

UCHI TECHNOLOGIES BERHAD

(199801001764) (457890-A)

(Incorporated in Malaysia)

Minutes of the Twenty-Sixth Annual General Meeting of the Company conducted on a virtual basis through live streaming and remote voting via online meeting platform provided by PROPOLL Solutions Sdn Bhd at www.propollsolutions.com.my (Domain Registration No. with MYNIC-D1A403203) on Friday, 24 May 2024 at 2.00 p.m.

Attendance

As per Attendance List

The Meeting commenced at 2.00 p.m. with the requisite quorum being present.

Notice

The Notice convening the Meeting was taken as read.

1. CHAIRMAN'S ADDRESS

Mr. Charlie Ong Chye Lee, the Chairman of the Company, welcomed the members for their attendance at the Company's Twenty-Sixth Annual General Meeting ("26th AGM") which was conducted on a virtual basis through live streaming and remote voting via online meeting platform provided by Propoll Solutions Sdn Bhd ("PROPOLL"). The Chairman introduced the Board of Directors of the Company together with the Company Secretary to the members. He continued to introduce the audit partner in charge, Mr Alvin Chang Shu Wei who also joined the Meeting online.

The Company Secretary informed the Chairman that the requisite quorum was present and proceeded to inform that the 26th AGM was conducted following the Guidelines and FAQs on the Conduct of General Meetings issued by the Securities Commission and quorum could be determined by the number of members logged-in at the start of the meeting. She further notified that visual recording and audio recording were strictly prohibited at the Meeting unless prior written consent was obtained.

The Chairman informed that the Annual Report together with the Notice of Meeting to hold the 26th AGM of the Company was issued on 22 April 2024. Before proceeding with the Meeting, Chairman explained to the members on the procedures involved in the Meeting. The Chairman informed that there were a total of six (6) ordinary resolutions to be tabled for consideration and approval from the shareholders. He informed that the ordinary resolutions required a simple majority of more than 50% votes from those members present in person or by proxies and voting at the Meeting. The Chairman further informed that voting would be by way of poll in line with the Listing Requirements of Bursa Malaysia Securities Berhad and declared that all resolutions in the Notice of the 26th AGM shall be voted by way of electronic polling.

The Chairman notified that the electronic polling would be conducted via remote participation and voting ("RPV") facility by PROPOLL as the Poll Administrator and Symphony Corporate Services Sdn Bhd had been appointed as the Independent Scrutineers.

Chairman's signature

1. CHAIRMAN'S ADDRESS (CONTINUED....)

He also informed that only members and proxies appointed for the Meeting who were virtually participating in the Meeting were allowed to vote, raise questions or seek clarifications which were relevant to the proposed motions in the Agenda. To facilitate the online voting process, the members/proxies were to submit their votes any time from the commencement of the Meeting until the end of the voting session to be announced later.

He continued to highlight that in the event of equality of votes, he as the Chairman, would then exercise his casting vote as provided under Clause 62 of the Constitution of the Company.

The Chairman briefed that the Notice of the Meeting was enclosed under pages 2 to 5 of the Annual Report. It was unanimously agreed that the notice of the meeting be taken as read.

The Chairman then invited members/proxies to leave their questions in the Q&A platform. He explained that questions received would be moderated to avoid repetition and would be answered during the Q&A session in the Meeting. Questions that were not addressed due to lack of time would be answered by email after the Meeting.

The Chairman informed that Ms Lee Phaik Im and Ms Oo Siew Phaik, both shareholders had offered to be proposer and seconder respectively for all the 6 resolutions of the 26th AGM.

2. RECEIVING OF THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31 DECEMBER 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Audited Financial Statements ("AFS") for the year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon, copies of which had been circulated, were tabled before the Meeting.

The Chairman highlighted to all present that the receipt of the AFS was meant for discussion only as the provision of Section 248(2) and 340(1)(a) of the Companies Act 2016 did not require a formal approval of the shareholders and hence, no resolution was put forward for voting.

The Chairman then invited members/proxies to leave their questions in the Q&A platform.

3. DECLARATION OF FINAL SINGLE TIER DIVIDEND OF 7.5 SEN PER SHARE FOR THE YEAR ENDED 31 DECEMBER 2023

Members were informed that the proposed Ordinary Resolution 1 was to declare Final Single Tier Dividend of 7.5 sen per share for the year ended 31 December 2023.

The Chairman then invited members/proxies to leave their questions in the Q&A platform.

