business development. Our Executive Director/Chief Executive Officer is supported by key management team who possesses relevant skills and experience in their respective fields.

As part of our Group's succession plan, we have identified several senior management personnel to facilitate skills transfer so as to ensure smooth running and continuity of the operations of our Group. As such, with our succession plan in place which is intended to further develop the identified personnel for their progression in the senior management team, our Group does not foresee that having one Executive Director poses any key person risk.

Please refer to Section 6.5 of this Prospectus for further details of our competitive strengths.

2.4 OUR FUTURE PLANS AND BUSINESS STRATEGIES

Our future plans and business strategies are as follows:

(i) Construction of new factory building

As at the LPD, our current business and manufacturing activities are carried out at our existing owned office and factory building located in Batu Kawan, Penang. Our existing owned office and factory building 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 intend to commence 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.

(ii) Strengthening our domestic presence and reach

As at the LPD, our Group operates in our head office in Batu Kawan, Penang and our rented marketing and distribution offices in Bandar Tun Razak, Kuala Lumpur and

2. PROSPECTUS SUMMARY (CONT'D)

Johor Bahru, Johor. Our head office in Batu Kawan, Penang includes a showroom which is used to showcase and demonstrate the functionality of our products.

We intend to further strengthen our domestic presence through the setting 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. The new marketing and distribution offices will also serve as a showroom for our products. This will enable us to showcase and demonstrate the functionality of our products to our existing and potential customers without having to travel to our head office in Batu Kawan, Penang.

We expect the new marketing and distribution offices to allow us to tap into the potential business opportunities offered in these locations while at the same time enable us to better serve and cater for our customers' needs.

(iii) Development and commercialisation of new products

We intend to expand our manufacturing segment and also to develop and commercialise more products under our own brand. We have identified the new products to be developed and commercialised based on our assessment of the market demands and the opportunities available. At the same time, the new products will also complement and add to our list of own brand product offerings, and it can be cross-marketed to our existing clientele.

We target to commercialise several new products in the next two (2) years, namely (a) sterile water for inhalation; (b) prefilled nebulisers; (c) digital oxygen flowmeters; and (d) humidifier humidity sensors.

(iv) Expanding our product portfolio through the development of current and new brand distribution business

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 for international brand owners/manufacturers, namely Philips, Mindray, GE and Merit, 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.

Please refer to Section 6.6 of this Prospectus for further details of our future plans and business strategies.

2.5 RISK FACTORS

Our business is subject to a number of risk factors which may have a material adverse impact on our business, financial condition and results of operations. The following is a summary of the key risk factors that we face in our business operations:

(i) Our business is subject to changes in medical device technology

The medical device industry and its related technology are constantly developing and evolving. Advancements in technology could result in the introduction of new products, shorter product life cycles and price competition. Consequently, rapid changes in technology may render older devices obsolete.

2. PROSPECTUS SUMMARY (CONT'D)

(ii) We are dependent on both the local and overseas healthcare industry for our success and growth

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.

(iii) We are dependent on our Executive Director/Chief Executive Officer and Key Senior Management for continued success

The continuing success of our Group is dependent, to a significant extent, on the efforts, commitment and abilities of our Executive Director/Chief Executive Officer, Lim Taw Seong and supported by a team of qualified Key Senior Management, who play a significant role in the day-to-day operations as well as implementation of our business strategies. The loss of our Executive Director/Chief Executive Officer and/or any of our Key Senior Management, without any suitable and prompt replacement may have a material adverse effect on our business, financial performance, operations and prospects.

(iv) Our business may be adversely affected if our licences, permits and approvals are revoked, suspended or not renewed

Our business operations require certain licences, permits and approvals to be obtained such as the establishment licence, medical device registration certificate and manufacturing licence from relevant regulatory authorities.

The failure to comply with any of the terms and conditions imposed by the relevant authorities (whether due to our Group's past/future actions, activities or operations) can result in the approvals, licences, permits and certificates required for our operations being revoked, suspended or not renewed, which could have a material adverse effect on our business, financial performance, operations and prospects, as well as the possibility of penalties, fines, potential criminal prosecution being imposed/initiated against us and/or our Directors.

(v) Our business is dependent on the successful development and commercialisation of new products

We are dependent on the successful development and commercialisation of new products to generate new revenue stream in the future. The development and commercialisation of future new products depends on several factors, including but not limited to, ability to secure working capital funding such as via bank borrowings for our product development on competitive terms, approval of the products from the relevant regulatory authorities and acceptance by customers of the benefit and safety of our new products. Failure in any of the abovementioned factors may impact our financial performance as the sales of the newly developed products may be insufficient to cover our R&D and marketing expenses. Currently, we have successfully developed and commercialised our own products, namely HydroX series prefilled humidifiers and AirdroX series inhaler spacers.

Please refer to Section 8 of this Prospectus for further details of our risk factors.

2. PROSPECTUS SUMMARY (CONT'D)

2.6 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and Key Senior Management are as follows:

Name	Designation
<u>Directors</u>	
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
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
Ng Chin Liang	Alternate Director to Dato' Ng Chai Eng
<u>Key Senior Management</u>	
Ng Hui Hooi	Financial Controller
Kong Yoen Hoo	Sales Vice President
Lim Suat Gim	Sales Vice President
Lee Yi Kai	Sales Vice President
Ng Chin Aik	Manufacturing Vice President
Ng Sze Hui	Legal and Corporate Adviser

Please refer to Sections 4.2 and 4.5 of this Prospectus for further details of our Directors and Key Senior Management.

2.7 USE OF PROCEEDS

We expect to use the gross proceeds from our IPO of approximately RM31.11 million in the following manner:

Details of the use of proceeds	Estimated timeframe for the use of proceeds upon our Listing	RM'000	% of total gross proceeds from our IPO
Capital expenditure			
(i) Construction of new factory building	Within thirty (30) months	3,500	11.25
(ii) Setting up new marketing and distribution offices	Within thirty-six (36) months	6,800	21.86
		10,300	33.11
Repayment of bank borrowings ⁽ⁱ⁾	Within six (6) months	9,000	28.93
Working capital	Within thirty-six (36) months	8,662	27.84
Estimated listing expenses	Within two (2) months	3,150	10.12
Total		31,112	100.00

Note:

- (i) Including lease liabilities owing to financial institutions.

Please refer to Section 3.7 of this Prospectus for further details of the use of proceeds.

2. PROSPECTUS SUMMARY (CONT'D)

2.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The details of our Promoters and substantial shareholders and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Country of incorporation / Nationality	Before our IPO/As at the LPD				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(i)%	No. of Shares	(i)%	No. of Shares	(ii)%	No. of Shares	(ii)%
<u>Promoters and substantial shareholders</u>									
UMediC Capital	Malaysia	192,327,220	69.51	-	-	192,327,220	51.44	-	-
Dato' Ng Chai Eng	Malaysian	20,402,200	7.37	(iii)192,327,220	69.51	20,402,200	5.46	(iv)192,627,220	51.52
Lim Taw Seong	Malaysian	20,402,200	7.37	(iii)192,327,220	69.51	20,402,200	5.46	(iii)192,327,220	51.44
Lau Chee Kheong	Malaysian	17,754,022	6.42	(iii)192,327,220	69.51	17,754,022	4.75	(iii)192,327,220	51.44

Notes:

- (i) Based on the total number of 276,685,700 Shares before our IPO/as at the LPD.
- (ii) Based on the enlarged total number of 373,910,000 Shares after our IPO.
- (iii) Deemed interest by virtue of his interest in UMediC Capital pursuant to Section 8 of the Act.
- (iv) Deemed interest by virtue of his interest in UMediC Capital and the Shares held by his daughter, Ng Sze Hui assuming full subscription of the IPO Shares reserved for our Key Senior Management under the Pink Form Allocations pursuant to Section 8 of the Act.

Please refer to Section 4.1 of this Prospectus for further details of our Promoters and substantial shareholders.

2.9 IMPACT OF COVID-19 PANDEMIC ON OUR GROUP

The COVID-19 pandemic was officially declared a health pandemic by the Director General of the World Health Organisation on 11 March 2020. In light of the COVID-19 pandemic, the Government had announced various stages of lockdown measures across different states or localities in the country at different points in time since 18 March 2020 until the LPD namely MCO, conditional MCO, recovery MCO, enhanced MCO, full lockdown MCO (“**FMCO**”) as well as the National Recovery Plan (“**NRP**”).

2. PROSPECTUS SUMMARY (CONT'D)

As part of the essential services, UWHM was able to continue its production during MCO period with a 50% workforce capacity after obtaining the approval from the MITI on 21 March 2020 and was required to adhere to the standard operating procedures (“**COVID-19 SOPs**”) set out by the MITI. On 19 April 2020 and 21 April 2020, Evo Medik and UMediC were also allowed to continue its operations during MCO period with a 50% workforce capacity after obtaining the approval from the MITI. On 10 May 2020, Actimed was allowed to resume operations with a 50% workforce capacity after obtaining the approval from the MITI. Our employees in U Medihealth and UWHC were working from home during the MCO periods.

Save for the impact from the COVID-19 pandemic as disclosed below, we do not foresee any further business interruptions moving forward as the MOH had announced the transition to endemic phase of COVID-19 from 1 April 2022, signalling a normalisation of business operations to pre-COVID-19 times.

Impact of COVID-19 on our supply chain

For our marketing and distribution segment, we experienced shortage of medical devices supplies from our suppliers/principals. During the first (1st) half of 2020, we experienced temporary disruptions due to the logistics flow as a result of border closures in Malaysia. This had resulted in delays of up to two (2) weeks in our delivery schedule to local customers. Subsequently, we experienced slight disruptions in the delivery of medical devices to our customers owing to global shortages of pharmaceuticals, critical medical supplies and other products. We had informed our customers of such delay. We have also practised providing our customers loaner units especially ventilators on a temporary basis, should there be any urgent needs.

For our manufacturing segment, our suppliers’ operations were also temporarily suspended during the first phase of MCO and FMCO. However, we did not face shortages in raw materials supplies for our manufacturing segment as we have sufficient inventory to meet the production demand. We have been working closely with our suppliers after they resumed operations to ensure there will be a timely delivery manner for our production planning.

Impact of COVID-19 on our sales

During the MCO periods, we continued to receive orders from our customers in the healthcare industry as they were part of essential services and our sales to overseas customers were not affected as a result of border closures and travel restrictions imposed by authorities. As such, with the increased need for more medical devices during this period, we also benefited and our sales experienced growth.

Due to tightening of border and travel restrictions imposed by the authorities, we faced delays up to two (2) weeks in delivering medical devices to our customers located within Malaysia and overseas during the initial MCO period (i.e. from March 2020 to April 2020). Subsequent to that, our Group has not faced any major delays in delivery. Further, our sales were not affected and we did not experience any cancellation of orders from our customers in Malaysia and overseas. In spite of the delay in delivery of medical devices, it did not materially affect our revenue recognition.

Please refer to Section 6.19 of this Prospectus for further details of impact of COVID-19 pandemic on our Group.

2.10 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The following table sets out the key financial and operational highlights of our Group for the Financial Years Under Review and Financial Periods Under Review:

2. PROSPECTUS SUMMARY (CONT'D)

	Audited			Unaudited	Audited
	FYE 2019	FYE 2020	FYE 2021	FPE 2021	FPE 2022
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	16,422	23,676	34,116	14,154	36,855
Cost of sales	(10,719)	(16,242)	(21,553)	(8,724)	(23,944)
GP	5,703	7,434	12,563	5,430	12,911
PBT	1,617	3,043	6,554	2,625	6,712
PAT	1,319	2,419	5,087	2,155	4,572
Total equity/ NA	5,278	6,632	15,739	9,587	20,310
Total borrowings (including lease liabilities owing to financial institutions)	2,173	16,305	26,313	20,751	20,179
Key financial ratios:					
GP margin ⁽ⁱ⁾ (%)	34.73	31.40	36.82	38.36	35.03
PBT margin ⁽ⁱⁱ⁾ (%)	9.85	12.85	19.21	18.55	18.21
PAT margin ⁽ⁱⁱⁱ⁾ (%)	8.03	10.22	14.91	15.23	12.41
Basic and diluted EPS ^(iv) (sen)	0.35	0.65	1.36	0.58	1.22
Gearing ratio ^(v) (times)	0.41	^(vi) 2.46	1.67	2.16	0.99

Notes:

- (i) GP margin is computed based on GP divided by revenue.
- (ii) PBT margin is computed based on PBT divided by revenue.
- (iii) PAT margin is computed based on PAT divided by revenue.
- (iv) For comparative purposes, the basic EPS is computed based on the PAT divided by the enlarged number of issued Shares of 373,910,000 Shares after our IPO. For information purposes, the diluted EPS is equal to the basic EPS as there were no potential dilutive securities in issue during the respective Financial Years Under Review and Financial Periods Under Review.
- (v) Gearing ratio is computed based on total borrowings (including lease liabilities owing to financial institutions) divided by total equity as at the end of the respective financial year and financial periods.
- (vi) The increase in gearing ratio was mainly attributable to the increase in bank borrowings for the acquisition of the Batu Kawan Land and its construction as well as for the working capital purposes. Further details on the gearing ratio are set out in Section 11.4.8(v) of this Prospectus.

Please refer to Section 11 of this Prospectus for further details of our financial information.

2.11 DIVIDEND POLICY

Our Company 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. No inference should or can be made from any of the statements above as to our actual future profitability and our ability to pay dividends in the future. Our Group does not intend to declare or pay any dividends prior to our Listing.

Please refer to Section 11.8 of this Prospectus for further details of our dividend policy.

3. DETAILS OF OUR IPO

3.1 OPENING AND CLOSING OF APPLICATIONS

The application for our IPO Shares will open at 10.00 a.m. on 6 July 2022 and close at 5.00 p.m. on 13 July 2022. Late applications will not be accepted.

3.2 INDICATIVE TIMETABLE

The indicative timetable for our IPO is set out below:

Event	Time / date
Opening of Application	10.00 a.m., 6 July 2022
Closing of Application	5.00 p.m., 13 July 2022
Balloting of Applications	18 July 2022
Allotment of our IPO Shares to successful applicants	25 July 2022
Listing	26 July 2022

If there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia and announce it on Bursa Securities' website accordingly.

3.3 PARTICULARS OF OUR IPO

The IPO Shares are offered at the IPO Price which is payable in full upon application based on the terms and conditions of this Prospectus.

3.3.1 IPO

The IPO Shares of 97,224,300 new Shares, representing approximately 26.00% of our enlarged number of issued Shares, will be allocated in the following manner:

(i) Malaysian Public

18,695,500 IPO Shares, representing 5.00% of our enlarged number of issued Shares, will be made available for application by the Malaysian Public by way of balloting process as follows:

- (a) 9,347,750 IPO Shares, representing 2.50% of our enlarged number of issued Shares will be made available to the Bumiputera Malaysian Public; and
- (b) 9,347,750 IPO Shares, representing 2.50% of our enlarged number of issued Shares will be made available to the Malaysian Public.

3. DETAILS OF OUR IPO (CONT'D)

(ii) Eligible Persons

13,086,800 IPO Shares, representing approximately 3.50% of our enlarged number of issued Shares will be made available for application by the Eligible Persons. The details are as follows:

Eligible Persons	No. of persons	Aggregate no. of Shares allocated
Eligible Directors of our Group ⁽ⁱ⁾	3	900,000
Eligible employees and other business associates who have contributed to the success of our Group ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	180	12,186,800
Total	183	13,086,800

Notes:

- (i) The allocation to eligible Directors is based on, amongst others, their respective roles, responsibilities and anticipated contributions to our Group. The allocation of IPO Shares reserved for the eligible Directors is as follows:

Name	Designation	No. of Shares allocated
Dr Pakirisamy Baskaran A/L P Thangavelu	Independent Non-Executive Director	300,000
Tan Chye Suan	Independent Non-Executive Director	300,000
Lee Yee Wooi	Independent Non-Executive Director	300,000
Total		900,000

- (ii) The criteria of allocation to eligible employees (as approved by our Board) are based on, amongst others, the following:
- the eligible employee must be a full time and confirmed employee of our Group and on our Group's payroll; and
 - seniority, job grade, length of service, past performance and contributions to our Group and any other factors considered relevant by our Board.
- (iii) The criteria of allocation to eligible business associates are based on, amongst others, their current and past contributions and support to our Group and as approved by our Board. This may include, amongst others, our customers, suppliers, distributors and business associates who have contributed to the success of our Group.

Save for the Pink Form Allocations, our Company is not aware as to whether any of our substantial shareholders, Directors or Key Senior Management have the intention to subscribe for our IPO Shares.

3. DETAILS OF OUR IPO (CONT'D)

(iii) Private placement to Selected Investors

65,442,000 IPO Shares, representing approximately 17.50% of our enlarged number of issued Shares will be made available for application by way of private placement to Selected Investors.

3.3.2 Underwriting and allocation of the IPO Shares

In summary, our IPO Shares will be allocated in the following manner:

	IPO	
	No. of Shares	(i)%
Malaysian Public (via balloting):		
▪ Bumiputera	9,347,750	2.50
▪ Non-Bumiputera	9,347,750	2.50
Eligible Persons:		
▪ Directors of our Group	900,000	0.24
▪ Employees and other business associates who have contributed to the success of our Group	12,186,800	3.26
Private placement to the Selected Investors	65,442,000	17.50
Total	97,224,300	26.00

Note:

- (i) Based on the enlarged total number of 373,910,000 Shares after our IPO.

The 18,695,500 IPO Shares made available for application by the Malaysian Public (via balloting) and the 13,086,800 IPO Shares under the Pink Form Allocations are fully underwritten by our Sole Underwriter.

The 65,442,000 IPO Shares made available for application by way of private placement to the Selected Investors are not underwritten. Irrevocable undertakings will be obtained from the Selected Investors to subscribe for our IPO Shares made available under the private placement.

There is no over-allotment or “greenshoe” option that will increase the number of our IPO Shares.

3.3.3 Clawback and reallocation

Our IPO Shares shall be subject to the following clawback and reallocation provisions:

(i) Malaysian Public

In the event of under-subscription of our IPO Shares by the Malaysian Public, and subject to a corresponding over-subscription by the Eligible Persons or Selected Investors under the private placement, the remaining portion will be clawed back and reallocated to the Eligible Persons and/or offered to the Selected Investors under the private placement, at the discretion of our Sole Placement Agent and our Board.

3. DETAILS OF OUR IPO (CONT'D)

Any further IPO Shares not subscribed for will be subscribed by our Sole Underwriter in accordance with the terms of the Underwriting Agreement.

(ii) Eligible Persons

In the event of under-subscription of our IPO Shares by the Eligible Persons under the Pink Form Allocations, the unsubscribed IPO Shares will be reallocated to other Eligible Persons who have applied for excess IPO Shares (if any) ("**Excess Shares**") in addition to their pre-determined allocation. Such Excess Shares will be allocated to the Eligible Persons who have applied for Excess Shares on a fair and equitable basis in the following manner:

- (a) firstly, allocation on a proportionate basis based on the number of Excess Shares they applied for; and
- (b) secondly, to minimise odd lots.

Our Board reserves the right to allocate to the Eligible Persons who have applied for Excess Shares in addition to their pre-determined allocation at the discretion of our Board in such manner as it deems fit and expedient in the best interest of our Company. Our Board also reserves the right to accept or reject any Excess Shares application, in full or in part, without assigning any reason.

In the event of under-subscription by the other Eligible Persons (after reallocation of Excess Shares to other Eligible Persons), and subject to a corresponding over-subscription by the Malaysian Public or Selected Investors under the private placement, the remaining portion will be clawed back and reallocated to the Malaysian Public and/or offered to the Selected Investors under the private placement, at the discretion of our Sole Placement Agent and our Board.

Thereafter, any remaining IPO Shares not subscribed for will be subscribed by our Sole Underwriter in accordance with the terms of the Underwriting Agreement.

(iii) Private placement to the Selected Investors

In the event of under-subscription of the IPO Shares by the Selected Investors under the private placement and subject to a corresponding over-subscription by the Malaysian Public or Eligible Persons, the remaining portion will be clawed back and reallocated to the Malaysian Public and/or offered to the Eligible Persons.

The clawback and reallocation provisions will not apply in the event there is an over-subscription in all of the allocations of our IPO Shares at the closing date of our IPO.

Our IPO Shares will be allocated in a fair and equitable manner and the basis of allocation for such IPO Shares shall take into account the desirability of distributing such IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirement of Bursa Securities and to establish a liquid market for our Shares.

To the best of our knowledge and belief, there is no person who intends to subscribe for more than 5.00% of our IPO Shares.

3. DETAILS OF OUR IPO (CONT'D)

3.3.4 SGS

In conjunction with our IPO and Listing, our Company will implement a SGS of up to 15% of the total number of issued shares of our Company (excluding treasury shares, if any) at any point of time during the SGS Period for eligible Directors and employees of our Group (excluding subsidiary companies which are dormant).

The SGS will be administered in accordance with the By-Laws by the SGS Committee. The SGS Committee shall be appointed by our Board. The SGS Committee shall comprise not less than three (3) members, which may include a combination of Executive Director, Non-Executive Director and/or senior management.

The actual number of SGS Shares to be allocated to the eligible Directors and employees shall be determined by the SGS Committee at its sole discretion after taking into consideration factors which may include the eligible Directors and employees' position, job performance, seniority, duration of service, potential for future development and contribution to the success and development of our Group.

Under the SGS, no monetary consideration is required to be paid by the Grantees for the acceptance of the Grants and the subsequent vesting of the SGS Shares comprised in the Grants. Once the Grants are accepted by the Grantees, the SGS Shares comprised in the Grants may be vested in tranches to the Grantees, subject to the fulfilment of the vesting conditions stipulated in the Grants. The fair value of the SGS Shares to be granted will be determined based on, amongst others, the market price of the Shares as at or prior to the Grant Date.

For avoidance of doubt, the SGS will not be extended to non-executive Directors of our Group.

The salient terms of the SGS are as follows:

(i) **Maximum number of Shares made available under the SGS**

The maximum number of Shares which may be made available under the Scheme shall not in aggregate exceed 15% of the total number of issued shares of our Company (excluding treasury shares, if any) at any point of time during the SGS Period ("**Maximum SGS Shares**").

Notwithstanding the above, in the event the aggregate number of Shares granted under the SGS exceeded the Maximum SGS Shares at any point of time as a result of our Company purchasing or cancelling our Shares in accordance with the provisions of the Act and/or undertaking any corporate proposal resulting in the reduction of our Company's issued share capital, then such Grants granted prior to the adjustment of the issued share capital of our Company (excluding treasury shares, if any) shall remain valid and exercisable in accordance with the By-Laws. However, in such situation, the SGS Committee shall not make any further Grants until such aggregate number of Shares granted falls below the Maximum SGS Shares.

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3. DETAILS OF OUR IPO (CONT'D)

(ii) Basis allocation and maximum allowable allotment

The aggregate maximum number of SGS Shares that may be allocated to any one (1) category/designation of the eligible Directors and employees shall be determined by the SGS Committee provided that the allocation to any individual eligible Directors and employees who, either singly or collectively through persons connected with the eligible Directors and employees (as defined in the Listing Requirements), holds 20% or more of the total number of issued shares of our Company (excluding treasury shares, if any), shall not exceed 10% of the Maximum SGS Shares (“**Maximum Allowable Allocation**”).

The aggregate maximum number of SGS Shares that may be allocated to the executive Directors and senior management of our Group who are eligible Directors and employees shall not be more than 70% of the Maximum SGS Shares.

Subject to the above and any adjustment which may be made under By-Laws, the actual number of SGS Shares to be allocated to the eligible Directors and employees shall be determined by the SGS Committee at its sole discretion after taking into consideration factors which may include the eligible Directors’ and employees’ position, job performance, seniority, duration of service, potential for future development and contribution to the success and development of our Group.

No eligible Directors and employees shall participate in any deliberation or discussion on their respective Grants and/or any Grant to persons connected with the eligible Directors and employees, if any, under the SGS.

The SGS Committee may make one (1) or more Grants to any Grantee as the SGS Committee may at its discretion select during the SGS Period. In addition, the SGS Committee may from time to time and at its discretion decide on the performance targets and/or service objectives to be achieved by the Grantee before the SGS Shares granted can be vested.

(iii) Eligibility

Executive Directors and employees of our Group who fulfil the following criteria as at the Grant Date shall be eligible for consideration by the SGS Committee to participate in the SGS:

- (a) has attained the age of 18 years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (b)(i) has been employed by our Group on a full-time basis or serving in a specific designation under an employment contract with our Group for a fixed duration (or any other contract as may be determined by the SGS Committee) and is on the payroll of any corporation within our Group for a continuous period of at least four (4) months in our Group and has not served a notice of resignation or received a notice of termination prior to and up to the Grant Date; or
- (ii) is employed by a corporation which is acquired by our Group during the SGS Period and becomes a subsidiary of our Group upon such acquisition, he/she must have completed a continuous employment service for a period of at least four (4) months in our Group following the date that such company becomes or is deemed to be a subsidiary of our Group and has not served a notice to resign or received a notice of termination prior to and up to the Grant Date;

3. DETAILS OF OUR IPO (CONT'D)

- (c) has been confirmed in writing and is not under any probation;
- (d) if he/she is an executive Director of our Company, the Grant awarded by our Company to him/her in his/her capacity as an executive Director of the Company under the Scheme has been approved by the shareholders of our Company at a general meeting of our Company; and
- (e) fulfills any other criteria and/or falls within such category as may be set by the SGS Committee from time to time.

The selection of any eligible Directors and employees for participation in the SGS shall be determined at the sole discretion of the SGS Committee whose decision shall be final and binding.

For the avoidance of doubt, the SGS Committee may determine any other eligibility criteria and/or waive any of the eligibility criteria as set out above, for purposes of selecting eligible Directors and employees from time to time, at the SGS Committee's discretion.

Eligibility for consideration under the Scheme does not confer an eligible Director and employee a claim or right to participate in or any right whatsoever under the Scheme and an eligible Director and employee does not acquire or has any rights over or in connection with the Grants or the SGS Shares comprised in the Grants unless the Grants have been made in writing by the SGS Committee to the eligible Director and employee and the eligible Director and employee have accepted the Grants in accordance with the terms of the Grants and the By-Laws.

(iv) Vesting conditions and vesting of SGS Shares

The SGS Shares comprised in a Grant shall be vested to the Grantee on the date(s) after fulfilling the vesting conditions in accordance with the By-Laws. For the avoidance of doubt, the vesting of each Grant may be staggered in several tranches at such times and on such terms as determined by the SGS Committee.

(v) Alteration in share capital and adjustment

In the event of any alteration in the capital structure of our Company during the SGS Period, whether by way of a rights issue, bonus issue or other capitalisation issue, subdivision or consolidation of Shares or reduction of capital or any other variations of capital or otherwise howsoever taking place, the SGS Committee shall have the discretion and accordingly assess the practicality of complying with the requirement to cause such corresponding alterations (if any) to be made to:

- (a) the number of unvested SGS Shares comprised in a Grant; and/or
- (b) the method and/or manner in the vesting of the SGS Shares comprised in a Grant.

3. DETAILS OF OUR IPO (CONT'D)

(vi) Ranking of our Shares pursuant to the SGS

Our Shares to be issued and/or transferred to the Grantees pursuant to the SGS will, rank equally, in all respects with our 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.

(vii) Modification, variation and/or amendment of the By-Laws

Subject to the By-Laws and compliance with the Listing Requirements and the approvals of any other authorities (if required), the SGS Committee may at any time and from time to time recommend to the Board any modification, variation and/or amendment of the By-Laws as it shall at its discretion think fit and the Board shall have the power at any time and from time to time by resolution to make any modification, variation and/or amendment of the By-Laws upon such recommendation and subject to the Company submitting the amended By-Laws and a letter of compliance to Bursa Securities (within five (5) market days after the effective date of the modification, variation and/or amendment of the By-Laws or such other period as may be prescribed by Bursa Securities or any other relevant authorities) each time any modification, variation and/or amendment is made, stating that the said modification, variation and/or amendment is in compliance with the provisions of the Listing Requirements pertaining to share issuance schemes and the Rules of Bursa Depository.

The approval of the shareholders of our Company in general meeting shall not be required in respect of the modification, variation and/or amendment of the By-Laws provided that no modification, variation and/or amendment made to the By-Laws which would:

- (a) prejudice any rights which would have accrued to any Grantee without the prior consent or sanction of that Grantee;
- (b) increase the number of Shares available under the Scheme beyond the maximum amount set out in Section 3.3.4(i) of this Prospectus;
- (c) prejudice any rights of the shareholders of our Company; or
- (d) alter to the advantage of an eligible Director and employee and/or Grantee(s) in respect of any matters which are required to be contained in the By-Laws pursuant to the Listing Requirements.

(viii) Duration of the SGS

The SGS shall take effect on the date on which the last of the following approvals and/or conditions as set out in the By-Laws have been obtained and/or complied with ("**Effective Date**") and shall continue to be in force for a period of ten (10) years from the Effective Date ("**Date of Expiry**"):

- (a) submission of the final copy of the By-Laws to Bursa Securities together with a letter of compliance pursuant to Rule 2.12 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements;
- (b) receipt of approval-in-principle from Bursa Securities for the listing of and quotation for the new Shares to be issued under the SGS;

3. DETAILS OF OUR IPO (CONT'D)

- (c) receipt of approval of any other relevant regulatory authorities whose approvals are necessary in respect of the SGS; and
- (d) fulfilment or waiver (as the case may be) of all conditions attached to any of the abovementioned approvals (if any).

Subject to compliance with the requirements of Bursa Securities and any other relevant authorities, the Scheme may be terminated by our Company at any time before the Date of Expiry without obtaining the approvals or consents from the Grantees or our Company's shareholders provided that our Company makes an announcement immediately to Bursa Securities on the following:

1. the effective date of termination of the Scheme;
2. the number of Grants or Shares vested; and
3. the reasons and justification for termination of the Scheme.

Notwithstanding anything to the contrary, all unvested SGS Shares comprised in any Grant (whether fully or partially unvested) shall cease to be capable of vesting on the Date of Expiry or the date of the resolution of the termination of the Scheme.

(ix) Retention period and transfer restrictions

The SGS Shares to be issued and/or transferred pursuant to the vesting of SGS Shares comprised in any Grant to the Grantees under the SGS may be subject to such retention period or restriction on transfer (if any) which the SGS Committee shall, from time to time and at its own discretion, be entitled to prescribe or impose as it sees fit.

(x) Implementation of the SGS

In implementing the SGS, the SGS Committee may, at its absolute discretion, decide that the vesting of the SGS Shares comprised in a Grant be satisfied by any of the following methods:

- (a) issuance of new Shares by our Company;
- (b) acquisition of our existing Shares from the ACE Market;
- (c) transfer of our Company's treasury shares (if any) or any other method as may be permitted by the Act; or
- (d) a combination of any of the above.

In considering the settlement mode of the Grants as referred to in (a) to (d) above, the SGS Committee will take into consideration, amongst others, factors such as the potential cost arising from the granting of the SGS Shares, the dilutive effects of such issuance on the Company's capital base as well as applicable laws and/or regulatory requirements. The method of settlement to be made by UMC to the Grantees shall be at the discretion of the SGS Committee.

3. DETAILS OF OUR IPO (CONT'D)

For the purpose of facilitating the implementation of the Scheme, our Company and/or the SGS Committee may (but shall not be obliged to) establish a trust to be administered by the trustee to be appointed by our Company from time to time (“Trustee”) (“Trust”) in accordance with the trust deed to be executed between the Trustee and our Company (“Trust Deed”).

The Trustee shall, at such times as the SGS Committee shall direct, subscribe for and/or purchase the necessary number of Shares to accommodate any transfer of SGS Shares to the CDS Account of the Grantees established by Bursa Depository. For this purpose, the Trustee will be entitled from time to time to the extent permitted by law and as set out under the By-Laws to accept funding and/or assistance, financial or otherwise from our Company and/or any companies within our Group. The SGS Committee shall have the discretion to instruct the Trustee to subscribe for new Shares and/or acquire existing Shares at any time and from time to time and also to revoke or suspend any such instruction that has earlier been given to the Trustee.

For the purpose of administering the Trust, if and when the Trust is established, the Trustee shall do all such acts and things and enter into any transaction, agreement, deed, document or arrangement and make rules, regulations or impose terms and conditions or delegate part of its power relating to the administration of the Trust, as the SGS Committee may direct for the implementation and administration of the Trust which are expedient for the purpose of giving effect to and carrying out the powers and duties conferred on the Trustee by the Trust Deed.

(xi) Listing of and quotation for the SGS Shares

The new UMC Shares to be issued pursuant to the SGS will be listed and quoted on the ACE Market.

Our Group does not intend to offer any SGS Shares to eligible Directors and employees upon our Listing.

3.3.5 Minimum subscription level

There is no minimum subscription in terms of the amount of proceeds to be raised from our IPO. However, in order to comply with the public spread requirements of the Listing Requirements, the minimum subscription level will be the number of Shares required to be held by public shareholders.

Pursuant to the Listing Requirements, at least 25% of our enlarged number of Shares must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the time of our Admission. Prior to our Admission, we will ensure that this requirement is met through the balloting process and the private placement exercise to ensure that a minimum 200 public shareholders holding not less than 100 Shares each is in place and at least 25% of our enlarged number of Shares are held by public shareholders.

If the public spread requirement is not met, we may not be permitted to proceed with the Listing. In such event, monies paid in respect of all applications will be returned in full, without interest or any share of revenue or benefits arising therefrom. If such monies are not returned in full within 14 days after we become liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

3. DETAILS OF OUR IPO (CONT'D)

3.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKING

	No. of Shares	RM
Issued share capital as at the LPD	276,685,700	13,834,286
New Shares to be issued pursuant to our IPO	97,224,300	⁽ⁱ⁾ 30,487,776
Enlarged issued share capital upon Listing	373,910,000	44,322,062
IPO Price		0.32
Market capitalisation upon Listing (based on our IPO Price and enlarged number of issued Shares upon Listing)		119,651,200

Note:

- (i) Calculated based on the IPO Price of RM0.32 per IPO Share and after deducting the estimated listing expenses of RM3,150,000 to be borne by our Company comprise, amongst others, underwriting, placement and brokerage fees, professional fees and miscellaneous expenses, of which RM1,331,000 had been incurred and charged to the statement of profit or loss and other comprehensive income of our Group up to 31 January 2022. A total of RM624,000 is assumed to be directly attributable to our IPO and as such, will be debited against the share capital of our Company and the remaining expenses of RM1,195,000 are assumed to be attributable to our Listing and as such, will be expensed off to the statement of profit or loss and other comprehensive income.

As at the date of this Prospectus, we only have one (1) class of shares in our Company, namely ordinary shares.

The new Shares will, upon allotment and issuance, rank equally in all respects with our existing Shares including voting rights, and will be entitled to all rights, dividends and other distributions that may be declared after the date of allotment of the new Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attaching to any Share which we may issue in the future, our shareholders shall, in proportion to the amount paid on the Shares held by them, be entitled to share the profits paid out by us in the form of dividends or other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution, after the satisfaction of any preferential payment in accordance with the Act and our liabilities.

At our general meeting, each shareholder shall be entitled to vote in person, by proxy, by attorney or by other duly authorised representative. Subject to the Listing Requirements, any resolution put to vote at the meeting shall be decided by way of poll. On a poll, each shareholder present either in person or by proxy, attorney or other duly authorised representative shall have one (1) vote for every Share held or represented. A proxy may but need not be a member of our Company. However, on a show of hands, each shareholder present either in person or by proxy, attorney or other duly authorised representative shall have one (1) vote.

3. DETAILS OF OUR IPO (CONT'D)

3.5 BASIS OF ARRIVING AT THE PRICE OF OUR IPO SHARES

3.5.1 IPO Price

Our Directors, together with our Principal Adviser, Sponsor, Sole Placement Agent and Sole Underwriter, have determined and agreed on the IPO Price of RM0.32 per IPO Share, after taking into consideration the following:

- (i) our EPS of approximately 1.36 sen based on our audited PAT for FYE 2021 of approximately RM5.09 million and our enlarged number of issued Shares of 373,910,000 Shares which translate into a price-to-earnings multiple of approximately 23.53 times;
- (ii) our EPS of approximately 1.22 sen based on our audited PAT for FPE 2022 of approximately RM4.57 million and our enlarged number of issued Shares of 373,910,000 Shares which translate into an annualised price-to-earnings multiple of approximately 13.11 times;
- (iii) our pro forma consolidated NA per Share of RM0.13 as at 31 January 2022 based on our enlarged number of issued Shares of 373,910,000 Shares after our IPO and subsequent to the use of proceeds from our IPO;
- (iv) our business overview and financial performance as described in Sections 6 and 11 of this Prospectus respectively;
- (v) our competitive strengths as set out in Section 6.5 of this Prospectus;
- (vi) our future plans and business strategies as set out in Section 6.6 of this Prospectus; and
- (vii) the overview and outlook of the medical device industry in Malaysia as described in Section 7 of this Prospectus.

You should note that the market price of our Shares upon Listing is subject to the vagaries of market forces and other uncertainties that may affect the price of our Shares. You should form your own views on the valuation of our IPO Shares before deciding to invest in our Shares. You are also reminded to carefully consider the risk factors as set out in Section 8 of this Prospectus before deciding to invest in our Shares.

3.5.2 Expected market capitalisation

Based on the IPO Price of RM0.32 per IPO Share, the total market capitalisation of our Company upon Listing will be approximately RM119.65 million.

3.6 DILUTION

Dilution is the amount by which the price paid by the investors for our IPO Shares exceeds our pro forma NA per Share immediately after our IPO.

Our pro forma NA per Share as at 31 January 2022 before our IPO was approximately RM0.07 per Share.

Pursuant to the issuance of 97,224,300 new Shares under our IPO and after adjusting for the use of proceeds from our IPO, our pro forma NA per Share based on our enlarged number of issued Shares upon Listing of 373,910,000 Shares would be approximately RM0.13 per Share.

3. DETAILS OF OUR IPO (CONT'D)

The table below illustrates such dilution on a per Share basis:

	RM
IPO Price	0.32
Pro forma NA per Share as at 31 January 2022 before our IPO	0.07
Pro forma NA per Share as at 31 January 2022 after giving effect to our IPO and the use of proceeds from our IPO	0.13
Increase in pro forma NA per Share to our existing shareholders	0.06
Dilution in pro forma NA per Share to new investors	0.19
Dilution in pro forma NA per Share to new investors as a percentage of the IPO Price	59.38%

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3. DETAILS OF OUR IPO (CONT'D)

Save as disclosed below, none of our Directors, Key Senior Management, substantial shareholders or persons connected with them have acquired any securities in our Company, neither have they entered into any transaction which grants them the right to acquire any of our Shares since our incorporation up to the date of this Prospectus.

