

UCHI TECHNOLOGIES BERHAD

(199801001764) (457890-A)

(Incorporated in Malaysia)

Minutes of the Twenty-Fifth Annual General Meeting of the Company conducted on a virtual basis through live streaming and remote voting via online meeting platform provided by AGRITEUM Share Registration Services Sdn Bhd (“AGRITEUM”) at www.agriteum.com.my (Domain Registration No. with MYNIC-D1A400977) on Wednesday, 24 May 2023 at 3.00 p.m.

Attendance

As per Attendance List

The Meeting commenced at 3.00 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- Fifth Annual General Meeting (“25th AGM”) which was conducted on a virtual basis through live streaming and remote voting via online meeting platform provided by AGRITEUM Share Registration Services Sdn Bhd (“AGRITEUM”). The Chairman introduced the Board of Directors of the Company together with the Company Secretary to the members and informed that the Managing Director of the Company, Mr Chin Yau Meng was joining the Meeting via video conferencing as he was tested COVID positive. 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 25th 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 25th AGM of the Company was issued on 20 April 2023. 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 five (5) 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 25th 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 Agriteum Share Registration Services Sdn. Bhd. 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 5 resolutions of the 25th AGM.

2. RECEIVING OF THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31 DECEMBER 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Audited Financial Statements ("AFS") for the year ended 31 December 2022 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. APPROVAL OF DIRECTORS' FEES OF RM481,200 FOR THE YEAR ENDING 31 DECEMBER 2023

Members were informed that the next agenda was to approve the payment of Directors' Fees of RM481,200 for the year ending 31 December 2023.

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

Chairman's signature

4. RE-ELECTION OF MR CHIN YAU MENG 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 Chin Yau Meng 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.

5. RE-ELECTION OF MR LIM TIAN HOW 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 Lim Tian How who retired under Clause 76(3) of the Constitution of the Company.

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

6. 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.

7. 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 7 to 12 of the Annual Report.

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

“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”).

Chairman’s signature



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

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.

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.

Chairman's signature



8. QUESTIONS RECEIVED FROM MSWG AND/OR SHAREHOLDERS VIA EMAIL OR AGRITEUM 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.

9. 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.

10. 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 4.14 p.m.

At 4.14 p.m., the Chairman informed the closure of the online voting session and adjourned the Meeting for 10 minutes to facilitate the counting of the votes.

11. DECLARATION OF POLL RESULTS

The Meeting resumed at 4.25 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



11. DECLARATION OF POLL RESULTS (CONTINUED...)

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	134	134,548,086	99.993979	89,065,496
	AGAINST	6	8,102	0.006021	
Ordinary Resolution 2	FOR	140	190,485,194	99.903969	32,953,390
	AGAINST	6	183,100	0.096031	
Ordinary Resolution 3	FOR	138	188,007,922	84.187722	301,800
	AGAINST	8	35,311,962	15.812278	
Ordinary Resolution 4	FOR	141	213,492,784	99.981455	10,089,300
	AGAINST	5	39,600	0.018545	
Ordinary Resolution 5	FOR	133	223,574,082	99.980546	4,100
	AGAINST	12	43,502	0.019454	

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

12. 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 4.26 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 25th AGM are enclosed as Appendix I attached hereto.

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters

Question 1.a

The revenue analysis by product group in 2022 compared to 2021 remained the same across all product groups. The highest contribution at 88% comes from the Art-of-Living product group due to the strong global demand for household and professional fully automatic coffee machines. The contribution from Biotechnology products stood at 11%. Products in this category include electronic control systems such as high precision weighing scales, centrifuges, and deep freezers. Meanwhile, products in the Others category made up the balance of 1%.
(page 25 of Annual Report (AR) 2022)
(a) What is the price range of the Group's Art-of-Living products? How about for biotech products?

1

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters

Answer

Our Art-of-Living and Biotechnology products are 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.