Chairman's signature

4. APPROVAL OF DIRECTORS' FEES OF RM505,200 FOR THE YEAR ENDING 31 DECEMBER 2024

Members were informed that the next agenda was to approve the payment of Directors' Fees of RM505,200 for the year ending 31 December 2024.

The Chairman continued to invite members/proxies to leave their questions in the Q&A platform.

5. RE-ELECTION OF MR KAO, DE-TSAN, ALSO KNOWN AS TED KAO RETIRING UNDER CLAUSE 76(3) OF THE CONSTITUTION OF THE COMPANY

Members were informed that the next agenda was for the re-election of Mr Kao, De-Tsan, also known as Ted Kao who retired under Clause 76(3) of the Constitution of the Company.

The Chairman then invited members/proxies to leave their questions in the Q&A platform.

6. RE-ELECTION OF MR CHARLIE ONG CHYE LEE RETIRING UNDER CLAUSE 76(3) OF THE CONSTITUTION OF THE COMPANY

As the proposed Ordinary Resolution 4 was to approve his own re-election, Mr Charlie Ong passed the Chair to Mr Tan Boon Hoe.

Members were informed that the next agenda was for the re-election of Mr Charlie Ong Chye Lee who retired under Clause 76(3) of the Constitution of the Company.

Mr Tan invited members/proxies to leave their questions in the Q&A platform, then passed the Chair back to Mr Charlie Ong.

7. RE-APPOINTMENT OF DELOITTE PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE BOARD OF DIRECTORS TO FIX THEIR REMUNERATION

Members were informed that the next agenda was on the re-appointment of Deloitte PLT as Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

The Chairman then invited members/proxies to leave their questions in the Q&A platform.

8. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Chairman briefed that the details and rationale of the Proposed Renewal of Share Buy-back Authority were stated in Page 2 and 3 and from Pages 8 to 13 of the Annual Report.

Members were informed of the following proposed ordinary resolution 5:-

Chairman's signature

8. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (CONTINUED...)

“THAT subject to the provisions under the Companies Act 2016 (“the Act”), the Constitution of the Company, Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”) and the approvals of all relevant authorities (if any), the Company be and is hereby authorised to purchase such number of ordinary shares in the Company (“Uchi Shares”) as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company as at the point of purchase (“Proposed Renewal of Share Buy-Back Authority”).

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Renewal of Share Buy-Back Authority shall not exceed the Company’s retained profits.

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any Uchi Shares so purchased by the Company in the following manner:

- (i) the Uchi Shares so purchased could be cancelled; or
- (ii) the Uchi Shares so purchased could be retained as treasury shares for distribution as share dividends to the shareholders of the Company and/or resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently; or
- (iii) combination of (i) and (ii) above; or
- (iv) in any other manner as prescribed by the Act and MMLR from time to time.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution until:

- (i) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed, at which time the authority would lapse unless renewed by ordinary resolution, either unconditionally or conditionally; or
- (ii) the passing of the date on which the next annual general meeting of the Company is required by law to be held; or
- (iii) the authority is revoked or varied by resolution of the shareholders of the Company in a general meeting;

whichever occurs first.

Chairman’s signature

--

9. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (CONTINUED...)

And THAT the Directors of the Company be and are authorised to take such steps to give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company.”

The Chairman continued to invite members/proxies to leave their questions in the Q&A platform.

10. QUESTIONS RECEIVED FROM MSWG AND/OR SHAREHOLDERS VIA EMAIL OR PROPOLL PORTAL

As the Company did not receive any other notice, the Chairman continued to invite the Company Secretary to read out the questions that the Company received from the Minority Shareholders Watch Group and shareholders prior to the Meeting together with replies from the management as per Appendix I attached hereto.

11. Q&A SESSION

In the Q&A session, members/proxies were allowed additional 3 minutes to post their questions in the Q&A platform.

The Meeting resumed after a short break of 10 minutes. The Chairman invited the Executive Director, Mr Huang, Yen-Chang also known as Stanley Huang to read out the summarized questions and their reply to the questions as per Appendix I attached hereto.

Once again, the Chairman informed that questions received would be moderated to avoid repetition and some would have been answered during the earlier Q&A session in the Meeting. Questions that were not addressed due to lack of time would be answered by email after the Meeting.

12. VOTING SESSION

To facilitate the online voting process, the video of step-by-step voting guide was played on the screen. The Chairman then announced that the proxies registration was closed and called upon the members/proxies to cast their votes. He informed that the voting session would be opened for another 10 minutes and would end at 2.53 p.m.