	No. of Shares held after the Acquisitions and before our IPO	⁽ⁱ⁾ No. of Shares from our IPO	Total consideration RM	Effective cost per Share RM
<u>Promoter and substantial shareholder</u>				
UMediC Capital	192,327,220	-	9,616,361	0.05
<u>Promoters, substantial shareholders and Directors</u>				
Dato' Ng Chai Eng	20,402,200	-	1,020,110	0.05
Lim Taw Seong	20,402,200	-	1,020,110	0.05
Lau Chee Kheong	17,754,022	-	887,701	0.05
<u>Directors</u>				
Dr Pakirisamy Baskaran A/L P Thangavelu	-	300,000	96,000	0.32
Tan Chye Suan	-	300,000	96,000	0.32
Lee Yee Wooi	-	300,000	96,000	0.32
<u>Key Senior Management</u>				
Ng Hui Hooi	-	300,000	96,000	0.32
Kong Yoen Hoo	9,346,098	400,000	595,305	0.06
Lim Suat Gim	5,665,050	400,000	411,253	0.07
Lee Yi Kai	965,010	400,000	176,251	0.13
Ng Chin Aik	9,777,550	400,000	616,878	0.06
Ng Sze Hui	-	300,000	96,000	0.32
<u>New investors from our IPO</u>	-	97,224,300	31,111,776	0.32

Note:

- (i) Assuming all Pink Form Allocations are fully subscribed.

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3. DETAILS OF OUR IPO (CONT'D)

3.7 USE OF PROCEEDS

We expect to use the gross proceeds from our IPO of approximately RM31.11 million in the following manner:

Details of the use of proceeds	Estimated timeframe for the use of proceeds upon Listing	RM'000	% of total gross proceeds from the IPO
Capital expenditure			
(i) Construction of new factory building	Within thirty (30) months	3,500	11.25
(ii) Setting up new marketing and distribution offices	Within thirty-six (36) months	6,800	21.86
		10,300	33.11
Repayment of bank borrowings ⁽ⁱ⁾	Within six (6) months	9,000	28.93
Working capital	Within thirty-six (36) months	8,662	27.84
Estimated listing expenses	Within two (2) months	3,150	10.12
Total		31,112	100.00

Note:

- (i) Including lease liabilities owing to financial institutions.

3.7.1 Capital expenditure

(i) Construction of new factory building

As at the LPD, our Group operates on the Batu Kawan Land with a land area and built-up area of 126,852.68 sq ft and 48,487.40 sq ft respectively. Our existing factory on the Batu Kawan Land is used for the manufacturing of our existing product namely the HydroX series prefilled humidifiers. For our AirdroX series inhaler spacers which have been commercialised in June 2022, we engage third-party contract manufacturers to produce the components. Our Group will then assemble the final product in-house. The existing production facilities are sufficient for us to assemble our AirdroX series inhaler spacers. Save for minimal fees incurred in relation to product testing, there will be no additional cost involved to commercialise our AirdroX series inhaler spacers. Please refer to Annexure A of this Prospectus for the details of the Batu Kawan Land.

As part of our business strategies to further expand our product range, we intend to use approximately RM3.50 million for the construction of a new single storey factory building on the Batu Kawan Land. The factory building is estimated to have a built-up area of approximately 35,000 sq ft, which will comprise, amongst others, the following:

- (a) single storey production floor complete with the necessary production machinery for manufacturing of our products. 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. This is in anticipation of the upcoming commercialisation of our new products such as sterile water for inhalation, digital oxygen flowmeters, prefilled nebulisers and humidifier humidity sensors. We also intend to increase the production capacity of our HydroX series prefilled humidifiers and AirdroX series inhaler spacers. We will manufacture and assemble the said new products above in our new factory building and we may engage third-party contract manufacturers to produce some of the components of our new products; and

3. DETAILS OF OUR IPO (CONT'D)

- (b) storage area for distribution products from our marketing and distribution segment as well as raw materials and finished goods from our manufacturing segment in anticipation of an increase in the demand of our products. The storage floor area is estimated to be approximately 5,000 sq ft.

The details of the construction costs for the construction of the new factory building are as follows:

Details	RM'000
Construction works	3,350
Miscellaneous expenses and contingencies ⁽ⁱ⁾	150
Total	⁽ⁱⁱ⁾3,500

Notes:

- (i) Miscellaneous expenses include consultants' fees for the architect, mechanical, electrical, civil and structural engineers. The contingency costs include construction contingency costs to cater for fluctuations in construction material costs, overtime costs and/or costs due to changes in, amongst others, architectural design for lighting and landscaping.
- (ii) The breakdown of the funds to be used for construction of the new factory building will depend on the finalisation of the layout plan of the new factory building. The estimated construction cost of the new factory building was based on a preliminary quotation requested from a civil and structural construction company for the construction cost for the new factory building. Although the layout plan of the new factory building has yet to be finalised, the quotation was derived at based on the intended floor space and purpose of the new factory building.

As at the LPD, our Group has not incurred any expenses for the construction of the new factory building. The following approvals, licences or certificates will be required prior to commencement of operations of the new factory building:

- (i) building plan approval from Majlis Bandaraya Seberang Perai ("**MBSP**");
- (ii) civil and structural and mechanical and electrical plans approval;
- (iii) permit for land filling and earthworks is required from Jabatan Kerja Raya Pulau Pinang and MBSP; and
- (iv) certificate for completion and compliance for the completed new factory building.

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3. DETAILS OF OUR IPO (CONT'D)

The indicative timeline for the construction of our new factory building is as follows:

Timeline	Details
Second (2 nd) half of 2022	<ul style="list-style-type: none"> Finalise the layout plan of the new factory building Submission of building plan to the authorities
First (1 st) half of 2023	<ul style="list-style-type: none"> Receipt of approved building plan Commencement of construction of the new factory
First (1 st) half of 2024	<ul style="list-style-type: none"> Completion of construction of the new factory building Purchase of new machinery
Second (2 nd) half of 2024	<ul style="list-style-type: none"> Installation of new machinery Commencement of operations

Our Group does not anticipate any delay in the timeline and milestones above. However, should there be any delay, we do not expect a material operational and financial impact to our Group as we will undertake alternative measures which include engaging third party contract manufacturers and/or renting a factory building for our manufacturing and/or storage purposes. The additional costs for alternative measures (i.e. engaging third party contract manufacturers and/or renting a factory building) are not expected to be material as we were planning to utilise the production floor and storage area in our new factory building progressively.

In the event the allocated proceeds are insufficient for the construction of the new factory building, any shortfall will be funded out of the portion allocated for working capital, internally generated funds and/or bank borrowings. Any excess not used for this purpose will be used for our working capital purposes.

(ii) Setting up new marketing and distribution offices

As at the LPD, our Group operates in our head office in Batu Kawan, Penang and our rented marketing and distribution offices in Bandar Tun Razak, Kuala Lumpur and Johor Bahru, Johor. Our head office in Batu Kawan, Penang includes a showroom which is used to showcase and demonstrate the functionality of our products.

Our rented marketing and distribution offices in Bandar Tun Razak, Kuala Lumpur and Johor Bahru, Johor serve to carry out our direct distribution network activities as detailed in Section 6.10.2(i) of this Prospectus. As at the LPD, we have 12 and 5 sales representatives in our rented marketing and distribution offices in Bandar Tun Razak, Kuala Lumpur and Johor Bahru, Johor respectively.

Our sales representatives will visit our customers to discuss our product offerings and we will deliver loaner units to our customers' premises upon their request. Should our customers be desirous of viewing our products, they will need to travel to our head office in Batu Kawan, Penang and the setting up of our new marketing and distribution offices will reduce the inconvenience to our customers.

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3. DETAILS OF OUR IPO (CONT'D)

The salient term of the tenancy agreement for the marketing and distribution offices in Bandar Tun Razak, Kuala Lumpur and Johor Bahru, Johor are as follows:

Date of Tenancy Agreement	Parties	Premises	Duration	Monthly Rental	Termination
1 August 2020	Tan Poh Eng (landlord) and Evo Medik (tenant)	Suite 16.23A, Level 16 th Floor Wisma Zelan, No. 1, Jalan Tasik Permaisuri 2, Bandar Tun Razak, 56000 Kuala Lumpur	1 August 2020 till 31 July 2022 (" Initial Term ") with an option to renew for a further term of one (1) year (" Further Term ")	Initial Term: 1,500.00 Further Term: At the prevailing market rate to be agreed by both parties provided that the increment shall not exceed 15% of the current rental	If the tenant at any time during the duration of this tenancy elects to terminate this tenancy agreement, the security deposit shall be forfeited to the landlord absolutely and if the landlord elects to terminate this tenancy agreement, then the tenant shall be compensated with an equivalent of two (2) months' rental.
15 March 2022	Lee Meng Teck (landlord) and UMediC (tenant)	C1-05-06, Wisma SP Setia, Jalan Indah 15, Taman Bukit Indah, 81200 Johor Bahru, Johor	15 March 2022 till 14 March 2024 (" Initial Term ") with option to renew for another year	Initial Term: 1,900.00	There shall be no termination of the tenancy during the first of twelve months by either party. Should the tenant or the landlord desire to terminate the tenancy, either of the parties may then give two (2) months' written notice in advance in respect of such termination or two (2) months' rent in lieu thereof (" Termination Notice "). For avoidance of doubt, the monthly rental for the remaining terms of the term of tenancy after the aforementioned Termination Notice shall not be damages for either party. The landlord shall refund the security deposit as specified in the tenancy agreement.

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3. DETAILS OF OUR IPO (CONT'D)

As part of our business strategy to cater to the expansion of our business operations, we intend to use approximately RM6.80 million for the setting up of new marketing and distribution offices in the central area of Kuala Lumpur and Johor Bahru, Johor. It is also our intention to house all the marketing and distribution operations in this new marketing and distribution offices. We will not terminate early and will renegotiate the terms of the tenancy agreements (i.e. the duration and/or termination clauses with the respective landlords) before the tenancy agreements expire in 2022 and 2024. Upon moving to our new marketing and distribution offices, we will not maintain our tenancy for the current rented marketing and distribution offices.

Through investment in new offices in the central area of Kuala Lumpur and Johor Bahru, Johor, we will be able to have a permanent address to house our showrooms, which we can renovate and configure to meet our desired needs. This will avoid the risk of us having to move locations and paying rental. In addition, we may also be able to benefit from the appreciation in the properties' value in the future.

The details of the setting up cost for new marketing and distribution offices are as follows:

Details	RM'000
Central area of Kuala Lumpur ⁽ⁱ⁾	5,000
Johor Bahru, Johor ⁽ⁱⁱ⁾	1,800
Total	6,800

Notes:

- (i) We intend to set up a strategic marketing and distribution office in the central area of Kuala Lumpur. This marketing and distribution office will be used as a showroom for our products and also to serve our customers within the central region of Peninsular Malaysia. Additionally, our new marketing and distribution office will also act as a service centre for our existing customers.

By having a showroom, we will be able to showcase our products and enable our existing and potential customers to enhance their customer experience and understand the functionality of our products without having to travel to our head office in Batu Kawan, Penang. Moreover, we can also store our products, which are generally of high value and large in size, safely at our new office without unnecessarily exposing our products to delivery defects prior to the sales as our products are fragile in nature.

The estimated setting up cost of RM5.00 million covers the purchase of property as well as the cost of renovations and fit-out work. The intended floor area for this marketing and distribution office is approximately 3,500 sq ft.

The estimated purchase price of the property of RM4.00 million was based on the enquiries with property agents on the market value of properties located in the vicinity. As at the LPD, we have not decided on the property to be acquired and we will consider the intended floor area, availability of properties as well as the market prices of commercial space in the geographical locations we intend to set up our marketing and distribution office.

The estimated renovation cost of approximately RM1.00 million was based on a preliminary quotation requested from an interior design company for the renovation cost for the intended floor area of our marketing and distribution office.

3. DETAILS OF OUR IPO (CONT'D)

- (ii) We also intend to set up a strategic marketing and distribution office in Johor Bahru, Johor. This marketing and distribution office will be used as a showroom for our products and also to serve our customers within the southern region of Peninsular Malaysia as well as from Singapore. Additionally, our new marketing and distribution office will also act as a service centre for our existing customers.

By having a showroom, we will be able to showcase our products and enable our existing and potential customers to enhance their customer experience and understand the functionality of our products without having to travel to our head office in Batu Kawan, Penang. Moreover, we can also store our products, which are generally of high value and large in size, safely at our new office without unnecessarily exposing our products to delivery defects prior to the sales as our products are fragile in nature.

The estimated setting up cost of RM1.80 million covers the purchase of property as well as the cost of renovations and fit-out work. The intended floor area for this marketing and distribution office is approximately 3,000 sq ft.

The estimated purchase price of the property of RM1.30 million was based on the enquiries with property agents on the market value of properties located in the vicinity. As at the LPD, we have not decided on the property to be acquired and we will consider the intended floor area, availability of properties as well as the market prices of commercial space in the geographical locations we intend to set up our marketing and distribution office.

The estimated renovation cost of approximately RM0.50 million was based on a preliminary quotation requested from an interior design company for the renovation cost for the intended floor area of our marketing and distribution office.

In the event the allocated proceeds are insufficient for setting up new marketing and distribution offices, any shortfall will be funded out of the portion allocated for working capital, internally generated funds and/or bank borrowings. Any excess not used for this purpose will be used for our working capital purposes.

3.7.2 Repayment of bank borrowings

As at the LPD, our total bank borrowings which include lease liabilities owing to financial institutions, amounted to approximately RM20.36 million.

We intend to use approximately RM9.00 million to partially repay our bank borrowings as follows:

Details	Purpose	Interest rate per annum/ Maturity date	Outstanding amount as at the LPD RM'000	Proposed repayment RM'000
Hong Leong Bank Berhad (Term Loan)	To part finance the purchase of machinery and equipment and construction cost of the building on the Batu Kawan Land ⁽ⁱ⁾	3.65% (based on 1.25% above the bank's cost of funding rate of 2.40% ^(v) / 14 June 2025	4,628	4,500
Hong Leong Bank Berhad (Term Loan)	To part finance the acquisition of the Batu Kawan Land and the construction cost of the building thereon ⁽ⁱⁱ⁾	3.34% (based on 1.10% above the bank's cost of funding rate of 2.24% ^(v) / 17 June 2037	8,860	3,700
BMW Credit (Malaysia) Sdn Bhd (Hire purchase)	Purchase of machinery and equipment ⁽ⁱⁱⁱ⁾	2.71%/ 11 April 2026	412	400

3. DETAILS OF OUR IPO (CONT'D)

Details	Purpose	Interest rate per annum/ Maturity date	Outstanding amount as at the LPD RM'000	Proposed repayment RM'000
Hitachi Capital Malaysia Sdn Bhd (Hire purchase)	Purchase of machinery and equipment ^(iv)	3.20% - 3.25% / 1 March 2023 - 12 November 2025	469	400
Total			14,369	9,000

Notes:

- (i) For the acquisition of three (3) units of machines used in our manufacturing process of medical consumables namely, HydroX series prefilled humidifiers and the construction of our current head office cum factory, which was completed in 2021.
- (ii) For the construction of our current head office cum factory, which was completed in 2021.
- (iii) For the acquisition of one (1) unit of machine used in our manufacturing process of medical consumables namely, HydroX series prefilled humidifiers.
- (iv) For the acquisition of seven (7) units of machines, a server and a forklift used in our manufacturing process of medical consumables namely, HydroX series prefilled humidifiers, utilising nine (9) hire purchase lines.
- (v) Based on the bank's cost of funding rate as at the LPD.

The repayment of the abovementioned bank borrowings is expected to result in an annual interest savings of approximately RM0.31 million based on the prevailing interest rate per annum for each of the banking facilities mentioned above. However, the actual interest savings may vary depending on the applicable interest rate at the time of repayment. Further, the repayment of any such outstanding bank borrowings will not result in any penalty or early repayment cost being incurred by our Group.

3.7.3 Working capital

Our Group's working capital requirement is expected to increase in tandem with our plans to expand our business into new markets and to expand our product range. Hence, we intend to use approximately RM8.66 million to finance the purchase of additional distribution products. The additional distribution products may include patient monitors, defibrillators, ventilators, maternal and infant care machines, ultrasound machines as well as other products which may be requested by our customers.

Distribution products are the main component of our cost of sales which accounted for approximately 69.09%, 68.06%, 79.25% and 85.24% of our Group's total cost of sales for FYEs 2019, 2020, 2021 and FPE 2022 respectively and are expected to increase in line with the expansion of our product range.

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3. DETAILS OF OUR IPO (CONT'D)

The price range for our Group's major products for the Financial Years Under Review and FPE 2022 are as follows:

Type of products	Price range			
	FYE 2019 RM	FYE 2020 RM	FYE 2021 RM	FPE 2022 RM
Patient monitor	3,200 – 87,300	4,000 – 106,900	3,500 – 107,600	5,500 – 272,000
Defibrillator/ AED	400 – 16,500	1,400 – 24,800	490 – 36,500	3,100 – 29,980
General anaesthesia machine	-	-	54,000 – 59,000	-
Ventilator	29,500 – 67,000	24,900 – 59,300	29,300 – 64,800	49,950 – 129,875
Maternal and infant care	3,300 – 21,300	2,400 – 34,900	3,000 – 25,800	6,500 – 109,126
Ultrasound machine	-	56,800 – 216,600	53,100 – 254,000	30,000 – 153,000
Medical furniture	4,700 – 16,900	4,700 – 11,400	4,700 – 17,900	979 – 29,350
Medical chest compression device	-	63,000 – 63,000	46,800 – 63,000	-

The price range for our Group's major products for the Financial Years Under Review and FPE 2022 fluctuated according to the different specifications of the products sold to our customers in the respective years. The value of our Group's purchases for distribution products for FYEs 2019, 2020, 2021 and FPE 2022 is approximately RM6.42 million, RM11.76 million, RM20.64 million and RM17.92 million respectively.

As part of our future plans, we intend to strengthen our marketing and distribution segment by increasing our range of products manufactured by reputable international suppliers/principals to our product portfolio. This will allow us to strengthen our product portfolio as well as to meet the changing demands of the industry. Further, the additional working capital will enhance our cash flow position and will enable us to conduct our operations and expansion efficaciously and without being overly dependent on external sources of funding.

3.7.4 Estimated listing expenses

Our listing expenses are estimated to be approximately RM3.15 million, the details of which are as follows:

Details	RM'000
Professional fees	2,000
Underwriting, placement and brokerage fees	650
Printing and advertising expenses	280
Miscellaneous expenses and contingencies ⁽ⁱ⁾	220
Total	3,150

Note:

- (i) Comprising fees payable to authorities (such as lodgement fees payable to the Registrar of Companies), other incidental or related expenses in connection with our IPO (such as fees to be paid to public or investor relation consultants, related tax and funds reserved for contingency purposes).

In the event the allocated proceeds are insufficient for the listing expenses, any shortfall will be funded out of the portion allocated for working capital and/or internally generated funds. However, any excess not used for this purpose will be used for our working capital purposes.

3. DETAILS OF OUR IPO (CONT'D)

Pending the use of proceeds from the IPO, we intend to place the proceeds (including accrued interest, if any) or any balance thereof in interest-bearing accounts with licensed financial institutions in Malaysia and/or in money market instruments.

3.8 BROKERAGE, UNDERWRITING COMMISSION AND PLACEMENT FEES

3.8.1 Brokerage fee

We will pay the brokerage fee for the 18,695,500 IPO Shares made available for application by the Malaysian Public under Section 3.3.1(i) of this Prospectus at the rate of 1.00% (exclusive of any applicable tax) on the IPO Price in respect of all successful applications which bear the stamp of either Affin Hwang IB, the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

3.8.2 Underwriting commission

Affin Hwang IB, as our Sole Underwriter has agreed to underwrite up to 31,782,300 IPO Shares made available for application by the Malaysian Public and the Eligible Persons under Sections 3.3.1(i) and 3.3.1(ii) of this Prospectus respectively. As stipulated in the Underwriting Agreement, we will pay our Sole Underwriter an underwriting commission at the rate of 2.25% (exclusive of any applicable tax) of the total value of the underwritten Shares.

3.8.3 Placement fee

We will pay our Sole Placement Agent a placement fee at the rate of up to 2.00% (exclusive of any applicable tax) of the value of the 65,442,000 IPO Shares reserved for the private placement to the Selected Investors under Section 3.3.1(iii) of this Prospectus.

3.9 DETAILS OF THE UNDERWRITING ARRANGEMENT

We have entered into the Underwriting Agreement with our Sole Underwriter to underwrite 31,782,300 IPO Shares under Sections 3.3.1(i) and 3.3.1(ii) of this Prospectus (“**Underwritten Shares**”), subject to the clawback and reallocation provisions as set out in Section 3.3.3 of this Prospectus and subject to the terms and conditions of the Underwriting Agreement.

Details of the underwriting commission are set out in Section 3.8.2 of this Prospectus while the salient terms of the Underwriting Agreement are as follows:

(i) Conditions precedent for underwriting

The obligations of our Sole Underwriter under the Underwriting Agreement shall be conditional upon the fulfilment and/or satisfaction of the following:

- (a) Bursa Securities’ approval of our Listing remaining in full force and effect and that all conditions (except for any which can only be complied with after our IPO has been completed) have been complied with;
- (b) the offer and issuance of the IPO Shares having been approved by the shareholders of our Company;
- (c) the lodging with the Companies Commission Malaysia of a copy of this Prospectus for lodgement in accordance with the requirements of Section 234 of the CMSA;

3. DETAILS OF OUR IPO (CONT'D)

- (d) the registration with the SC of this Prospectus and the submission to the SC of accompanying documents on or before their issue, circulation or distribution to the public;
- (e) all necessary approvals and consents required in relation to our IPO including but not limited to governmental approvals having been obtained and are in full force and effect and that all conditions to the approvals (except for any which can only be complied with after our IPO has been completed) have been complied with;
- (f) this Prospectus being issued not later than 29 July 2022 or such later date as may be agreed between our Sole Underwriter and our Company in writing;
- (g) our IPO and the offering and subscription of our IPO Shares in accordance with the provisions hereof not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities) or any jurisdiction within which such IPO Shares are offered;
- (h) there not being, in the opinion of our Sole Underwriter, on or prior to the last day and time for the acceptance of and payment for our IPO in accordance with this Prospectus and the Application Form or any such date as may be extended from time to time by our Company together with the mutual agreement of our Sole Underwriter in writing, subject to the prior written approval of the relevant authorities, if any ("**Closing Date**"), any material adverse effect in the condition (financial, business, operations or otherwise) of our Group from that set out in this Prospectus which is material in the context of our IPO;
- (i) the delivery to our Sole Underwriter on the Closing Date and date of delivery of the Applications Form(s) together with the remittance of subscription monies payable on the application of the unsubscribed Shares by our Sole Underwriter ("**Settlement Date**"), respectively a certificate in the agreed form of our Company, signed by a duly authorised officer of our Company, dated the Closing Date and the Settlement Date, to the effect that the person who provides such certificate has carefully examined the Underwriting Agreement and that;
 - 1. the representations, warranties and undertakings of our Company are true, accurate and correct and not misleading in all respects on and as of the Closing Date and Settlement Date (as the case may be), as though they had been given and made on the Closing Date and the Settlement Date (as the case may be), and our Company has complied with all the terms of the Underwriting Agreement and satisfied all the conditions on its part under the Underwriting Agreement to be performed and satisfied on or prior to the Closing Date and the Settlement Date (as the case may be);
 - 2. since the date of the Underwriting Agreement, there has been no change or development that may have a material adverse effect;
 - 3. the allotment and issuance of the public issue under our IPO are not being prohibited by any statutes or regulations promulgated or issued by any legislative or regulatory body in Malaysia; and

3. DETAILS OF OUR IPO (CONT'D)

4. all the conditions set out in conditions precedent for underwriting of the Underwriting Agreement with respect to our Company have been fulfilled and that no event has occurred with respect to our Company that would give rise to a right for our Sole Underwriter to give notice to our Company to terminate the Underwriting Agreement.

(ii) Termination by our Sole Underwriter upon the occurrence of adverse changes and consequence thereof

Notwithstanding anything contained in the Underwriting Agreement, our Sole Underwriter, may by notice in writing to our Company given at any time before the date of our Listing, terminate, cancel and withdraw its underwriting commitment if in the opinion of our Sole Underwriter;

- (a) there is any breach by our Company of any of the obligations, the representations, warranties or undertakings set out in the Underwriting Agreement in any respect; or in the case of any warranties or representations or undertakings which are not qualified by any materiality requirements, in any material respect; and in either event, where such misrepresentation or breach is capable of remedy, the same not being remedied within three (3) Market Days or on such other day which the parties may mutually agree in writing, but in any event no later than the Closing Date from the provision of a written notice to our Company, as the case may be, by our Sole Underwriter;
- (b) our Company withholds any material information from our Sole Underwriter, which, in the opinion of our Sole Underwriter, is likely to have a material adverse effect;
- (c) there shall have occurred, happened or come into effect any event or series of events beyond the control of our Sole Underwriter by reason of Force Majeure (as defined below) which would have or can be expected to have, a material adverse effect on the business, operations, financial condition or prospects of our Group or the success of our IPO or which is likely to have the effect of making any material obligation under the Underwriting Agreement incapable of performance in accordance with its terms or our Company shall sustain any material loss or interference with the business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labour disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority, in each case, that has had or could be expected to have a material adverse effect;

“Force Majeure” means causes which are unpredictable and beyond the control of the party claiming force majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including but not limited to:

1. war, acts of warfare, sabotages, hostilities, invasion, incursion by armed force, act of hostile army, nation or enemy, civil war or commotion, hijacking, terrorism;
2. riot, uprising against constituted authority, civil commotion, disorder, rebellion, organised armed resistance to the government, insurrection, revolt, military or usurped power; or
3. natural catastrophe including but not limited to earthquakes, floods, fire, storm, lightning, tempest, explosions, accident, epidemics or other acts of God.

3. DETAILS OF OUR IPO (CONT'D)

- (d) any government requisition or other occurrence of any nature whatsoever which is reasonably likely to have a material adverse effect on the business, operations, financial condition or prospects of our Group or the success of our IPO;
- (e) any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), economic conditions or exchange control or currency exchange rates which in the opinion of our Sole Underwriter is likely to have a material adverse effect (whether in the primary market or in respect of dealings in the secondary market). For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - 1. on or after the date of the Underwriting Agreement; and
 - 2. prior to the date of our Listing,

lower than 85%, of the level of Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least three (3) consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;
- (f) trading of all securities on Bursa Securities has been suspended or other material form of general restriction in trading for three (3) consecutive Market Days or more;
- (g) any new law or regulation or change in law, regulation, directive, policy or ruling in any applicable jurisdiction which is reasonably likely to prejudice the success of our Listing or which would have or is likely to have the effect of making it impracticable to enforce contracts to allot and/or to transfer the underwritten Shares or which is reasonably likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance in accordance with its terms;
- (h) any part of the private placement or our IPO is stopped or delayed by our Company or the regulatory authorities for any reason whatsoever (unless such delay has been approved by our Sole Underwriter in writing);
- (i) our Listing does not take place on or before 17 August 2022 or within five (5) Market Days after the Settlement Date, whichever is earlier, or such other extended date as may be agreed by our Sole Underwriter;
- (j) approval for our IPO is withdrawn, modified and/or subject to terms and conditions which is, in the opinion of our Sole Underwriter, not acceptable to our Sole Underwriter;
- (k) the Closing Date does not take place on or before 4 August 2022 or any later date as may be agreed by our Sole Underwriter;

3. DETAILS OF OUR IPO (CONT'D)

- (l) any commencement of legal proceedings or action against our Company or any of our Directors which in the opinion of our Sole Underwriter, would have or is likely to have a material adverse effect or make it impracticable to enforce contracts to allot and/or transfer the underwritten Shares;
- (m) any of the approvals as referred in the Underwriting Agreement is revoked, suspended or ceases to have any effect whatsoever, or is varied or supplemented and such revocation, suspension, cessation, variation or supplement upon terms that would have or is likely to have a material adverse effect; or
- (n) any material statements contained in this Prospectus has become or been discovered to be untrue, inaccurate or misleading in any material aspect which would have or is likely to prejudice the success of our Listing or which would have or is likely to have the effect of making it impracticable to enforce contracts to allot and/or transfer the underwritten Shares or making any obligation under the Underwriting Agreement incapable of performance in accordance with its terms.

3.10 TRADING AND SETTLEMENT IN SECONDARY MARKET

Upon Listing, our Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS, which is operated by Bursa Depository. This will be effected in accordance with the Rules of Bursa Depository and the provisions of the SICDA. Accordingly, our Company will not deliver share certificates to the subscribers or purchasers of our IPO Shares.

Beneficial owners of our Shares are required under the Rules of Bursa Depository to maintain our Shares in CDS Accounts, either directly in their names or through authorised nominees. Persons whose names appear in our Record of Depositors maintained by Bursa Depository will be treated as our shareholders in respect of the number of Shares credited to their respective CDS Accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS Account being debited with the number of Shares sold and the buyer's CDS Account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10.00 payable for each transfer not transacted on the market.

Shares held in CDS Accounts may not be withdrawn from the CDS except in the following instances:

- (i) to facilitate a share buy-back;
- (ii) to facilitate conversion of debt securities;
- (iii) to facilitate company restructuring process;
- (iv) where a body corporate is removed from the Official List;
- (v) to facilitate a rectification of any error; and
- (vi) in any other circumstances as determined by Bursa Depository from time to time, after consultation with the SC.

3. DETAILS OF OUR IPO (CONT'D)

Trading of shares of companies listed on Bursa Securities is normally done in “board lots” of 100 shares. Investors who desire to trade less than 100 shares are required to trade under the odd lot market. Settlement and payment of trades done on a “ready” basis on Bursa Securities generally takes place on the second (2nd) Market Day following the transaction date.

It is expected that our Shares will commence trading on Bursa Securities about 10 Market Days after the close of our IPO. Subscribers of our Shares will not be able to sell or otherwise deal in our Shares (except by way of a book-entry transfer to other CDS Account in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

4.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The Promoters to our IPO are UMediC Capital, Dato' Ng Chai Eng, Lim Taw Seong and Lau Chee Kheong.

4.1.1 Shareholdings of our Promoters and substantial shareholders

The details of our Promoters and substantial shareholders and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Country of incorporation / Nationality	Before our IPO/As at the LPD				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(i)%	No. of Shares	(i)%	No. of Shares	(ii)%	No. of Shares	(ii)%
<u>Promoters and substantial shareholders</u>									
UMediC Capital	Malaysia	192,327,220	69.51	-	-	192,327,220	51.44	-	-
Dato' Ng Chai Eng	Malaysian	20,402,200	7.37	(iii)192,327,220	69.51	20,402,200	5.46	(iv)192,627,220	51.52
Lim Taw Seong	Malaysian	20,402,200	7.37	(iii)192,327,220	69.51	20,402,200	5.46	(iii)192,327,220	51.44
Lau Chee Kheong	Malaysian	17,754,022	6.42	(iii)192,327,220	69.51	17,754,022	4.75	(iii)192,327,220	51.44

Notes:

- (i) Based on the total number of 276,685,700 Shares before our IPO/as at the LPD.
- (ii) Based on the enlarged total number of 373,910,000 Shares after our IPO.
- (iii) Deemed interest by virtue of his interest in UMediC Capital pursuant to Section 8 of the Act.
- (iv) Deemed interest by virtue of his interest in UMediC Capital and the Shares held by his daughter, Ng Sze Hui assuming full subscription of the IPO Shares reserved for our Key Senior Management under the Pink Form Allocations pursuant to Section 8 of the Act.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Our Promoters and substantial shareholders do not have different voting rights from other shareholders of our Company as all our Shares before and after our IPO are of the same class.

Save as disclosed above, there is no other person who, directly or indirectly, jointly or severally, exercises control over our Company as at the LPD. There is also no arrangement between our Company and our shareholders with any third party, which may, at a subsequent date, result in a change in control of our Company.

4.1.2 Profiles of our Promoters and substantial shareholders

The profiles of our Promoters and substantial shareholders are as follows:

(i) UMediC Capital

UMediC Capital was incorporated in Malaysia on 6 July 2021 under the Act as a private limited company. The principal activity of UMediC Capital is investment holding.

As at the LPD, the issued capital of UMediC Capital is RM1,001 comprising 100,000 ordinary shares.

As at the LPD, the director is Lim Taw Seong. The details of the shareholders and their respective shareholdings in UMediC Capital are as follows:

Name	Nationality	Direct		Indirect	
		No. of shares	%	No. of shares	%
Dato' Ng Chai Eng	Malaysian	29,964	29.97	-	-
Lim Taw Seong	Malaysian	29,964	29.97	-	-
Lau Chee Kheong	Malaysian	26,023	26.02	-	-
Kong Yoen Hoo	Malaysian	5,423	5.42	-	-
Ng Chin Aik	Malaysian	5,112	5.11	-	-
Lim Suat Gim	Malaysian	2,962	2.96	-	-
Lee Yi Kai	Malaysian	528	0.53	-	-
Ang Choon Seong	Malaysian	24	0.02	-	-
Total		100,000	100.00	-	-

Save for Ng Chin Aik who is the nephew of Dato' Ng Chai Eng and cousin of Lim Taw Seong, there is no other relationship between the other shareholders of UMediC Capital and Dato' Ng Chai Eng, Lim Taw Seong and Lau Chee Kheong.

(ii) Dato' Ng Chai Eng, a Malaysian aged 59, is our Promoter and substantial shareholder.

He is also our Non-Independent Non-Executive Chairman. His profile is set out in Section 4.2.2(i) of this Prospectus.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (iii) **Lim Taw Seong**, a Malaysian aged 44, is our Promoter and substantial shareholder.

He is also our Executive Director/Chief Executive Officer. His profile is set out in Section 4.2.2(ii) of this Prospectus.

- (iv) **Lau Chee Kheong**, a Malaysian aged 59, is our Promoter and substantial shareholder by virtue of his shareholding in UMediC Capital.

He is also our Non-Independent Non-Executive Director. His profile is set out in Section 4.2.2(iii) of this Prospectus.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

4.1.3 Changes in our Promoters' and substantial shareholders' shareholdings in our Company

The changes in our Promoters' and substantial shareholders' shareholdings in our Company since the date of our incorporation on 22 April 2021 up to the LPD and after our IPO are as follows:

Name	As at 22 April 2021 (date of incorporation)				After the Acquisitions and as at the LPD			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	⁽ⁱ⁾ %	No. of Shares	⁽ⁱ⁾ %
<u>Promoters and substantial shareholders</u>								
UMediC Capital	-	-	-	-	192,327,220	69.51	-	-
Dato' Ng Chai Eng	-	-	-	-	20,402,200	7.37	⁽ⁱⁱ⁾ 192,327,220	69.51
Lim Taw Seong	1	100.00	-	-	20,402,200	7.37	⁽ⁱⁱ⁾ 192,327,220	69.51
Lau Chee Kheong	-	-	-	-	17,754,022	6.42	⁽ⁱⁱ⁾ 192,327,220	69.51

Name	After our IPO			
	Direct		Indirect	
	No. of Shares	⁽ⁱⁱⁱ⁾ %	No. of Shares	⁽ⁱⁱⁱ⁾ %
<u>Promoters and substantial shareholders</u>				
UMediC Capital	192,327,220	51.44	-	-
Dato' Ng Chai Eng	20,402,200	5.46	^(iv) 192,627,220	51.52
Lim Taw Seong	20,402,200	5.46	⁽ⁱⁱ⁾ 192,327,220	51.44
Lau Chee Kheong	17,754,022	4.75	⁽ⁱⁱ⁾ 192,327,220	51.44

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Notes:

- (i) Based on the total number of 276,685,700 Shares after the Acquisitions and as at the LPD.
- (ii) Deemed interest by virtue of his interest in UMediC Capital pursuant to Section 8 of the Act.
- (iii) Based on the enlarged total number of 373,910,000 Shares after our IPO.
- (iv) Deemed interest by virtue of his interest in UMediC Capital and the Shares held by his daughter, Ng Sze Hui assuming full subscription of the IPO Shares reserved for our Key Senior Management under the Pink Form Allocations pursuant to Section 8 of the Act.

4.1.4 Benefits paid or intended to be paid or given to our Promoters or substantial shareholders

Save for the following, there is no other amount or benefit that has been paid or intended to be paid or given to our Promoters or substantial shareholders within the two (2) years preceding the date of this Prospectus:

- (i) the distribution of dividends of approximately RM1.27 million for FYE 2020 to our Promoters and/or substantial shareholders are as follows:

	FYE 2020 RM'000
Promoters and substantial shareholders	
Dato' Ng Chai Eng	390
Lim Taw Seong	390
Lau Chee Kheong	336

No dividend was paid to our Promoters and substantial shareholders for the FYE 2021 and FPE 2022.

- (ii) issuance of our Shares as consideration pursuant to the Acquisitions as set out in Section 5.1.1 of this Prospectus.
- (iii) aggregate remuneration and benefits paid and proposed to be paid for services rendered to our Group in all capacities as set out in Section 4.2.4 of this Prospectus.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

4.2 BOARD OF DIRECTORS

4.2.1 Shareholdings of our Directors

The details of our Directors and their respective shareholdings in our Company as at the LPD and after our IPO (assuming each of our Directors subscribe in full for their respective entitlements under the Pink Form Allocations as set out in Section 3.3.1(ii) of this Prospectus) are as follows:

Name	Before our IPO/As at the LPD				After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(i)%	No. of Shares	(i)%	No. of Shares	(ii)%	No. of Shares	(ii)%
Dato' Ng Chai Eng	20,402,200	7.37	⁽ⁱⁱⁱ⁾ 192,327,220	69.51	20,402,200	5.46	^(iv) 192,627,220	51.52
Lim Taw Seong	20,402,200	7.37	⁽ⁱⁱⁱ⁾ 192,327,220	69.51	20,402,200	5.46	⁽ⁱⁱⁱ⁾ 192,327,220	51.44
Lau Chee Kheong	17,754,022	6.42	⁽ⁱⁱⁱ⁾ 192,327,220	69.51	17,754,022	4.75	⁽ⁱⁱⁱ⁾ 192,327,220	51.44
Dr Pakirisamy Baskaran A/L P Thangavelu	-	-	-	-	300,000	0.08	-	-
Tan Chye Suan	-	-	-	-	300,000	0.08	-	-
Lee Yee Wooi	-	-	-	-	300,000	0.08	-	-
Ng Chin Liang	-	-	-	-	-	-	-	-

Notes:

- (i) Based on the total number of 276,685,700 Shares before our IPO/as at the LPD.
- (ii) Based on the enlarged total number of 373,910,000 Shares after our IPO.
- (iii) Deemed interest by virtue of his interest in UMediC Capital pursuant to Section 8 of the Act.
- (iv) Deemed interest by virtue of his interest in UMediC Capital and the Shares held by his daughter, Ng Sze Hui assuming full subscription of the IPO Shares reserved for our Key Senior Management under the Pink Form Allocations pursuant to Section 8 of the Act.