2

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 1.b	(b) Please elaborate more on the products in Others category. Do you expect the products in this category to be a significant contributor to the Group's revenue in the future?
Answer	<p>The 1%, which is a rounded-up figure, in the "Others" category is mainly composed of pre-development samples, test samples or prototypes that are in the different stages of development and are unable to be categorized into existing product segments. These products may include experimental or innovative designs that are still undergoing testing and refinement.</p> <p>We are continuously exploring growth opportunities to enhance our revenue. However, at this time, we are unable to provide specific details or definitive projections as the success and impact of these projects on our revenue will depend on various factors.</p>

3

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 1.c	(c) Besides the existing products, what other products can incorporate Uchi's electronic control module?
Answer	<p>Our revenue is derived from the Original Design Manufacturing (ODM) operations. In this business landscape, we build strategic partnerships with customers whose requirements align with our areas of expertise, nurturing a beneficial synergy. This synergistic approach enables us to build tailor-made products that find diverse applications, ranging from consumer appliances to laboratory equipment and industrial machinery.</p>

4

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 2.a	<p>Research and development (R&D) expenses totaled RM5.8 million in 2022 (2021: RM4.2 million). The Group has a number of projects in its R&D pipeline; these consist mainly of electronic control systems for both the Art-of-Living Product Group and the Biotechnology Product Group (2021: RM4.2 million). (page 25 of AR 2022)</p> <p>(a) What is the current size and strength of your R&D team? How does it compare to a decade ago?</p>
Answer	<p>Our R&D division consists of four major groups: Software and Firmware Programming, Hardware Design, System Construction, and Basic Research. These groups are backed by a team of around 40 skilled and dedicated staff members.</p> <p>Uchi's technical competitiveness has been further enhanced by the strengthened collaboration between our valued employees in Malaysia and China. Over the years, our two R&D centers have developed a more robust and efficient synergy, leveraging their complementary strengths to deliver superior solutions and designs for our customers. This deepened collaboration enables us to achieve even higher levels of innovation and customer satisfaction.</p>

5

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 2.b	<p>(b) R&D expenses of RM5.8 million were the highest in the last 10 years. What were the reasons for the record high R&D expenses in FY2022?</p>
Answer	<p>The record high R&D expenses of RM5.8 million in FY2022 were primarily driven by expenses related to the development of new projects and employee benefits. We have found this number, which represents approximately 3% of our revenue (also approx. 3% in FY2021), to be an efficient and necessary investment. As a result of these R&D expenses, we have successfully developed new products that empower our customers, enabling them to maintain a competitive edge in their respective markets.</p> <p>With R&D being one of the major pillars of the Group's operations, we continue to budget 7% of our revenue for the research and development in order to grow the team as well as account for any unforeseen needs. If the situation requires, the Board could allocate even more depending on the actual circumstances and plans.</p>

6

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 2.c	(c) How many projects are currently in the R&D pipeline? When does the Group expect to deliver new/improved products from these projects?
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, we have approximately 16 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. Around one third of these projects are scheduled to be launched for mass production in 2023, demonstrating our commitment to delivering innovative solutions to the market.</p>

7

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 3.a	<p>The Group expects to face a few key challenges. One of these is the expiry of the pioneer status enjoyed by its subsidiary, Uchi Optoelectronic (M) Sdn Bhd (Uchi Opto), on December 31, 2022. (page 29 of AR 2022)</p> <p>(a) How much of the Group's revenue was contributed by Uchi Opto over the last five years?</p>
Answer	<p>Uchi Optoelectronic (M) Sdn Bhd has been the sole contributor to the Group's revenue over the last five years, accounting for 100% of the total revenue.</p>

8

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Operational & Financial Matters	
Question 3.b	(b) What is the projected effective tax rate for FY2023?
Answer	<p>The Effective Tax Rate for FY2023 is forward-looking information and is highly susceptible to various factors, thus we are unable to provide a specific number. However, in our previous announcements made in the beginning of this year, we indicated that the effective tax rate for the Group in the current year is estimated to be higher than in preceding years.</p> <p>In line with the indication, our FY2023 first quarter result, announced on May 23, 2023, reflects an effective tax rate of approximately 18%. This rate is lower than the statutory income tax rate. The lower rate can be attributed to two factors:</p> <ul style="list-style-type: none"> i. The gain on disposal of assets held for sale is not subject to income tax; and ii. A subsidiary company was granted pioneer status for certain products manufactured by the subsidiary company.