At 2.53 p.m., the Chairman informed the closure of the online voting session and adjourned the Meeting for 10 to 15 minutes to facilitate the counting of the votes, whilst the company presented the corporate video to the members/proxies.

The Meeting resumed at 3.05 p.m. with the requisite quorum being present.

The Chairman then called the Meeting to order for the declaration of poll results. He informed that the poll voting results had been duly validated by the Independent Scrutineer.

Chairman's signature

13. DECLARATION OF POLL RESULTS

The poll voting results were shared to the Meeting on the screen:-

Resolution	VOTED	No. of Shareholders / Unitholders	No. of Shares / Units	% of Shares / Units	Abstain * No. of Shares / Units
Ordinary Resolution 1	FOR	140	246,539,055	99.9987	30,000
	AGAINST	5	3,200	0.0013	
Ordinary Resolution 2	FOR	115	156,489,545	99.9377	89,985,196
	AGAINST	22	97,514	0.0623	
Ordinary Resolution 3	FOR	128	206,792,105	97.9626	35,479,290
	AGAINST	15	4,300,860	2.0374	
Ordinary Resolution 4	FOR	127	204,752,007	83.4213	1,128,900
	AGAINST	17	40,691,348	16.5787	
Ordinary Resolution 5	FOR	131	245,809,745	99.7244	83,100
	AGAINST	13	679,410	0.2756	
Ordinary Resolution 6	FOR	124	246,370,033	99.9370	38,000
	AGAINST	20	155,222	0.0630	

Based on the results, the Chairman declared that all the resolutions were carried.

13. CLOSURE

Before he closed the Meeting, the Chairman informed that the Management would address those questions which they did not manage to read out during the Meeting via emails. He also thanked all shareholders for their support and participation at the Meeting.

There being no other business to discuss, the Meeting ended at 3.20 p.m. with a vote of thanks to the Chairman.

Signed as a correct record

CHAIRMAN

Date:

All Questions and Answers addressed to the Company in relation to the 26th AGM are enclosed as Appendix I attached hereto.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 1.a	<p>The uncertain market sentiments and challenging business environment are expected to continue into FY2024. Based on UCHI’s forecast and received orders, the Group anticipates a mid-single digit decrease in USD revenue for FY2024 compared to FY2023, subject to unforeseen developments. (page 27 of Annual Report (AR) 2023)</p> <p>(a) Considering the anticipated decline in revenue for FY2024, what steps is the Group taking to enhance its cost efficiency and performance?</p>
Answer	<p>We appreciate your concern about our plans to enhance cost efficiency and performance in light of the uncertain market sentiments and challenging business environment projected for the upcoming year.</p> <p>Our approach to these challenges is rooted in our longstanding commitment to operational excellence, which is integrated into our daily operations and management systems. It is not merely a response to economic downturns but a core aspect of our strategy. Our consistent profit margins testify to such commitment.</p> <p>(continue on the next page)</p>

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG



Operational & Financial Matters

Answer
(continued)

In addition to our core operations, we are intensifying efforts in key areas to further enhance cost efficiency, performance, and foster innovation, mitigating the impact of current economic volatility through:

- i. Customer Value Enhancement:
 - Adding new features, reinventing solutions, and offering more competitive pricing for customers, which improves their market competitiveness.
 - Fostering deeper customer engagement to better understand and anticipate their needs, gather insights on market reactions and conditions, and generate synergetic energy for innovative ideas and strategic plans.
- ii. Cost Reduction / Expense Management:
 - Recognizing the substantial challenges posed by inflation, implementing routine and ad-hoc cost-cutting efforts where feasible, and ensuring our strategy remains agile and proactive, allowing us to continually seek opportunities to control costs effectively.

(continue on the next page)

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG



Operational & Financial Matters

Answer (continued)

iii. Efficiency Streamlining:

- Optimizing and digitizing workflows, upgrading IT systems, improving production configurations and facility layouts. These efforts enhance efficiency and maintain service excellence.

iv. Talent Management:

- Recruiting, developing, and retaining talent to foster innovation, enhance operational efficiency, improve customer satisfaction, and strengthen leadership. This ensures the company has the right people in the right roles, fully engaged and motivated to drive the organization's goals.

We believe that this balanced approach, underpinned by our ESG commitments, will not only optimize our current operations but also pave the way for sustainable growth and long-term value creation for our stakeholders. Consequently, we are cautiously optimistic about maintaining a robust operating margin, targeting at least 40%, assuming the USD is no less than 3.9.