None of our Directors are representatives of any corporate shareholders.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

4.2.2 Profiles of our Directors

The profiles of our Directors are as follows:

- (i) **Dato' Ng Chai Eng**, a Malaysian aged 59, is our Non-Independent Non-Executive Chairman. He was appointed to our Board on 7 October 2021.

He completed his secondary education at Sekolah Menengah St. Mark in Butterworth, Penang in 1981. He was awarded a Certificate in Administrative Management and a Certificate in Production and Quality Control Management from the Centre for Business Studies (London), where he completed the courses in 1990. He was appointed as a committee member of the management council of Penang Skills Development Centre in 2017 and a member of the Machinery and Equipment Investment Advisory Panel of MIDA in 2018. In 2021, he was elected as the chairman of the board of directors in Sekolah Jenis Kebangsaan (C) Beng Teik (Pusat).

He began his career in 1982 with Mattel (Malaysia) Sdn Bhd as an apprentice electrician in the company's maintenance department. He left Mattel (Malaysia) Sdn Bhd in 1983 to further his studies and subsequently obtained his certification as an electrician after completing the Malaysian Skills Certificate Level 1 (formerly known as Sijil Kecekapan Ketukangan Peringkat Asas) and Level 2 (formerly known as Sijil Kecekapan Ketukangan Peringkat Pertengahan) in 1983 and 1985 respectively. In 1985, he joined GUH Electrical Appliances Sdn Bhd (formerly known as Leader Electrical Appliances Manufacturing Sdn Bhd) as Senior Technician. He was subsequently promoted to Plant Manager in 1990, before he left Leader Electrical Appliances Manufacturing Sdn Bhd in the same year to start the business operations of UWC Holdings Sdn Bhd (now a subsidiary company of UWC Berhad) which he co-founded along with Lau Chee Kheong in August 1990. In 2020, he was appointed as an adviser in the Federation of Malaysian Foundry and Engineering Industries Associations (FOMFEIA) and the Penang Foundry and Engineering Industries Association (PENFEIA).

Dato' Ng Chai Eng is a co-founder of our Group as an investor and he is not involved in our business operations.

As at the LPD, Dato' Ng Chai Eng also sits on the board of UWC Berhad as an Executive Director/Group Chief Executive Officer and several private limited companies as disclosed in Section 4.2.3 of this Prospectus. Save as disclosed in Section 4.7 of this Prospectus, there are no other relationships between Dato' Ng Chai Eng and our Directors and Key Senior Management.

- (ii) **Lim Taw Seong**, a Malaysian aged 44, is our Executive Director/Chief Executive Officer. He was appointed to our Board on 22 April 2021. He is responsible for the overall strategy and corporate direction of our Group, including sales, marketing initiatives, general management, resources planning and business development.

He graduated from Universiti Teknologi Malaysia, with a Bachelor of Engineering (Mechanical) degree in 2003.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

He began his career in 2002 with UMediC (formerly known as UWC Healthcare Sdn Bhd) as a Sales Executive, where he was responsible for managing sales and marketing activities including liaising with our existing and prospective customers. In 2004, he was promoted to Sales Manager where he was responsible for leading a sales team as well as managing, maintaining, initiating and developing our Group's client portfolio.

Subsequently, he became our Director in 2006. He was mainly responsible for the sales, operations and marketing aspects of our Group's business including identifying business opportunities and sales trends as well as initiating and implementing new operational policies and strategies.

During his two decades with our Group, he has played an instrumental role in the growth and development of our Group. He has secured distributorships from multiple established international medical device companies including Philips, Mindray, GE and Merit. Throughout the years, he charted the overall strategic direction of our Group including setting up of R&D division as well as manufacturing of our own brand medical consumables. In addition, he has also successfully expanded our customer network to include the overseas market. In 2021, he was appointed as Executive Director/Chief Executive Officer and assumed his current responsibilities.

As at the LPD, Lim Taw Seong also sits on the board of several private limited companies as disclosed in Section 4.2.3 of this Prospectus. Save as disclosed in Section 4.7 of this Prospectus, there are no other relationships between Lim Taw Seong and our Directors and Key Senior Management.

- (iii) **Lau Chee Kheong**, a Malaysian aged 59, is our Non-Independent Non-Executive Director. He was appointed to our Board on 7 October 2021.

In 1979, he completed his secondary education at Sekolah Menengah Jenis Kebangsaan Hua Lian in Taiping, Perak. In 1980, he was hired by Tekskill Component Sdn Bhd as Technical Supervisor in the manufacturing department, where he was involved in quality control activities and staff training. He subsequently left Tekskill Component Sdn Bhd in 1984 to join Toriki Metal Engineering Sdn Bhd as a Production Supervisor where he was responsible for overseeing the company's production activities.

He then left Toriki Metal Engineering Sdn Bhd in 1986 and joined Leader Electrical Appliances Manufacturing Sdn Bhd (now known as GUH Electrical Appliances Sdn Bhd) in 1986 as Assistant Factory Manager, where he was responsible for the planning, coordination and control of the manufacturing processes. He subsequently left Leader Electrical Appliances Manufacturing Sdn Bhd in 1991 to focus on UWC Holdings Sdn Bhd (now a subsidiary company of UWC Berhad) which he co-founded with Dato' Ng Chai Eng in August 1990.

Lau Chee Kheong is a co-founder of our Group as an investor and he is not involved in our business operations.

As at the LPD, Lau Chee Kheong also sits on the board of UWC Berhad as an Executive Director/Group Chief Operating Officer, and several private limited companies as disclosed in Section 4.2.3 of this Prospectus. He does not have any relationship with our Directors and Key Senior Management.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (iv) **Dr Pakirisamy Baskaran A/L P Thangavelu**, a Malaysian aged 60, is our Independent Non-Executive Director. He was appointed to our Board on 7 October 2021.

He graduated from the University of Madras, India, with a Bachelor of Medicine and Surgery in 1989. In 1998, he obtained a Master's of Obstetrics and Gynaecology from University of Malaya. He was gazetted as a subspecialist in Maternal Fetal Medicine in 2004.

He began his career in 1990 with the Ministry of Health where he was placed in Hospital Sultanah Aminah, Johor Bahru as a House Officer. In 1991, he was posted to Queen Elizabeth Hospital, Kota Kinabalu, where he served as a Medical Officer in the Paediatric Surgical Unit of the Department of Surgery. In 1993, he moved on to University Hospital Kuala Lumpur to do his Post Graduation in Obstetrics and Gynaecology. Upon obtaining his Master's degree, he has then posted as a Junior Specialist in the Maternity Hospital, Kuala Lumpur. From 1998 to 2016 he moved up from Junior Specialist to Senior Consultant. He served the Ministry of Health for 25 years and at the time of his optional retirement, he was the head of the Maternal Fetal Medicine Unit and the Deputy Head of Department of Obstetrics and Gynaecology, Hospital Kuala Lumpur.

Since 2016, he has been in private practice as a Consultant Obstetrician and Gynaecologist and a Maternal Fetal Medicine Specialist. Currently, he is a 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.

As at the LPD, Dr Pakirisamy Baskaran A/L P Thangavelu also sits on the board of several private limited companies as disclosed in Section 4.2.3 of this Prospectus. He does not have any relationship with our Directors and Key Senior Management.

- (v) **Tan Chye Suan**, a Malaysian aged 54, is our Independent Non-Executive Director. She was appointed to our Board on 7 October 2021.

She graduated with a Bachelor of Laws (Hons) from University of Malaya in 1992 and was admitted as an advocate and solicitor in the High Court of Malaya in 1993.

She is a member of the Disciplinary Committee of the Advocates' & Solicitors' Disciplinary Board and the Board of Governors of Convent Light Street Primary School. She is also a life member of Women Centre for Change and Federation of Women's Lawyers.

She began her career in 1993 with Messrs Ban Eng, Anual & Foong as an advocate and solicitor where she was providing legal services in relation to litigation and conveyancing matters. She then left to join Messrs Lim Huck Aik & Co as a Partner in 1995. She was responsible for providing legal services in relation to conveyancing, corporate and estate matters. In 1999, she co-founded Messrs See, Ramsun & Tan. Currently, she is the managing partner of the firm where she is specialising in conveyancing, corporate, estate and adoption matters.

Tan Chye Suan does not have any relationship with our Directors and Key Senior Management.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (vi) **Lee Yee Wooi**, a Malaysian aged 50, is our Independent Non-Executive Director. He was appointed to our Board on 7 October 2021.

He graduated with a Bachelor of Accounting (Hons) from University of Malaya in 1997. He is a registered member of the Malaysia Institute of Accountants since 2000.

He began his career in 1997 with Ernst & Young as a Tax Assistant, where he was tasked with various accounting, taxation and auditing matters. Subsequently in 1999, he was promoted to the position of Tax Consultant where his work encompassed various accounting, taxation and auditing functions for clients ranging from small and medium enterprises to multinationals. He then left Ernst & Young in 2002 to join Smart Modular Technologies Sdn Bhd as a Finance Analyst where he was responsible for preparing monthly financial statement and analysis. After a few months with Smart Modular Technologies Sdn Bhd, he left to join Scope Manufacturers (M) Sdn Bhd to serve as Accounts/Finance Manager where he was in charge of preparing monthly financial statement and analysis. In 2004, he was promoted as the Financial Controller following the listing of Scope Industries Berhad on the Mesdaq Market (now known as the ACE Market) of Bursa Securities. He was responsible for financial management, budget planning, preparation of management accounts and financial reports, costing, as well as internal and credit control of the group. He then left in 2009 and co-founded Transform Electrical Industry Sdn Bhd, where he served as the Finance Director and was mainly responsible for overseeing all financial activities and operations. In 2014, he disposed his equity stake in Transform Electrical Industry Sdn Bhd to his partner.

In 2013, he founded Income Sector Sdn Bhd, a company involved in the number forecast business, where he assumed his role as the director and was mainly responsible for the overall business operations and project management as well as the strategic planning, formulation and implementation of the strategies of the business. Subsequently, in 2016, Income Sector Sdn Bhd disposed of its business and is now principally involved in investment holding in property. He later founded sole proprietorship and various companies including Manicum Enterprise, Amanpuri Leisure Sdn Bhd, Prestij Gemilang Sdn Bhd and Tarzan Travel (M) Sdn Bhd. Please refer to Section 4.2.3 of this Prospectus for further details on these companies. He is also the Director of the said companies and mainly responsible for the overall business operations and project management of these companies. On 26 January 2022, he disposed of his shares in Prestij Gemilang Sdn Bhd and resigned as a director of Prestij Gemilang Sdn Bhd. At the same time, he is also providing management consultancy services to Biochem Laboratories Sdn Bhd since 2019 on yearly contract basis.

As at the LPD, Lee Yee Wooi also sits on the board of Heng Huat Resources Group Berhad as an Independent Non-Executive Director, and several private limited companies as disclosed in Section 4.2.3 of this Prospectus. He does not have any relationship with our Directors and Key Senior Management.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (vii) **Ng Chin Liang**, a Malaysian aged 30, is our Alternate Director to Dato' Ng Chai Eng. He was appointed to our Board on 7 October 2021.

He graduated from the University of Exeter, United Kingdom with a Bachelor of Arts with Honours in Accounting and Finance in 2014. In 2015, he obtained a Master of Science in Accounting and Finance under a scholarship from the same university. He has been a member of the Association of Chartered Certified Accountants and the Malaysian Institute of Accountants since 2017. He is also a member of the Industry Advisory Committee of Politeknik Seberang Perai since 2018, a member of the Institute-Industry Management Board of Institut Latihan Perindustrian Arumugam Pillai Nibong Tebal since 2011, and a committee member of Federation Malaysia Manufacturer (Penang branch) since 2019. He was appointed as the President of Junior Chamber International Bayan in 2019 and promoted to an adviser in 2021. He has been elected as the Vice-Chairman of Penang Skills Development Centre in 2021. He was admitted a fellow of the Association of Chartered Certified Accountants in 2022.

He began his career in 2015 with Deloitte PLT as an Audit Associate, where he was tasked with conducting audit work. He left Deloitte PLT in 2016 and joined UWC Holdings Sdn Bhd (now a subsidiary company of UWC Berhad) as Assistant Finance Manager, assisting in cost controls and monitoring supplier payments as well as liaising with government officials in respect of tax incentives and government grants. He was promoted to the Head of Corporate Affairs and Communications of UWC Berhad in 2018, where he was responsible for developing and maintaining effective communication with internal and external stakeholders. He is also the main liaison with government agencies such as MIDA for UWC Berhad. He was appointed as the alternate director to Dato' Ng Chai Eng cum Deputy Group Chief Executive Officer of UWC Berhad in 2019.

As at the LPD, Ng Chin Liang also sits on the board of UWC Berhad as an alternate director to Dato' Ng Chai Eng and several private limited companies as disclosed in Section 4.2.3 of this Prospectus. Save as disclosed in Section 4.7 of this Prospectus, there are no other relationships between Ng Chin Liang and our Directors and Key Senior Management.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

4.2.3 Involvement of our Directors in other principal business activities outside our Group

The principal business activities performed by our Directors outside our Group as at the LPD and their present directorships in companies outside our Group and in the past five (5) years preceding the LPD are as follows:

(a) Dato' Ng Chai Eng

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Dato' Ng Chai Eng	<u>Present involvement:</u>			
	<ul style="list-style-type: none"> • Adcord Concept Sdn Bhd 	Investment holding in property	Director	Shareholder with 70.00% equity interest
	<ul style="list-style-type: none"> • Atnesis Sdn Bhd 	Manufacturing of access control electromagnetic locks and supply of all kinds of power generation from renewable energy resources	Director	Shareholder with 25.50% equity interest
	<ul style="list-style-type: none"> • Boang Management Sdn Bhd 	Investment holding in property	Director	Shareholder with 50.00% indirect equity interest by virtue of his shareholding in Venture Boang Sdn Bhd pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • C Max Manufacturing Sdn Bhd 	Provision of sheet metal fabrication (a 70% owned subsidiary of UWC Berhad)	Director	Shareholder with 70.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • Dale Innovation Sdn Bhd 	Investment holding in property	Director	Shareholder with 50.00% equity interest

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> • D Premier Residence Bayan Mutiara Berhad 	Collection, disbursement and management agent of property maintenance fees	-	Shareholder with approximately 1.30% equity interest
	<ul style="list-style-type: none"> • Empire Castle Sdn Bhd 	Manufacturer, assembler, installer, seller, sub-contractor, exporter in all kinds of engineering works and machinery for all kinds of industry, manufacturer and producer, exporter, importer, dealer, wholesaler, retailer and agent in all kinds of plastic packaging bags and related products for household and investment holding	Director	Shareholder with 30.00% equity interest
	<ul style="list-style-type: none"> • Future Management Development Sdn Bhd 	investment holding in property	Director	Shareholder with 90.00% equity interest
	<ul style="list-style-type: none"> • Influx Valley Sdn Bhd 	Property management	Director	Shareholder with 25.00% equity interest
	<ul style="list-style-type: none"> • KCNN Venture Capital Sdn Bhd 	Investment holding (investment in property) and investment advisory services	Director	Shareholder with 10.00% equity interest
	<ul style="list-style-type: none"> • KW Innovation Sdn Bhd 	Investment holding in property	Director	Shareholder with 50.00% equity interest
	<ul style="list-style-type: none"> • Lockset Sdn Bhd 	Air conditioning and electronic and electrical engineering services, and property investment holding	Director	Shareholder with 25.50% equity interest

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> • Merbau Sejati Sdn Bhd 	Property development	Director	Shareholder with 50.00% indirect equity interest by virtue of his shareholding in Future Management Development Sdn Bhd pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • NCB Manufacturing Sdn Bhd 	Investment holding in property	Director	Shareholder with 50.00% indirect equity interest by virtue of his shareholding in Ng Capital Sdn Bhd pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • Ng Capital Sdn Bhd 	Investment holding in property	Director	Shareholder with 20.00% equity interest and 80.00% indirect equity interest by virtue of his spouse and children pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • Ng Capital Limited 	Investment holding in assets	Director	Shareholder with 51.00% equity interest and 49.00% indirect equity interest by virtue of his spouse and children pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • PCG Management Sdn Bhd 	Investment holding (investment in a company which is principally involved in property investment)	Director	Shareholder with 30.00% equity interest
	<ul style="list-style-type: none"> • PPBK Resources (M) Sdn Bhd 	Investment holding in property	Director	Shareholder with 50.00% equity interest
	<ul style="list-style-type: none"> • Sungai Jawi Resources Sdn Bhd 	Investment holding in property	Director	Shareholder with 40.00% equity interest

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	• Surfplate Technology Sdn Bhd	Investment holding in property	Director	Shareholder with 50.00% equity interest
	• Swiss Confiserie Land Sdn Bhd	Investment holding in property	Director	Shareholder with 30.00% equity interest
	• Tekun Ehsan Sdn Bhd	Investment holding in property	Director	Shareholder with 50.00% direct equity interest and 25.00% indirect equity interest by virtue of his children pursuant to Section 8 of the Act
	• UMediC Capital	Investment holding (holding shares of our Company)	-	Shareholder with approximately 29.97% equity interest
	• Uplus Solutions Sdn Bhd	Provision of engineering, designing, manufacturing and assembling for automation solutions (a 60% owned subsidiary of UWC Berhad)	Director	Shareholder with 60.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act
	• Usurface Technology Sdn Bhd	Manufacturing of machinery and provision of sheet metal fabrication and finishing treatment (a 51% owned subsidiary of UWC Berhad)	Director	Shareholder with 51.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act
	• UVC Technology Sdn Bhd	Investment holding in property	Director	Shareholder with 50.00% equity interest
	• UWC Automation Sdn Bhd	Provision of precision machined components (a wholly owned subsidiary of UWC Berhad)	Director	Shareholder with 100.00% indirect equity interest by virtue of his shareholding in UWC Holdings Sdn Bhd and UWC Berhad pursuant to Section 8 of the Act

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> <li data-bbox="633 413 819 437">• UWC Berhad <li data-bbox="633 772 913 796">• UWC Capital Sdn Bhd <li data-bbox="633 860 931 884">• UWC Holdings Sdn Bhd <li data-bbox="633 1027 936 1051">• UWC Industrial Sdn Bhd <li data-bbox="633 1251 913 1275">• UWC Vietnam Co. Ltd 	<p data-bbox="1068 413 1406 740">Investment holding (a public listed company which holds 100% shareholding in UWC Holdings Sdn Bhd, UWC Industrial Sdn Bhd, UWC Automation, 70% in C Max Manufacturing Sdn Bhd, 60% shareholding in Uplus Solutions Sdn Bhd, 51% in Usurface Technology Sdn Bhd and 30% shareholding in Weplus Greentech Sdn Bhd)</p> <p data-bbox="1068 772 1406 820">Investment holding (holding shares of UWC Berhad)</p> <p data-bbox="1068 860 1406 987">Provision of precision sheet metal fabrication and value-added assembly (a wholly owned subsidiary of UWC Berhad)</p> <p data-bbox="1068 1027 1406 1211">Provision of precision sheet metal, fabrication and value-added assembly services, contract manufacturing of automated test equipment (a wholly owned subsidiary of UWC Berhad)</p> <p data-bbox="1068 1251 1406 1299">Manufacturing of ropes used in the fishing industry</p>	<p data-bbox="1496 413 1585 437">Director</p> <p data-bbox="1496 772 1585 796">Director</p> <p data-bbox="1496 860 1585 884">Director</p> <p data-bbox="1496 1027 1585 1051">Director</p> <p data-bbox="1541 1251 1541 1275">-</p>	<p data-bbox="1680 413 2038 596">Shareholder with approximately 8.04% direct equity interest and approximately 52.55% indirect equity interest by virtue of his shareholding in UWC Capital Sdn Bhd and his son, Ng Chin Liang, pursuant to Section 8 of the Act</p> <p data-bbox="1680 772 2038 820">Shareholder with approximately 48.21% equity interest</p> <p data-bbox="1680 860 2038 963">Shareholder with 100.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act</p> <p data-bbox="1680 1027 2038 1131">Shareholder with 100.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act</p> <p data-bbox="1680 1251 2038 1378">Shareholder with 26.00% equity interest and 19.00% indirect equity interest by virtue of his spouse pursuant to Section 8 of the Act</p>

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> • Venture Boang Sdn Bhd 	Investment holding in property	Director	Shareholder with 80.00% equity interest
	<ul style="list-style-type: none"> • Vest Leaders Sdn Bhd 	Property development	-	Shareholder with 25.00% equity interest
	<ul style="list-style-type: none"> • Veto Aset Sdn Bhd 	Investment holding in property	Director	Shareholder with 50.00% indirect equity interest by virtue of his shareholding in Ng Capital Sdn Bhd pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • Weplus Greentech Sdn Bhd 	Provision of designing, manufacturing and engineering of related components for green technology (a 30% associated company of UWC Berhad)	Director	Shareholder with 30.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act
	<p><u>Previous involvement:</u></p> <ul style="list-style-type: none"> • Alliance Events & Exhibitions Services Sdn Bhd 	Events, exhibitions services, event planning, event support services and organising, show promotion and public relations	Director (ceased directorship on 14 August 2017)	-
	<ul style="list-style-type: none"> • Alliance Media Sdn Bhd (Dissolved on 12 June 2019) 	Dormant	Director (ceased directorship on 28 December 2016)	-
	<ul style="list-style-type: none"> • Golden Virtue Sdn Bhd 	Property development	Director (ceased directorship on 15 December 2017)	Shareholder with 28.68% equity interest

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> IR Industrial Resources Sdn Bhd 	Fabrication of precision plastic parts and components	Director (ceased directorship on 23 November 2020)	-
	<ul style="list-style-type: none"> Key Share Sdn Bhd 	Investment holding (Previously involved in hotel management services)	Director (ceased directorship on 12 June 2019)	-
	<ul style="list-style-type: none"> Life Auto Sdn Bhd (struck-off on 26 March 2021) 	Car dealer	Director	-
	<ul style="list-style-type: none"> MCTEC Resources Sdn Bhd 	Manufacture of machinery parts	Director (ceased directorship on 30 May 2017)	-
	<ul style="list-style-type: none"> Medik Healthcare Sdn Bhd (Dissolved on 23 October 2020) 	Trading and distributing all kinds of medical equipment, accessories and related pharmaceutical products	Director	-
	<ul style="list-style-type: none"> Meditech Scientific Sdn Bhd ("Meditech") 	Trading and servicing of medical equipment and component ⁽¹⁾	Director (ceased directorship on 22 September 2021)	-
	<ul style="list-style-type: none"> Micro Circuit Solution Sdn Bhd 	Designing, manufacturing and sales of electronic products	Director (ceased directorship on 29 August 2017)	-
	<ul style="list-style-type: none"> OST Integration Sdn Bhd 	Design, assemble, manufacture and trade semi-automated machinery and equipment (previously involved in investment in property)	Director (ceased directorship on 12 April 2019)	-

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> Terminal Hotel Management Sdn Bhd (Dissolved on 11 October 2019) 	Dormant (never commenced its intended business of hotel operation and management)	Director	-
	<ul style="list-style-type: none"> Thean Hwa Resources (M) Sdn Bhd 	Manufacturing and trading in wire harness machinery and parts	Director (ceased directorship on 17 November 2020)	-
	<ul style="list-style-type: none"> United Wellcare Sdn Bhd (Dissolved on 5 July 2021) 	Investment holding in property	Director	-
	<ul style="list-style-type: none"> UWHE Sdn Bhd (Dissolved on 3 March 2022) 	Ceased business (previously involved in manufacturing of other components for electronic applications)	Director	-
	<ul style="list-style-type: none"> Wein Management Sdn Bhd 	Operation of restaurant business	Director (ceased directorship on 30 December 2020)	Shareholder with 30.00% indirect equity interest by virtue of his children pursuant to Section 8 of the Act

Note:

- (i) Although Meditech is involved in the trading and servicing of medical equipment and components, however, they are only acting as tendering agents. Meditech does not hold any distributorships and does not sell any products. As such, Meditech is not deemed to be a competitor of our Group.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(b) Lim Taw Seong

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Lim Taw Seong	<u>Present involvement:</u>			
	• Dale Innovation Sdn Bhd	Investment holding in property	Director	Shareholder with 20.00% equity interest
	• UMediC Capital	Investment holding (holding shares of our Company)	Director	Shareholder with approximately 29.97% equity interest
	<u>Previous involvement:</u>			
	• Medik Healthcare Sdn Bhd (Dissolved on 23 October 2020)	Trading and distributing all kinds of medical equipment, accessories and related pharmaceutical products	Director	-
• Meditech	Trading and servicing of medical equipment and component ⁽ⁱ⁾	Director (ceased directorship on 22 September 2021)	-	
• UWC Medihealth (partnership expired and ceased business on 27 April 2017)	Supply of hospital medical equipment & hospital disposable appliances	Partner	-	

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> • UWHE Sdn Bhd (Dissolved on 3 March 2022) 	Ceased business (previously involved in manufacturing of other components for electronic applications)	-	-

Note:

(i) Although Meditech is involved in the trading and servicing of medical equipment and components, however, they are only acting as tendering agents. Meditech does not hold any distributorships and does not sell any products. As such, Meditech is not deemed to be a competitor of our Group.

(c) Lau Chee Kheong

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Lau Chee Kheong	<u>Present involvement:</u> <ul style="list-style-type: none"> • Atnesis Sdn Bhd 	Manufacturing of access control electromagnetic locks and supply of all kinds of power generation from renewable energy resources	Director	Shareholder with 25.50% equity interest
	<ul style="list-style-type: none"> • C Max Manufacturing Sdn Bhd 	Provision of sheet metal fabrication (a 70% owned subsidiary of UWC Berhad)	Director	Shareholder with 70.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • Dale Innovation Sdn Bhd 	Investment holding in property	Director	Shareholder with 30.00% equity interest

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> • Empire Castle Sdn Bhd 	Manufacturer, assembler, installer, seller, sub-contractor, exporter in all kinds of engineering works and machinery for all kinds of industry, manufacturer and producer, exporter, importer, dealer, wholesaler, retailer and agent in all kinds of plastic packaging bags and related products for household and investment holding	Director	Shareholder with 20.00% equity interest
	<ul style="list-style-type: none"> • KW Innovation Sdn Bhd 	Investment holding in property	Director	Shareholder with 50.00% equity interest
	<ul style="list-style-type: none"> • Lockset Sdn Bhd 	Air conditioning and electronic and electrical engineering services, and property investment holding	Director	Shareholder with 25.50% equity interest
	<ul style="list-style-type: none"> • PCG Management Sdn Bhd 	Investment holding (investment in a company which is principally involved in property investment)	Director	Shareholder with 30.00% equity interest
	<ul style="list-style-type: none"> • Surfplate Technology Sdn Bhd 	Investment holding in property	Director	Shareholder with 50.00% equity interest
	<ul style="list-style-type: none"> • UMediC Capital 	Investment holding (holding shares of our Company)	-	Shareholder with approximately 26.02% equity interest

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> <li data-bbox="633 413 1046 437">• Uplus Solutions Sdn Bhd <li data-bbox="633 580 1046 604">• Usurface Technology Sdn Bhd <li data-bbox="633 748 1046 772">• UVC Technology Sdn Bhd <li data-bbox="633 836 1046 860">• UWC Automation Sdn Bhd <li data-bbox="633 1003 1046 1027">• UWC Berhad 	<p data-bbox="1068 413 1406 549">Provision of engineering, designing manufacturing and assembling for automation solutions (a 60% owned subsidiary of UWC Berhad)</p> <p data-bbox="1068 580 1406 716">Manufacturing of machinery and provision of sheet metal fabrication and finishing treatment (a 51% owned subsidiary of UWC Berhad)</p> <p data-bbox="1068 748 1406 772">Investment holding in property</p> <p data-bbox="1068 836 1406 940">Provision of precision machined components (a wholly owned subsidiary of UWC Berhad)</p> <p data-bbox="1068 1003 1406 1323">Investment holding (a public listed company which holds 100% shareholding in UWC Holdings Sdn Bhd, UWC Industrial Sdn Bhd, UWC Automation, 70% in C Max Manufacturing Sdn Bhd, 60% shareholding in Uplus Solutions Sdn Bhd, 51% in Usurface Technology Sdn Bhd and 30% shareholding in Weplus Greentech Sdn Bhd)</p>	<p data-bbox="1496 413 1574 437">Director</p> <p data-bbox="1496 580 1574 604">Director</p> <p data-bbox="1496 748 1574 772">Director</p> <p data-bbox="1496 836 1574 860">Director</p> <p data-bbox="1496 1003 1574 1027">Director</p>	<p data-bbox="1680 413 2038 517">Shareholder with 60.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act</p> <p data-bbox="1680 580 2038 684">Shareholder with 51.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act</p> <p data-bbox="1680 748 2038 796">Shareholder with 50.00% equity interest</p> <p data-bbox="1680 836 2038 963">Shareholder with 100.00% indirect equity interest by virtue of his shareholding in UWC Holdings Sdn Bhd and UWC Berhad pursuant to Section 8 of the Act</p> <p data-bbox="1680 1003 2038 1155">Shareholder with 7.99% direct equity interest and 52.47% indirect equity interest by virtue of his shareholding in UWC Capital Sdn Bhd pursuant to Section 8 of the Act</p>

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> • UWC Capital Sdn Bhd 	Investment holding (holding shares of UWC Berhad)	Director	Shareholder with 48.25% equity interest
	<ul style="list-style-type: none"> • UWC Holdings Sdn Bhd 	Provision of precision sheet metal fabrication and value-added assembly (a wholly owned subsidiary of UWC Berhad)	Director	Shareholder with 100.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • UWC Industrial Sdn Bhd 	Provision of precision sheet metal, fabrication and value-added assembly services, contract manufacturing of automated test equipment (a wholly owned subsidiary of UWC Berhad)	Director	Shareholder with 100.00% indirect equity interest by virtue of his shareholding in UWC Berhad pursuant to Section 8 of the Act
	<ul style="list-style-type: none"> • UWC Vietnam Co. Ltd 	Manufacturing of ropes used in the fishing industry	-	Shareholder with 25.00% equity interest
	<ul style="list-style-type: none"> • Vuz Holdings Sdn Bhd 	Investment in property	Director	Shareholder with 52.00% equity interest
	<p><u>Previous involvement:</u></p> <ul style="list-style-type: none"> • Key Share Sdn Bhd 	Investment holding (Previously involved in hotel management services)	Director (ceased directorship on 5 June 2018)	-
	<ul style="list-style-type: none"> • MCTEC Resources Sdn Bhd 	Manufacture of machinery parts	Director (ceased directorship on 30 May 2017)	-

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> • Meditech • Micro Circuit Solution Sdn Bhd • OST Integration Sdn Bhd • Thean Hwa Resources (M) Sdn Bhd • UWHE Sdn Bhd (Dissolved on 3 March 2022) 	<p>Trading and servicing of medical equipment and component⁽ⁱ⁾</p> <p>Designing, manufacturing and sales of electronic products</p> <p>Design, assemble, manufacture and trade semi-automated machinery and equipment (previously involved in investment in property)</p> <p>Manufacturing and trading in wire harness machinery and parts</p> <p>Ceased business (previously involved in manufacturing of other components for electronic applications)</p>	<p>Director (ceased directorship on 22 September 2021)</p> <p>Director (ceased directorship on 29 August 2017)</p> <p>Director (ceased directorship on 12 April 2019)</p> <p>Director (ceased directorship on 17 November 2020)</p> <p>-</p>	<p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p>

Note:

- (i) Although Meditech is involved in the trading and servicing of medical equipment and components, however, they are only acting as tendering agents. Meditech does not hold any distributorships and does not sell any products. As such, Meditech is not deemed to be a competitor of our Group.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(d) Dr Pakirisamy Baskaran A/L P Thangavelu

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Dr Pakirisamy Baskaran A/L P Thangavelu	<u>Present involvement:</u>			
	<ul style="list-style-type: none"> • Klinik KJ Sdn Bhd 	General medical services	Director	Shareholder with 100.00% equity interest
	<ul style="list-style-type: none"> • Kannaltec Berhad 	Investment holding (investment in a group of companies which are principally involved in research, development, and provision of the maintenance of shipping containers monitoring solutions) and provision of management services	-	Shareholder with approximately 0.85% equity interest
	<ul style="list-style-type: none"> • Sunray Medical Sdn Bhd 	Export and import of medical diagnostic preparation	-	Shareholder with 50.00% equity interest
	<u>Previous involvement:</u>			
	<ul style="list-style-type: none"> • Klinik Bistari Sdn Bhd (Dissolved on 3 March 2022) 	General medical services	Director	-

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(e) Tan Chye Suan

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Tan Chye Suan	<u>Present involvement:</u> <ul style="list-style-type: none"> Messrs See, Ramsun & Tan 	Provision of legal services	Managing Partner	-

(f) Lee Yee Wooi

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Lee Yee Wooi	<u>Present involvement:</u> <ul style="list-style-type: none"> Amanpuri Leisure Sdn Bhd Gohco Office Enterprise 	Rental of pleasure boats with crew for sea and coastal water transport (e.g. for fishing cruise), other reservation services and related activities operation of recreational transport facilities (e.g. marinas) Office rental, accounting and secretary services	Director -	Shareholder with 30.00% equity interest Sole proprietor with 100.00% equity interest

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> Heng Huat Resources Group Berhad 	Investment holding (a public listed company where its subsidiaries are principally involved in the manufacturing and trading of biomass material and value-added products, focusing on oil palm empty fruit bunch fibre, coconut fibre and value added products)	Director	Shareholder with approximately 0.01% equity interest
	<ul style="list-style-type: none"> Income Sector Sdn Bhd 	Investment holding in property (previously involved in carrying on business as retailers and general trading; to carry on business as selling agents for four-digit numbers forecast betting and other games; to acquire and hold for investment holdings)	Director	Shareholder with 40.00% equity interest
	<ul style="list-style-type: none"> Lee AL Trading 	Trading of kitchenware	-	Sole proprietor with 100.00% equity interest
	<ul style="list-style-type: none"> Manicum Enterprise 	Dormant (previously involved as selling agent for four-digit numbers forecast betting)	-	Sole proprietor with 100.00% equity interest
	<ul style="list-style-type: none"> Tarzan Travel (M) Sdn Bhd 	Travel agency activities	Director	Shareholder with 100.00% equity interest

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<u>Previous involvement:</u>			
	<ul style="list-style-type: none"> Konsortium Asas Sdn Bhd 	Investment holding in property	Director (ceased directorship on 1 April 2022)	-
	<ul style="list-style-type: none"> Prestij Gemilang Sdn Bhd 	Wholesale of petrol, diesel and lubricants	Director (ceased directorship on 26 January 2022)	-

(g) Ng Chin Liang

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Ng Chin Liang	<u>Present involvement:</u>			
	<ul style="list-style-type: none"> Ion Manufacturing Sdn Bhd 	Manufacturing of plastic and non-metallic products	Director	Shareholder with 50.00% equity interest
	<ul style="list-style-type: none"> Merbau Sejati Sdn Bhd 	Property development	Director	-
	<ul style="list-style-type: none"> NCB Manufacturing Sdn Bhd 	Investment holding in property	-	Shareholder with indirect 50.00% equity interest by virtue of his interest in Ng Capital Sdn Bhd pursuant to Section 8 of the Act

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> • Ng Capital Sdn Bhd • Ng Capital Limited • Tekun Ehsan Sdn Bhd • UWC Berhad • Web Projects (Penang) Sdn Bhd <p><u>Previous involvement:</u></p> <ul style="list-style-type: none"> • Key Share Sdn Bhd 	<p>Investment holding in property</p> <p>Investment holding in assets</p> <p>Investment holding in property</p> <p>Investment holding (a public listed company which holds 100% shareholding in UWC Holdings Sdn Bhd, UWC Industrial Sdn Bhd, UWC Automation, 70% in C Max Manufacturing Sdn Bhd, 60% shareholding in Uplus Solutions Sdn Bhd, 51% in Usurface Technology Sdn Bhd and 30% shareholding in Weplus Greentech Sdn Bhd)</p> <p>Computer programming activities</p> <p>Investment holding (Previously involved in hotel management services)</p>	<p>Director</p> <p>-</p> <p>-</p> <p>Alternate Director to Dato' Ng Chai Eng</p> <p>Director</p> <p>Director (ceased directorship on 12 June 2019)</p>	<p>Shareholder with 20.00% equity interest</p> <p>Shareholder with 12.00% equity interest</p> <p>Shareholder with 25.00% equity interest</p> <p>Shareholder with 0.03% equity interest</p> <p>Shareholder with 50.00% equity interest</p> <p>-</p>

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
	<ul style="list-style-type: none"> • PPBK Resources (M) Sdn Bhd 	Investment holding in property	Director (ceased directorship on 22 April 2021)	-
	<ul style="list-style-type: none"> • Wein Management Sdn Bhd 	Operation of restaurant business	Director (ceased directorship on 9 April 2021)	-

The involvement of Lim Taw Seong, being our Executive Director/Chief Executive Officer, in other business activities outside our Group is not expected to require a significant amount of his time or attention as he is not involved in the management and day-to-day operations of those businesses, other than attending meetings of the board of directors on which he serves. As such, his involvement in those business activities outside our Group will not affect his ability to perform his roles and responsibilities as well as his contributions to our Group.