9

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Corporate Governance Matters	
Question 4	Practice 5.9 of the Malaysian Code of Corporate Governance advocates that 30% of the Board should comprise women. As of FY2022, there was only one woman director out of the 7 directors on the Board. Does the Company intend to apply Practice 5.9, and if yes, by when?
Answer	<p>The company acknowledges the recommendation of having 30% women representation on the Board, as stated in Practice 5.9 of the Malaysian Code of Corporate Governance. While deeply valuing diversity, including gender representation, our company integrates these considerations into a merit-based selection process for board appointments that also equally prioritizes skills, qualifications, expertise, and relevant experience, thereby cultivating an environment that is both inclusive and enriched with complementary skills.</p> <p>(continue on the next page)</p>

10

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY MSWG**



Corporate Governance Matters

Answer (continued)	<p>We would like to highlight that, under the aforementioned considerations, our current board, which includes one female director, is considered efficient for the company's operations and decision-making processes, and it is performing well. We believe this is of utmost importance.</p> <p>The company is committed to upholding good corporate governance practices and regularly reviews board composition and diversity. While we are unable to provide a specific timeline at this moment, please be assured that, through our merit-based selection process, we are consistently seeking suitable female directors to further enhance the board's composition in terms of efficiency and performance.</p>
-------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

11

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Boon Yan
Question 1	What is Uchitec's expansion plan for this financial year and the next five years?
Answer	<p>In the current financial year, we do not have immediate plans to expand our production capacity, as our existing facilities are sufficient to accommodate anticipated capacity requirements. Over the next five years, we will continue to monitor market demand and the utilization of our production facilities. If there is a significant increase in demand or if our current facilities become fully utilized, we will consider future expansion. Alternatively, we may engage local Electronics Manufacturing Services (EMS) providers to support specific production processes as needed.</p> <p>(continue on the next page)</p>

12

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Answer (continued)	<p>While physical expansion is not an immediate priority, we are proactively working on enhancing our production efficiency. This will be accomplished by upgrading our machinery, optimizing production line setups, and improving the layout of our facilities. In our commitment to sustainability, we have plans to increase our renewable energy capacity. In addition to the recent completion of a solar panel system in our China factory, we are planning an upgrade to the solar panel facility at our Penang factory. This upgrade will enable us to generate more green energy, further strengthening our ongoing efforts to lower our carbon footprint and promote environmentally friendly operations.</p>
-------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

13

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Boon Yan
Question 2	<p>(a) Could you provide more details on which product segments the company plans to focus on?</p> <p>(b) Does Uchitec have plans to increase its focus on the biotechnology product segment, which contributed only 13% to its revenue in the last financial year? If so, could you provide more details on these plans? If not, could you explain the reasons why?</p>
Answer	<p>At UCHITEC, we have always maintained an equal focus on all our product segments, namely Art-of-Living and Biotechnology, as part of our strategic approach. This balanced focus enables us to consistently deliver high-quality products across the board, while adapting to ever-changing market dynamics.</p> <p>(continue on the next page)</p>

14

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Answer (continued)	<p>Although the Biotechnology product segment contributed 13% of revenue in FY2021 (11% in FY2022), we view this as more of a reflection of the market conditions and customer preferences during that period, rather than as an indicator of our strategic focus. Additionally, this was mainly due to a higher growth rate in our Art-of-Living product segment.</p> <p>As we navigate ahead, our commitment to continuous innovation and improvement across all product segments remains unwavering. We remain attentive to market trends, customer needs, and our internal capabilities, thereby assuring an optimal positioning within each segment. We believe this strategy allows us to offer a diverse and high-quality range of products to our customers.</p>
-------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