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG



Operational & Financial Matters

Question 1.b

(b) Are there any changes to your revenue projection for FY2024, after the first quarter results?

Answer

We just announced a 1% increase in USD and an 8% rise in RM revenue for the first quarter compared to the same period last year. However, based on current orders and forecast information, our annual revenue projection remains a mid-single digit decline as previously announced.

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG



Operational & Financial Matters

Question 1.c

(c) What is the current utilisation rate for the Group's operations in China? What is the outlook for the remaining of FY2024?

Answer

Uchi Group has two production sites: one located in Penang, Malaysia, and another in Dongguan, China. Based on the latest demand, the order loading for these production sites is expected to result in utilization rates of approximately 85% for Penang and 75% for Dongguan. Barring any unforeseen circumstances, we do not anticipate any significant changes for the remainder of FY2024.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters

Question 1.d

(d) Does the Group have any major capex plans in the coming years?

Answer

Based on our current assessments, we do not have plans for major capital expenditure (CapEx) at this time, as our existing facilities adequately meet anticipated requirements, allowing us to maintain financial prudence while achieving our strategic objectives.

However, we remain committed to continuously improving efficiency and fostering innovation for the current and coming years. Our CapEx strategy focuses on enhancing both production and office efficiency and supporting ongoing innovation through targeted upgrades to our machinery, IT systems, optimized production configurations, improved facility layouts, and investments in research and development.

To support these strategic enhancements, we have allocated a budget of RM5 million for the targeted upgrades and research and development initiatives. This financial commitment ensures that our actions are perfectly aligned with our long-term strategic objectives.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 2.a	<p>Presently, the Group is actively engaged in around 20 projects across various stages of the R&D cycle. Approximately one third of these projects are slated for mass production rollout in 2024, underscoring its unwavering commitment to delivering innovative solutions to the market. (page 26 of AR 2023)</p> <p>(a) Which product groups do these projects fall into? Are these projects solely with existing customers?</p>
Answer	<p>We have maintained a healthy pipeline of R&D projects, consisting of electronic control modules, primarily for the Art-of-Living and Biotechnology Product Groups. These projects consistently deliver successful products to our customers, enabling them to gain a competitive edge in their respective markets.</p> <p>Currently, the group is engaged around 20 projects at different stages of the R&D cycle, including basic research, pre-development, concept evaluation, software programming, circuitry design, system construction, hardware design, tooling design, prototype development and evaluation, design confirmation, pilot run, troubleshooting, and ultimately, mass production. These projects are being developed for both existing and potential customers.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters

Question 2.b

(b) Of the one-third projects slated for mass production rollout in 2024, how many are expected to enjoy the pioneer status incentive?

Answer

The answer is addressed along with the answer to question 3 below.

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG



Operational & Financial Matters

Question 2.c (c) What is the budgeted R&D expenses for FY2024?

Research and development (R&D) is a major pillar of our Group's operations. We consistently allocate 7% of our revenue to R&D to grow our team and address unforeseen needs, and this allocation remained the same for FY2024. If necessary, the Board can increase this allocation based on actual circumstances and plans.

Answer

In FY2023, we spent RM6.6 million on R&D, mainly for new project development and employee benefits. This amount represents about 3% of our revenue, the same percentage as in FY2022. We consider this investment both efficient and crucial.

These R&D expenses have led to the successful development of new products, empowering our customers to maintain a competitive edge in their markets.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 2.b	(b) Of the one-third projects slated for mass production rollout in 2024, how many are expected to enjoy the pioneer status incentive?
Question 3	<p>On January 9, 2023, Uchi Optoelectronic (M) Sdn. Bhd. (UO) was granted pioneer status by the Ministry of International Trade and Industry (“MITI”) for the design, development and manufacture of configurable presence and distance sensing time-of-flight (CPDS-ToF) module. (page 103 of AR 2023)</p> <p>How much was the revenue contribution from the CPDS-ToF module to the Group’s total revenue in FY2023? What are the expectations for FY2024 and FY2025?</p>
Answer	<p>The pioneer status incentive grants Uchi a 100% tax exemption on statutory income derived from the design, development, and manufacture of the configurable presence and distance sensing time-of-flight (CPDS-ToF) module for a period of five years, starting from the approved production date of January 1, 2023.</p> <p>(continue on the next page)</p>

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG



Operational & Financial Matters

Answer
(continued)

In FY2023, the revenue contribution from the CPDS-ToF module to the Group's total revenue amounted to 13.5%. To achieve a win-win situation for our customers and us, we have been strategically focusing on integrating our innovative high-accuracy, programmable, and environmentally adaptable sensing technology into more products. However, this integration must crucially align with our customers' strategies, taking into consideration several factors such as technological advancements, product lifespan, product features, pricing, market positioning, among others.