The involvement of our non-executive Directors in other business activities outside our Group, will not affect their contributions to our Group as the non-executive Directors' involvement in our Company are to the extent of attending meetings and discharging their responsibilities as non-executive directors.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

4.2.4 Remuneration and material benefits-in-kind of our Directors

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid and proposed to be paid to our Directors for services rendered to us in their capacities to our Group for FYEs 2021 and 2022 are as follows:

FYE 2021 (Actual):

Name	Directors' fees RM'000	Salaries RM'000	Bonuses RM'000	Allowances and benefits-in-kind RM'000	Other emoluments ⁽ⁱⁱ⁾ RM'000	Total RM'000
Dato' Ng Chai Eng	89	-	-	-	-	89
Lim Taw Seong	61	178	60	101	22	422
Lau Chee Kheong	53	-	25	-	-	78
Dr Pakirisamy Baskaran A/L P Thangavelu	-	-	-	-	-	-
Tan Chye Suan	-	-	-	-	-	-
Lee Yee Wooi	-	-	-	-	-	-
Ng Chin Liang	-	-	-	-	-	-

FYE 2022 (Proposed):

Name	Directors' fees RM'000	Salaries RM'000	Bonuses ⁽ⁱ⁾ RM'000	Allowances and benefits-in-kind RM'000	Other emoluments ⁽ⁱⁱ⁾ RM'000	Total RM'000
Dato' Ng Chai Eng	20	-	-	-	1	21
Lim Taw Seong	-	228	18	67	28	341
Lau Chee Kheong	10	-	-	-	1	11
Dr Pakirisamy Baskaran A/L P Thangavelu	10	-	-	-	1	11
Tan Chye Suan	10	-	-	-	1	11
Lee Yee Wooi	10	-	-	-	1	11
Ng Chin Liang	-	-	-	-	-	-

Notes:

- (i) The final bonus will be determined later based on the individual's performance as well as our Group's business performance and cash flows at the time of assessment.
- (ii) These comprise contributions to employees' provident fund, social security organisation and employee insurance scheme.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

The remuneration of our Directors must be considered and recommended by our Remuneration Committee and subsequently be approved by our Board. Our Directors' fees must be further approved/endorsed by our shareholders at a general meeting.

4.3 BOARD PRACTICES

Our Board is responsible in leading and managing our Company in an effective and responsible manner and all our Directors have an equal responsibility for our operations and corporate accountability.

With the limit set by our Constitution, our Board is responsible for the governance and management of our Company, which include reviewing and adopting a strategic plan and direction for our Group, overseeing the conduct and performance of our Group's businesses to evaluate whether our businesses are being properly managed, identifying our Group's principal risks and ensuring the implementation of appropriate internal controls and mitigation measures, establishing a succession plan for our senior management, as well as reviewing the adequacy and the integrity of the management information and internal controls system of our Group.

4.3.1 Term of office of our Board

The details of our Directors, all of whom are Malaysians, the expiration of each of their current term of office and the period they have served in office as at the LPD are as follows:

Name	Age	Designation	Date of appointment	Date of expiration of the current term of office	Approximate no. of years in office up to the LPD
Dato' Ng Chai Eng	59	Non-Independent Non-Executive Chairman	7 October 2021	Shall retire at our third (3 rd) annual general meeting ("AGM") to be held in 2024	Less than one (1) year
Lim Taw Seong	44	Executive Director/Chief Executive Officer	22 April 2021	Shall retire at our second (2 nd) AGM to be held in 2023	One (1) year
Lau Chee Kheong	59	Non-Independent Non-Executive Director	7 October 2021	Shall retire at our fourth (4 th) AGM to be held in 2025	Less than one (1) year
Dr Pakirisamy Baskaran A/L P Thangavelu	60	Independent Non-Executive Director	7 October 2021	Shall retire at our second (2 nd) AGM to be held in 2023	Less than one (1) year
Tan Chye Suan	54	Independent Non-Executive Director	7 October 2021	Shall retire at our third (3 rd) AGM to be held in 2024	Less than one (1) year

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

Name	Age	Designation	Date of appointment	Date of expiration of the current term of office	Approximate no. of years in office up to the LPD
Lee Yee Wooi	50	Independent Non-Executive Director	7 October 2021	Shall retire at our fourth (4 th) AGM to be held in 2025	Less than one (1) year
Ng Chin Liang	30	Alternate Director to Dato' Ng Chai Eng	7 October 2021	-	Less than one (1) year

Pursuant to Clause 165 of our Constitution, at the first annual general meeting of our Company, all our Directors shall retire from office, and at the AGM in every subsequent year, 1/3 of our Directors, or if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office once every 3 years but shall be eligible for re-election. A retiring director shall be eligible for re-election and shall retain office until the close of the meeting at which he retires.

Our Board acknowledges and takes cognisance of the Malaysian Code on Corporate Governance (“MCCG”) which contains best practices and guidance for listed companies to improve upon or to enhance their corporate governance as it forms an integral part of their business operations and culture.

Our Board believes that our current Board composition provides an appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively.

Our Board is committed to achieving and sustaining high standards of corporate governance and we have considered the additional best practices and guidance set out in the MCCG such as to have at least 30% women directors on our Board. We shall use all our best endeavour to seek, observe and identify suitable women candidate(s) to the Board and ensure that the composition of the Board comprises at least 30% of women directors within two (2) years from the date of our Listing.

4.3.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee was formed by our Board on 7 October 2021. The members of our Audit and Risk Management Committee consists of the following:

Name	Designation	Directorship
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

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Our Audit and Risk Management Committee undertakes, amongst others, the following functions:

External audits

- (i) To review with the external auditors, the audit report, the nature and scope of their audit plan and report the same to the Board;
- (ii) 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;
- (iii) To review internal audit findings and the management's responses or action plans, including the status of the previous audit recommendations;
- (iv) To make recommendations concerning the appointment of the external auditors and their remuneration to the Board;
- (v) To review the non-audit fees paid or payable to the external auditors, or a firm or corporation affiliated to the external auditors' firm; and
- (vi) To assess the suitability, objectivity and independence of the external auditor, taking into consideration:
 - (a) the competence, audit quality and resource capacity of the external auditor in relation to the audit;
 - (b) the nature and extent of the non-audit fees rendered and the appropriateness of the level of fees; and
 - (c) 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.

Internal audits

- (i) 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;
- (ii) 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;
- (iii) To review any appraisal or assessment of the performance of members of the internal audit function; and
- (iv) To ensure the person responsible for the internal audit reports directly to the Audit and Risk Management Committee.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Financial reporting

- (i) 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.

Others

- (i) To review any related party transactions and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (ii) To review and verify the allocation of options to employees under employees share option scheme;
- (iii) To report any breach of listing requirements, which have not been satisfactory resolved to Bursa Securities;
- (iv) 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;
- (v) To provide timely input to management on critical risk issues;
- (vi) To engage management in an ongoing risk appetite dialogue as conditions and circumstances change and new opportunities arise;
- (vii) To oversee the conduct, and review the results, of company-wide risk assessments, including the identification and reporting of critical risks;
- (viii) To oversee the management of certain risks, with regard to the complexity and significance of these risk exposures;
- (ix) To provide advice to the Board on risk strategies and coordinate the activities of the various standing board committees for risk oversight;
- (x) 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);
- (xi) To review the Company's internal control and risk management framework, strategic, policies, processes, responsibilities and actions;
- (xii) To identify, assess and monitor the key business risk and management's action plan and assess whether risks are managed adequately and effectively;

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

- (xiii) 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;
- (xiv) 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;
- (xv) To review and ensure that risk disclosure in the annual report are made in compliance with the provisions of the authority;
- (xvi) To ensure the inclusion of corruption risk as one of the risks assessed in the Group's risk register; and
- (xvii) To review the Anti-Bribery & Corruption Policy and Whistleblowing Policy at least once every three (3) years and to make recommendations to the Board thereon.

4.3.3 Nomination Committee

Our Nomination Committee was formed by our Board on 7 October 2021. The members of our Nomination Committee consist of the following:

Name	Designation	Directorship
Dr Pakirisamy Baskaran A/L P Thangavelu	Chairman	Independent Non-Executive Director
Tan Chye Suan	Member	Independent Non-Executive Director
Lee Yee Woi	Member	Independent Non-Executive Director

Our Nomination Committee undertakes, amongst others, the following functions:

- (i) to propose, consider and recommend to the Board suitable persons for appointment as Directors of the Company;
- (ii) to recommend to the Board, candidates to fill the seats on Board committees;
- (iii) 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;
- (iv) 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;
- (v) to review the tenure of each director with an aim to ensure that the composition of the Board is refreshed periodically;

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

- (vi) 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;
- (vii) to assess the skill gaps of the Directors and recommend appropriate training and development programmes for the Directors; and
- (viii) 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.

4.3.4 Remuneration Committee

Our Remuneration Committee was formed by our Board on 7 October 2021. The members of our Remuneration Committee consist of the following:

Name	Designation	Directorship
Tan Chye Suan	Chairman	Independent Non-Executive Director
Dr Pakirisamy Baskaran A/L P Thangavelu	Member	Independent Non-Executive Director
Lee Yee Woi	Member	Independent Non-Executive Director

Our Remuneration Committee undertakes, amongst others, the following functions:

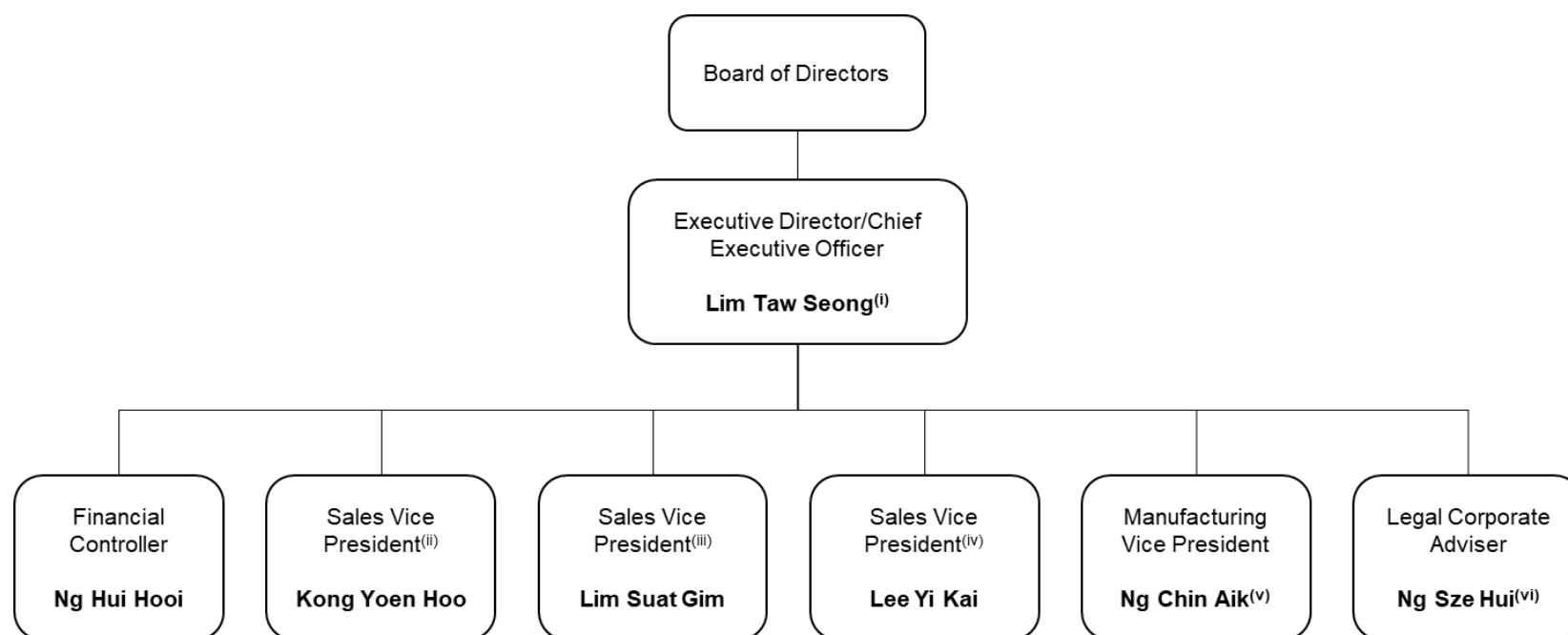
- (i) to set, review, recommend and advise the policies and procedures on all elements of the remuneration of the Directors and Key Senior Management;
- (ii) to review and recommend to the Board the remuneration packages of Executive Directors and key senior management including, where appropriate, bonuses, incentive, benefits-in-kind, severance payments, any grant of entitlement under share scheme based on the merit, qualification and competence while having regard to the operating results, individual performance and comparable market statistics;
- (iii) to review and recommend to the Board the remuneration packages of Non-Executive Directors, which shall subject to shareholders' approval at the annual general meeting, based on the level of expertise, commitment and responsibilities undertaken; and
- (iv) to review and assess the adequacy and relevance of the remuneration policies and procedures annually and recommend any changes it considers necessary to the Board.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

4.4 MANAGEMENT REPORTING STRUCTURE

The following chart illustrates the management reporting structure of our Group:



Notes:

- (i) He is nephew of Dato' Ng Chai Eng as well as cousin of Ng Chin Liang, Ng Chin Aik and Ng Sze Hui.
- (ii) He is responsible for managing the day-to-day sales and operations activities and in charge of the project sales for the central and east coast regions of Peninsular Malaysia.
- (iii) She is responsible for managing the day-to-day sales and operations activities and in charge of the project sales for the southern region of Peninsular Malaysia and Sarawak state.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (iv) He is responsible for managing the day-to-day sales and operations activities and in charge of the project sales for the northern region of Peninsular Malaysia and Sabah state.
- (v) He is nephew of Dato' Ng Chai Eng as well as cousin of Lim Taw Seong, Ng Chin Liang and Ng Sze Hui.
- (vi) She is daughter of Dato' Ng Chai Eng, sister of Ng Chin Liang as well as cousin of Lim Taw Seong and Ng Chin Aik,

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(CONT'D)*

4.5 KEY SENIOR MANAGEMENT

4.5.1 Shareholdings of our Key Senior Management

Save for Lim Taw Seong, our Executive Director/Chief Executive Officer's shareholding set out in Section 4.2.1 of this Prospectus, the details of our Key Senior Management and their respective shareholdings in our Company as at the LPD and after our IPO (assuming each of our Key Senior Management subscribe in full for their respective entitlements under the Pink Form Allocations as set out in Section 3.3.1(ii) of this Prospectus) are as follows:

Name	Designation	Before our IPO/As at the LPD				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(i)%	No. of Shares	(i)%	No. of Shares	(ii)%	No. of Shares	(ii)%
Ng Hui Hooi	Financial Controller	-	-	-	-	300,000	0.08	-	-
Kong Yoen Hoo	Sales Vice President	9,346,098	3.38	-	-	9,746,098	2.61	-	-
Lim Suat Gim	Sales Vice President	5,665,050	2.05	-	-	6,065,050	1.62	-	-
Lee Yi Kai	Sales Vice President	965,010	0.35	-	-	1,365,010	0.37	-	-
Ng Chin Aik	Manufacturing Vice President	9,777,550	3.53	-	-	10,177,550	2.72	-	-
Ng Sze Hui	Legal and Corporate Adviser	-	-	-	-	300,000	0.08	-	-

Notes:

- (i) Based on the total number of 276,685,700 Shares before our IPO/as at the LPD.
- (ii) Based on the enlarged total number of 373,910,000 Shares after our IPO.

None of our Key Senior Management are representatives of any corporate shareholders.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

4.5.2 Profiles of our Key Senior Management

The profiles of our other Key Senior Management are as follows:

- (i) **Ng Hui Hooi**, a Malaysian aged 46, is our Financial Controller. She is responsible for our Group's accounting and finance functions.

She graduated from Deakin University in Australia in 2000 with a degree in Bachelor of Commerce, majoring in Accountancy and obtained her Certified Practising Accountant (CPA), Australia from CPA Australia in 2003. She has been a member of the Malaysian Institute of Accountants since 2004.

She began her career in 2000 with an audit firm, Wong Liu & Partners as a Junior Auditor. She left the firm in 2004 as Senior Auditor to join Sin Tiong Lee Food Industry Sdn Bhd, where she oversaw the company's accounting and tax matters.

Thereafter, she left the company in 2004 and joined Wangsaga Industries Sdn Bhd (a subsidiary of Tek Seng Holdings Berhad), as Accounts Manager, where her responsibilities included the preparation of financial statements, quarterly and annual reports of its holding company and management reporting. She left the company in 2007 and joined Texchem Resources Berhad as Assistant Finance Manager. In 2008, she joined UWC Holdings Sdn Bhd (now a subsidiary company of UWC Berhad) as Finance Manager, where her responsibilities included overseeing the accounting and financial matters such as treasury functions, credit control, budgeting and taxation. In 2018, she was promoted as the Financial Controller of UWC Berhad. In 2021, she joined our Group and assumed her current position.

As at the LPD, Ng Hui Hooi does not hold any directorship in any other public listed companies or private limited companies.

- (ii) **Kong Yoan Hoo**, a Malaysian aged 44, is the Sales Vice President. He is responsible for managing the day-to-day sales and operations activities and in charge of the project sales for the central and east coast regions of Peninsular Malaysia.

He obtained a Bachelor of Engineering (Mechanical) from Universiti Teknologi Malaysia in 2003.

He began his career in 2003 with Zama Corporation Ltd, a Hong Kong based company, where he served as an Engineer and was responsible for overseeing the engineering drafting department. He left Zama Corporation Ltd in 2006 to join DPL Holdings Ltd, a Hong Kong based company, in the same year. In DPL Holdings Ltd, he served as a Project Engineer and was responsible for the management of projects from the design phase up to the production stage.

Subsequently, he left DPL Holdings Ltd in 2007 and co-founded Evo Medik. Initially, he worked as our Branch Manager (East Coast Region) and was responsible for expanding and managing sales and marketing activities for the east coast region of Peninsular Malaysia. In 2012, he became our Branch Manager (Central and East Coast region) where he was responsible for various functions, including amongst others, setting up a sales team, business development as well as overseeing the operations of our marketing and distribution offices in located in Kota Bharu, Kelantan.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(CONT'D)*

In 2014, our Group decided to consolidate the east coast region's sales and operations into our marketing and distribution offices in located in Kuala Lumpur. He then became our Branch Manager for our marketing and distribution offices in located in Kuala Lumpur where he was responsible for overseeing the sales and operations of central and east coast regions of Peninsular Malaysia. He was promoted to his current position in 2021.

As at the LPD, Kong Yoen Hoo does not hold any directorship in any other public listed companies or private limited companies.

- (iii) **Lim Suat Gim**, a Malaysian aged 38, is the Sales Vice President. She is responsible for managing the day-to-day sales and operations activities and in charge of the project sales for the southern region of Peninsular Malaysia and Sarawak state.

She obtained a Bachelor of Science degree with Honours in Biochemistry from Universiti of Malaya in 2007.

She began her career in 2007 with Public Packages (NT) Sdn Bhd as a Quality Assurance Executive, where she was responsible for the development and implementation of inspection activities, inspection and testing of processes and procedures, and coordinating the investigation of quality issues with customers and suppliers. In the same year, she left Public Packages (NT) Sdn Bhd to join UMediC (formerly known as UWC Healthcare Sdn Bhd) as the Sales Executive. She was responsible for managing the sales and marketing activities for the southern region of Peninsular Malaysia as well as providing after-sales and service support.

In 2010, she was promoted to our Branch Manager (Southern region and Sarawak state). She is responsible for various functions, including amongst others, setting up a sales team, business development as well as overseeing the operations of our marketing and distribution offices located in Johor Bahru, Johor. In addition, she is also responsible for overseeing the sales and operations for Sarawak state. She was promoted to her current position in 2021.

As at the LPD, Lim Suat Gim does not hold any directorship in any other public listed companies or private limited companies.

- (iv) **Lee Yi Kai**, a Malaysian aged 44, is the Sales Vice President. He is responsible for managing the day-to-day sales and operations activities and in charge of the project sales for the northern region of Peninsular Malaysia and Sabah state.

He obtained a Bachelor of Engineering degree with Honours in Mechanical Engineering from Royal Melbourne Institute of Technology, Australia in 2001.

He began his career in 2002 with Teco Industry (M) Sdn Bhd as a Mechanical Engineer, where he was responsible for designing and modifying electric motor engineering drawings. Subsequently, he left Teco Industry (M) Sdn Bhd in 2005 and joined SMC Automation (M) Sdn Bhd in the same year as a Sales and Service Engineer, where his responsibilities included the sales and marketing of the company's products as well as providing after-sales support. He left SMC Automation (M) Sdn Bhd in 2009.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

Thereafter, he joined our Group as a Sales Executive in 2009, where he was responsible for managing sales and marketing activities for Perak and Sabah states as well as providing after-sales and service support. In 2016, he was promoted to our Sales Manager where he was responsible for overseeing the sales and operations for the northern region of Peninsular Malaysia and Sabah state. He was promoted to his current position in 2021.

As at the LPD, Lee Yi Kai does not hold any directorship in any other public listed companies or private limited companies.

- (v) **Ng Chin Aik**, a Malaysian aged 37, is our Manufacturing Vice President. He is responsible for product design and development including generating and evaluating product development ideas and activities as well as overseeing our manufacturing operations.

He graduated from Universiti Kebangsaan Malaysia, with a Bachelor of Science with Honours in Physics in 2008. In 2019, he obtained a Master of Business Administration from the University of Science Malaysia. He also obtained his good clinical practice certificate from the Clinical Research Center, Ministry of Health and Medtech Regulatory Compliance from the Association of Malaysian Medical Industries (“**AMMI**”) in 2018. He was also appointed to be part of the Regulatory Affairs Committee (since 2016), Government Affairs Committee (since 2020) and Operational Excellence Committee (since 2020) of AMMI.

He began his career in 2008 with UWC Technology Sdn Bhd as a Marketing Engineer, where he was responsible for customer liaison and costing requirements. In 2011, he was appointed as Operating Manager of UWHM (formerly known as UWC Healthcare Mfg (M) Sdn Bhd), where he was responsible for developing new medical devices, maximising profitability of the company, ensuring compliance with regulatory requirements and other manufacturing related activities. He was promoted to his current position in 2021.

As at the LPD, Ng Chin Aik does not hold any directorship in any other public listed companies or private limited companies.

- (vi) **Ng Sze Hui**, a Malaysian aged 26, is our Legal and Corporate Adviser. She is responsible for handling legal and corporate affairs of our Group. She also manages the communication with internal and external stakeholders of our Group.

She graduated from the London School of Economics and Political Science with a Bachelor of Laws in 2018. Subsequently, she completed her Master of Laws and Bar Professional Training Course at City, University of London in 2019. She was admitted to the Bar of England and Wales by the Honourable Society of the Middle Temple in the same year. In 2020, she was admitted as an Advocate and Solicitor of the High Court of Malaya. In 2021, she became a member of the Inns of Court Malaysia (ICM) and the Young Lawyers Committee of Kuala Lumpur Bar Committee. In 2022, she became a registered trademark agent and she will be responsible for our Group’s intellectual property matters such as the registration of our Group’s future trademarks and the implementation of strategies to protect our intellectual properties.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

She began her legal career with Wong & Partners, a member firm of Baker Mckenzie International in 2020 and later she joined Azmi & Associates, a member of Terralex Worldwide. During her tenure in the aforementioned law firms, she was involved in a range of corporate and commercial legal matters which include setting up new businesses, handling merger and acquisition transactions, advising on cross-border transactions and drafting various agreements and policies. She has also been involved in advising corporations on the adoption of best practices in relation to the Malaysian Code of Corporate Governance issued by the SC and compliance with Bursa Securities' listing requirements. In 2021, she joined our Group and assumed her current position. Since joining our Group, she has been actively involved in advising and managing our Group's legal and regulatory processes in the healthcare industry.

As at the LPD, Ng Sze Hui also sits on the board of a private limited company as disclosed in Section 4.5.3 of this Prospectus.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

4.5.3 Involvement of our Key Senior Management in other principal business activities outside our Group

Save for the involvement of Lim Taw Seong, our Executive Director/Chief Executive Officer which have been set out in Section 4.2.3 of this Prospectus, the principal business activities performed by our Key Senior Management outside our Group as at the LPD and their present directorships in companies outside our Group and in the past five (5) years preceding the LPD are as follows:

(a) Kong Yoen Hoo

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Kong Yoen Hoo	<u>Present involvement:</u> • UMediC Capital	Investment holding (holding shares of our Company)	-	Shareholder with approximately 5.42% equity interest
	<u>Previous involvement:</u> • Meditech	Trading and servicing of medical equipment and component ⁽ⁱ⁾	Director (ceased directorship on 24 September 2018)	-

Note:

- (i) Although Meditech is involved in the trading and servicing of medical equipment and components, however, they are only acting as tendering agents. Meditech does not hold any distributorships and does not sell any products. As such, Meditech is not deemed to be a competitor of our Group.

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(b) Lim Suat Gim

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Lim Suat Gim	<u>Present involvement:</u> <ul style="list-style-type: none"> UMediC Capital 	Investment holding (holding shares of our Company)	-	Shareholder with approximately 2.96% equity interest

(c) Lee Yi Kai

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Lee Yi Kai	<u>Present involvement:</u> <ul style="list-style-type: none"> UMediC Capital 	Investment holding (holding shares of our Company)	-	Shareholder with approximately 0.53% equity interest
	<u>Previous involvement:</u> <ul style="list-style-type: none"> UWC Medihealth (partnership expired and ceased business on 27 April 2017) 	Supply of hospital medical equipment & hospital disposable appliances	Partner	-

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(d) Ng Chin Aik

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Ng Chin Aik	<u>Present involvement:</u> <ul style="list-style-type: none"> <li data-bbox="600 560 792 587">● UMediC Capital 	Investment holding (holding shares of our Company)	-	Shareholder with approximately 5.11% equity interest
	<u>Previous involvement:</u> <ul style="list-style-type: none"> <li data-bbox="600 759 882 786">● OST Industries Sdn Bhd 	Design, assemble, manufacture and trade semi-automated machinery and equipment	Director (ceased directorship on 5 October 2020)	-
	<ul style="list-style-type: none"> <li data-bbox="600 914 864 994">● UWHE Sdn Bhd (Dissolved on 3 March 2022) 	Ceased business (previously involved in manufacturing of other components for electronic applications)	Director	-

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(e) Ng Sze Hui

Name	Company name	Principal business activities	Designation	Involvement in principal business activities other than as a director
Ng Sze Hui	<u>Present involvement:</u>			
	<ul style="list-style-type: none"> • Ng Capital Sdn Bhd • Ng Capital Limited 	<p>Investment holding in property</p> <p>Investment holding in assets</p>	<p>Director</p> <p>-</p>	<p>Shareholder with 20.00% equity interest</p> <p>Shareholder with 12.00% equity interest</p>

The involvement of our Key Senior Management in other business activities outside our Group is not expected to require a significant amount of their time or attention as they are not involved in the management and day-to-day operations of those businesses as those businesses are managed by their respective management teams. As such, their involvement in those business activities outside our Group will not affect their ability to perform their roles and responsibilities as well as their contributions to our Group.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(CONT'D)*

4.5.4 Remuneration and material benefits-in-kind of our Key Senior Management

Save for the aggregate remuneration and material benefits-in-kind paid and proposed to be paid to Lim Taw Seong, our Executive Director/Chief Executive Officer which have been set out in Section 4.2.4 of this Prospectus, the aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid and proposed to be paid to our other Key Senior Management for services rendered to us in their capacities to our Group for FYEs 2021 and 2022 are as follows:

Name	Remuneration band	
	FYE 2021 (Actual)	FYE 2022 (Proposed)
	RM'000	RM'000
Ng Hui Hooi	0 to 50 ⁽ⁱ⁾	101 to 150
Kong Yoen Hoo	251 to 300	201 to 250
Lim Suat Gim	201 to 250	151 to 200
Lee Yi Kai	101 to 150	101 to 150
Ng Chin Aik	151 to 200	151 to 200
Ng Sze Hui	0 to 50 ⁽ⁱⁱ⁾	51 to 100

Notes:

- (i) Ng Hui Hooi joined our Group in April 2021.
- (ii) Ng Sze Hui joined our Group in July 2021.

4.6 SERVICE CONTRACTS

As at the LPD, we do not have any existing or proposed service contract with our Directors or Key Senior Management, which provides for benefits upon termination of employment.

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4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

4.7 ASSOCIATIONS OR FAMILY RELATIONSHIPS BETWEEN OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Save as disclosed below, there is no association or family relationship between any of our Promoters, substantial shareholders, Directors and Key Senior Management as at the LPD:

Name	Position	Relationship
Dato' Ng Chai Eng	Non-Independent Non-Executive Chairman	<ul style="list-style-type: none"> • He is father of Ng Chin Liang, our Alternate Director to Dato' Ng Chai Eng • He is father of Ng Sze Hui, our Key Senior Management • He is uncle of Lim Taw Seong, our Executive Director/Chief Executive Officer • He is uncle of Ng Chin Aik, our Key Senior Management
Lim Taw Seong	Executive Director/Chief Executive Officer	<ul style="list-style-type: none"> • He is nephew of Dato' Ng Chai Eng, our Non-Independent Non-Executive Chairman • He is cousin of Ng Chin Liang, our Alternate Director to Dato' Ng Chai Eng • He is cousin of Ng Chin Aik, our Key Senior Management • He is cousin of Ng Sze Hui, our Key Senior Management
Ng Chin Liang	Alternate Director to Dato' Ng Chai Eng	<ul style="list-style-type: none"> • He is son of Dato' Ng Chai Eng, our Non-Independent Non-Executive Chairman • He is brother of Ng Sze Hui, our Key Senior Management • He is cousin of Lim Taw Seong, our Executive Director/Chief Executive Officer • He is cousin of Ng Chin Aik, our Key Senior Management
Ng Chin Aik	Manufacturing Vice President	<ul style="list-style-type: none"> • He is nephew of Dato' Ng Chai Eng, our Non-Independent Non-Executive Chairman • He is cousin of Ng Chin Liang, our Alternate Director to Dato' Ng Chai Eng • He is cousin of Lim Taw Seong, our Executive Director/Chief Executive Officer • He is cousin of Ng Sze Hui, our Key Senior Management

4. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

Name	Position	Relationship
Ng Sze Hui	Legal and Corporate Adviser	<ul style="list-style-type: none"> • She is daughter of Dato' Ng Chai Eng, our Non-Independent Non-Executive Chairman • She is sister of Ng Chin Liang, our Alternate Director to Dato' Ng Chai Eng • She is cousin of Lim Taw Seong, our Executive Director/Chief Executive Officer • She is cousin of Ng Chin Aik, our Key Senior Management

4.8 DECLARATION BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

None of our Promoters, Directors and Key Senior Management are or have been involved in any of the following events (whether in or outside Malaysia) as at the LPD:

- (i) in the last ten (10) years, a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he or she was a partner or any corporation of which he or she was a director or member of key senior management;
- (ii) such person was disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last ten (10) years, such person was charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) in the last ten (10) years, any judgment was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his or her part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (v) in the last ten (10) years, such person was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his or her part that relates to the capital market;
- (vi) such person was the subject of any order, judgment or ruling of any court, government or regulatory authority or body temporarily enjoining him or her from engaging in any type of business practice or activity;
- (vii) in the last ten (10) years, such person has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (viii) any unsatisfied judgment against such person.

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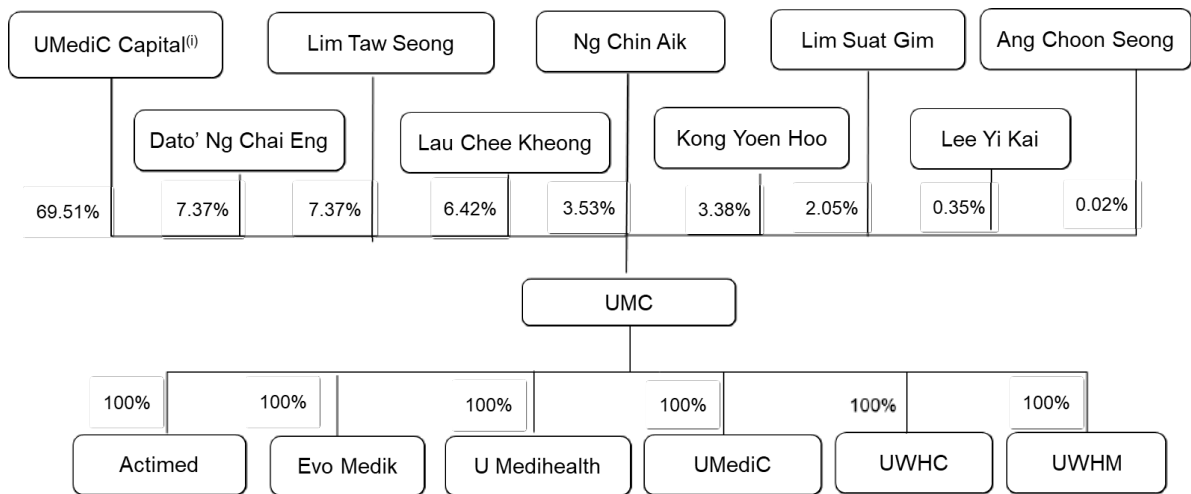
5. INFORMATION ON OUR GROUP

5.1 OUR COMPANY

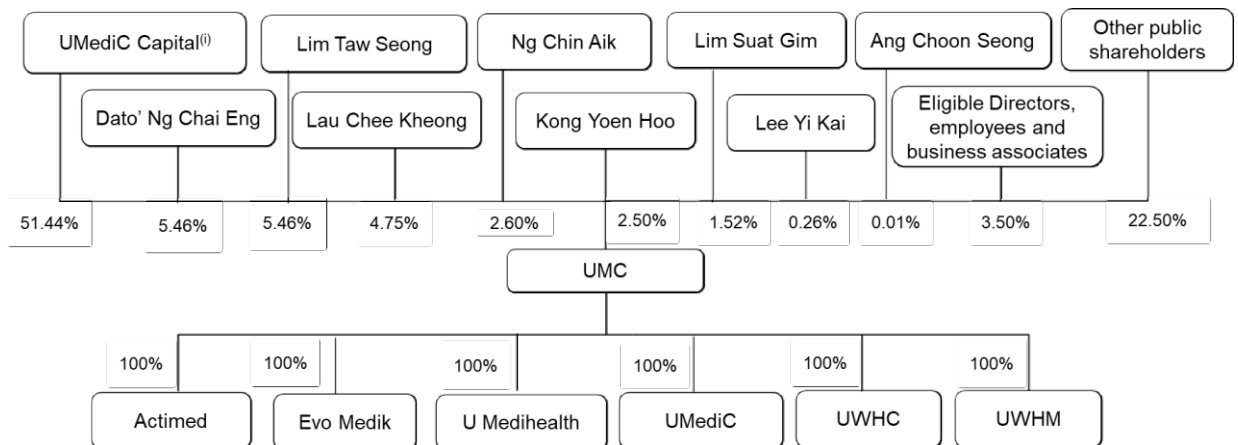
UMC was incorporated in Malaysia under the Act on 22 April 2021 as a private company limited by shares under the name of UMediC Group Sdn Bhd. On 28 September 2021, we completed the Acquisitions which resulted in Actimed, Evo Medik, U Medihealth, UMediC, UWHC and UWHM becoming our wholly-owned subsidiaries. Subsequently, on 7 October 2021, our Company was converted to a public limited company to facilitate our Listing.

We are an investment holding company. Through our subsidiaries, we are 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. We are also involved in developing, manufacturing and marketing of our medical consumables.

As at the LPD, our Group structure is as follows:



Upon Listing, our Group structure is as follows:



Note:

- (i) UMediC Capital is owned by Dato' Ng Chai Eng (29.97%), Lim Taw Seong (29.97%), Lau Chee Kheong (26.02%), Kong Yoen Hoo (5.42%), Ng Chin Aik (5.11%), Lim Suat Gim (2.96%), Lee Yi Kai (0.53%) and Ang Choon Seong (0.02%).

Please refer to Section 5.2 of this Prospectus for further details on our subsidiaries.

5. INFORMATION ON OUR GROUP (CONT'D)

5.1.1 Acquisitions

In conjunction with, and as an integral part of our Listing, the details of the Acquisitions are as follows:

(i) Actimed Acquisition

On 28 September 2021, our Company acquired the entire issued share capital in Actimed comprising 10,000 ordinary shares from the vendors for a purchase consideration of RM1,498,520. The purchase consideration was wholly satisfied via the issuance of 29,970,400 new Shares at an issue price of RM0.05 per Share to the following vendors (who then novated a portion of their shares to a holding company, UMediC Capital) as follows:

	Shareholding in Actimed		Purchase Consideration RM	No. of new Shares issued
	No. of shares	%		
Lim Suat Gim ⁽ⁱ⁾	3,000	30.00	449,556	5,665,050
Dato' Ng Chai Eng	1,967	19.67	294,759	1,532,746
Lim Taw Seong	1,967	19.67	294,759	1,532,746
Lau Chee Kheong	1,967	19.67	294,759	1,532,746
Kong Yoen Hoo	1,099	10.99	164,687	3,293,748
UMediC Capital	-	-	-	⁽ⁱⁱ⁾ 16,413,364
Total	10,000	100.00	1,498,520	29,970,400

Notes:

- (i) Lim Suat Gim is not a related party to our Promoters, substantial shareholders, Directors and Key Senior Management.
- (ii) The following vendors novated a total of 16,413,364 new Shares, issued to them pursuant to Actimed Acquisition, to UMediC Capital as follows:

	No. of new Shares novated to UMediC Capital
Lim Suat Gim	3,326,070
Dato' Ng Chai Eng	4,362,431
Lim Taw Seong	4,362,431
Lau Chee Kheong	4,362,432
Total	16,413,364

5. INFORMATION ON OUR GROUP (CONT'D)

The purchase consideration of Actimed of RM1,498,520 was arrived at on a willing-buyer willing-seller basis, after taking into consideration the audited NA of Actimed as at 31 July 2021 of RM1,498,523. The Actimed Acquisition was completed on 28 September 2021 and thereafter, Actimed has become our wholly-owned subsidiary.

(ii) Evo Medik Acquisition

On 28 September 2021, our Company acquired the entire issued share capital in Evo Medik comprising 100,000 ordinary shares from the vendors for a purchase consideration of RM1,210,470. The purchase consideration was wholly satisfied via the issuance of 24,209,400 new Shares at an issue price of RM0.05 per Share to the following vendors (who then novated a portion of their shares to a holding company, UMediC Capital) as follows:

	Shareholding in Evo Medik		Purchase Consideration RM	No. of new Shares issued
	No. of shares	%		
UMediC	75,000	75.00	907,852	(i)-
Kong Yoen Hoo	25,000	25.00	302,618	6,052,350
Dato' Ng Chai Eng	-	-	-	(i)1,652,291
Lim Taw Seong	-	-	-	(i)1,652,291
Lau Chee Kheong	-	-	-	(i)1,416,249
UMediC Capital	-	-	-	(i)(ii)13,436,219
Total	100,000	100.00	1,210,470	24,209,400

Notes:

- (i) UMediC distributed a total of 18,157,050 new Shares, issued to it pursuant to the Evo Medik Acquisition, to Dato' Ng Chai Eng, Lim Taw Seong and Lau Chee Kheong in proportion to their shareholdings in UMediC by way of dividend-in-specie.
- (ii) The following shareholders of UMediC novated a total of 13,436,219 new Shares, issued to them pursuant to the Evo Medik Acquisition, to UMediC Capital as follows:

	No. of new Shares novated to UMediC Capital
Dato' Ng Chai Eng	4,702,677
Lim Taw Seong	4,702,677
Lau Chee Kheong	4,030,865
Total	13,436,219

5. INFORMATION ON OUR GROUP (CONT'D)

The purchase consideration of Evo Medik of RM1,210,470 was arrived at on a willing-buyer willing-seller basis, after taking into consideration the audited NA of Evo Medik as at 31 July 2021 of RM1,210,473. The Evo Medik Acquisition was completed on 28 September 2021 and thereafter, Evo Medik has become our wholly-owned subsidiary.

(iii) U Medihealth Acquisition

On 28 September 2021, our Company acquired the entire issued share capital in U Medihealth comprising 2,500 ordinary shares from the vendors for a purchase consideration of RM160,835. The purchase consideration was wholly satisfied via the issuance of 3,216,700 new Shares at an issue price of RM0.05 per Share to the following vendors (who then novated a portion of their shares to a holding company, UMediC Capital) as follows:

	Shareholding in U Medihealth		Purchase Consideration RM	No. of new Shares issued
	No. of shares	%		
Lee Yi Kai	750	30.00	48,251	965,010
Lim Taw Seong	700	28.00	45,034	234,175
Dato' Ng Chai Eng	525	21.00	33,775	175,631
Lau Chee Kheong	525	21.00	33,775	175,631
UMediC Capital	-	-	-	⁽ⁱ⁾ 1,666,253
Total	2,500	100.00	160,835	3,216,700

Note:

- (i) The following vendors novated a total of 1,666,253 new Shares, issued to them pursuant to the U Medihealth Acquisition, to UMediC Capital as follows:

	No. of new Shares novated to UMediC Capital
Lim Taw Seong	666,501
Dato' Ng Chai Eng	499,876
Lau Chee Kheong	499,876
Total	1,666,253

The purchase consideration of U Medihealth of RM160,835 was arrived at on a willing-buyer willing-seller basis, after taking into consideration the audited NA of U Medihealth as at 31 July 2021 of RM160,836. The U Medihealth Acquisition was completed on 28 September 2021 and thereafter, U Medihealth has become our wholly-owned subsidiary.

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5. INFORMATION ON OUR GROUP (CONT'D)

(iv) UMediC Acquisition

On 28 September 2021, our Company acquired the entire issued share capital in UMediC comprising 2,400,000 ordinary shares from the vendors for a purchase consideration of RM6,098,815. The purchase consideration was wholly satisfied via the issuance of 121,976,300 new Shares at an issue price of RM0.05 Share to the following vendors (who then novated a portion of their shares to a holding company, UMediC Capital) as follows:

	Shareholding in UMediC		Purchase Consideration RM	No. of new Shares issued
	No. of shares	%		
Dato' Ng Chai Eng	840,000	35.00	2,134,585	9,976,478
Lim Taw Seong	840,000	35.00	2,134,585	9,917,334
Lau Chee Kheong	720,000	30.00	1,829,645	8,566,755
UMediC Capital	-	-	-	⁽ⁱ⁾ 93,515,733
Total	2,400,000	100.00	6,098,815	121,976,300

Note:

- (i) The following vendors novated a total of 93,515,733 new Shares, issued to them pursuant to the UMediC Acquisition, to UMediC Capital as follows:

	No. of new Shares novated to UMediC Capital
Dato' Ng Chai Eng	32,715,227
Lim Taw Seong	32,774,371
Lau Chee Kheong	28,026,135
Total	93,515,733

The purchase consideration of UMediC of RM6,098,815 was arrived at on a willing-buyer willing-seller basis, after taking into consideration the adjusted audited NA of UMediC (after disposing its 75% owned subsidiary, Evo Medik and distributing of all the said consideration shares to its existing shareholders in proportion to their shareholdings by way of dividend-in-specie) as at 31 July 2021 of RM6,023,817. The UMediC Acquisition was completed on 28 September 2021 and thereafter, UMediC has become our wholly-owned subsidiary.

(v) UWHC Acquisition

On 28 September 2021, our Company acquired the entire issued share capital in UWHC comprising 50,000 ordinary shares from the vendors for a purchase consideration of RM46,315. The purchase consideration was wholly satisfied via the issuance of 926,300 new Shares at an issue price of RM0.05 per Share to the following vendors (who then novated a portion of their shares to a holding company, UMediC Capital) as follows:

5. INFORMATION ON OUR GROUP (CONT'D)

	Shareholding in UWHC		Purchase Consideration RM	No. of new Shares issued
	No. of shares	%		
Ng Chin Aik	15,000	30.00	13,895	138,950
Dato' Ng Chai Eng	10,000	20.00	9,263	48,154
Lim Taw Seong	10,000	20.00	9,263	48,154
Lau Chee Kheong	10,000	20.00	9,263	48,155
Ang Choon Seong	5,000	10.00	4,631	46,350
UMediC Capital	-	-	-	⁽ⁱ⁾ 596,537
Total	50,000	100.00	46,315	926,300

Note:

- (i) The following vendors novated a total of 596,537 new Shares, issued to them pursuant to the UWHC Acquisition, to UMediC Capital as follows:

	No. of new Shares novated to UMediC Capital
Ng Chin Aik	138,940
Dato' Ng Chai Eng	137,106
Lim Taw Seong	137,106
Lau Chee Kheong	137,105
Ang Choon Seong	46,280
Total	596,537

The purchase consideration of UWHC of RM46,315 was arrived at on a willing-buyer willing-seller basis, after taking into consideration the audited NA of UWHC as at 31 July 2021 of RM46,315. The UWHC Acquisition was completed on 28 September 2021 and thereafter, UWHC has become our wholly-owned subsidiary.

(vi) UWHM Acquisition

On 28 September 2021, our Company acquired the entire issued share capital in UWHM comprising 4,420,000 ordinary shares from the vendors for a purchase consideration of RM4,819,300. The purchase consideration was wholly satisfied via the issuance of 96,386,000 new Shares at an issue price of RM0.05 per Share to the following vendors (who then novated a portion of their shares to a holding company, UMediC Capital) as follows:

5. INFORMATION ON OUR GROUP (CONT'D)

	Shareholding in UWHM		Purchase Consideration RM	No. of new Shares issued
	No. of shares	%		
Dato' Ng Chai Eng	1,237,600	28.00	1,349,404	7,016,900
Lim Taw Seong	1,237,600	28.00	1,349,404	7,016,900
Lau Chee Kheong	1,060,800	24.00	1,156,632	6,014,486
Ng Chin Aik	884,000	20.00	963,860	9,638,600
UMediC Capital	-	-	-	⁽ⁱ⁾ 66,699,114
Total	4,420,000	100.00	4,819,300	96,386,000

Note:

- (i) The following vendors novated a total of 66,699,114 new Shares, issued to them pursuant to the UWHM Acquisition, to UMediC Capital as follows:

	No. of new Shares novated to UMediC Capital
Dato' Ng Chai Eng	19,971,180
Lim Taw Seong	19,971,180
Lau Chee Kheong	17,118,154
Ng Chin Aik	9,638,600
Total	66,699,114

The purchase consideration of UWHM of RM4,819,300 was arrived at on a willing-buyer willing-seller basis, after taking into consideration the audited NA of UWHM as at 31 July 2021 of RM4,819,303. The UWHM Acquisition was completed on 28 September 2021 and thereafter, UWHM has become our wholly-owned subsidiary.

5.1.2 Share capital

As at the LPD, our issued share capital is RM13,834,286 comprising 276,685,700 Shares.

The changes in our issued share capital since the date of our incorporation up to the LPD are as follows:

Date of allotment	No. of Shares allotted	Consideration	Cumulative issued share capital RM
22 April 2021	1	Cash	1
28 September 2021	⁽ⁱ⁾ 599	Cash	31
28 September 2021	276,685,100	Other than cash pursuant to the Acquisitions	13,834,286

5. INFORMATION ON OUR GROUP (CONT'D)

Note:

- (i) 599 Shares were issued and allotted to Lim Taw Seong on 28 September 2021.

None of our Shares were issued at a discount, on special terms or based on instalment payment terms.

Upon completion of our IPO, our enlarged issued share capital will increase to RM44,322,062 comprising 373,910,000 Shares.

As at the LPD, we do not have any outstanding warrant, option, convertible security or uncalled capital in respect of our Shares.

5.2 OUR SUBSIDIARIES

As at the LPD, the details of our subsidiaries are as follows:

Name and registration no.	Date and place of incorporation	Issued share capital RM	Our effective equity interest	Principal activities
Actimed (200301016809 (619229-H))	20 June 2003/ Malaysia	10,000	100.00%	Marketing and distribution of medical devices
Evo Medik (200701026421 (784442-T))	13 August 2007/ Malaysia	100,000	100.00%	Marketing and distribution of medical devices
U Medihealth (201101015786 (943920-K))	10 May 2011/ Malaysia	2,500	100.00%	Marketing and distribution of medical devices
UMediC (200201030512 (598175-W))	8 November 2002/ Malaysia	2,400,000	100.00%	Marketing and distribution of medical devices as well as the provision of after-sales service
UWHC (201801027503 (1289529-V))	31 July 2018/ Malaysia	50,000	100.00%	Holding of intellectual property rights
UWHM (201101033860 (961995-K))	28 September 2011/ Malaysia	4,420,000	100.00%	Developing, manufacturing and marketing of medical devices

As at the LPD, we do not have any joint venture or associated company.

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5. INFORMATION ON OUR GROUP (CONT'D)

The incorporation of Actimed, Evo Medik, U Medihealth and UMediC was to manage and focus our Group's marketing and distribution activities in the different regions of Malaysia as follows:

Name of company	Regions covered
Actimed	Southern region and Sarawak
Evo Medik	Central and east coast region
U Medihealth	Perak and Sabah
UMediC	Northern region (excluding Perak)

5.2.1 Actimed

(i) History and business

Actimed was incorporated in Malaysia under the Companies Act 1965 on 20 June 2003 as a private company limited by shares under the name of QS Education Toys Sdn Bhd. On 20 September 2004, the company changed its name to QS Educational Supplies Sdn Bhd. Subsequently, the company further changed its name to Actimed Healthcare Sdn Bhd on 16 March 2007.

The principal place of business of Actimed is PMT 790, Jalan Cassia Selatan 5/2, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang. It is currently principally involved in marketing and distribution of medical devices. Its activities cover the southern region of Peninsular Malaysia and Sarawak state.

(ii) Share capital

As at the LPD, the issued share capital of Actimed is RM10,000.00 comprising 10,000 ordinary shares.

There is no change in the issued share capital of Actimed for the past three (3) FYEs 31 July 2019 to 2021 and up to the LPD.

None of the ordinary shares of Actimed were issued at a discount, on special terms or based on instalment payment terms.

As at the LPD, Actimed does not have any outstanding warrant, option, convertible security or uncalled capital in respect of its shares.

(iii) Shareholder

Actimed is a wholly-owned subsidiary of our Company.

(iv) Subsidiary and associated company

As at the LPD, Actimed does not have any subsidiary or associated company.

5.2.2 Evo Medik

(i) History and business

Evo Medik was incorporated in Malaysia under the Companies Act 1965 on 13 August 2007 as a private company limited by shares under the name of UWC Medicare Sdn Bhd. On 3 August 2018, the company changed its name to Evo Medik Sdn Bhd.

5. INFORMATION ON OUR GROUP (CONT'D)

The principal place of business of Evo Medik is PMT 790, Jalan Cassia Selatan 5/2, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang. It is currently principally involved in marketing and distribution of medical devices. Its activities cover the central and east coast regions of Peninsular Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of Evo Medik is RM100,000 comprising 100,000 ordinary shares.

There is no change in the issued share capital of Evo Medik for the past three (3) FYEs 31 July 2019 to 2021 and up to the LPD.

None of the ordinary shares of Evo Medik were issued at a discount, on special terms or based on instalment payment terms.

As at the LPD, Evo Medik does not have any outstanding warrant, option, convertible security or uncalled capital in respect of its shares.

(iii) Shareholder

Evo Medik is a wholly-owned subsidiary of our Company.

(iv) Subsidiary and associated company

As at the LPD, Evo Medik does not have any subsidiary or associated company.

5.2.3 U Medihealth

(i) History and business

U Medihealth was incorporated in Malaysia under the Companies Act 1965 on 10 May 2011 as a private company limited by shares under the name of Teroi Serimas Sdn Bhd. On 4 August 2016, the company changed its name to UWC Medihealth Sdn Bhd. Subsequently, the company further changed its name to U Medihealth Sdn Bhd on 13 June 2018.

The principal place of business of U Medihealth is PMT 790, Jalan Cassia Selatan 5/2, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang. It is currently principally involved in marketing and distribution of medical devices. Its activities cover Perak and Sabah states.

(ii) Share capital

As at the LPD, the issued share capital of U Medihealth is RM2,500 comprising 2,500 ordinary shares.

There is no change in the issued share capital of U Medihealth for the past three (3) FYEs 31 July 2019 to 2021 and up to the LPD.

None of the ordinary shares of U Medihealth were issued at a discount, on special terms or based on instalment payment terms.

As at the LPD, U Medihealth does not have any outstanding warrant, option, convertible security or uncalled capital in respect of its shares.

5. INFORMATION ON OUR GROUP (CONT'D)

(iii) Shareholder

U Medihealth is a wholly-owned subsidiary of our Company.

(iv) Subsidiary and associated company

As at the LPD, U Medihealth does not have any subsidiary or associated company.

5.2.4 UMediC

(i) History and business

UMediC was incorporated in Malaysia under the Companies Act 1965 on 8 November 2002 as a private company limited by shares under the name of UWC Health Care Sdn Bhd. The company changed its name to UWC Healthcare Sdn Bhd on 24 December 2002. Subsequently, the company further changed its name to UMediC Healthcare Sdn Bhd on 6 June 2018.

The principal place of business of UMediC is PMT 790, Jalan Cassia Selatan 5/2, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang. It is currently principally involved in marketing and distribution of medical devices as well as the provision of after-sales service. Its activities cover the northern region of Peninsular Malaysia excluding Perak.

(ii) Share capital

As at the LPD, the issued share capital of UMediC is RM2,400,000 comprising 2,400,000 ordinary shares.

The changes in the issued share capital of UMediC for the past three (3) FYEs 31 July 2019 to 2021 and up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Cumulative issued share capital RM
10 June 2019	800,000	Other than cash pursuant to capitalisation of amount owing to the shareholders	1,200,000
13 June 2019	1,200,000	Other than cash pursuant to bonus issue	2,400,000

None of the ordinary shares of UMediC were issued at a discount, on special terms or based on instalment payment terms.

As at the LPD, UMediC does not have any outstanding warrant, option, convertible security or uncalled capital in respect of its shares.

5. INFORMATION ON OUR GROUP (CONT'D)

(iii) Shareholder

UMediC is a wholly-owned subsidiary of our Company.

(iv) Subsidiary and associated company

As at the LPD, UMedic does not have any subsidiary or associated company.

5.2.5 UWHC

(i) History and business

UWHC was incorporated in Malaysia under the Act on 31 July 2018 as a private company limited by shares under the name of UWHC Sdn Bhd.

The principal place of business of UWHC is PMT 790, Jalan Cassia Selatan 5/2, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang. It is currently principally involved in holding of intellectual property rights.

(ii) Share capital

As at the LPD, the issued share capital of UWHC is RM50,000 comprising 50,000 ordinary shares.

There is no change in the issued share capital of UWHC for the past three (3) FYEs 31 July 2019 to 2021 and up to the LPD.

None of the ordinary shares of UWHC were issued at a discount, on special terms or based on instalment payment terms.

As at the LPD, UWHC does not have any outstanding warrant, option, convertible security or uncalled capital in respect of its shares.

(iii) Shareholder

UWHC is a wholly-owned subsidiary of our Company.

(iv) Subsidiary and associated company

As at the LPD, UWHC does not have any subsidiary or associated company.

5.2.6 UWHM

(i) History and business

UWHM was incorporated in Malaysia under the Companies Act 1965 on 28 September 2011 as a private company limited by shares under the name of UWC Healthcare MFG (M) Sdn Bhd. On 1 October 2018, the company changed its name to UWHM Sdn Bhd.

The principal place of business of UWHM is PMT 790, Jalan Cassia Selatan 5/2, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang. It is currently principally involved in developing, manufacturing and marketing of medical devices.

5. INFORMATION ON OUR GROUP (CONT'D)

(ii) Share capital

As at the LPD, the issued share capital of UWHM is RM4,420,000 comprising 4,420,000 ordinary shares.

The changes in the issued share capital of UWHM for the past three (3) FYEs 31 July 2019 to 2021 and up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Cumulative issued share capital RM
29 May 2020	200,000	Cash	400,000
28 September 2020	600,000	Cash	1,000,000
24 December 2020	200,000	Other than cash pursuant to capitalisation of amount owing to the shareholders ⁽ⁱ⁾	1,200,000
31 July 2021	3,220,000	Other than cash pursuant to capitalisation of amount owing to the shareholders ⁽ⁱⁱ⁾	4,420,000

Notes:

- (i) The total sum of RM200,000, being the advances, has been capitalised by way of allotment of 200,000 ordinary shares at an issue price of RM1.00 per share to the following persons:

Name	Advances RM	No. of shares allotted
Dato' Ng Chai Eng	56,000	56,000
Lau Chee Kheong	48,000	48,000
Lim Taw Seong	56,000	56,000
Ng Chin Aik	40,000	40,000
Total	200,000	200,000

- (ii) The total sum of RM3,220,000, being the advances, has been capitalised by way of allotment of 3,220,000 ordinary shares at an issue price of RM1.00 per share to the following persons:

Name	Advances RM	No. of shares allotted
Dato' Ng Chai Eng	901,600	901,600
Lau Chee Kheong	772,800	772,800
Lim Taw Seong	901,600	901,600
Ng Chin Aik	644,000	644,000
Total	3,220,000	3,220,000

5. INFORMATION ON OUR GROUP (CONT'D)

None of the ordinary shares of UWHM were issued at a discount, on special terms or based on instalment payment terms.

As at the LPD, UWHM does not have any outstanding warrant, option, convertible security or uncalled capital in respect of its shares.

(iii) Shareholder

UWHM is a wholly-owned subsidiary of our Company.

(iv) Subsidiary and associated company

As at the LPD, UWHM does not have any subsidiary or associated company.

As at the LPD, neither our Company nor our subsidiaries are involved in any bankruptcy, receivership or similar proceedings.

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6. BUSINESS OVERVIEW

6.1 OVERVIEW AND HISTORY

We are an investment holding company. Through our subsidiaries, we are 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. We are also involved in developing, manufacturing and marketing of our medical consumables.

Our history dates back to 8 November 2002 through the incorporation of UMediC (formerly known as UWC Healthcare Sdn Bhd) by Dato' Ng Chai Eng (our Promoter and Non-Independent Non-Executive Chairman), Lau Chee Kheong (our Promoter and Non-Independent Non-Executive Director) and another business partner (who had ceased to be a director and shareholder in 2006) and was principally involved in the marketing and distribution of medical supplies and dental-related products and devices such as dental handpieces and local anaesthetic delivery systems. For this purpose, we set up two (2) marketing and distribution offices located in Bukit Minyak, Penang and Kuala Lumpur to serve the dental clinics within the northern and central regions of Peninsular Malaysia respectively.

In 2003, we diversified our marketing and distribution business to include medical devices for hospital settings in light of its growing potential and demand for such products. We distributed imported alternating pressure air mattresses and wheelchairs to both the public and private healthcare service providers within the Peninsular Malaysia. We mainly sourced the said medical devices from overseas suppliers in Taiwan and the UK. In the same year, we became an authorised distributor for Goldway (US) Inc ("**Goldway**") which allowed us to market and distribute Goldway branded patient monitors to our customers in the local healthcare industry.

In 2004, we extended our product offerings to include ambulance and paramedic equipment such as emergency stretchers, trauma kits, stand treatment trolleys as well as medical consumables namely wound care/management supplies. We did not secure any authorised distributorship for ambulance and paramedic equipment, medical devices and consumables. Hence, we sourced such items from local and overseas (i.e. Taiwan) suppliers.

In 2005, we expanded our medical devices and consumables range to include bedside locker, overbed table, medical bed and medical suction apparatuses which offered to both the general ward, and accident and emergency departments.

In 2006, we ceased the marketing and distribution of dental-related products and devices and focused solely on the marketing and distribution of medical devices and consumables. This enabled us to concentrate on expanding our medical devices and consumables product offerings at a time when the industry was showing strong growth and good future prospects.

In 2007, Evo Medik was incorporated to manage the marketing and distribution activities in the east coast region of Peninsular Malaysia.

In 2009, we set up a marketing and distribution office located in Kota Bharu, Kelantan and the office was subsequently consolidated into our office in the central region of Peninsular Malaysia in 2014. During the same year, we became an authorised distributor of Philips Goldway branded patient monitors and colposcopes after the acquisition of Goldway by Philips. Later in 2014, we were appointed as an authorised distributor of Philips Goldway branded cardiocography monitors.

In 2010, we set up a marketing and distribution office located in Johor Bahru, Johor as we expanded to the southern region of Peninsular Malaysia through Actimed (which was incorporated in 2003 and subsequently changed its principal activity to the marketing and distribution of medical devices in 2009). Further, in the same year, we also expanded to Sarawak state through Actimed by sending our sales representatives to conduct marketing and promotional activities and also to work with local tendering agents, if required. During the same year, we were appointed as an authorised distributor by Philips to distribute its manual defibrillators for the hospital settings.

6. BUSINESS OVERVIEW (CONT'D)

Subsequently, we were appointed as an authorised distributor by Philips to distribute (i) clinically advanced patient monitors (i.e. Efficia CM Series patient monitors) in 2014; (ii) AEDs for the non-medical business entities such as government entities, private organisations, hotels, airports, factories etc. in 2015; (iii) MRI-compatible patient monitors, medical consumables and sensors equipment in 2017; and (iv) ultrasound machines in 2020.

Given our numerous engagements with multiple clients throughout the years, including both the public and private hospitals and other healthcare service providers, we have accumulated invaluable insights into their expectations and requirements for certain medical consumables. In particular, we saw an opportunity to innovate and improve upon existing prefilled humidifiers – which we believe will have a sizeable market demand. Hence in 2011, we made a strategic decision to venture into the R&D and manufacturing of our own brand medical consumables, namely HydroX series prefilled humidifiers, through the incorporation of UWHM (formerly known as UWC Healthcare MFG (M) Sdn Bhd). U Medihealth (formerly known as UWC Medihealth Sdn Bhd) was also incorporated in the same year to serve our customers based in Perak and Sabah states.

In 2012, we developed and commercialised our first HydroX series prefilled humidifiers. Within the same year, we further expanded our growing list of product offerings to include medical trolley and medical carts.

In 2013, UWHM's QMS was assessed and accredited with ISO 9001:2008 and ISO 13485:2003 under the scope of "manufacture of prefilled humidifier content with sterile purified water" from BSI. These accreditations were subsequently updated to ISO 9001:2015, ISO 13485:2016 and EN ISO 13485:2016 in 2019, in compliance with "design and manufacture of prefilled humidifier and nebuliser content with sterile water for inhalation and respiratory gases, asthma inhaler space or holding chamber, humidity sensor". We also received the Halal certification for our prefilled humidifiers from Majlis Agama Islam Pulau Pinang in 2013. In the same year, we successfully ventured into Thailand by supplying HydroX series prefilled humidifiers to the healthcare industry in the said country.

In 2014, we successfully marketed our HydroX series prefilled humidifiers to Indonesia and Philippines markets.

In 2015, UMediC and Evo Medik received GDPMD certification issued by BSI. UWHM was also granted a certificate of EC registration from BSI, under the scope of "the scope manufacture of sterile prefilled humidifier for respiratory gases (class IIa)", 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. In recognition of our outstanding contribution to the sales of Philips' medical products, we were awarded the Best Country Order Growth, Patient Care and Monitoring Solutions by Philips for year 2015. In the same year, we successfully ventured into Jordan and Saudi Arabia by supplying HydroX series prefilled humidifiers to the healthcare industry in the said countries.

In 2016, we were awarded the Best Channel Partner Performance, Value Segment for Patient Monitors by Philips during the year for extending the company's sales reach for patient monitors. We established an in-house microbiology and chemical laboratory in order to improve our house brand R&D activities. During the year, we supplied our HydroX series prefilled humidifiers to India, Mauritius and Sri Lanka, to further expand our market coverage internationally.

In 2017, we entered into South Africa, Chile, Ecuador and South Korea by supplying HydroX series prefilled humidifiers to the healthcare industry in the said countries. In the same year, we commenced the development of sterile water for inhalation. As at the LPD, we have yet to commercialise sterile water for inhalation and expect to commercialise it in the first (1st) quarter of 2023.

6. BUSINESS OVERVIEW (CONT'D)

In 2018, we secured authorised distributorship rights from E-Medtest (M) Sdn Bhd to distribute for a Denmark based anaesthesia machines manufacturer, Dameca branded general anaesthetic machines. In the same year, we also commenced the development of HydroX series prefilled nebulisers. As at the LPD, we have yet to commercialise HydroX series prefilled nebulisers and expect to commercialise it in the fourth (4th) quarter of 2023. We also ventured into Czech Republic, Myanmar, Pakistan, Kuwait, Moldova and Romania by supplying HydroX series prefilled humidifiers to these countries during the year. Also in 2018, UWHC¹ was incorporated to commence new product development activities namely, AirdroX series inhaler spacers.

In 2019, we were appointed as an authorised distributor by Mindray and GE, which enabled us to distribute their ventilators and maternal and infant care products respectively. We were also appointed as an authorised distributor of Merit branded critical care consumables in the same year. During the same year, we began the construction of our new office and factory building that includes an ISO Class 7 cleanroom that enable us to undertake production activities – which require restriction in the concentration of airborne particles permitted – on the Batu Kawan Land with a built up area of approximately 48,487.40 sq ft to better facilitate our business growth. UMediC's QMS was assessed and accredited with ISO 13485:2016 under the scope of “manufacture of hospital stretchers, beds, carts and accessories” and “distribution, installation, testing and commissioning, maintenance, calibration of defibrillators, patient monitors and MRI patient monitoring system and accessories” from BSI. We further expanded our overseas market coverage by supplying HydroX series prefilled humidifiers to Croatia, Singapore and the United Arab Emirates in the same year.

In 2020, we secured authorised distributorship rights from Care Vision Healthcare Pte Ltd which allowed us to distribute SunLife Science branded electric-powered 3D chest compressors. In the same year, we received an appreciation award – Rising Star Award from Mindray. Our AirdroX series inhaler spacers have registered with the Belgian Federal Agency for Medicines and Health Products. We also won the Gold Award under Best Innovation Award category, Malaysia Technology Expo 2020 Special Edition – COVID-19 International Innovation Awards for our AirdroX series inhaler spacer and facemask (an anaesthetic facemask that connects to the inhaler spacer and is not intended to be sold separately). The recognition was given for the prototype of the AirdroX series inhaler spacers. In the same year, we successfully marketed our HydroX series prefilled humidifiers to other countries including Costa Rica, Italy, Japan, Kenya and Netherlands. Also in 2020, we commenced the development of digital oxygen flowmeters and humidifier humidity sensors.

In 2021, we relocated our operations to our new office and factory building on the Batu Kawan Land. We expanded our ventilator offerings to include Mindray's neonatal ventilators in response to increasing demand due to the COVID-19 pandemic. In the same year, we expanded our overseas market coverage by supplying HydroX series prefilled humidifier to Bahrain and Brazil. We have completed the development of our AirdroX series inhaler spacers during the same year.

In June 2022, we have commercialised our AirdroX series inhaler spacers. We have yet to receive orders for AirdroX series inhaler spacers. However, we have been selling the prototype of AirdroX series inhaler spacers prior to its commercialisation. Please refer to Section 6.4.1 of this Prospectus for further details on the sales of the prototype of AirdroX series inhaler spacers for the Financial Years Under Review and Financial Periods Under Review. We have also completed the development of our sterile water for inhalation and intend to commercialise our sterile water for inhalation in the first (1st) quarter of 2023. Please refer to Section 6.6.3 of this Prospectus for further details on the development of our sterile water for inhalation.

¹ As at the LPD, the principal activity of UWHC is holding of intellectual property rights.

6. BUSINESS OVERVIEW (CONT'D)

In the same year, we further expanded our overseas market coverage by supplying HydroX series prefilled humidifiers to Germany and Spain.

The table below sets out whether our sale of HydroX series prefilled humidifiers was one-off sale or repeated orders from the following countries:

Country	One-off sale ⁽ⁱ⁾	Repeated orders
Thailand		√
Indonesia		√
Philippines		√
Jordan		√
Saudi Arabia		√
India		√
Mauritius		√
Sri Lanka	√	
South Africa		√
Chile		√
Ecuador		√
South Korea		√
Czech Republic		√
Myanmar		√
Pakistan		√
Kuwait	√	
Moldova		√
Romania		√
Croatia		√
Singapore		√
United Arab Emirates		√
Costa Rica	√	
Italy		√
Japan		√
Kenya		√
Netherlands		√
Bahrain	√	
Brazil	√	
Spain		√
Germany	√	

Note:

- (i) Represents one-time transaction as of now. However, there may be repeated orders from existing and/or potential customers in the future.

Over the years, our Group has evolved from being involved in marketing and distribution of medical devices and consumables to performing R&D and product development as well as manufacturing of our own brand medical consumables. Currently, we have a presence in Malaysia with coverage in every state. In addition, we have also expanded our customer network to include overseas markets in over 30 countries.

6. BUSINESS OVERVIEW (CONT'D)

As at the LPD, our Group has entered into the following agreements with the following suppliers/principals:

Suppliers/ Principals	Type/ Date of the agreements	Territory/ Exclusivity
Merit	Distributorship Agreement/ 14 January 2021	Malaysia/ Non-exclusive
Philips	Partner Agreement/ 1 January 2022	West Malaysia/ Non-Exclusive
GE	Dealer Agreement/ 1 March 2022	Malaysia/ Non-Exclusive
Mindray	Exclusive Distribution and Supply Agreement/ 1 January 2022	Malaysia hospital system ⁽ⁱ⁾ nationwide (excluding private sector within state of Penang/Kedah) and hospital market including public/private/teaching ⁽ⁱⁱ⁾ / Exclusive
Care Vision Healthcare Pte Ltd	Distribution Agreement/ 1 September 2020	Malaysia/ Exclusive
E-Medtest (M) Sdn Bhd	Letter of Authorisation ⁽ⁱⁱⁱ⁾ 16 April 2021	Malaysia Non-Exclusive

Notes:

- (i) Malaysia hospital system refers to all government healthcare institutions including government hospital, health institution and agency, MOH training institute, public health laboratory, state health department, district health office, government health clinic, community clinic and government dental clinic.
- (ii) Teaching refers to healthcare education institutions.
- (iii) The authorisation shall remain in effect until E-Medtest (M) Sdn Bhd's notification to the MDA in writing either by postal mail, e-mail or facsimile transmission, that the authorisation is revoked subject to any conditions imposed by MDA.

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6. BUSINESS OVERVIEW (CONT'D)

6.2 OUR KEY BUSINESS MILESTONES

The following table highlights our key business milestones:

Year	Key milestone
2002	<ul style="list-style-type: none"> Incorporation of UMediC and was principally involved in the marketing and distribution of medical supplies and dental-related products and devices
2003	<ul style="list-style-type: none"> Diversified our marketing and distribution to include imported medical devices Secured authorised distributorship rights from Goldway and commenced distribution of Goldway branded patient monitors
2004	<ul style="list-style-type: none"> Commenced distribution of ambulance and paramedic equipment as well as medical consumables
2005	<ul style="list-style-type: none"> Commenced distribution of medical devices and consumables to general ward, and accident and emergency departments
2006	<ul style="list-style-type: none"> Ceased the marketing and distribution of dental-related products and devices
2007	<ul style="list-style-type: none"> Incorporation of Evo Medik to manage the marketing and distribution activities in the east coast region of Peninsular Malaysia
2009	<ul style="list-style-type: none"> Setting up a marketing and distribution office located in Kota Bharu, Kelantan Commenced distribution of Philips Goldway branded patient monitors and colposcope
2010	<ul style="list-style-type: none"> Setting up a marketing and distribution office located in Johor Bahru, Johor through Actimed Further expanded to Sarawak state through Actimed by sending our sales representatives to conduct marketing and promotional activities and also to work with local tendering agents, if required Secured authorised distributorship rights from Philips and commenced distribution of Philips branded manual defibrillators
2011	<ul style="list-style-type: none"> Ventured into the R&D and manufacturing of our own brand medical consumables via the incorporation of UWHM Incorporation of U Medihealth to manage the marketing and distribution activities in Perak and Sabah states
2012	<ul style="list-style-type: none"> Developed and commercialised our first HydroX series prefilled humidifiers
2013	<ul style="list-style-type: none"> UWHM's QMS was assessed and accredited with ISO 9001:2008 and ISO 13485:2003 under the scope of "manufacture of prefilled humidifier content with sterile purified water" from BSI Received the Halal certification for our prefilled humidifiers from Majlis Agama Islam Pulau Pinang Ventured into Thailand market

6. BUSINESS OVERVIEW (CONT'D)

Year	Key milestone
2014	<ul style="list-style-type: none"> Commenced distribution of Philips Goldway branded cardiocography monitors Commenced distribution of Philips branded clinically advanced patient monitors Ventured into Indonesia and Philippines markets
2015	<ul style="list-style-type: none"> Commenced distribution of Philips branded AEDs for the non-medical business entities UMediC and Evo Medik received GDPMD certification from BSI UWHM granted a certificate of EC registration from BSI under the European Commission 93/42/EEC Received the Best Country Order Growth, Patient Care and Monitoring Solutions appreciation award by Philips for year 2015 Ventured into Jordan and Saudi Arabia markets
2016	<ul style="list-style-type: none"> Received the Best Channel Partner Performance, Value Segment for Patient Monitors appreciation award by Philips Established an in-house microbiology and chemical laboratory Ventured into India, Mauritius and Sri Lanka markets
2017	<ul style="list-style-type: none"> Commenced distribution of Philips branded MRI-compatible patient monitors, medical consumables and sensors equipment Ventured into the South Africa, Chile, Ecuador and South Korea markets Commenced the development of sterile water for inhalation
2018	<ul style="list-style-type: none"> Secured authorised distributorship rights from E-Medtest (M) Sdn Bhd and commenced distribution of Dameca branded general anaesthetic machines Ventured into Czech Republic, Myanmar, Pakistan, Kuwait, Moldova and Romania markets Commenced the development of our AirdroX series inhaler spacers and HydroX series prefilled nebulisers
2019	<ul style="list-style-type: none"> Secured authorised distributorship rights from Mindray and commenced distribution of Mindray branded ventilators Secured authorised distributorship rights from GE and commenced distribution of GE branded maternal and infant care products Secured authorised distributorship rights from Merit and commenced distribution of Merit branded critical care consumables Commenced construction of our new office and factory building on the Batu Kawan Land UMediC's QMS was assessed and accredited with ISO 13485:2016 under the scope of "manufacture of hospital stretchers, beds, carts and accessories" and "distribution, installation, testing and commissioning, maintenance, calibration of defibrillators, patient monitors and MRI patient monitoring system and accessories" from BSI Ventured into Croatia, Singapore and the United Arab Emirates markets

6. BUSINESS OVERVIEW (CONT'D)

Year	Key milestone
2020	<ul style="list-style-type: none"> • Commenced distribution of Philips branded ultrasound machines • Secured authorised distributorship rights from Care Vision Healthcare Pte Ltd and commenced distribution of SunLife Science branded electric-powered 3D chest compressors • Received an appreciation award – Rising Star Award from Mindray • Our AirdroX series inhaler spacers have registered with the Belgian Federal Agency for Medicines and Health Products • Our AirdroX series inhaler spacer and facemask won Gold Award under Best Innovation Awards category, Malaysia Technology Expo 2020 Special Edition – COVID-19 International Innovation Awards • Ventured into Costa Rica, Italy, Japan, Kenya and Netherlands markets • Commenced the development of digital oxygen flowmeters and humidifier humidity sensors
2021	<ul style="list-style-type: none"> • Relocated our operations to our new office and factory building on the Batu Kawan Land • Commenced distribution of Mindray branded neonatal ventilators • Ventured into Bahrain and Brazil markets • Developed our AirdroX series inhaler spacers
2022	<ul style="list-style-type: none"> • Commercialised our AirdroX series inhaler spacers • Developed our sterile water for inhalation • Ventured into Germany and Spain markets

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6. BUSINESS OVERVIEW (CONT'D)

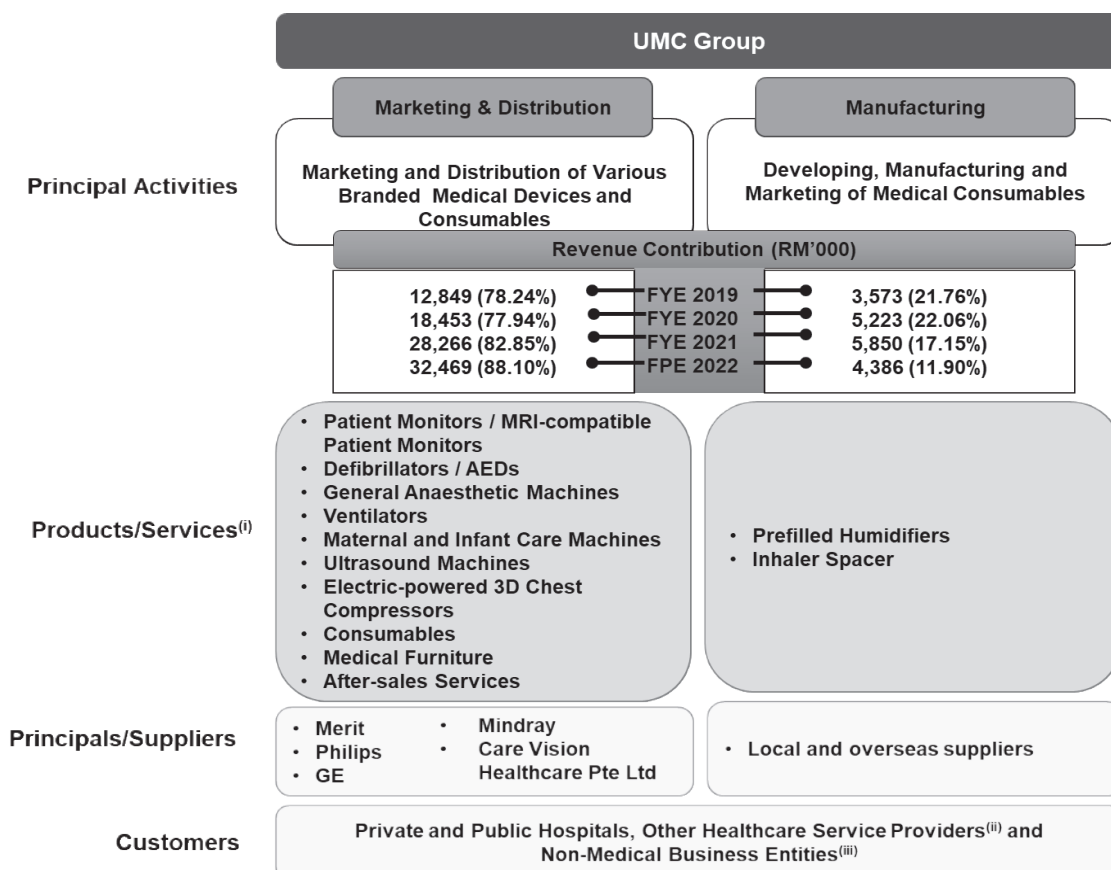
6.3 OUR PRINCIPAL ACTIVITIES

We are principally involved in the marketing and distribution of various branded medical devices and consumables. We are the authorised distributor of multiple established international medical device companies including Philips, Mindray, GE and Merit. We are also involved in the developing, manufacturing and marketing of medical consumables, namely HydroX series prefilled humidifiers.