According to our estimated project schedule, about one-third (1/3) of the 20 projects will enter mass production in 2024, with around 60% of these expected to benefit from the pioneer status incentive. We anticipate that the pioneer status projects will contribute a higher percentage to revenue in 2024 compared to 2023, however, the extent to which these projects will convert into actual revenue is uncertain. Therefore, it is prudent not to specify a projected percentage due to the influence of various factors, primarily market conditions and the competitive landscape. Regarding revenue projections for 2025, we are unable to provide specific details at this time. We appreciate your understanding and continued interest.

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG



Corporate Governance Matters

<p>Question 4</p>	<p>Practice 5.9 of the Malaysian Code of Corporate Governance (MCCG) stipulates that 30% of the Board should comprise women. As of FY2023, there was only one-woman director out of the 6 directors on the Board.</p> <p>What steps are being taken to achieve a 30% women representation on the Board as stipulated by the MCCG? What specific plans and strategies does the Board have in place to work towards this goal? And when do you expect to comply with Practice 5.9?</p>
<p>Answer</p>	<p>We acknowledge the significance of board diversity, as highlighted in Practice 5.9 of the Code, which recommends a minimum of 30% women representation. Our commitment to diversity, including gender diversity, is integrated within our merit-based process for board appointments. Through this process, we ensure a harmonious balance of skills, qualifications, expertise, and relevant experience, fostering an inclusive environment enriched with a diverse range of essential capabilities for effective governance.</p> <p>(continue on the next page)</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



**Answer
(continued)**

Currently, our board has one woman director, representing 14.3% of the board's composition. While we remain committed to enhancing our board's diversity, we also prioritize the effectiveness and high performance of our current board composition.

In pursuing this goal, we consistently review our board's composition and diversity practices to align with the highest standards of corporate governance. Therefore, we will carefully and strategically adjust the board membership to ensure effectiveness.

When it becomes necessary to adjust the board composition, either through the creation of new seats or the replacement of existing board members, we will prioritize the appointment of female directors to move closer to the 30% target. This approach allows us to remain flexible and responsive to the evolving needs of the company while upholding our commitment to diversity.

We appreciate your support and understanding as we strive towards a more balanced and diverse board.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Cindy Chan LY
Question 1	As a staunch supporter of Uchitec even through unprecedented time like Covid-19. I hope the board will look into rewarding shareholders by giving TnGo reload pin.
Answer	Thank you for your continued support. At our company, we prioritize rewarding our shareholders directly through dividends, believing that this empowers you to decide how best to utilize these funds according to your individual needs.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Sun Nee Teh
Question 2	According to your opinion, what is the current stage of the business of Uchi Technologies? Expansion, at the peak, or matured?
Answer	<p>Thank you for your questions.</p> <p>Based on our opinion, Uchi Technologies is currently in the maturity stage of its business lifecycle. Right now, we're focused on maintaining our market position. That means retaining our valuable customers and continuously innovating to offer new, compelling products and services. While solidifying the market share, we're also actively pursuing opportunities to drive further business growth. We'll leverage our market position to acquire new customers and develop innovative offerings aligned with emerging market demands.</p> <p>(continue on the next page)</p>

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG



**Answer
(continued)**

Maintaining our competitive edge requires continuous investments in R&D to roll out innovative, leading solutions. Simultaneously, we place great emphasis on talent development, ensuring our workforce possesses the requisite skills to execute our growth strategies effectively. By focusing on innovation, talent nurturing, and pursuing cost-efficiency and performance in this maturity phase, we are laying the foundation for sustained business success.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Sun Nee Teh
Question 3	Some of the products lost the pioneer status and profit generated from these product cease to enjoy income tax exemption. Is selling price adjusted to neutralised this effect?
Answer	<p>We do not believe it would be justifiable or fair to our customers to simply increase selling prices to offset that impact. Such an approach would fail to deliver the value proposition we strive to provide. Instead, our strategy aims to create a win-win situation for both our customers and ourself. We plan to focus on incorporating approved, innovative technologies into more of our new product offerings that align with our customers' marketing objectives.</p> <p>By doing so, we can enhance the value derived from the pioneer status incentives available to us, thereby reducing our effective tax burden. This approach allows us to maintain competitive pricing for customers while benefiting from tax incentives tied to our innovation efforts.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Jing Yong
Question 4	When company announce bonus issue?
Answer	<p>Thank you for your question. Bonus issues will dilute our EPS which may not be attractive to many prospective shareholders. However, we do not rule out the possibility of bonus issue. But, for the time being, we are adhering to the dividend policy which will distribute at least 70% of our net income. For FY2023, if the final dividend of 7.5 cents is approved by the shareholder today, the total dividend will be 29.5 cents per share, equivalent to a payout ratio of 100% of our net profit for FY2023. Thank you.</p>