For FYE 2021, we market and distribute our products to more than 400 customers comprising public and private hospitals, other healthcare service providers as well as non-medical business entities.

Malaysia, being our principal market, contributed approximately RM28.56 million or 83.71% of our revenue for FYE 2021, while the remaining revenue of approximately RM5.56 million or 16.29% was generated from the overseas market. For FPE 2022, Malaysia contributed approximately RM32.54 million or 88.29% of our revenue, while the overseas market contributed approximately RM4.32 million or 11.71% of our revenue.

The diagram below summarises our Group's business model:



Notes:

- (i) We have entered into distributorship agreements/arrangement with Philips, Mindray, GE, Merit, Care Vision Healthcare Pte Ltd and E-Medtest (M) Sdn Bhd.
- (ii) The other healthcare service providers include public and private health clinics as well as health screening centres.
- (iii) Non-medical business entities include government entities such as municipal councils, government agencies, schools, etc, private organisations such as hotels, airports, factories, etc.



6. BUSINESS OVERVIEW (CONT'D)

6.3.1 Marketing and distribution segment




Our Group markets and distributes various branded medical devices and consumables. We are the authorised distributor of established, international medical device companies including Philips, Mindray, GE and Merit. We distribute and supply locally to both public and private hospitals, and other healthcare service providers as well as non-medical business entities.

To complement our range of product offerings, we also engage third-party contract manufacturers to manufacture and we market various types of medical furniture in accordance to customers' specifications, including medical beds and carts. In addition, we also provide after-sales service for our medical devices which include maintenance services and technical support, sale of spare parts as well as training on equipment and for our medical consumables which include clinical training.





The table below sets out the products that our Group markets and distributes:

Product	Description
<p><u>Medical Devices</u></p> <p>(i) Patient monitor / MRI-compatible patient monitor</p>  <p>(ii) Defibrillator / AED</p> 	<ul style="list-style-type: none"> • A patient monitor is a device that accurately keeps track of a patient's condition and state of health during and after surgery. • A MRI-compatible patient monitor is a device for use in magnetic resonance environments in the magnetic resonance imaging room and enable users to print certain information. • Featured with wireless oxygen saturation ("SpO2") and electrocardiogram modules, anaesthesia gas monitoring options and pre-configurable parameter selection such as invasive blood pressure, central venous pressure for selected models. • We distribute patient monitors/MRI-compatible patient monitors from Philips. <ul style="list-style-type: none"> • A defibrillator is used to restore normal rhythm to the heart in the event of life-threatening situations such as cardiac arrest. • Featured with pre-configurable parameters options such as SpO2, carbon dioxide, non-invasive blood pressure and pacing. • A defibrillator can be used as a patient monitor.



6. BUSINESS OVERVIEW (CONT'D)

Product	Description
	<ul style="list-style-type: none"> • An AED is a portable electronic device that automatically identifies life threatening cardiac rhythm and is able to treat patients through defibrillation which is an application of electricity to stop the arrhythmia and allow the heart to re-establish an effective rhythm. • An AED can be used for an adult or child. • It is ideal for outdoor, hospital and public areas. • We distribute defibrillators/AEDs from Philips.
<p>(iii) General anaesthesia machine</p> 	<ul style="list-style-type: none"> • A device to provide an accurate and continuous supply of medical gases to maintain a proper level of anaesthesia to a patient during an operation procedure. • Partial electrical gas mixer and MRI-compatible. • Wide patient range - adults, children and neonates. • We distribute Dameca branded general anaesthesia machines.
<p>(iv) Ventilator</p> 	<ul style="list-style-type: none"> • A ventilator assists or replaces spontaneous breathing by getting oxygen into the lungs and removing carbon dioxide from the body to help patients breathe easier. • Mobile, compact, small and lightweight. Can be used for "intra-hospital" patient transfer. • Equipped with invasive, non-invasive and oxygen therapy ventilation. • Wide patient range – adult, children and neonates. • We distribute ventilators from Mindray.




6. BUSINESS OVERVIEW (CONT'D)

Product	Description
<p>(v) Maternal and infant care</p> <p>Phototherapy system</p>  <p>Cardiotocography monitor</p>  <p>Baby incubator</p>  <p>Shuttle</p> 	<ul style="list-style-type: none"> • It is a blanket version of phototherapy system with a selective pads size used for treatment of indirect hyperbilirubinemia in newborns. • Using blue light-emitting diode light. • We distribute phototherapy systems from GE. • A device to perform antepartum foetal monitoring by accurately and noninvasively tracking baby's heart rate for non-stress tests. • A device used for monitoring and recording the foetal heartbeat and the uterine contractions during pregnancy. • We distribute cardiotocography monitors from Philips. • A device used to provide a stable thermal or environment which converts an open bed warmer to a closed incubator at the touch of a button to premature or sick newborns. • Equipped with humidifier and oxygen. • Featured with adjustable height, patented 360 degree rotating pressure diffusing mattress, double wall technology preventing heat loss and reducing noise pollution. • We distribute baby incubators from GE. • A device used to provide better thermoregulation and reduce the risks associated with traditional intra-hospital transport from the labour room to the neonatal intensive care unit (NICU) for premature newborns. • We distribute shuttles from GE.




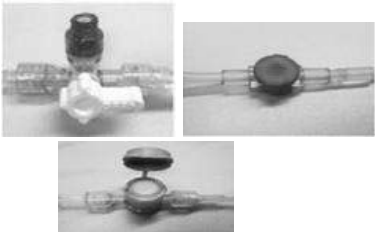
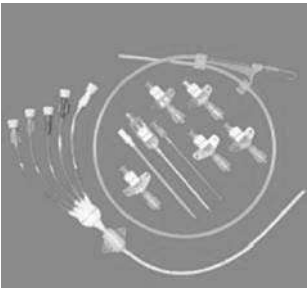
6. BUSINESS OVERVIEW (CONT'D)

Product	Description
<p data-bbox="316 322 571 349">Infant radiant warmer</p> 	<ul style="list-style-type: none"> • A device creates a stable and thermoregulated environment by generating heat from the Calrod® heater which is evenly distributed to enable fast, easy access to the baby. • Hourglass warming technology that prevents heat from being distributed to the users • Featured with: <ul style="list-style-type: none"> ▪ Lullaby warmer - manual and baby safety mode and equipped with X-ray tray; ▪ Panda warmer - Hourglass Heat Profile that bathes the baby in soothing warmth, with uniform coverage across the mattress and (optional) integrated resuscitation system for quick and decisive management; ▪ Giraffe warmer - patented 360 degrees rotating mattress which is pressure diffusing and (optional) integrated resuscitation system for quick and decisive management. • We distribute infant radiant warmers from GE.
<p data-bbox="316 1312 635 1339">Infant resuscitation system</p> 	<ul style="list-style-type: none"> • It is a portable resuscitation with integrated suction system/ integrated air blender used to provide neonatal ventilatory support (ensure adequate pressure delivery and oxygenation) in order to treat birth asphyxia. • Ideal for labour, delivery to NICU and delivery to the well-baby nursery. • We distribute infant resuscitation systems from GE






6. BUSINESS OVERVIEW (CONT'D)

Product	Description
<p>(vi) Ultrasound machine</p> 	<ul style="list-style-type: none"> • Ultrasound is an imaging modality that utilises high-frequency sound waves to provide cross-sectional images of the body so that organs inside the body can be examined. • The full specification model with many types of transducers to choose from and used for obstetrics and gynaecology. • We distribute ultrasound machines from Philips.
<p>(vii) Electric-powered 3D chest compressor</p> 	<ul style="list-style-type: none"> • A device used to perform cardiac external chest compression on the go with a purpose of replacing manual compression for cardiopulmonary resuscitation on patient with cardiac arrest without spontaneous breathing. • We distribute SunLife Science branded electric-powered 3D chest compressors.
<p>(viii) Furniture</p> <p>Medical bed</p> 	<ul style="list-style-type: none"> • Medical bed refers to bed that is specially designed for the comfort and well-being of the hospitalised patients or individual in need of some form of medical care. • Types of medical bed that we are offering include electric medical bed, electric paediatric bed, intensive care unit bed, neonate electric bed and trauma stretcher. • We engage third-party contract manufacturers to manufacture medical beds.





6. BUSINESS OVERVIEW (CONT'D)

Product	Description
<p>Medical cart</p> 	<ul style="list-style-type: none"> • Medical cart is designed to use at the general wards and clinics to store daily drugs and different types of drug administration devices as well. • There are also bins for the user to discard used items accordingly. • We engage third-party contract manufacturers to manufacture medical carts.
<p><u>Medical Consumables</u></p>	
<p>(i) Pressure transducer kit</p> 	<ul style="list-style-type: none"> • Pressure transducer kit is used when monitoring central venous lines or arterial blood pressure. • We distribute pressure transducer kits from Merit.
<p>(ii) Arterial cannulation</p> 	<ul style="list-style-type: none"> • Used when an arterial line is needed to monitor the arterial blood pressure. • We distribute arterial cannulations from Merit.
<p>(iii) Arterial blood sampling systems</p> 	<ul style="list-style-type: none"> • Arterial blood sampling systems with a safe-draw system to reduce unnecessary blood discard and spillage. • We distribute arterial blood sampling systems from Merit.
<p>(iv) Central venous catheter</p> 	<ul style="list-style-type: none"> • Used when a central venous line is needed. • We distribute central venous catheters from Merit.



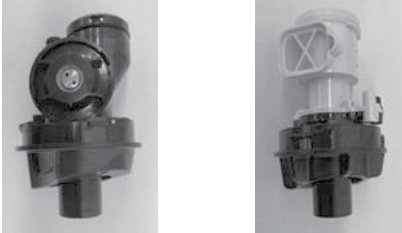

6. BUSINESS OVERVIEW (CONT'D)

Product	Description
<p>(v) Disposable breathing circuit</p> 	<ul style="list-style-type: none"> • Used with a mechanical ventilator to deliver oxygen and remove carbon dioxide. • We distribute disposable breathing circuits from Mindray.
<p>(vi) Bacteria filter</p> 	<ul style="list-style-type: none"> • An accessory used in ventilators with breathing circuits to protect patients, equipment and the environment from viruses and bacteria. • We distribute bacteria filters from Mindray.
<p>(vii) Heat moisture exchange</p> 	<ul style="list-style-type: none"> • An accessory used to provide humidification and warming of the inspiratory gases to prevent complication of drying respiratory mucosa. • We distribute heat moisture exchanges from Mindray.
<p>(viii) Non-invasive ventilation mask</p> 	<ul style="list-style-type: none"> • To deliver oxygen via mechanical ventilator or related device via a face mask and therefore eliminating the need for an endotracheal airway by reducing the work of breathing and improving gas exchange. • We sell Fisher & Paykel branded non-invasive ventilation masks.
<p>(ix) High flow nasal cannula</p> 	<ul style="list-style-type: none"> • To use with a heated and humidified system that allows prescribed fraction of inspired oxygen levels to be delivered at very high flow rates to improve ventilation and oxygenation through the application of a positive pressure environment. • We sell Fisher & Paykel branded high flow nasal cannulas.

6. BUSINESS OVERVIEW (CONT'D)

Product	Description
<p>(x) Ventilator nebuliser set</p> 	<ul style="list-style-type: none"> • A set of accessories used with a mechanical ventilator to quickly provide medication into patient lungs. • We sell VADI branded ventilator nebuliser sets.
<p><u>Others</u></p>	
<p>(i) SpO2 sensor</p> 	<ul style="list-style-type: none"> • It delivers high signal quality to provide continuous measurement of oxygen saturation. • We distribute SpO2 sensors from Philips.
<p>(ii) Non-Invasive blood pressure cuff</p> 	<ul style="list-style-type: none"> • Used for intermittent non-invasive blood pressure measurement. • We distribute non-Invasive blood pressure cuffs from Philips.
<p>(iii) Electrocardiogram cables</p> 	<ul style="list-style-type: none"> • Used to connect with monitoring devices and/or defibrillators, and allow for non-invasive monitoring of electrical impulses generated by the heart over a period of time, resulting in an electrocardiogram. • We distribute electrocardiogram cables from Philips.

6. BUSINESS OVERVIEW (CONT'D)

Product	Description
<p>(iv) Capnography supplies</p>  <p>(v) Oxygen sensor</p> 	<ul style="list-style-type: none"> • Used with capnography measurement server extension in combination with patient monitor and defibrillator, and to be used with reusable airway adapter to measure the exchange of carbon dioxide through a patient's respirations. • We distribute capnography supplies from Philips. • Used to monitor the partial pressure of oxygen in anaesthesia machine, critical care, neonatal incubators, and general oxygen monitors as well as mechanical ventilator. • We sell oxygen sensors manufactured by EnviteC-Wismar GmbH.
<p>(vi) Inspiration valve/ Expiratory valve</p>  <p>Inspiration valve Expiratory valve</p>	<ul style="list-style-type: none"> • Inspiration valve prevents backflow through the inspiratory limb during expiration • Expiratory valve prevents backflow through the expiratory limb during inspiration • We distribute inspiration valves/ expiratory valves from Mindray.
<p>(vii) Ultrasound transducer</p> 	<ul style="list-style-type: none"> • A device that produces sound waves that bounce off body tissues and make echoes. • The transducer also receives the echoes and sends them to a computer that uses them to create a picture called a sonogram. • We distribute ultrasound transducers from Philips.

6. BUSINESS OVERVIEW (CONT'D)

There is no specific timeframe for our customers to replace or purchase the medical devices. However, the replacement or purchase of the medical devices generally depends on the rate of usage of the medical devices by the respective healthcare institutions where higher utilisation rates are expected to lead to more frequent replacement and/or higher capital expenditure budget of the healthcare institutions. The demand for our products is mainly driven by the expansion plans of our customers, the replacement of obsolete or defective medical devices as well as the acquisition of new customers.

The breakdown of our revenue contribution from the distribution of medical devices and consumables sourced from the respective suppliers/principals as well as medical furniture manufactured by the third-party contract manufacturers for Financial Years Under Review and FPE 2022 is as follows:

Type of products	Suppliers/ Principals	FYE 2019	FYE2020	FYE 2021	FPE 2022
		RM'000	RM'000	RM'000	RM'000
Patient monitors, defibrillators and ultrasound machines	Philips	6,064	10,643	10,982	8,350
Ventilators	Mindray	359	1,720	10,078	17,124
Maternal and infant care	GE	456	1,659	723	984
Critical care consumables	Merit	-	-	-	-
SunLife Science branded electric-powered 3D chest compressors	Care Vision Healthcare Pte Ltd	-	75	137	-
Dameca branded general anaesthesia machines	E-Medtest (M) Sdn Bhd	26	52	302	-
Medical furniture	Supplier A	2,117	1,507	1,088	3,389
Others ⁽ⁱ⁾	-	1,799	1,785	3,356	1,966
Total		10,821	17,441	26,666	31,813

Note:



- (i) Include medical consumables supplied by other suppliers (other than our principals).

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6. BUSINESS OVERVIEW (CONT'D)

6.3.2 Manufacturing segment

We develop and manufacture our own medical consumables, namely HydroX series prefilled humidifiers and AirdroX series inhaler spacers as illustrated in the table below:

Product	Description
<p>Prefilled humidifier</p> 	<ul style="list-style-type: none"> • Prefilled humidifier with sterile water is used to humidify the respiratory gas for patient and mostly used in oxygen therapy such as oxygen concentrators, gas cylinder or wall gas outlets via a mask or cannula in homecare, hospital, extended care facilities or hospital environment.
<p>Inhaler spacer</p> 	<ul style="list-style-type: none"> • Inhaler spacer is a device intended to be used with metered dose inhaler that comprised of reservoir into which an aerosol medication is dispensed. • Inhaler spacer is intended to minimise the delivery of large aerosolised particles by holding drugs after aerosolisation which would otherwise deposit in the mouth, throat, or upper airway thereby increasing the percentage of inhaled medication that reaches the lower airways.

We also provide after-sales service for our medical consumables which include clinical training. In FYE 2020, due to the COVID-19 pandemic, we saw an opportunity to leverage on our existing facilities to manufacture sanitizers and disinfectants. Our Group only manufactured sanitizers and disinfectants in FYE 2020 and our Group is currently selling the remaining stocks manufactured in FYE 2020. Moving forward, our Group does not intend to manufacture sanitizers and disinfectants.

Our production facility conforms to the highest standards required by the relevant authorities. We are assessed and accredited with the ISO 9001:2015 and ISO 13485:2016 and EN ISO 13485:2016. Meanwhile, we have also received the GDPMD certification and the Halal certification for our HydroX series prefilled humidifiers. In addition, 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.

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6. BUSINESS OVERVIEW (CONT'D)

6.4 OUR BUSINESS SEGMENTS AND PRINCIPAL MARKETS

6.4.1 Our business segments

The table below sets out our revenue by business segments for the Financial Years Under Review and Financial Periods Under Review:

	Audited						Unaudited		Audited	
	FYE 2019		FYE 2020		FYE 2021		FPE 2021		FPE 2022	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Marketing and distribution										
Medical devices	7,893	48.06	14,805	62.53	23,921	70.12	9,950	70.30	30,249	82.08
Medical consumables	2,928	17.83	2,636	11.13	2,745	8.04	1,331	9.40	1,564	4.24
Others ⁽ⁱ⁾	2,028	12.35	1,012	4.28	1,600	4.69	599	4.23	656	1.78
	12,849	78.24	18,453	77.94	28,266	82.85	11,880	83.93	32,469	88.10
Manufacturing										
Medical consumables ⁽ⁱⁱ⁾	3,573	21.76	5,223	22.06	5,850	17.15	2,274	16.07	4,386	11.90
Total	16,422	100.00	23,676	100.00	34,116	100.00	14,154	100.00	36,855	100.00

Notes:

- (i) Comprises maintenance services and technical support, sale of spare parts as well as training on equipment. The breakdown of our revenue for maintenance services and technical support, sale of spare parts as well as training on equipment is as follows:

	FYE 2019	FYE 2020	FYE 2021	FPE 2021	FPE 2022
	RM'000	RM'000	RM'000	RM'000	RM'000
Maintenance services and technical support	536	150	588	198	82
Sales of spare parts	710	756	928	363	557
Training on equipment	782	106	84	38	17
Total	2,028	1,012	1,600	599	656

- (ii) The breakdown of the medical consumables under our manufacturing segment for the Financial Years Under Review and Financial Periods Under Review is as follows:

	FYE 2019	FYE 2020	FYE 2021	FPE 2021	FPE 2022
	RM'000	RM'000	RM'000	RM'000	RM'000
Prefilled humidifiers	3,573	4,329	5,574	2,183	4,226
Sanitizers and disinfectants	-	839	192	41	52
Prototype of AirdroX series inhaler spacers	-	55	84	50	108
Total	3,573	5,223	5,850	2,274	4,386

6. BUSINESS OVERVIEW (CONT'D)

6.4.2 Our principal markets

The table below sets out our revenue by principal markets for the Financial Years Under Review and Financial Periods Under Review:

	Audited						Unaudited		Audited	
	FYE 2019		FYE 2020		FYE 2021		FPE 2021		FPE 2022	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Local	12,890	78.49	19,341	81.69	28,560	83.71	11,940	84.36	32,540	88.29
Overseas⁽ⁱ⁾										
Asia Pacific ⁽ⁱⁱ⁾	2,192	13.35	3,098	13.08	3,417	10.02	1,470	10.39	3,179	8.63
Americas ⁽ⁱⁱⁱ⁾	493	3.00	571	2.41	773	2.27	123	0.87	395	1.07
Europe ^(iv)	430	2.62	352	1.49	876	2.57	415	2.93	558	1.51
Middle East ^(v)	331	2.02	247	1.04	298	0.87	125	0.88	-	-
Africa ^(vi)	86	0.52	67	0.29	192	0.56	81	0.57	94	0.26
Oceania ^(vi)	-	-	-	-	-	-	-	-	89	0.24
	3,532	21.51	4,335	18.31	5,556	16.29	2,214	15.64	4,315	11.71
Total	16,422	100.00	23,676	100.00	34,116	100.00	14,154	100.00	36,855	100.00

Notes:

- (i) The total number of customers our Group serves in the overseas market is 16, 19 and 25 for FYEs 2019, 2020 and 2021 respectively as well as 18 for FPE 2022. All of them are non-medical business entities.
- (ii) Comprises countries such as Brunei, India, Indonesia, Jordan, Myanmar, Philippines, South Korea and Thailand.
- (iii) Comprises countries such as Ecuador and Chile.
- (iv) Comprises countries such as Romania and the Czech Republic.
- (v) Comprises countries such as Saudi Arabia and the United Arab Emirates.
- (vi) Comprises countries such as South Africa.
- (vii) Comprises countries such as Australia.

6.5 OUR COMPETITIVE STRENGTHS

6.5.1 Established track record and reputation

With around 20 years of cumulated market presence, and in view of our Group's track record in terms of being able to retain certain repeat customers over the past years, we have established ourselves as a reputable distributor of medical devices and consumables. Our established track record has facilitated the development and growth of our business. Our revenue grew by approximately RM7.25 million or 44.17% from approximately RM16.42 million in FYE 2019 to approximately RM23.68 million in FYE 2020 and by approximately RM10.44 million or 44.10% to approximately RM34.12 million in FYE 2021. Our revenue for the six (6) month period for FPE 2022 was recorded approximately RM36.86 million.

6. BUSINESS OVERVIEW (CONT'D)

We are able to endear ourselves to our customers through the provision of good quality products and services. Given our longstanding presence in the industry, we have attained strong understanding of our customers' needs and requirements. Accordingly, this enabled us to continuously source the right products that meet their evolving demands. Meanwhile, our in-house sales representatives, distributors and tendering agents are trained to provide quick and efficient response to customers' requests. In addition, as part of our after-sales service, we provide 24/7 emergency call outs, clinical training, servicing and repair services on medical devices we supply. Further, we are able to provide replacement (loaner) units in times of emergency or breakdown to reduce downtime for our customers. Concomitantly, the resulting high level of customers' satisfaction has helped spur the establishment of many loyal customers among our Group's clientele. Certain of our customers have been our customers for approximately 16 years through repeats orders. Please refer to Section 6.17 of this Prospectus for further details on our major customers. Their loyalty and trust in our Group significantly reduce the likelihood of them switching suppliers. The goodwill generated among these loyal and satisfied customers translated into more business opportunities through their recommendations to other prospective customers.

We have continuously demonstrated our capability in successfully marketing various medical devices and consumables for our suppliers/principals. This has led to more established, international medical device companies appointing us as their authorised distributors. From our first distributorship rights with Goldway (now known as Philips) in 2003, we have since then expanded to include Mindray (2019), GE (2019) and Merit (2019). These suppliers/principals are based in Malaysia and they are subsidiaries of multinational corporations based abroad. At the same time, we have also received awards from some of these companies including the Best Country Order Growth, Patient Care and Monitoring Solutions (2015) and Best Channel Partner Performance, Value Segment for Patient Monitors (2016) from Philips, and Rising Star Award (2020) from Mindray. The expanding list of distributorships with many established, international medical device companies is testament to our reputation as a reputable distributor of medical devices and consumables.

6.5.2 Our ability to develop and produce quality products which meets customers' expectations

One of our core competencies is with our ability and experience in both the development and manufacture of our own range of medical consumables through our in-house R&D activities. As at the LPD, our R&D team is led by Ng Chin Aik, our Manufacturing Vice President, who has over 10 years of experience in product design and development including generating and evaluating product development ideas and activities.

The ability to design and develop our own products enables us to innovate and respond to customers' needs and requirements in tandem with the market demands. We regularly conduct customer surveys in terms of market demand, as well as user experience and product failure analysis, for our medical consumables that are in the market as a means of data collection and evaluation. Based on the feedback received, we will then pursue the necessary product improvement. As such, we are able to discern invaluable insights on customers' needs and requirements through our constant engagements with them, and this enables us to develop high quality products which meet their expectations.

We commenced R&D activities for our HydroX series prefilled humidifiers in 2011 and successfully developed and commercialised it in 2012. For our AirdroX series inhaler spacers, we commenced R&D activities in 2018 and successfully developed it in 2021. These products are mainly used for respiratory treatments and are not developed based on our customers' request. Our Group developed these products as we saw the market opportunity for these products and it is part of our Group's business development and market expansion strategies. In addition, we have another four (4) new products under our product development pipeline. Please refer to Section 6.6.3 of this Prospectus for details of our new product development progress.

6. BUSINESS OVERVIEW (CONT'D)

Currently, we have commercialised our HydroX series prefilled humidifiers and AirdroX series inhaler spacers. We engage third-party contract manufacturers to produce the components of our AirdroX series inhaler spacers. Our Group will then assemble the final product in-house. The existing production facilities are sufficient for us to assemble our AirdroX series inhaler spacers.

Our revenue generated from the sales of prefilled humidifiers and prototype of AirdroX series inhaler spacers for the Financial Years Under Review and Financial Periods Under Review is as follows:

	FYE 2019	FYE 2020	FYE 2021	FPE 2021	FPE 2022
	RM'000	RM'000	RM'000	RM'000	RM'000
Prefilled humidifiers	3,573	4,329	5,574	2,183	4,226
Prototype of AirdroX series inhaler spacers	-	55	84	50	108

We believe that providing high quality products is vital in ensuring both customer and end user satisfaction. Our production facility conforms to the highest standards required by the relevant authorities. We are assessed and accredited with the ISO 9001:2015, ISO 13485:2016 and EN ISO 13485:2016. Meanwhile, we have also received the GDPMD certification and the Halal certification for our prefilled humidifiers. In addition, 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. In addition, our AirdroX series inhaler spacers have registered with the Belgian Federal Agency for Medicines and Health Products. We also won the Gold Award under Best Innovation Award category, Malaysia Technology Expo 2020 Special Edition – COVID-19 International Innovation Awards for AirdroX series inhaler spacer and facemask.

6.5.3 Wide geographical market coverage

We have established a wide marketing and distribution network that effectively covers public and private hospitals, other healthcare service providers in both the local and overseas markets. We also serve customers from non-medical business entities and sell products such as AEDs, HydroX series prefilled humidifier and ventilators to them. For the FYE 2021, the total number of our customers by category is as follows:

Category	Number of customers
Public and private hospitals	175
Other healthcare service providers	33
Non-medical business entities	246
Total	454

For our local market, our marketing and distribution offices are strategically located in Penang, Kuala Lumpur and Johor. We market our products through our in-house sales representatives in Malaysia. Our presence in these areas enables us to have better understanding and localised insights into the market conditions. Additionally, we are able to quickly respond and better serve our customers in a timely manner, particularly in providing effective and efficient after-sales service, which leads to higher levels of customer satisfaction. In addition, we also work with distributors and/or tendering agents to sell our distribution products and manufactured products. Our after-sales service includes providing maintenance services and technical support as well as equipment training to our customers.

6. BUSINESS OVERVIEW (CONT'D)

For our overseas market, we sell our manufactured products (i.e. HydroX series prefilled humidifiers) through direct inquiries and/or distributors. We have granted exclusive distributorships to our distributors in Thailand, Indonesia, Jordan, Mauritius, South Africa, South Korea, Czech Republic, Myanmar, Singapore, Italy, Netherlands and Japan and non-exclusive distributorships to our distributors in Philippines, Saudi Arabia, India, Brunei, Ecuador, Chile, Pakistan, Romania, the United Arab Emirates, Croatia, Moldova, Costa Rica, Bahrain and Brazil. There were no commissions paid to any of the distributors and we are not dependent on any of them. The nature of our distributorships (whether it is exclusive or non-exclusive) is determined on a case-by-case basis and after taking into account the purchase quantities that the distributors can commit to us as well as the potential market size in the relevant countries.

We have also expanded our customer network to include overseas markets in over 30 countries, including amongst others, South Korea, Thailand, Indonesia, India, Chile, Saudi Arabia, Czech Republic, South Africa and the United Arab Emirates.

Our marketing and distribution network enables us to market our products and serve our customers, both local and overseas, in an efficient and effective manner.

6.5.4 We have an experienced management team

We have an experienced and capable management team who has been collectively contributing to the growth and development of our Group. Our Executive Director/Chief Executive Officer, Lim Taw Seong, has around 20 years of experience in the medical device industry. He is responsible for the overall strategy and corporate direction of our Group, including sales, marketing initiatives, general management, resources planning and business development.

Our Executive Director/Chief Executive Officer is supported by a key management team which comprises:

- Ng Hui Hooi, our Financial Controller with more than 20 years of experience in related field, is responsible for all the accounting and finance functions of our Group.
- Kong Yoen Hoo, our Sales Vice President, with more than 10 years of experience in related field, is responsible for managing the day-to-day sales and operations activities and in charge of the project sales for the central and east coast regions of Peninsular Malaysia.
- Lim Suat Gim, our Sales Vice President, with more than 10 years of experience in related field, is responsible for managing the day-to-day sales and operations activities and in charge of the project sales for the southern region of Peninsular Malaysia and Sarawak state.
- Lee Yi Kai, our Sales Vice President, with more than 10 years of experience in related field, is responsible for managing the day-to-day sales and operations activities and in charge of the project sales for the northern region of Peninsular Malaysia and Sabah state.
- Ng Chin Aik, our Manufacturing Vice President with more than 10 years of experience in related field, is responsible for product design and manufacturing operations.
- Ng Sze Hui, our Legal and Corporate Adviser, is responsible for handling legal and corporate affairs of our Group. She also manages the communication with internal and external stakeholders of our Group. Her previous experience in legal practice and within our Group would allow her to support our Group's future plans in ensuring that the strategic direction of our business is within the legal framework. The healthcare industry is a highly regulated industry and we believe she can provide our Group with relevant input for the future growth and development of our Group. With the appointment of Ng Sze Hui, the legal functions of our Group, which were previously outsourced, will now be handled by her.

6. BUSINESS OVERVIEW (CONT'D)

We believe that the combination of experience and knowledge of our Key Senior Management team will drive our Group's continued growth in the medical device industry.

Further details on the experience of our Executive Director/Chief Executive Officer and Key Senior Management are set out in Sections 4.2.2 and 4.5.2 of this Prospectus respectively.

Further, our management recognises the importance of succession planning in our business, and maintaining the level of our competencies and competitiveness in the industry. In view thereof, we have taken the appropriate steps to ensure the implementation of succession planning in our Group.

Our Board is involved in the process of reviewing the potential successor's readiness, and in identifying key competencies and requirements for managerial and key senior positions for our succession planning. As part of our Group's succession plan, we have identified several senior management personnel to facilitate skills transfer so as to ensure smooth running and continuity of the operations of our Group. As such, with our succession plan in place which is intended to further develop the identified personnel for their progression in the senior management team, our Group does not foresee that having one Executive Director poses any key person risk.

In addition, we encourage our senior management to train the lower and middle management staff to gradually assume more responsibilities. Further, the middle management are continually involved in various operations of the company, and actively participate in the discussions for decision-making to ensure better understanding of the operations and to equip themselves with the necessary knowledge and skills to succeed in senior management roles. This forms part of our employees' career development plan.

6.6 OUR FUTURE PLANS AND BUSINESS STRATEGIES

Our future plans and business strategies are as follows:

6.6.1 Construction of new factory building

As at the LPD, our current business and manufacturing activities are carried out at our existing owned office and factory building located in Batu Kawan, Penang. Our existing owned office and factory building 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. For FYE 2021 and FPE 2022, our production capacity utilisation rate is approximately 73.30% and 75.18% respectively. The storage floor space utilisation varies during the course of the year depending on the level of activities for both our marketing and distribution and manufacturing segments.

We intend to commence 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.

6. BUSINESS OVERVIEW (CONT'D)

To achieve this, we have allocated the sum of RM3.50 million from our IPO proceeds as the construction costs for the construction of the new factory building as detailed below:

Details	RM'000
Construction works	3,350
Miscellaneous expenses and contingencies ⁽ⁱ⁾	150
Total	(ii) 3,500

Notes:

- (i) Miscellaneous expenses include consultants' fees for the architect, mechanical, electrical, civil and structural engineers. The contingency costs include construction contingency costs to cater for fluctuations in construction material costs, overtime costs and/or costs due to changes in, amongst others, architectural design for lighting and landscaping.
- (ii) The breakdown of the funds to be used for construction of the new factory building will depend on the finalisation of the layout plan of the new factory building. The estimated construction costs of the new factory building were based on a preliminary quotation requested from a civil and structural construction company for the construction cost for the new factory building. Although the layout plan of the new factory building has yet to be finalised, the quotation was derived based on the intended floor space and purpose of the new factory building.

The indicative timeline for the construction of our new factory building is as follows:

Timeline	Details
Second (2 nd) half of 2022	<ul style="list-style-type: none"> Finalise the layout plan of the new factory building Submission of building plan to the authorities
First (1 st) half of 2023	<ul style="list-style-type: none"> Receipt of approved building plan Commence the construction of new factory building
First (1 st) half of 2024	<ul style="list-style-type: none"> Completion of construction of new factory building Purchase of new machinery
Second (2 nd) half of 2024	<ul style="list-style-type: none"> Installation of new machinery Commencement of operations

6.6.2 Strengthening our domestic presence and reach

As at the LPD, our Group operates in our head office in Batu Kawan, Penang and our rented marketing and distribution offices in Bandar Tun Razak, Kuala Lumpur and Johor Bahru, Johor. Our head office in Batu Kawan, Penang includes a showroom which is used to showcase and demonstrate the functionality of our products.

We intend to further strengthen our domestic presence through the setting 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. The new marketing and distribution offices will also serve as a showroom for all our products. This will enable us to showcase and demonstrate the functionality of our products to our existing and potential customers without having to travel to our head office in Batu Kawan, Penang.

6. BUSINESS OVERVIEW (CONT'D)

Currently, 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. Upon moving to our new marketing and distribution offices, we will not maintain our tenancy for the current rented marketing and distribution offices.

We expect the new marketing and distribution offices to allow us to tap into the potential business opportunities offered in these locations such as the new establishment of healthcare institutions and potential medical and pharmaceutical trade shows to be held while at the same time enable us to better serve and cater for our customers' needs. We are currently in the process of identifying suitable office units and locations in these areas to realise our plan.

Based on our observations, we note that there are new establishments of healthcare institutions in the Klang Valley and southern part of the Peninsular Malaysia. For example, three (3) hospitals in Selangor and one (1) hospital in Kuala Lumpur in the next three (3) years from 2022¹ as well as the construction of the Hospital Pasir Gudang which is expected to be completed by 2024². In addition, based on the article dated 18 March 2021 published by MIDA and the annual reports of IHH Healthcare Berhad, KPJ Healthcare Berhad and Sunway Berhad, we also noted that there are plans to construct and open new hospitals. Among these include KPJ Healthcare Berhad's Kinrara Health Centre and Damansara II Specialist Hospital and Sunway Berhad's Seberang Jaya Medical Centre.

Some of the upcoming medical and pharmaceutical tradeshows are to be held in Kuala Lumpur and Singapore are as follows:

Name of exhibition/ trade shows	Organiser	Location	Expected date to be held
28 th Congress of the Perinatal Society Malaysia	Perinatal Society of Malaysia	Wilayah Persekutuan, Kuala Lumpur	Third (3 rd) quarter of 2022
Emergency Medicine Annual Scientific Meeting	Academy of Medicine of Malaysia	Wilayah Persekutuan, Kuala Lumpur	Third (3 rd) quarter of 2022
14 th International Exhibition on Hospital, Diagnostic, Pharmaceutical, Medical and Rehabilitation Equipment and Supplies	Messe Duesseldorf Asia Pte Ltd	Marina Bay Sands, Singapore	Third (3 rd) quarter of 2022
Annual Scientific Meeting on Intensive Care	Malaysian Society of Intensive Care	Wilayah Persekutuan, Kuala Lumpur	Fourth (4 th) quarter of 2022

Our Group intends to finance the purchase price by using RM6.80 million from our IPO proceeds. The breakdown of the utilisation is detailed bellows:

Details	RM'000
Purchase price of properties	5,300
Renovation costs	1,500
Total	6,800

¹ As extracted from Selgate Corporation Sdn Bhd's ("Selgate") website. Selgate is a wholly-owned subsidiary of Selangor State Development Corporation's (PKNS) which is a state development corporation in Selangor.

² As extracted from the official portal of Pasir Gudang City Council.

6. BUSINESS OVERVIEW (CONT'D)

6.6.3 Development and commercialisation of new products

We intend to expand our manufacturing segment and also to develop and commercialise more products under our own brand. We have identified the new products to be developed and commercialised based on our assessment of the market demands and the opportunities available. At the same time, the new products will also complement and add to our list of own brand product offerings, and it can be cross-marketed to our existing clientele. Please refer to Section 6.9.2 of this Prospectus for the description of processes from development to commercialisation of new products.

We target to commercialise several new products in the next two (2) years, namely (a) sterile water for inhalation; (b) prefilled nebulisers; (c) digital oxygen flowmeters; and (d) humidifier humidity sensors as detailed below:

New Products	Description	Commencement of research	Status/ stage of development as at the LPD	Actual/expected research completion/ actual/targeted commercialisation
Sterile water for inhalation	<ul style="list-style-type: none"> For reusable heated nebuliser, incubator and ventilator A product for patient who needs respiratory therapy Packaged with a flexible plastic bag as well as single port at the base and is prefilled with sterile water Intended to provide supply of sterile water to humidification chamber, which is under passive humidification system 	Fourth (4 th) quarter of 2017	Research completed	Second (2 nd) quarter of 2022/ First (1 st) quarter of 2023
Prefilled nebuliser	<ul style="list-style-type: none"> Prefilled nebuliser with sterile water used for respiratory patients, especially patients requiring sterile water for inhalation 	Fourth (4 th) quarter of 2018	In the process of laboratory and clinical testing	Fourth (4 th) quarter of 2022/ Fourth (4 th) quarter of 2023
Digital oxygen flowmeter	<ul style="list-style-type: none"> Designed for oxygen therapy applications in the hospital Providing precise measurement of amount of oxygen a patient is receiving 	Second (2 nd) quarter of 2020	In the research and design phase	Third (3 rd) quarter of 2022/ Third (3 rd) quarter of 2023

6. BUSINESS OVERVIEW (CONT'D)

New Products	Description	Commencement of research	Status/ stage of development as at the LPD	Actual/expected research completion/ actual/targeted commercialisation
Humidifier humidity sensor	<ul style="list-style-type: none"> Designed to be used with prefilled humidifier to detect the water level of prefilled humidifier and improve the quality of patient care Featured with alarm buzzer to notify and alert the medical professional when the relative humidity ("RH") drops below 50% RH indicating that it is time to change the prefilled humidifier 	Second (2 nd) quarter of 2020	In the research and design phase	Fourth (4 th) quarter of 2022/ Fourth (4 th) quarter of 2023

The research period undertaken is subject to amongst others, product type, complexity and resources available. The commercialisation of the product after the research completion is expected to take up to one (1) year. This is to enable our Group to plan production, obtain the necessary approvals and plan the marketing strategy prior to the commercialisation of the product. It generally takes between three (3) to six (6) years from commencement of research to product commercialisation.

Our Group expects to incur approximately RM1.13 million for the commercialisation of the abovementioned new products in the next two (2) years and shall be funded via internally generated funds.

6.6.4 Expanding our product portfolio through the development of current and new brand distribution business

As we continue to grow, we intend to offer a wider and more comprehensive selection of medical devices to our end-customers, we have ventured into importation and distribution of international brands. As at the LPD, we were appointed as the local distributor for international brand owners/manufacturers, namely Philips, Mindray, GE and Merit.

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6. BUSINESS OVERVIEW (CONT'D)

Our length of relationship/ distributorship with the respective international brand owners/ manufacturers are as follows:

Brand owner/ manufacturer	Length of relationship up to the LPD (years)
Merit	3
Philips	13
GE	3
Mindray	4
Care Vision Healthcare Pte Ltd	2
E-Medtest (M) Sdn Bhd	4

The demand for medical devices is expected to continue growing, and we intend to capitalise on the market's growth by offering innovative medical devices that are to be sourced from our existing suppliers/principals and/or looking for new suppliers/principals. As the appointed distributor for the abovementioned suppliers/principals, 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. As at the LPD, we have identified and are in the midst of discussion with several suppliers/principals to expand our brand and product offerings.

6.7 PROSPECTS OF OUR GROUP

According to the IMR report, the market size of the medical device industry in Malaysia was estimated at RM12.11 billion in 2021, increasing by 20.0% from RM10.09 billion in 2020 due to strong demand from the healthcare industry as a result of the COVID-19 pandemic. Going forward, the industry is expected to continue growing as a result of the demand from the healthcare industry along with support from the Government and continued domestic and foreign investments.

The medical device industry in Malaysia is expected to be driven by the on-going COVID-19 pandemic and the resulting demand for healthcare services, especially in the short term. Demand for medical devices is also anticipated to come from the increased need for healthcare services as a result of population growth and an ageing population, more people seeking medical care, and the increasing incidence of NCDs in the Malaysian population. In addition, Malaysia's borders has since reopened beginning 1 April 2022 and it is expected that healthcare tourism will return, which will lead to a demand for healthcare services and as such, the need for more medical devices.

On the supply side, the industry is likely to receive continued support from the Government through various incentives and tax allowances. The Government is also working together with the AMMI to ensure that Malaysia will continue to produce skilled and knowledgeable employees in the medical device industry. The AMMI is an association representing leading medical device manufacturing companies in the medical technology industry in Malaysia. It seeks to promote and strengthen manufacturing and services operational excellence in Malaysia through various strategic pillars which amongst others include talent development. The Human Resource Development Corporation, an entity under the purview of the Ministry of Human Resources, Malaysia, has collaborated with the AMMI to develop medical technology certification programmes to raise the skills and knowledge of local employees. Additionally, the upgrading of existing and establishment of new healthcare facilities that will require medical devices will help to drive the industry during this forecast period from 2022 to 2026. The industry will also be supported by domestic as well as foreign medical device companies who continue to build new factories or expand their existing factories in Malaysia. Protégé has forecasted the medical device industry in Malaysia to grow at a CAGR of 12.1% from RM12.11 billion in 2021 to RM21.41 billion in 2026.

6. BUSINESS OVERVIEW (CONT'D)

We believe that our competitive strengths and future plans and business strategies as set out in Sections 6.5 and 6.6 of this Prospectus respectively, would enable us to capitalise on the growth opportunities within the medical device industry in Malaysia going forward.

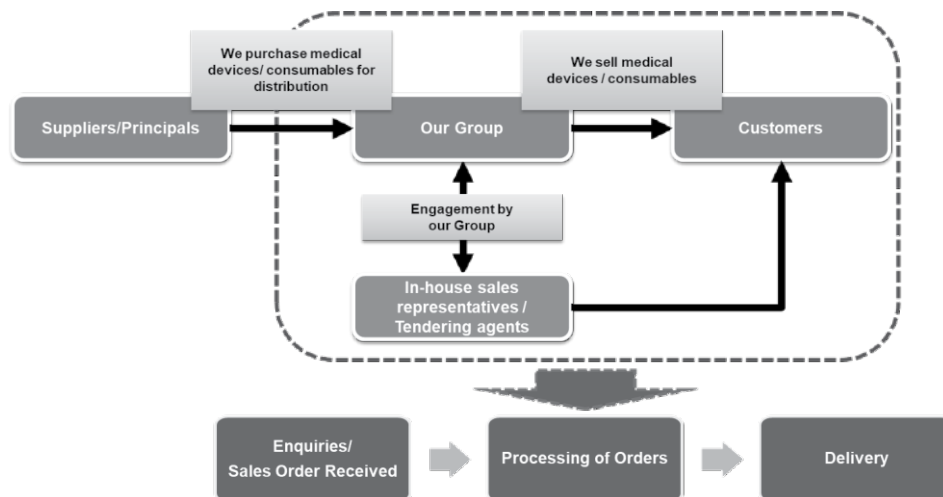
6.8 SEASONALITY

Our Group's business is not subject to any cyclical or seasonal trends.

6.9 OUR BUSINESS AND OPERATIONS PROCESS

6.9.1 Marketing and distribution segment

The key stages of our business and operations process for our marketing and distribution segment are as follows:



(i) Enquiries/sales orders received

For our marketing and distribution segment, direct enquiries and sales orders are received and handled by our in-house sales representatives under our sales and marketing team. We do not engage external sales representatives/ distributors for our marketing and distribution segment.

For the public sector, we would identify potential public tender opportunities and participate in the tender process by working with our in-house sales representatives and/or tendering agents. For certain public hospital tenders, it is stated in the tender/quotation documents that tenders/quotations have to be submitted through tendering agents. Therefore, our Group will engage tendering agents when their role is required for submission of certain public hospital tenders. Tendering agent is a person or firm that participates in the tendering process to supply medical device(s) and does not carry out activities as manufacturer, authorised representative, distributor, or importer of the medical device(s). The timeframe from submission of a tender until the tender results are obtained typically takes about one (1) month.

6. BUSINESS OVERVIEW (CONT'D)

(ii) Processing of orders

Upon receiving a direct purchase order and/or successfully securing a tender, we will proceed to check our inventory and prepare the internal order fulfilment form. For the products that are currently out of stock, we will then place an order with our suppliers/principals/contract manufacturers. Generally, our suppliers/principals/contract manufacturers will take between four (4) to eight (8) weeks for delivery. We generally keep a certain level of inventory in order to shorten overall lead time for delivery of products to our customers.

In addition, we constantly obtain feedback from our customers to better understand their product demands and will source for the relevant medical devices and consumables from the most suitable and favourable suppliers/principals.

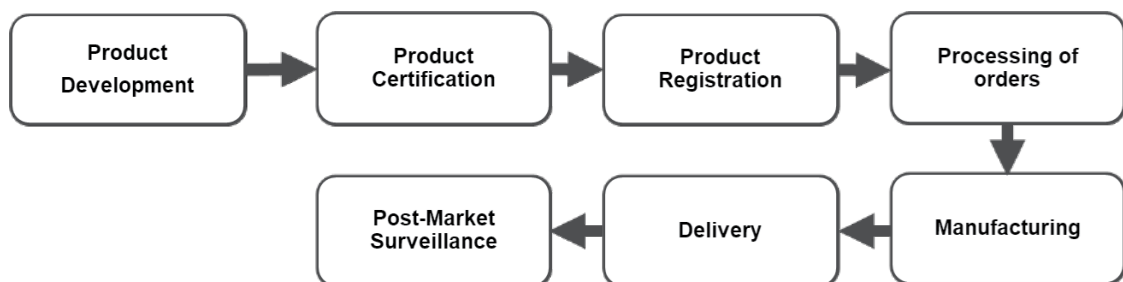
(iii) Delivery

After the delivery order is created and approved, the products are packed according to the purchase order and then delivered to our customers. Product warranty of up to 12 months (upon product testing and commissioning by our team and customers' acceptance) is provided by our suppliers/principals to our customers. Upon expiry of the product warranty, our customers may opt to enter into service agreement where we will provide the after-sales service, which includes maintenance services and technical support, sale of spare parts as well as training on equipment, to our customers under the said agreement. As at the LPD, there are a total of 13 service agreements entered into between our Group and our customers. The tenure of the service agreements ranges between one (1) to five (5) years.

Depending on the availability of the products, the complete process from enquiries/sales order received to delivery will typically take between three (3) to five (5) days. However, if the product is not in stock, this could be extended to between five (5) to nine (9) weeks.

6.9.2 Manufacturing segment

The key stages of our business and operations process for our manufacturing segment are as follows:



The business and operations process above depicts the key stages of the business and operations process for our Group's existing and future manufactured products except for the "Manufacturing" stage (5th box) which is specific to HydroX series prefilled humidifiers (i.e. a different product will have a different manufacturing process).

We had, since 2012, commercialised our HydroX series prefilled humidifiers, which contain pharmaceutical grade sterile water, and are classified as Class B (low-moderate risk) products. The manufacturing process of our HydroX series prefilled humidifiers is subject to a stringent process as it may be exposed to contamination risks.

6. BUSINESS OVERVIEW (CONT'D)

After taking into consideration the low-moderate risk nature of our HydroX series prefilled humidifiers and the risk of contamination during the manufacturing process, our Group has taken the decision to manufacture our HydroX series prefilled humidifiers to mitigate the risks above.

For our AirdroX series inhaler spacers, we engage third-party contract manufacturers to produce the components. Our Group will then assemble the final product in-house. The existing production facilities are sufficient for us to assemble our AirdroX series inhaler spacers.

We had recently, in June 2022, commercialised our AirdroX series inhaler spacers which are classified as Class A (low risk) products. Before embarking on a capital investment for manufacturing machines, our Group would want to gauge the demand for our AirdroX series inhaler spacers in the near future. At this point in time, after taking into consideration that the recent commercialisation and low risk nature of our AirdroX series inhaler spacers, it is more cost-efficient to engage third-party contract manufacturers to produce the components.

(i) Product development

Our Group's R&D team will undertake new product development based on the customers' feedback/requirements, market trends and/or new technologies arising in terms of costing, available technology product features, functionality, quality and raw material requirement. The product development process may take up to four (4) years to complete depending on the product's complexity.

Firstly, we will begin with the research and design of the products. Next, we will source for suppliers and parts. Here, we may also engage the service of third-party contract manufacturers to handle certain aspects of our manufacturing activities, if needed. We will then perform a pilot production of the new product and manufactures the prototype in the pilot production process. Once completed, the new product 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. Finally, mass production and commercialisation will commence once the necessary approvals are obtained.

(ii) Product certification

Once approval is obtained, our Group's Regulatory Affairs team will extend the scope of the new product into our QMS and ISO certification, as well as register for the CE certificate which generally takes up to two (2) years. Our Regulatory Affairs team is responsible for the product registration, product certification and post market surveillance. The team will report jointly to Ng Chin Aik, our Manufacturing Vice President and Ng Sze Hui, our Legal and Corporate Adviser.

(iii) Product registration

Our Group's Regulatory Affairs team will work with our overseas customers and/or distributors to register our product in their respective countries which generally takes up to one (1) year for the overall registration process.

6. BUSINESS OVERVIEW (CONT'D)

(iv) Processing of orders

Direct enquiries and sales orders (for local and overseas enquiries and sales orders which we did not grant exclusive distributorships) received are handled by our in-house sales representatives under our sales and marketing team. For overseas enquiries and sales orders which we granted exclusive distributorships, we sell our manufactured products through our authorised distributors.

Once we received the manufacturing order generated from our Enterprise Resource Planning system, our production team will then request materials and supplies needed from the inventory department, such as plastic resins including PP, LDPE, ABS and packaging materials based on the pre-determined material and quantity stated in the bill of material.

We will also engage the service from our approved vendors to handle certain aspects of the production activity if needed, such as Gamma sterilisation service. We are not dependent on any of our approved vendors for Gamma sterilisation service as we have begun to perform in-house steam sterilisation process for our HydroX series prefilled humidifiers in FYE 2021.

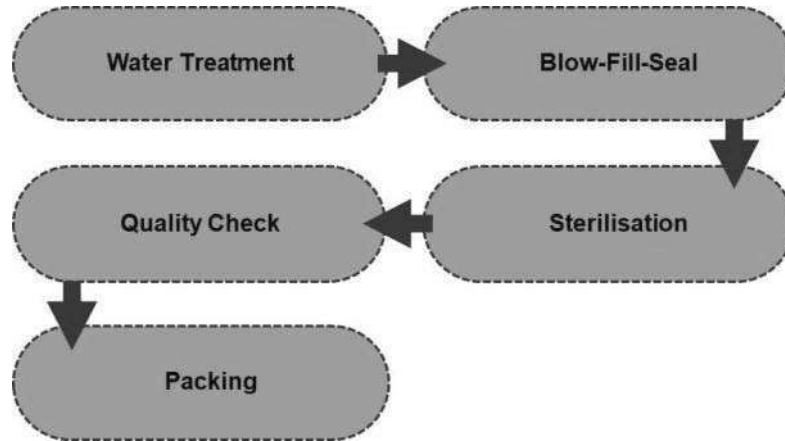
The processing of orders generally takes up to two (2) weeks.

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6. BUSINESS OVERVIEW (CONT'D)

(v) Manufacturing

The typical process flow for our manufacturing process is as follows:



Water treatment

The production of sterile purified water, being water for pharmaceutical use, begins with the water treatment process which involved pre-treatment via softening and microfiltration stages, followed by a reverse osmosis stage and a final demineralisation. The water is treated to control its microbiological quality. The entire process is a continuous operation and it is fully automated.

Blow-fill-seal

Every bottle begins with the extrusion of a polymer tube within the machine with parison control on the required bottle thickness at each point. Next, the bottle is instantly moulded, filled with filtered water and sealed using a fully automated and continuous cycle blow-fill-seal system.

Sterilisation

The bottle will then undergo sterilisation, either steam sterilisation or Gamma sterilisation. Under the steam sterilisation process, the bottle is exposed to direct steam contact at a specific temperature and pressure for a specified time. Meanwhile, the Gamma sterilisation is performed by exposing the bottle to a radiation source. Steam sterilisation is performed in-house while Gamma sterilisation is performed externally by our approved vendors.

Quality check

Quality check on finished products including namely leak test and sterility will be performed prior to sending for packing.

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.

6. BUSINESS OVERVIEW (CONT'D)

Packing

Sterilised finished products are then sent for the packing processes. Firstly, a bottle of prefilled humidifier will be shrink-wrapped together with the adaptor as an individual packaged unit. Next, 25 such units will be packed together into a corrugated carton box for final packing.

The manufacturing process for a minimum order of 1,000 units generally takes approximately three (3) days to complete. However, the actual manufacturing process time for our products will vary depending on the volume of orders.

(vi) Delivery

Prior to delivery, our logistics team will conduct final checks to ensure that our products are delivered correctly based on customers' requirements. The delivery period for our products to be received by our customers from shipment date will vary depending on the transportation mode and location of our customers.

(vii) Post-market surveillance

Post-market surveillance activities will be carried out on an on-going basis as a means of data collecting and evaluating such as customer complaints, user experience or product failure analysis towards our medical consumables that have been placed on the market.

The evaluation of post-market surveillance is crucial to 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.

6.10 MARKETING AND DISTRIBUTION NETWORK

6.10.1 Marketing strategies

Our Group's sales and marketing efforts are as follows:

(i) Exhibitions and trade shows

Our Group recognises that participation in exhibitions and trade shows not only can provide valuable insight into our potential customers in both local and overseas markets, but also allow us to create public awareness and promote our products and services. For the past three (3) FYEs 31 July 2019, 2020 and 2021 and up to the LPD, we have participated in numerous exhibitions and trade shows as follows:

Year	Name of exhibition/ trade shows	Organiser	Location
2019	Annual Scientific Meeting on Intensive Care 2019	Malaysian Society of Intensive Care	Wilayah Persekutuan, Kuala Lumpur
2019	National Emergency Critical Care Symposium	Ipoh Emergency Critical Care Society	Ipoh, Perak
2019	KPJ Healthcare Conference	KPJ Healthcare Berhad	Petaling Jaya, Selangor
2019	Borneo Obstetric Anaesthesia Symposium	Persatuan Akademik Kakitangan Anestesiologi Sabah	Kota Kinabalu, Sabah

6. BUSINESS OVERVIEW (CONT'D)

Year	Name of exhibition/ trade shows	Organiser	Location
2019	Emergency Medicine Annual Scientific Meeting	Academy of Medicine of Malaysia	Wilayah Persekutuan, Putrajaya
2019	Philips Future of Connected Care Symposium	Philips	Wilayah Persekutuan, Kuala Lumpur
2019	Perlis CPR Competition 2019	Institut Latihan Kementerian Kesihatan Malaysia, Kangar	Kangar, Perlis
2019	Annual APHM International Healthcare Conference & Exhibition	Association of Private Hospitals of Malaysia	Wilayah Persekutuan, Kuala Lumpur
2019	MEDICA International Trade Fair 2019	Messe Düsseldorf GmbH	Düsseldorf, Germany
2019	International Exhibition on Hospital, Diagnostic, Pharmaceutical, Medical & Rehabilitation Equipment & Supplies	Messe Düsseldorf Asia Pte Ltd	Bangkok, Thailand
2021	Online CEO Business Meeting Event for Medical Equipment Industry 2021	Organisation for Small & Medium Enterprises and Regional Innovation, Japan	Virtual
2022	APHM International Healthcare Conference & Exhibition 2022	Association of Private Hospitals of Malaysia	Wilayah Persekutuan, Kuala Lumpur
2022	Annual Scientific Meeting on Intensive Care 2022	Malaysian Society of Intensive Care	Wilayah Persekutuan, Kuala Lumpur
2022	iECG WORKSHOP 2022	Hospital Raja Perempuan Zainab II	Kota Bahru, Kelantan
2022	Paediatric Emergency Medicine (PEM) Made Easy 2.0	Hospital Tuanku Ja'afar Seremban	Seremban, Negeri Sembilan
2022	National Peri-Operative Mortality Review Conference 2022	Peri Operative Mortality Review Committee in Ministry of Health Malaysia	Ayer Keroh, Melaka
2022	Ventilator Workshop	Hospital Raja Permaisuri Bainun	Ipoh, Perak
2022	Ventilator Workshop	Sultanah Aminah Hospital	Johor, Bahru, Johor
2022	Arab Health 2022	Informa Markets	Dubai, United Arab Emirates

By participating in these exhibitions and trade shows, we are able to stay updated on the relevant market trends and technical information, as well as able to interact with stakeholders as a means to expand our business networking within the industry.

6. BUSINESS OVERVIEW (CONT'D)

(ii) Customer referrals

We have been involved in the medical device industry for around 20 years and have established a track record of providing reliable quality products and services. This has in turn resulted in the development and establishment of mutually beneficial relationships with our customers. The goodwill nurtured among these satisfied customers has further been translated into more business opportunities through their recommendations to other prospective customers.

(iii) Corporate website

We also maintain a corporate website at www.umed.com.my, which provides an immediate searchable information on our Group as well as the products that we offer to customers.

The current widespread use of the internet as a source of information has enabled us to cross geographical borders and facilitate access from many parts of the world, enhancing our market reach and exposure.

6.10.2 Distribution network

Our distribution network strategy can be categorised as follows:

(i) Direct distribution network

The direct distribution network approach is implemented through our in-house sales representatives who sell our products directly to our local customers comprising public and private hospitals, other healthcare service providers as well as non-medical business entities. This strategy enables our Group to work closely with our customers to evaluate and attain better understanding of their objectives and requirements.

Our in-house sales representatives also receive direct inquiries from our overseas customers for our manufactured products.

(ii) Indirect distribution network

Under this approach, we work with tendering agents such as Customer A, who are actively participating in local public sector projects. We engage the tendering agents on a non-exclusive basis. There were no commissions paid to any of the tendering agents and we are not dependent on any of them. In addition, we also sell our manufactured products through distributors for our overseas market.

Our Group will provide sales and product training to our in-house sales representatives and end-users. We provide training on product (i.e. product purpose, technical features, technology and clinical use) to our in-house sales representatives. We also conduct monthly sales training for them as well. Meanwhile, for end-users, we will provide product trainings during commissioning. Through the product trainings, technical support training and product preventive maintenance training provided, our in-house sales representatives are equipped with technical knowhow and are able to deliver quick and efficient response towards any faulty medical device reports from end-users.

6. BUSINESS OVERVIEW (CONT'D)

6.11 MATERIAL MACHINERY AND EQUIPMENT

As at the LPD, the material machinery and equipment used in our manufacturing segment are as follows:

Name	Description of use	No. of units	Average life span (years)	Average age (years)	Average remaining useful life (years)	Audited NBV as at 31 January 2022 RM'000
Adaptor automated assembly line	To insert rubber and cap	2	10	1.7	8.3	549
High precision Good Manufacturing Practice version automated filling sealing machine	To fill seal the bottle	1	10	0.7	9.3	2,377
Blow moulding machine	To produce bottle	2	10	3.2	6.8	1,653
BWT OSMOTRON® PRO	To produce water for inhalation	1	10	0.7	9.3	1,796
Fill seal leak test machine	To fill seal the bottle and perform leaking test	1	10	2.7	7.3	198
OMRON TM collaborative robot system	For assembly, packaging, inspection and logistics	2	10	2.0	8.0	207
Purified water pre-treatment	To remove suspended impurities, solids, colloids and living organisms from raw water	1	10	0.7	9.3	448
Steam air mixture sterilisation	To sterile medical device	1	10	0.7	9.3	2,062

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6. BUSINESS OVERVIEW (CONT'D)

6.12 TYPES, SOURCES AND AVAILABILITY OF PRINCIPAL RAW MATERIALS AND INPUTS

The table below sets out the raw materials and inputs purchased by our Group for our business operations for the Financial Years Under Review and Financial Periods Under Review:

	FYE						FPE			
	2019		2020		2021		2021		2022	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Distribution products ⁽ⁱ⁾	6,420	71.85	11,756	75.73	20,637	87.57	9,190	87.89	17,924	89.50
Raw materials for manufactured products:										
Plastic resin	633	7.08	616	3.97	1,057	4.49	354	3.39	954	4.76
Injection components	761	8.52	1,382	8.90	941	3.99	552	5.28	442	2.21
Packaging materials ⁽ⁱⁱ⁾	561	6.28	1,021	6.58	920	3.90	352	3.37	684	3.42
Others ⁽ⁱⁱⁱ⁾	560	6.27	748	4.82	12	0.05	8	0.07	22	0.11
Total	8,935	100.00	15,523	100.00	23,567	100.00	10,456	100.00	20,026	100.00

Notes:

- (i) The breakdown of the distribution products by countries is as follows:

Country	FYE						FPE			
	2019		2020		2021		2021		2022	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	3,251	50.63	8,447	71.84	10,058	48.73	5,865	63.82	6,829	38.10
China	242	3.77	994	8.46	8,286	40.15	2,601	28.30	8,560	47.76
Taiwan	2,209	34.41	978	8.32	1,176	5.70	268	2.92	2,303	12.85
Singapore	311	4.84	1,141	9.71	703	3.41	228	2.48	13	0.07
Spain	96	1.50	140	1.19	256	1.24	84	0.91	57	0.32
Denmark	19	0.30	35	0.30	134	0.65	128	1.39	155	0.86
USA	4	0.06	21	0.18	24	0.12	16	0.18	7	0.04
Italy	288	4.49	-	-	-	-	-	-	-	-
Total	6,420	100.00	11,756	100.00	20,637	100.00	9,190	100.00	17,924	100.00

- (ii) Comprise carton box, label, pallet and pouch;
- (iii) Comprise the Gamma sterilisation which is performed externally by our approved vendors.

Our Group does not have an inventory policy for maintaining inventories for distribution products and raw materials for manufactured products.

6. BUSINESS OVERVIEW (CONT'D)

For our marketing and distribution segment, we do not purchase raw materials but instead purchased the finished products from our suppliers/principals. We generally keep a certain level of inventory in order to shorten overall lead time for delivery of products to our customers as well as to loan to our customers as demonstration units. The medical devices that we distribute are deemed critical medical equipment and any delay in the delivery of such equipment should be kept to a minimum.

The key raw materials that we use for our manufacturing segment are readily available and sourced from local suppliers. We generally take into account our suppliers' product quality, pricing as well as manufacturing capacities and lead times to prevent any interruptions in supply of raw materials. The key raw materials needed for our manufacturing operations include plastic resin, packaging materials and injection components. Plastic resin is a commodity whose price is affected by, amongst others, overall economic performance, demand, production capacity and supply. Any fluctuations in the price of plastic resin will be factored into our manufactured product's pricing. We generally maintain sufficient inventory of raw materials before acceptance of an order. Nonetheless, we have not experienced any major fluctuations in prices of raw materials that have materially affected our financial performance during the Financial Years Under Review and Financial Periods Under Review. We have not experienced any major interruptions in supply of raw materials during the Financial Years Under Review and Financial Periods Under Review, including the periods of various lockdown imposed in Malaysia due to the COVID-19 pandemic.

6.13 OPERATING CAPACITIES AND OUTPUT

The table below sets out our Group's operating production capacity and production utilisation rate:

	FYE 2021			FPE 2022 ⁽ⁱⁱ⁾		
	Maximum production capacity (units) ⁽ⁱ⁾	Actual production output (units)	Production utilisation rate (%)	Maximum production capacity (units)	Actual production output (units)	Production utilisation rate (%)
Prefilled humidifiers	1,270,800	931,446	73.30	1,808,446	1,359,620	75.18

Notes:

- (i) The estimated maximum production capacity is computed based on one (1) machine with a production capacity of one (1) cavity per cycle, maximum production running time of 353 days per year. The maximum production running time is based on two (2) shifts per day, 12 hours per shift and one (1) day per month for maintenance.

In addition, we have another one (1) machine with a production capacity of two (2) cavities per cycle which was used for production testing since February 2021. The additional production output from the said machine is 694,886 during the period of February 2021 up to 31 July 2021. Subsequently, in August 2021, this machine was no longer used for testing and commenced production as an additional production line. The estimated maximum production capacity of this machine is 2,346,092 units based on the maximum production running time of 353 days per year. The maximum production running time is based on two (2) shifts per day, 12 hours per shift and one (1) day per month for maintenance.

- (ii) The estimated maximum production capacity is computed based on the two (2) machines as described in note (i) above.

6. BUSINESS OVERVIEW (CONT'D)

The breakdown of the maximum production capacity and actual production output for each machine is as follows:

	FPE 2022		
	Maximum production capacity (units)	Actual production output (units)	Production utilisation rate (%)
Machine 1	635,400	388,112	61.08
Machine 2	1,173,046	971,508	82.92
Total	1,808,446	1,359,620	75.18

The machine used to produce the prefilled humidifiers can also be used to produce other new products in the development stage as well as in the future subject to availability of excess production capacity.

6.14 R&D

We recognise the importance of R&D in ensuring our ability to remain competitive in order to sustain the continuous growth of our business. Our R&D team conducts a series of R&D activities including risk management and clinical evaluation in the development of our own medical consumables. The R&D team will document, implement and maintain a set of risk management and clinical evaluation standard operating procedures. For risk management, we will identify, estimate, control and evaluate all risks related to the product being developed. This includes identifying the entire known and foreseeable hazards based on the process (life-cycle phases), intended use, characteristic, misuse, marketing experience and market information of the product that could affect the safety of the product and its defined limits. Meanwhile, for clinical evaluation, we will follow and adhere strictly to the level of clinical evidence that is necessary to demonstrate conformity with the relevant general safety and performance requirements.

We constantly put effort into our R&D activities in order to capitalise on the market growth by offering more technologically advanced products to the market, either through new product introductions or enhancements of current products. As at the LPD, our R&D team is led by Ng Chin Aik, our Manufacturing Vice President, who is responsible for our Group's product research efforts including overseeing our Group's product design, development and manufacturing operations.

Through our in-house R&D team, our Group has currently developed and commercialised our HydroX series prefilled humidifiers and AirdroX series inhaler spacers to the market. We introduce and market our AirdroX series inhaler spacers to our existing customers by sending them the samples and/or arranging an introductory meeting for such product demonstration. In addition, we also undertake the marketing strategies for our AirdroX series inhaler spacers as disclosed in Section 6.10.1 of this Prospectus.

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6. BUSINESS OVERVIEW (CONT'D)

The details of our R&D expenses for the Financial Years Under Review and Financial Periods Under Review are as follows:

	FYE						FPE			
	2019		2020		2021		2021		2022	
	RM'000	%	RM'000	(i)%	RM'000	(i)%	RM'000	(i)%	RM'000	(i)%
R&D expenses ⁽ⁱⁱ⁾	-	-	262	1.11	235	0.69	115	0.81	138	0.37

Notes:

- (i) Computed based on the revenue of approximately RM23.68 million, RM34.12 million, RM14.15 million and RM36.86 million for FYE 2020, FYE 2021, FPE 2021 and FPE 2022 respectively.
- (ii) R&D expenses consist of staff cost only.

Over the years, we have conducted numerous studies as part of our continuous efforts to improve our products to meet customers' demands. The table below sets out our Group's R&D undertaken over the years:

Year of commencement	Research conducted
2011	Development of prefilled humidifier
2016	Study of safety of prolonged and multi-patient use of prefilled humidifier with Clinical Research Center, Pulau Pinang Hospital
2017	Development of sterile water for inhalation
2018	Development of inhaler spacer
2018	Development of prefilled nebuliser
2019	Enhancement of prefilled humidifier with connector cover to prevent contamination
2019	Development of 100% vision leak test for prefilled humidifier
2020	Development of steam sterilisation process
2020	Integration of Collaborative Robot for automation process
2020	Development of digital oxygen flowmeter
2020	Development of humidifier humidity sensor

In the future, our Group intends to venture into the R&D of digitalising the accessories (for more accurate information and measurement as well as having an automated alert system in place) of our current respiratory medical consumables and adding more solution-based medical products in our products offering by leveraging on our current facilities such as our water treatment system and knowledge in the related field.

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6. BUSINESS OVERVIEW (CONT'D)

6.15 TECHNOLOGY USED OR TO BE USED

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

Technology	Description
Software/Equipment	
Enterprise Resource Planning System	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.
Fill-seal-leak test machine	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.
Adaptor automated assembly line	An adaptor assembly line comprises multiple modules including rubber insertion station, cap insertion station and packaging that adapts to the production process.
BWT OSMOTRON® PRO	A skid-mounted system for the production of pharmaceutical water that meets the current United States Pharmacopoeia Convention and European Pharmacopoeia requirements.
BWT LOOPO	A system for the distribution, sanitisation, control and monitoring of purified and highly purified water or water-for-injection circulation systems.
Fedegari steam air steriliser	A technology used for the counter pressure sterilisation of aqueous solutions in sealed containers.
Collaborative robot system	A technology designed to share the same workspace with humans and can be easily switched for any task including pick and place processes etc.

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6. BUSINESS OVERVIEW (CONT'D)

6.16 QUALITY CONTROL PROCEDURES

Our Group places emphasis on the quality of products that we manufacture, with our production activities adhere to stringent international quality standards.

Standard	Scope of certification	Certification holder	Issuing party	Validity period
ISO 9001:2015	Design and manufacture of prefilled humidifier and nebuliser content with sterile water for inhalation and respiratory gases, asthma inhaler spacer or holding chamber, humidity sensor	UWHM	BSI	5 September 2019 - 4 September 2022
ISO 13485:2016/ EN ISO 13485:2016	Design and manufacture of prefilled humidifier and nebuliser content with sterile water for inhalation and respiratory gases, asthma inhaler spacer or holding chamber, humidity sensor	UWHM	BSI	5 September 2019 - 4 September 2022
EC Certificate	Manufacture of sterile prefilled humidifiers for respiratory gases	UWHM	BSI	19 March 2020 - 26 May 2024
GDPMD	Local authorised representative, import, storage and handling, distribution (including transportation), installation, testing & commissioning, maintenance, calibration and documentation (including traceability) of medical devices: a) Anaesthetic and respiratory devices; b) Electro mechanical medical devices; c) Hospital hardware; d) Reusable devices; e) Single-use devices; f) Assistive products for persons with disability; g) Diagnostic and therapeutic radiation devices; h) Healthcare facility products and adaptations; and i) Medical software.	UMedIC	BSI	17 April 2021 - 16 April 2024

6. BUSINESS OVERVIEW (CONT'D)

6.17 MAJOR CUSTOMERS

Our Group's top five (5) major customers, as a percentage of our total revenue, for the Financial Years Under Review and FPE 2022 are as follows:

Customers ⁽ⁱ⁾	Country	Approximate length of relationship as at the LPD	Revenue contribution		Products sold
			RM'000	(ii)%	
FYE 2019					
Customer A	Malaysia	16	2,120	12.91	Patient monitors, defibrillators, ventilators, medical furniture, maternal and infant care machines and prefilled humidifiers
Customer B group of companies	Malaysia	16	2,102	12.80	Defibrillators, maternal and infant care machines and medical furniture
Customer C	Malaysia	4	1,167	7.11	Medical furniture
Customer D	South Korea	5	848	5.16	Prefilled humidifiers
Customer E	Malaysia	5	781	4.76	Medical furniture
		Total	7,018	42.74	
FYE 2020					
Customer A	Malaysia	16	2,881	12.17	Patient monitors, defibrillators, ventilators, medical furniture, maternal and infant care machines and prefilled humidifiers
Customer B group of companies	Malaysia	16	1,478	6.24	Defibrillators, maternal and infant care machines and medical furniture
Customer F	Malaysia	4	1,245	5.26	Patient monitors and defibrillators
Customer D	South Korea	5	1,219	5.15	Prefilled humidifiers
Customer G group of companies	Malaysia	16	1,041	4.40	Patient monitors and defibrillators
		Total	7,864	33.22	
FYE 2021					
Customer A	Malaysia	16	4,661	13.66	Patient monitors, defibrillators, ventilators, medical furniture, maternal and infant care machines and prefilled humidifiers
Customer H	Malaysia	1	3,060	8.97	Ventilators and defibrillators
Customer D	South Korea	5	1,669	4.89	Prefilled humidifiers
Customer I	Singapore	2	1,585	4.65	Ventilators
Customer J	Thailand	8	1,053	3.09	Prefilled humidifiers
		Total	12,028	35.26	

6. BUSINESS OVERVIEW (CONT'D)

Customers ⁽ⁱ⁾	Country	Approximate length of relationship as at the LPD	Revenue contribution		Products sold
			RM'000	(ii)%	
FPE 2022					
Customer K	Malaysia	2	3,120	8.47	Ventilators, patient monitors and medical furniture
Customer A	Malaysia	16	2,397	6.50	Patient monitors, defibrillators, ventilators, medical furniture, maternal and infant care machines and prefilled humidifiers
Customer H	Malaysia	1	1,838	4.99	Ventilators and defibrillators
Customer L	Malaysia	3	1,376	3.73	Ventilators and medical furniture
Customer M	Malaysia	7	1,329	3.61	Ventilators
Total			10,060	27.30	

Notes:

- (i) We are unable to disclose the name of the customers as we believe that the information is highly confidential and sensitive, and such disclosure may attract competitions from our competitors thereby affecting our competitive position.

The details of our major customers are as follows:

Name	Description
"Customer A"	Customer A, a private limited company incorporated in Malaysia, which is principally involved in supplying medical equipment and supplies to hospital and others. Customer A is a tendering agent who involves in the procurement in respect of government projects and it operates principally in Malaysia.
"Customer B group of companies"	Customer B, a public company listed on the Main Market of Bursa Securities comprising a group of companies, which is principally involved in the operation of specialist hospitals. Customer B operates principally in Malaysia as well as with market presence in overseas market such as Australia, Indonesia, Thailand and Bangladesh.
"Customer C"	Customer C, a private limited company incorporated in Malaysia, which operates as a medical service center. Customer C operates principally in Malaysia.
"Customer D"	Customer D, a South Korean-based medical provider, which is principally involved in the distribution of medical devices. Customer D operates principally in South Korea. Customer D is the authorised distributor of our Group in South Korea.
"Customer E"	Customer E, a private limited company incorporated in Malaysia, which is principally involved in providing private healthcare services, offering premier care and treatment of women and children. Customer E operates principally in Malaysia.
"Customer F"	Customer F, a private limited company incorporated in Malaysia, which is principally involved in the medical device supply and services. Customer F operates principally in Malaysia.