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS



Shareholder	Lim Jing Yong
Question 5	How about company forecast growth % revenue next year?
Answer	<p>The outlook is forward looking information, which is highly susceptible to the actual impact from the event of the volatile world economy. It might be misleading to give out a number as an indication.</p> <p>However, over the past decade, we've seen positive trends in our customer's demand, thanks to our strong partnership with them. Because of this, we are cautiously optimistic about future revenue growth. Barring any unforeseen impact, we are cautiously optimistic to maintain our Operating Profit Margin (OPM) of at least 40%, as long as the USD stays above 3.9.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Jing Yong
Question 6	How about company new business products?
Answer	The answer is addressed along with the answer to question 11 below.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Jing Yong
Question 7	Why company revenue of North America decline too much, is it demand decline temporary or company facing competitors?
Answer	The worldwide biotech market, including North America, is generally experiencing a post-pandemic market adjustment, thus resulting in a slowdown in sales.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Jing Yong
Question 8	What is the market share of Uchitec and customer in the world currently (coffee machine and software)?
Answer	We are not allowed to share this information as we are the exclusive supplier for our Art-of-Living customers. Disclosing any market-related information directly associated with our end customer could potentially create unnecessary issues for them.

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS



Shareholder	Lim Jing Yong
Question 9	How about market value and growth of coffee machines in futures?
Answer	<p>We are unable to comment on the global coffee machine market as a whole since there are many different types of machines and many producers sharing the market. However, based on the trends of our Art-of-Living customer's demand for the past decade, which is the result of a strong partnership between Uchi and our customer, and such result have shown positive signs of the partnership's success. Thus, from this specific perspective, we are cautiously optimistic in our belief of future Art-of-Living market growth.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Jing Yong
Question 10	Why current financial report got net loss of asset is it last year got sold asset one of gain?
Answer	<p>The “net loss on other financial assets” of RM2.941 million (shown in the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for the period ended March 31, 2024) is the fair value loss of the foreign currency forward contracts. The group enters into foreign currency forward contracts to manage the risk associated with anticipated sales and purchase transactions. The outstanding foreign currency forward contracts as at end of March 31, 2024 was USD19.9 million.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Jing Yong
Question 6	How about company new business products?
Question 11	What is the company focus, current product or new products?
Answer	<p>We prioritize both the development of new customers and product diversification as integral parts of our business roadmap. However, being an Original Design Manufacturer (ODM) company, we recognize the significance of discerning the right targets that not only align with our objectives but also uphold Uchi's distinctive values.</p> <p>Amid the current economic volatility, we place equal importance on delivering new products to our existing customers and actively seeking new ones. In both cases, our unwavering focus lies in conducting robust research and development (R&D) activities to maintain our technological and technical competitiveness. By emphasizing R&D, we strive to uphold our position in the market and continue delivering innovative solutions.</p>

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS



Shareholder	Peng Tin Teh
Question 1	How much does the company spend on this virtual Agm ?
Answer	Thank you for your question. In the interest of all related parties, we are unable to disclose as it might create inconveniences.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Peng Tin Teh
Question 2	Would the BOD kindly provide e- wallet as a token of appreciation for attending today's RPV?
Shareholder	Lai Yin Chan
Question 3	Hope the board of directors will give us faithful shareholders e vouchers for our continuous support of the company even in unprecedented time.
Shareholder	Alex Chin
Question 4	Please give some E wallet to shareholders attending the AGM . TQVM
Answer	At our company, we prioritize rewarding our shareholders directly through dividends, believing that this empowers you to decide how best to utilize these funds according to your individual needs.