6. BUSINESS OVERVIEW (CONT'D)

Name	Description
"Customer G group of companies"	Customer G, a public company listed on the Main Market of Bursa Securities comprising a group of companies, which operate as medical clinics and are principally involved in the provision of medical and healthcare services. Customer G operates principally in Malaysia as well as with market presence in Malaysia and overseas market such as Singapore, Turkey, India, Germany, Bulgaria and People' Republic of China.
"Customer H"	Customer H, an entity under the MOH and is responsible for medical and health services at the state level. Customer H operates principally in Malaysia.
"Customer I"	Customer I, a Singapore-based independent humanitarian organisation dedicated to relieving human suffering, protecting human life and dignity and responding to emergencies. Customer I operates principally in Singapore.
"Customer J"	Customer J, a private limited company incorporated in Thailand, which is principally involved in the marketing and distribution of drugs and medical devices. Customer J operates principally in Thailand. Customer J is the authorised distributor of our Group in Thailand.
"Customer K"	Customer K, the Malaysian authority that is responsible for Malaysia's healthcare system.
"Customer L"	Customer L, a public hospital located in Sabah.
"Customer M"	Customer M, a public hospital located in Selangor.

- (ii) Computed based on the total revenue of approximately RM16.42 million, RM23.68 million, RM34.12 million and RM36.86 million for FYE 2019, FYE 2020, FYE 2021 and FPE 2022 respectively.

Our major customers contributed approximately 42.74%, 33.22%, 35.26% and 27.30% to our Group's total revenue for the past three (3) FYEs 2019, 2020, 2021 and FPE 2022 respectively. For FYE 2021, we have more than 400 customers. As such, our Group is not dependent on our major customers due to the large customer base that we have acquired throughout the years. We did not enter into any long-term agreements with our major customers. We did not have any material dispute with our major customers in the past. Our Group has maintained good working relationships with our major customers and we expect our major customers to continue contributing to our Group's revenue moving forward.

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6. BUSINESS OVERVIEW (CONT'D)

6.18 MAJOR SUPPLIERS

Our Group's top five (5) major suppliers, as a percentage of our total purchases, for the Financial Years Under Review and FPE 2022 are as follows:

Suppliers	Country	Approximate length of relationship as at the LPD	Purchases		Products purchased
			RM'000	(i)%	
FYE 2019					
Philips	Malaysia	13	2,208	24.71	Medical devices and consumables
Supplier A ⁽ⁱⁱ⁾	Taiwan	12	2,152	24.09	Medical devices
Supplier B ⁽ⁱⁱ⁾	Malaysia	7	727	8.14	Plastic components
Supplier C ⁽ⁱⁱ⁾	Malaysia	6	633	7.08	Plastic raw materials
Supplier D ⁽ⁱⁱ⁾	Malaysia	10	530	5.93	Sterilisation
		Total	6,250	69.95	
FYE 2020					
Philips	Malaysia	13	7,108	45.79	Medical devices and consumables
GE	Malaysia	3	1,105	7.12	Medical devices and consumables
Supplier B ⁽ⁱⁱ⁾	Malaysia	7	994	6.40	Plastic components
Mindray	Hong Kong, China	4	963	6.20	Medical devices and consumables
Supplier A ⁽ⁱⁱ⁾	Taiwan	12	950	6.12	Medical devices
		Total	11,120	71.63	
FYE 2021					
Mindray	Hong Kong, China	4	8,132	34.51	Medical devices and consumables
Philips	Malaysia	13	7,665	32.52	Medical devices and consumables
Supplier C ⁽ⁱⁱ⁾	Malaysia	6	1,057	4.49	Plastic raw materials
Supplier A ⁽ⁱⁱ⁾	Taiwan	12	1,046	4.44	Medical devices
Supplier E ⁽ⁱⁱ⁾	Malaysia	1	654	2.78	Medical consumables
		Total	18,554	78.74	
FPE 2022					
Mindray	Hong Kong, China	4	8,237	41.13	Medical devices and consumables
Philips	Malaysia	13	5,109	25.51	Medical devices and consumables
Supplier A ⁽ⁱⁱ⁾	Taiwan	12	2,303	11.50	Medical devices
Supplier C ⁽ⁱⁱ⁾	Malaysia	6	865	4.32	Plastic raw materials
GE	Malaysia	3	734	3.67	Medical devices and consumables
			17,248	86.13	

6. BUSINESS OVERVIEW (CONT'D)

Notes:

- (i) Computed based on the total purchase of RM8.94 million, RM15.52 million, RM23.57 million and RM20.03 million for FYE 2019, FYE 2020, FYE 2021 and FPE 2022 respectively.
- (ii) We are unable to disclose the identities of Suppliers A, B, C, D and E as they do not consent to be named in this Prospectus and request to remain anonymous in its business dealing with us.

The details of Suppliers A, B, C, D and E are as follows:

Name	Description
"Supplier A"	Supplier A, a private limited company incorporated in Taiwan, which is principally involved in the manufacturing of medical equipment as well as medical diagnostic and monitoring devices. Supplier A is headquartered in Taiwan.
"Supplier B"	Supplier B, a private limited company incorporated in Malaysia, which is principally involved in manufacturing of mould and plastic products as well as provision of assembly and other related services. Supplier B operates principally in Malaysia.
"Supplier C"	Supplier C, a sole proprietorship in Malaysia, which is principally involved in the distribution of plastic raw materials. Supplier C operates principally in Malaysia.
"Supplier D"	Supplier D, a private limited company incorporated in Malaysia, which is principally involved in providing service of sterilisation of healthcare products. Supplier D operates principally in Malaysia.
"Supplier E"	Supplier E, a private limited company incorporated in Malaysia, which is principally involved in the import of medical and dental instrument and supplies. Supplier E operates principally in Malaysia.

Our major suppliers/principals contributed approximately 69.95%, 71.63%, 78.74% and 86.13% to our Group's total purchases for the past three (3) FYEs 2019, 2020, 2021 and FPE 2022 respectively. Purchases from our suppliers/principals are conducted on a purchase order basis. However, we are not dependent on any single supplier/principals as we are able to procure from various suppliers/principals.

We are not dependent on our major suppliers/principals after taking into consideration of the following:

- (i) The brand of the machine is not a major requirement of our customers

The major requirement of our customers is that the machines distributed by our Group are able to meet their required specifications and this is not dependent on the brand of the machines.

The recurring orders from our customers in the past were mainly due to the quality of machines supplied coupled with good after sales service provided such as a quick response time from our Group and unlimited breakdown call support coupled with the maintenance service and training provided to customers. The quick response time and after sales service rendered by our Group are considered to be the main criteria for customers as the machines used by our Group's customers are critical and used for life-or-death situations on a daily basis.

6. BUSINESS OVERVIEW (CONT'D)

- (ii) Distribution products are readily available and can be sourced from various suppliers/principals

There are many non-exclusive distribution products which can be sourced from various suppliers/principals, both existing and new, and these are generally readily available as they are not customised products. With around 20 years of cumulated market presence, our Group has established a wide network in the healthcare industry and should not face major difficulties in sourcing for alternate suppliers/principals in the event there is any disruption on the supply of certain distribution products.

If a distribution/dealer agreement is even remotely in a situation of not being renewed, it is expected that there will be a process of meetings held between our Group and our suppliers/principals to resolve the situation at hand. Our Group will be given ample notice and time to rectify the situation.

If the situation cannot be resolved, our Group is confident that it will be able to source alternative distribution products based on the required specifications from existing or new suppliers/principals, should the need arise.

- (iii) Stringent selection process by our major suppliers/ principals and long term relationship with them

To become a distributor, our Group has to undergo a stringent selection process by our major suppliers/principals.

For example, in order to be an authorised distributor of Philips, our Group has gone through a thorough audit including an independent check on background and financial position. This audit process is to be carried out once every three (3) years. In addition, Phillips has provided products training to our Group's technical team and the technical team has been issued with the qualified certificates by Philips. As such, there is no reason at the present time for Philips to not keep our Group as its distributor and furthermore it may not be easy for Philips to find another comparable distributor for its products given the amount of time and effort Philips has to spend in the process of appointing and training an authorised distributor.

Based on the above, our Group is not subject to the risk of losing customers resulting from customers' preference to maintain the brand of medical devices of Philips, Mindray, GE and Merit.

For our marketing and distribution segment, we have entered into distributorship agreements with few of our major suppliers/principals. As disclosed in Section 6.19 of this Prospectus, we experienced delay in receiving certain products including ventilators, patient monitors, defibrillators and ICU beds due to shortage of supplies on our suppliers'/principals' inventory and disruption in logistic flow.

As for raw materials for our manufacturing segment, our suppliers' operations were also temporarily suspended during the first phase of MCO. We have been working closely with our suppliers to ensure no disruption in supply of raw materials. Moving forward, we do not foresee any disruption in supplies as we have maintained a good working relationship with our major suppliers over the years.

The delay above during MCO and its variations was due to the COVID-19 pandemic and was beyond our Group's and suppliers/principals' control.

Save as disclosed above, we have not experienced any difficulty in obtaining supplies from our suppliers/principals during the Financial Years Under Review and Financial Periods Under Review.

6. BUSINESS OVERVIEW (CONT'D)

6.19 IMPACT OF COVID-19 PANDEMIC ON OUR GROUP

The COVID-19 pandemic was officially declared a health pandemic by the Director General of the World Health Organisation on 11 March 2020. In light of the COVID-19 pandemic, the Government had announced various stages of lockdown measures across different states or localities in the country at different points in time since 18 March 2020 until the LPD namely MCO, conditional MCO, recovery MCO, enhanced MCO, FMCO as well as the NRP, which is a four (4) phases strategy based on three (3) indicators (i.e. (i) number of symptomatic new hospital admissions; (ii) capability of public healthcare system based on the bed utilisation rate in intensive care unit wards; and (iii) percentage of the population protected against COVID-19, based on the number of people that have received two (2) doses of vaccines).

During the MCO periods, various measures and restrictions have been implemented including all government and private premises (saved for those involved in essential services or industries which had special permission) are required to be closed and to cease all operations, reduce the size of workforce in operations and impose stricter travelling restrictions. As part of the essential services, UWHM was able to continue its production during MCO period with a 50% workforce capacity after obtaining the approval from the MITI on 21 March 2020 and was required to adhere to the COVID-19 SOPs set out by the MITI. On 19 April 2020 and 21 April 2020, Evo Medik and UMediC were also allowed to continue its operations during MCO period with a 50% workforce capacity after obtaining the approval from the MITI and required to adhere to the COVID-19 SOPs set out by the MITI. Our employees in U Medihealth and UWHC were working from home during the MCO period.

We were then given the permission to operate at full capacity from 29 April 2020 onwards after the MITI announced on 28 April 2020 that selected business sectors that have been allowed to operate during the MCO period were allowed to resume full operations and required to adhere to the COVID-19 SOPs set out by the MITI. On 10 May 2020, Actimed was allowed to resume operations with a 50% workforce capacity after obtaining the approval from the MITI.

Save for the impact from the COVID-19 pandemic as disclosed below, we do not foresee any further business interruptions moving forward as the MOH had announced the transition to endemic phase of COVID-19 from 1 April 2022, signalling a normalisation of business operations to pre-COVID-19 times.

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6. BUSINESS OVERVIEW (CONT'D)

Subsequently, throughout 2020 and 2021, the Government implemented various stages of the MCO such as conditional MCO, recovery MCO, FMCO as well as the NRP to curb the spread of the COVID-19 pandemic, details of which are set out below together with the implications on our operations:

	Conditional MCO	Recovery MCO	FMCO	NRP Phase 1	NRP Phase 2	NRP Phase 3	NRP Phase 4	Transition to endemic phase of COVID-19
Evo Medik	(a) Allowed to continue business operations with a 100% workforce capacity			(c) Allowed to continue business operations with a 60% workforce capacity	(e) Allowed to continue business operations with a 80% workforce capacity	(g) Allowed to continue business operations with a 100% workforce capacity	(k) Allowed to continue business operations with a 100% workforce capacity.	
UMediC								
UWHM ⁽ⁱ⁾	(b) However, we implemented internal COVID-19 SOPs allowing not more than 50% of our workforce to operate in our premise at all times. The remainder of our workforce was instructed to work remotely from home			(d) We had revised our internal COVID-19 SOPs allowing not more than 60% of our workforce to operate in our premise at all times. The remainder of our workforce was instructed to work remotely from home	(f) We had revised our internal COVID-19 SOPs allowing not more than 80% of our workforce to operate in our premise at all times. The remainder of our workforce was instructed to work remotely from home	(h) We had revised our internal COVID-19 SOPs allowing 100% of our workforce to operate in our premise at all times	(l) We continued our internal COVID-19 SOPs allowing 100% of our workforce to operate in our premise at all times.	
Actimed	Allowed to resume operations with a 50% workforce capacity after obtaining the approval from the MITI on 10 May 2020	(i) Allowed to continue business operations with a 100% workforce capacity	(j) However, we implemented internal COVID-19 SOPs allowing not more than 50% of our workforce to operate in our premise at all times. The remainder of our workforce was instructed to work remotely from home					
U Medihealth	Work remotely from home							
UWHC	Work remotely from home							

Note:

(i) Our production floor was operating at full capacity during the various stages of the MCO as well as the NRP.

6. BUSINESS OVERVIEW (CONT'D)

(i) Measures to commence and continue our business operations

Although the MOH had announced the transition to endemic phase of COVID-19 from 1 April 2022, followed by the Government's latest decision in relaxing various health safety SOPs which taken effect from 1 May 2022, we have continued the implementation of our own internal COVID-19 Preventive Policy ("**COVID-19 Policy**"), to safeguard the health and safety conditions of our employees. The COVID-19 SOPs and Policy include the following:

- (a) all employees are required to provide declaration of health conditions and recent travel history;
- (b) ensure all employees and visitors wear face masks at all times in our premises, regularly sanitise their hands and practise social distancing;
- (c) any delivery such as parcels, medical equipment or documents in or out of the premises must be sanitised upon delivery;
- (d) importance of adhering to health protection guidelines and maintaining personal hygiene is communicated and emphasised to every employee; and
- (e) any employee that showing symptoms and have been confirmed to be a COVID-19 patient, they must inform the human resources personnel immediately, refer to the nearest government hospital or clinics and to be home quarantine.

As at the LPD, the total estimated cost for the implementation of COVID-19 SOP is amounting to approximately RM0.03 million. All of our employees have been fully vaccinated under the Program Imunisasi Industri COVID-19 Kerjasama Awam-Swasta ("**PIKAS**").

Since March 2020 and up to the LPD, there has been 15 employees tested positive for COVID-19 and all of our infected employees have since recovered. The affected employees and all employees in contact with COVID-19 positive individuals were instructed to work from home and were only allowed to return to our office after the quarantine period.

In the event that COVID-19 positive case(s)/cluster detected at our premises, we will adopt the following measures based on our COVID-19 SOPs:

- 1. suspension of operations for sanitising activities;
- 2. the employees at the affected department are to be tested for COVID-19 and practise self-quarantine before the employee(s) providing declaration of COVID-19 infection conditions;
- 3. any infected employees will be quarantined based on instructions from the MOH; and
- 4. manufacturing plant, including equipment and machinery, and offices will be disinfected according to the guidelines issued by MOH.

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6. BUSINESS OVERVIEW (CONT'D)

(ii) Impact of COVID-19 on our supply chain

For our marketing and distribution segment, as the demand for medical devices in particular ventilators, patient monitors, defibrillators and ICU beds increased during COVID-19 pandemic, we experienced shortage of medical devices supplies from our suppliers/principals. During the first (1st) half of 2020, we experienced temporary disruptions due to the logistics flow as a result of border closures in Malaysia. This had resulted in delays of up to two (2) weeks in our delivery schedule to local customers. Subsequently, we experienced slight disruptions in the delivery of medical devices to our customers owing to global shortages of pharmaceuticals, critical medical supplies and other products. We had informed our customers of such delay. We have also practised providing our customers loaner units especially ventilators on a temporary basis, should there be any urgent needs. The loaning of medical devices has been a business practice of our Group. For example, as at FYE 2021, we loaned out 18 units of ventilators to 10 customers for a tenure period of between one (1) to four (4) weeks. We do not impose any loan charges on these units. The absence of loan charges is not expected to have a material impact on our Group's financial performance as this is part of our marketing strategy and the tenure period of loaner units are generally between one (1) to four (4) weeks. We had previously experienced a shortage of one of our medical consumables under the marketing and distribution segment i.e. disposable multifunction pads and such shortage was due to a material supply issue due to the unprecedented demand for such products caused by the COVID-19 pandemic, as informed to us by our principal. Further, the shortage of one of our medical consumables did not have a material impact on our Group's operations as we continued to sell other medical consumables. Currently, we do not experience any shortages of medical devices and/or consumables that we supply.

For our manufacturing segment, the raw materials are mainly sourced from local suppliers. During the first phase of MCO and FMCO, our suppliers' operations were also temporarily suspended. However, we did not face shortages in raw materials supplies for our manufacturing segment as we have sufficient inventory to meet the production demand. Although our Group does not have an inventory policy for maintaining inventories for raw materials for manufactured products, our Group has generally practised two (2) to three (3) months inventory level (minimum reorder level) for all our major raw materials. We have been working closely with our suppliers after they resumed operations to ensure there will be a timely delivery manner for our production planning. As the MOH had announced the transition to endemic phase of COVID-19 effective from 1 April 2022, we do not foresee any supply chain interruption moving forward or the MOH issuing suspension orders to our Group and our suppliers as a result of positive COVID-19 cases detected among employees at the workplace.

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6. BUSINESS OVERVIEW (CONT'D)

(iii) Impact of COVID-19 on our sales

During the MCO periods, we continued to receive orders from our customers in the healthcare industry as they were part of essential services and our sales to overseas customers were not affected as a result of border closures and travel restrictions imposed by authorities. As such, with the increased need for more medical devices during this period, we also benefited and our sales experienced growth. The increase in sales revenue was mainly attributable to sales of medical devices, in particular patient monitors, defibrillators/AEDs, ultrasound machines and ventilators to both public and private hospitals as well as other healthcare service providers. Although the COVID-19 pandemic was one of the contributing factors, this was not the only reason as the revenue contribution was also due to these medical devices being replaced (i.e. when they reached the end of their life cycle) or upgraded (i.e. when higher specification medical devices were required). In addition, these medical devices are not solely used for the COVID-19 pandemic but can also be used for other purposes that are unrelated to the COVID-19 pandemic.

Factors that contribute to our Group's sustainability are as follows:

- expanding our product portfolio for our marketing and distribution segment through existing and/or new suppliers/principals;
- establishment of our new marketing and distribution offices with showrooms in Kuala Lumpur and Johor Bahru, in addition to the showroom located at our head office in Penang, to tap into potential business opportunities offered in these and its surrounding locations;
- expanding our distribution network for our manufactured products by appointing new distributors in overseas countries;
- developing and commercialisation of our new manufactured products such as sterile water for inhalation, prefilled nebulisers, digital oxygen flowmeters and humidifier humidity sensors;
- establishment of new hospitals and healthcare facilities as well as the upgrading of existing hospitals and healthcare facilities; and
- our Group's revenue/business operations are sustainable premised on the factors as disclosed in Section 11.7 of this Prospectus.

Based on the IMR Report, the medical device industry in Malaysia is forecasted to grow at a CAGR of 12.1% from RM12.11 billion in 2021 to RM21.41 billion in 2026. As such, our Group is confident on the prospect of our future sales.

However, due to tightening of border and travel restrictions imposed by the authorities, we faced delays up to two (2) weeks in delivering medical devices to our customers located within Malaysia and overseas during the initial MCO period (i.e from March 2020 to April 2020). Subsequent to that, our Group has not faced any major delays in delivery. Further, our sales were not affected and we did not experience any cancellation of orders from our customers in Malaysia and overseas. In spite of the delay in delivery of medical devices, it did not materially affect our revenue recognition.

6. BUSINESS OVERVIEW (CONT'D)

(iv) Impact of COVID-19 on our business cash flows, liquidity, financial position and financial performance

During the MCO periods, there was no material impact on the collectability of our trade receivables arising from business interruptions as all of our customers are healthcare service providers who are categorised as essential services and allowed to operate during the MCO periods.

As at 31 January 2022, we have:

- (a) cash and bank balances of approximately RM5.61 million; and
- (b) banking facilities of approximately RM32.40 million, of which RM6.50 million has yet to be utilised.

Our Board is confident that, after taking into account our cash flow position and the banking facilities currently available to our Group, our working capital will be sufficient for our capital/operating expenditure and to sustain our business.

We did not receive any claw back or reduction in the banking facilities limit granted to us by our lenders. In addition, we do not anticipate any financial difficulties in meeting our debt obligations in the foreseeable future. We do not expect any material impairment to our assets, inventories or receivables.

Based on the above, we do not expect any material impact to our cash flows, liquidity, financial position and financial performance.

6.20 BUSINESS INTERRUPTIONS

We have not experienced any interruptions that had a significant effect on our operations during the past 12 months preceding the LPD.

6.21 DEPENDENCY ON CONTRACTS, INTELLECTUAL PROPERTY RIGHTS, LICENCES, PERMITS AND PRODUCTION OR BUSINESS PROCESSES

We are not dependent on any contracts, intellectual property rights and production or business processes that could materially affect our business as at the LPD.

Further, save as disclosed in Annexure B of this Prospectus, we are not dependent on any other licences and permits that could materially affect our business as at the LPD.


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6. BUSINESS OVERVIEW (CONT'D)


6.22 INTELLECTUAL PROPERTIES

As at the LPD, save for the following, we do not have any other major intellectual property rights registration or application:

(i) Trademark⁽ⁱ⁾

Registered owner/ Applicant	Authority	Trademark	Application No./ Registration No.	Filing date/ Expiry date	Class of trademark	Status
UMediC	MyIPO		TM2021026811	28 September 2021 / N/A	Class 10/ Medical apparatus for use in respiration; respiratory gas blending apparatus for medical use; medical devices for assisting respiration; medical devices for implantology; special furniture for medical use; furniture especially made for medical purposes and for medical use; ambulance stretchers; tables (furniture), made of medical purposes; chair lift transporters for transporting patients; instruments for patient rehabilitation; apparatus for the therapeutic treatment of patients; armchairs especially made for medical purposes; dental chairs; beds for use in medical diagnosis; medical mattresses; cushions for medical purposes; test equipment for medical use; apparatus for use in dental laboratories; disposable laboratory apparatus for medical use; scientific apparatus for laboratory purposes (medical diagnosis); machines for use in biological reactions in laboratories (medical); medical therapy apparatus and instruments; apparatus for medical diagnosis; diagnostic instruments for medical uses; diagnostic ultrasound instruments for medical use; apparatus for medical use; articles for medical use;	Accepted and published in Intellectual Property Official Journal but pending registration ⁽ⁱⁱ⁾

6. BUSINESS OVERVIEW (CONT'D)

Registered owner/ Applicant	Authority	Trademark	Application No./ Registration No.	Filing date/ Expiry date	Class of trademark	Status
					apparatus for sale in kit form for medical diagnostic purposes; appliances for physical exercise (adapted for medical use); exercise simulating apparatus for medical purposes; humidifiers for use in medical treatment; humidifying machines for medical use; disposable plastic containers especially made for syringes; medical apparatus incorporating lasers; medical gloves; medical hand tools; portable instruments for medical use in monitoring oxygen levels in gaseous mixtures; suction bottles for medical use; casting splints and inflatable appliances (splints) for medical use in holding the limbs	
UWHM	MyIPO		TM2019034887	20 September 2019 / NA	Class 16/ Paper and articles, printed matter, stationery, posters, brochures, catalogues, books, magazines (publications), postcards, greeting cards, envelopes, calendars, paper bags, plastic bags and packaging materials, paper labels and plastic label	It is under appeal for objection raised by MyIPO ⁽ⁱⁱⁱ⁾

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6. BUSINESS OVERVIEW (CONT'D)

Registered owner/ Applicant	Authority	Trademark	Application No./ Registration No.	Filing date/ Expiry date	Class of trademark	Status
UWHM	MyIPO	HYDROX	TM2021018438	7 July 2021 / NA	Class 10/ Sterile disposable oxygen humidifier; water bags for medical purposes; oxygen monitors for medical use; nebulisers for administering aerosol medications to a patient's respiratory system; nebulisers for medical purposes; inhalers for administering aerosol medications to a patient's respiratory system; respiratory masks for medical purposes; spacers for inhalers; oxygen inhalers for medical purposes; vaporizers for medical purposes; atomizers for medical use; oxygen concentrators for medical use; oxygen masks for medical use; medical apparatus for facilitating the inhalation of pharmaceutical preparations; oxygen inhalators for therapeutic purposes	It is under appeal for objection raised by MyIPO ^(iv)

Notes:

- (i) Our Group's trademark upon registration will be valid for ten (10) years from the date of application and may be renewed every 10 years. We are in the process of registering HydroX trademark. As for AirdroX, we are in the midst of working on the registration of the trademark for the product through our in-house trademark agent, Ng Sze Hui and it is expected to be submitted in the fourth (4th) quarter of 2022.
- (ii) Expected to obtain registration by third (3rd) quarter of 2022. In the event our Group fails to obtain the registration, it is not expected to have a material impact as our Group's business operations do not depend on this trademark and could be replaced by a new trademark.
- (iii) Expected to obtain decision by fourth (4th) quarter of 2022. In the event our Group fails in its appeal, this is not expected to have a material impact on our Group's business operations as we do not depend on this trademark and it could be replaced with a new trademark.

MyIPO quoted the following reasons for its objection:

- i. the trademark is not an invented word or words. It does not fulfil the requirement of Section 10(1)(c) of the Trademark Act 1976;
- ii. the trademark is a word having direct reference to the character or quality of the goods or services. It does not fulfil the requirement of Section 10(1)(d) of the Trademark Act 1976;

6. BUSINESS OVERVIEW (CONT'D)

- iii. the trademark is not a distinctive mark which can distinguish the goods or services of the applicant from others in the course of business. It does not fulfil the requirement of Section 10(1)(e) of the Trademark Act 1976; or
- iv. the trademark is made up by alphabet/number/representation with no special or unique arrangement. It is not right to be monopolised by a specified person(s). Therefore, it is not distinctive in accordance to Section 10(1)(e) of the Trademark Act 1976.

Based on the response from our external trademark agent, there is a fair chance of success for the appeal.

- (iv) Expected to obtain decision by fourth (4th) quarter of 2023. In the event our Group fails in its appeal, this is not expected to have a material impact on our Group's business operations as we do not depend on this trademark and it could be replaced with a new trademark.

MyIPO quoted the following reasons for its objection:

- i. The trademark contains or consists of a common word used as or is the name of a chemical element or a single accepted chemical compound, differentiated by a mixture, or declared by the World Health Organisation as a name or that looks almost identical to that name. Therefore, it does not comply with section 23(5)(h) of the Trademark Act 2019.
Explanation: HYDROX is a chemical formula. It stands for "Hydride Oxidation"
- ii. The trademark is similar to an earlier trademark (The mark "HidroX" with application no. 2012002028 under class 5) and is to be registered for goods or services similar to the earlier trademark contrary to Section 23(2)(b) of the Trademark Act 2019.

Based on the response from our external trademark agent, there is a fair chance of success for the appeal.

Our Group is not dependent on the trademarks which are pending registration as our Group will still be able to sell the products should the trademarks not be successfully registered.

The registration of the trademarks is a preventive measure taken by our Group to prevent others from using a similar sign or logo. When dealing with our customers, our customers emphasise on the manufacturer's name (i.e. UWHM) instead of the brand name.

In the event our Group decides to change the brand name on the MDC, only a notification is required to be filed to the MDA Malaysia and the change of brand name can be implemented immediately according to the "Medical Device Guidance Document on Change Notification for Registered Medical Device" issued by the MDA Malaysia under the MOH.

6. BUSINESS OVERVIEW (CONT'D)

(ii) Patent⁽ⁱ⁾

Applicant	Authority	Filing No.	Filing Date.	Validity period	Title of invention	Status
UWHM	MyIPO	PI2019006719	15 November 2019	N/A	Nebuliser	Under substantive examination and pending approval ⁽ⁱⁱ⁾
UWHM	MyIPO	UI2019006720	15 November 2019	N/A	Humidifier	Under substantive examination and pending approval ⁽ⁱⁱ⁾

Notes:

- (i) A patent is an exclusive right granted for an invention, which is a product or a process that provides, in general, a new way of doing something, or offers a new technical solution to a problem. There is no patent is submitted for AirdroX series inhaler spacer as our Group is of the view that the registered industrial design for AirdroX series inhaler spacer is expected to provide sufficient protection as the distinguishing feature of the inhaler spacer is the design. Hence, a patent would not be necessary.
- (ii) Expected to obtain decision by fourth (4th) quarter of 2022. In the event our Group fails to obtain the approval due to it is not patentable, it is not expected to have a material impact as our Group could continue to sell the product without having the sole and exclusive rights to this patent.

(iii) Industrial Design⁽ⁱ⁾

Applicant	Authority	Filing No.	Filing Date/ Expiry Date	Class of Article/ Name of Article	Status
UWHC	MyIPO	19-E0210-0101	6 November 2019/ 6 November 2024 ⁽ⁱⁱ⁾	24-04/ Asthma inhaler spacer	Registered
UWHC	European Union Intellectual Property Office	007872858-0001	5 May 2020/ 5 May 2025 ⁽ⁱⁱ⁾	24-04/ Asthma inhaler spacer	Registered

6. BUSINESS OVERVIEW (CONT'D)

Applicant	Authority	Filing No.	Filing Date/ Expiry Date	Class of Article/ Name of Article	Status
UWHC	Directorate General of Intellectual Property of Indonesia	A00202001396	5 May 2020/ 5 May 2030	24-04/ Asthma inhaler spacer	Registered

Notes:

- (i) An industrial design means features of shape, configuration, pattern or ornament applied to an article by any industrial process which in the finished article appeal to the eye and are judged by the eye. The owner of a registered design has the exclusive right to make, import, sell or hire out any article to which the design has been applied.
- (ii) The validity term is five (5) years from the filing date and the term is renewable for further four (4) terms of five (5)-year periods up to the total term of 25 years.

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6. BUSINESS OVERVIEW (CONT'D)

6.23 EMPLOYEES

As at the LPD, we have a total workforce of 107 employees, all of which are permanent employees and are Malaysian. We do not have any foreign employees.

The following sets out the number of employees in our Group according to the business function and department as at the LPD:

Category	No. of employees	
	As at 31 January 2022	As at the LPD
Managerial	6	6
Administrative and clerical	23	24
R&D	3	3
Sales, marketing and services	33	36
Production	13	11
Factory worker	26	27
General worker	-	-
Total	104	107

For FYE 2019, FYE 2020 and part of FYE 2021, we provided accommodation for our employees. However, the tenancy arrangement, for the rental of factory and provision of hostel accommodation for our employees, ended on 15 March 2021 upon UWHM moving to our new head office in Batu Kawan, Penang. Since then, we are no longer provide any hostel accommodation for our employees.

None of our employees are members of any union nor has there been any major industrial dispute in the past.

In addition, the medical device industry is highly regulated due to the product risk to health, and one of the requirements is to establish and maintain a quality management system. Thus, it is our Group's policy to develop and train the employees to improve their skillsets and professionalism in order to enhance operational efficiency. We place great emphasis on our employee training and development programme. As training and development is a continuous process, our Group encourages our employees to continually increase their skillsets and knowledge through internal or external avenues to help them upgrade their knowledge and skills on a periodic basis. These internal and external training programmes and seminars may encompass topics such as medical devices, marketing strategy, and regulatory requirement and compliance in the medical device industry.

The table below sets out the training programmes that were attended by our employees in 2021 and 2022:

No.	Training Subjects
1.	Product (medical devices) trainings: Philips, Mindray, Dameca, Merit and GE
2.	Heartstart intrepid capabilities/COVID-19 (online)
3.	Kaizen Tools and 7 Lean Wastes (online)
4.	How to prepare risk based cleanroom monitoring plan as per ISO 14644-2:2015 (online)
5.	Risk management (ISO 14971:2019) (online)
6.	Philips' solution playbook (online)
7.	General data protection regulation (online)

6. BUSINESS OVERVIEW (CONT'D)

No.	Training Subjects
8.	The Ishikawa/ Fishbone quality management method (online)
9.	The 7 Basic Tools of Quality (online)
10.	The 5 Whys QM Method (online)
11.	European Union (“EU”) Medical Devices Regulation (“MDR”) 2017/745 (online)
12.	Multivac x Sterimed (online)
13.	Software validation, cyber security and CSV (online)
14.	MDR compliance for legacy devices (online)
15.	ISO 13485:2016 internal audit (online)
16.	Preventing downtime with liquid particle counter technology (online)
17.	Introduce a new QMS for the built environment sector (online)
18.	Ensuring product safety with rapid, simplified disinfection control (online)
19.	Using uncertainty in radiation processing to establish process target dose (online)
20.	Improving your Clean-In-Place system (online)
21.	Milli-Q Water for pharmaceutical application (online)
22.	Clinical evaluation report (online)
23.	New EN17141 “biocontamination control” and microbiology in cleanrooms and controlled environments
24.	Radiation sterilisation validation approach – A microbiological perspective (online)
25.	Understanding sterile packaging lifecycle (online)
26.	Software validation requirements and excel spreadsheet validation (online)
27.	Industry expert sharing on bioburden, sterility and bacteriostasis and fungistasis testing for medical devices (online)
28.	Transcutaneous pacing training
29.	Ultrasound principle training (online)
30.	ISO14971:2019 Risk Management of Medical Device (online)
31.	Regulatory observations on process validation for medical device and associated remedies (online)
32.	Thermoregulation in neonates (online)
33.	Neonate resuscitation systems
34.	Acceptance sampling method (online)
35.	The essentials in sterilised packaging (ISO 11607 & the Standard Guide for Accelerated Aging of Sterile Barrier Systems for Medical Devices F1980) (online)
36.	Efficient management of mechanical & heating, ventilation, and air conditioning at the workplace (online)
37.	Jaundice neonates BiliSoft™ LED phototherapy system
38.	Effective root cause analysis (online)
39.	Test method validation (online)
40.	Philips Avalon and Intellispace Perinatal - Fetal Monitoring Solution
41.	Philips Lumify 4.0 New Release - Clinical training
42.	Masimo CAS Training APAC
43.	Philips MR Patient Care - Clinical Webinar
44.	2022 EC Webinar Series: Philips HeartStart Intrepid Monitoring Capabilities
45.	Medical Device Change Control (online)
46.	Failure Modes, Effects and Criticality Analysis (FMECA) for Medical Device Manufacturing (online)
47.	Effective Root Cause Analysis (online)

6. BUSINESS OVERVIEW (CONT'D)

No.	Training Subjects
48.	NCR/ CAPA/ Complaint Handling (online)
49.	Medical Device Good Documentation Practices (GDocP) (online)
50.	An Overview of Sterile Barrier Package Validation Testing (online)

6.24 GOVERNING LAWS, REGULATIONS, RULES OR REQUIREMENTS

The relevant laws, regulations, rules and requirements governing the conduct of our Group's business and environmental issue which may materially affect our Group's businesses or operations are summarised below. The following does not purport to be an exhaustive description of all relevant laws and regulations of which our business is subject to.

(i) Local Government Act 1976

The Local Government Act 1976 ("LGA") is enacted to revise and consolidate the laws relating to local government in Peninsular Malaysia. Every licence or permit granted by the local authority shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor.

Pursuant to the LGA, a person fails to exhibit or produce his licence on the licensed premises shall be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding six (6) months or to both.

(ii) Medical Device Act 2012 (Act 737)

MDA is enacted to regulate medical devices, the industry and to provide matters connected thereto.

Pursuant to MDA, no medical device shall be imported, exported or placed in the market unless the medical device is registered under MDA. A person who contravenes this requirement commits an offence and shall, on conviction, be liable to a fine not exceeding RM200,000 or to imprisonment for a term not exceeding three (3) years or to both.

In addition, no establishment shall import, export or place in the market any registered medical device unless it holds an establishment licence granted under MDA. Any establishment who contravenes this requirement commits an offence and shall, on conviction, be liable to a fine not exceeding RM200,000 or to imprisonment for a term not exceeding three (3) years or to both.

(iii) Medical Device Regulations 2012

Medical Device Regulations 2012 ("MDR") is made under MDA to regulate, among others, conformity assessment procedure, registration of medical device, registration of conformity assessment body, application for establishment licence, application for export permit and labelling requirements.

MDR provides that the label shall not contain any statement to the effect, whether direct or indirectly, that the placement in the market, or usage or operation of the medical device is being promoted or endorsed by the MDA Malaysia or the MOH or any of its organisational bodies. A manufacturer who contravenes this requirement commits an offence and shall, on conviction, be liable to a fine not exceeding RM10,000 or to imprisonment for a term not exceeding three (3) months or to both.

6. BUSINESS OVERVIEW (CONT'D)

(iv) Industrial Co-ordination Act 1975

The Industrial Co-ordination Act 1975 ("**ICA 1975**") requires manufacturing companies with shareholders' funds of RM2.50 million and above or engaging 75 or more full-time paid employees to apply for a manufacturing licence from the MITI. Failure to observe and adhere to the licensing requirements under the ICA 1975 will constitute an offence which is punishable on conviction by a fine not exceeding RM2,000 or to a term of imprisonment not exceeding six (6) months and to a further fine not exceeding RM1,000 per day during which the non-compliance continues.

The licensing officer may also in his discretion revoke a licence if the manufacturer to whom a licence is issued:

- (a) has not complied with any condition imposed in the licence;
- (b) is no longer engaged in the manufacturing activity in respect of which the licence is issued; or
- (c) has made a false statement in his application for the licence.

The licensing officer may also withhold or suspend the revocation of the licence if he is satisfied that the act or omission on the part of the manufacturer under the above situations was due to some cause beyond his control and there is a reasonable prospect of such act or omission being remedied within such period as the licensing officer may direct.

As at the LPD, there is no non-compliance with the aforesaid laws, regulations, rules and requirements.

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