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS



Shareholder	Peng Tin Teh
Question 5	What's the future outlook and prospects of the company ? Please advise.
Answer	<p>The outlook is forward looking information, which is highly susceptible to the actual impact from the event of the volatile world economy. It might be misleading to give out a number as an indication. However, over the past decade, we've seen positive trends in our customer's demand, thanks to our strong partnership with them. Because of this, we are cautiously optimistic about future revenue growth. We aim to maintain an Operating Profit Margin (OPM) of at least 40%, as long as the USD stays above 3.9.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Jing Yong
Question 6	Hopefully company announce bonus issue and dividend reinvestment plan.
Shareholder	Kian Wah Ng
Question 7	Given the share price of the company is stayed above RM4 now, do the company has any plan of having bonus issue?
Shareholder	Ng Seng Hock
Question 8	Please allow shareholders to reinvest dividend received.
Shareholder	Ng Seng Hock
Question 9	Please allow DRP instead of bonus issue so as to increase shareholders' shareholding.
Answer	Thank you for your question. Bonus issues will dilute our EPS, which may not appeal to many prospective shareholders. However, we do not rule out the possibility of a bonus issue or a dividend reinvestment plan. Currently, we are adhering to a dividend policy that distributes at least 70% of our net income. For FY2023, if the final dividend of 7.5 cents is approved by shareholders today, the total dividend will be 29.5 cents per share, equivalent to a 100% payout ratio of our net profit for FY2023. Thank you for your suggestion.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Sean Chua
Question 10	<p>FY2024 Q1 current year prospect had mentioned that based on order received and forecast, the group anticipated a mid-single digit decline in USD revenue for FY2024. Can management please elaborate:</p> <p>(a) What factors lead to this forecast?</p> <p>(b) Do management expect these factors to be a secular trend that span on to more than one year?</p>
Shareholder	Rajkumar Periannan
Question 11	<p>Could you please share the basis of informing us that our company will experience mid single digit revenue reduction in USD for this year.</p>
Answer	<p>We would like to thank our shareholders for raising questions about how economic instability and other factors might impact our quarterly revenue and profitability, as well as the outlook for quarters and the entire year. The Board is pleased to take this opportunity to address these concerns.</p> <p>(continue on the next page)</p>

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS



Answer
(continued)

As we navigate 2024, we face uncertainties from US-China tensions, the Hamas-Israel conflict, the war in Ukraine, global inflation, interest rate hikes, and deglobalization. These challenges have slowed the global economy and impacted many regions, compounded locally by wage hikes and talent shortages.

Our approach to these challenges is rooted in our longstanding commitment to operational excellence, which is integrated into our daily operations and management systems. Our consistent profit margins testify to such commitment.

Now, we are intensifying efforts to boost cost-efficiency, performance, and foster innovation by enhancing customer value, managing expenses, streamlining processes, and focusing on talent management.

(continue on the next page)

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS



Answer (continued)

This balanced approach, underpinned by our ESG commitments, will optimize current operations and pave the way for sustainable growth and long-term value creation for our stakeholders.

We just announced the first quarter's results yesterday. Our Q1 year-over-year (YoY) revenue increased by 1% in USD and 8% in RM compared to the same period last year. As for the full year outlook, based on current orders and forecast, we maintain our annual revenue projection of a mid-single digit decline in USD as previously announced.

Due to the inherent variability in business performance, it would be premature and potentially misleading to provide further comments on revenue or profit beyond our recent announcement.

Nevertheless, we remain cautiously optimistic to maintaining a robust operating profit margin, targeting at least 40%, assuming the USD stays above 3.9.

Thank you for your concern and support !

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Nichole Goh
Question 12	Will company diversify it's product range and any expansion plan?
Shareholder	Heng Sheng Yao
Question 13	Is Uchitec actively finding potential partners from other countries to sell the end products to make diversify about customers risk?
Answer	<p>We prioritize both the development of new customers and product diversification as integral parts of our business roadmap. However, being an Original Design Manufacturer (ODM) company, we recognize the significance of discerning the right targets that not only align with our objectives but also uphold Uchi's distinctive values.</p> <p>(continue on the next page)</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



**Answer
(continued)**

Amid the current economic volatility, we place equal importance on delivering new products to our existing customers and actively seeking new ones. In both cases, our unwavering focus lies in conducting robust research and development (R&D) activities to maintain our technological and technical competitiveness. By emphasizing R&D, we strive to uphold our position in the market and continue delivering innovative solutions.

Based on our current assessments, we do not have plans for major capital expenditure (CapEx) at this time, as our existing facilities adequately meet anticipated requirements, allowing us to maintain financial prudence while achieving our strategic objectives.

However, we remain committed to continuously improving efficiency and fostering innovation for the current and coming years. Our CapEx strategy focuses on enhancing both production and office efficiency and supporting ongoing innovation through targeted upgrades to our machinery, IT systems, optimized production configurations, improved facility layouts, and investments in research and development.

(continue on the next page)

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



**Answer
(continued)**

To support these strategic enhancements, we have allocated a budget of RM5 million for the targeted upgrades and research and development initiatives. This financial commitment ensures that our actions are perfectly aligned with our long-term strategic objectives.

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Rajkumar Periannan
Question 14	Could you please elaborate on succession plans for the top management within the firm?
Answer	<p>Thank you for your question. We have succession plan for each level of hierarchy in the company. The board also reviews the plan regularly in business strategy plan, to ensure the sustainability of the human resources and the grow of the company.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Stanley Lim
Question 15	<p>Congratulations in the stellar performance for the past few years. Could you please explain the reduction of cash and cash equivalent in the annual report and the latest quarterly report apart from the dividend payout? Why is the company are not holding more cash to be utilised for capex purposes or increase above 7% budget for R&D segments?</p>
Answer	<p>Thank you for your congratulations on our performance. Maintaining our financial security is one of the most important pillars of our operations. We continually assess our financial strategies, including Capex, to ensure they support our long-term goals and maintain our competitive edge.</p> <p>Research and development (R&D) is also a crucial pillar of our operations. We consistently allocate 7% of our revenue to R&D to grow our team and address unforeseen needs, and this allocation remained the same for FY2024. If necessary, the Board can increase this allocation based on actual circumstances and plans.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Chee Hooong Au Yong
Question 16	Can the Board share the estimated tax bracket to be paid in the coming 24/25 and whether the pioneer status are still applicable ?
Answer	<p>For reference, our FY2023 ETR was around 20%, which is lower than the statutory corporate tax rate and from the Q1 2024 result, announced yesterday, reflects an effective tax rate of approximately 20% as well.</p> <p>We anticipate that the pioneer status projects will contribute a higher percentage to revenue in 2024 compared to 2023. However, due to the inherent variability in business performance, the extent to which these projects will convert into actual revenue is uncertain. Thus, we are unable to provide specific numbers to avoid being misleading. Thank you.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Nan Woei Mah
Question 17	<p>The year of 2023 and 2024 have seen increased incidents of cybersecurity attacks on private companies all over the world. Malaysian companies are not spared. Of particular concern is the type of ransomware attack, which can potentially impair day to day operation and possibly divulge company's proprietary trade secret. What is the company's cybersecurity readiness in this regard ?</p>
Answer	<p>Thank you for your concern. At our company, we understand the crucial role that data protection and privacy play in building trust with our stakeholders and ensuring the sustained success of our business. Accordingly, we place a high priority on the implementation of an integrated data protection and information security strategy to safeguard data and privacy. For detailed information, please refer to page 54 of the AR2023 Sustainability Statement.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Rajkumar Periannan
Question 18	<p>The Art of Living customer has many different types of coffee machine with varying prices. Are there significant reduction in prices of coffee machine parts sold by Uchi for those machines in the lower end of price range?</p>
Answer	<p>Our Art-of-Living product is tailor-made to meet the unique needs of each customer, considering factors such as customization options, materials utilized, and development costs. However, due to Non-Disclosure Agreements (NDA) in place with our customers, we are unable to disclose specific pricing details concerning these products. Furthermore, as we are often the sole supplier in most of our products, providing an indicative pricing or a price range could inadvertently lead to the identification of specific items, a situation we strive to avoid to maintain market competition and customer confidentiality.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Sun Nee Teh
Question 19	How many weeks in advance customers place order prior to delivery date?
Answer	Our order visibility is 2 to 4 months.

UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS



Shareholder	Nan Woei Mah
Question 20	What is the company's road map towards achieving carbon neutral?
Answer	<p>At UCHITEC, we strive to reduce the environmental impact of our operations and products, and helping our customers do the same while delivering sustainable value to society. The Group adheres to all environmental laws and regulations, ensuring that our production processes are constantly upgraded and our products improved to comply with evolving environmental standards. For detailed information, please refer to page 38 to 43 of the AR2023 Sustainability Statement.</p>

**UCHI TECHNOLOGIES BERHAD 26TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Ng Seng Hock
Question 21	Please allow shareholders to buy company's products like coffee makers at discounted price.
Answer	Thank you for your interest. We do not offer products that can be sold directly to end customers.