15

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Boon Yan
Question 3	Whether any new products will be introduced, and if Uchitec has plans to target any new customer segments?
Shareholder	Sun Nee Teh
Question 4	Is the company currently involved in any new project that is expected to significantly increase the revenue within next two years?
Shareholder	Wui Ka Li
Question 5	According to the annual report, there are new projects in planning/ongoing, may the investors have the insight of the type of projects/products? Will it be a long-term contract item or short term? Thank you for answering.
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>

16

UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
 RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS



Answer (continued)	<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> <p>Currently, we have approximately 16 projects at different stages of the R&D cycle, and around one-third of these projects are scheduled to be launched for mass production in 2023. This demonstrates our commitment to delivering innovative solutions to the market.</p> <p>We are continuously exploring growth opportunities to enhance our revenue streams. However, at this time, we are unable to provide specific details or definitive projections. This is not only due to the constraints of NDAs, but also because the success and impact of these projects on our revenue will depend on various factors.</p>
-------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

17

UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
 RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS



Shareholder	Lim Boon Yan
Question 6	What are the current main challenges that Uchitec is facing, and how is the management addressing them?
Answer	<p>As we progress through 2023, we witness the prolonged Russia-Ukraine war, widespread global inflation, interest rate hikes, and the increasing trend of deglobalization. These factors have collectively deepened the slowdown of the global economy, significantly impacting regions across the world. Locally, wage increases, and talent shortages add to the economic pressures.</p> <p>To address these challenges, our Group is actively taking measures. We are strengthening our supply chain, enhancing strategic planning, maintaining safety buffers, focusing on talent acquisition and retention, and optimizing order distribution among our manufacturing arms. Although this list is not exhaustive, our prime focus remains fostering close collaborations with our customers to cater to their needs effectively.</p>

18

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lim Boon Yan
Question 7	Uchitec's revenue and profit are expected to be impacted due to a higher effective tax rate, with more than 85% of the company's revenue to be affected, as announced by the company in January 2023. What measures is the management taking to address this issue?
Shareholder	Ee Yih Chin
Question 8	<p>MIDA approved one (out of four) application which grants Uchi Opto pioneer status to carry out activities in the design, development and manufacture of configurable presence and distance sensing time-of-flight (CPDS-ToF) module (refer page 23 of AR).</p> <p>a) Please share more details on the basis where MIDA may approve/ reject applications for pioneer status. What is unique about the CPDS-ToF module such that its application was approved while the other three were rejected? What are the three rejected applications?</p> <p>Uchi Opto will also implement the approved technology (CPDS-ToF) in other new products so that the effective tax rate for the Group shall improve over time" (page 23).</p> <p>b) What percentage of the existing products could be upgraded with this CPDS-ToF technology, and thereby enjoying the pioneer status in the future?</p> <p>c) What is the typical lifetime of a product before it is replaced by the upgraded version?</p>

19

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Answer	<p>Earlier this year, we announced the outcome of Pioneer Status application, its projected impact on our products, and our strategic approach to leveraging this opportunity, among other details. As an applicant for the Pioneer Status incentive and as an external entity to the relevant authorities, we are not in a position to comment on the decision basis.</p> <p>Part of our strategy to reduce the effective tax rate is to incorporate the approved high-accuracy, programmable, and environmentally adaptable sensing technology into more of our new product development. However, this integration crucially must align with our customers' marketing strategies, where the product's lifespan is just one of several considerations.</p> <p>Out of an abundance of caution and to preclude speculation or potential misunderstandings among our stakeholders, we respectfully withhold details concerning the other submitted technologies that did not receive approval.</p>
---------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

20

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Sun Nee Teh
Question 9	Does UCHI face any IC or semiconductor shortage now?
Answer	<p>We, as an Original Design Manufacturer (ODM), specializing in the design and manufacturing of the electronic modules, together with other companies in the E&E industry, have been experiencing a shortage of semiconductors that has been mainly attributed to the rising demand in the automotive industry. However, it is important to note that the situation is gradually improving. The Group is closely monitoring the situation and actively engaging with customers and suppliers to maintain a stable supply chain and minimize disruptions to our operations and our customers' businesses.</p>

21

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Sun Nee Teh
Question 10	AR 2022 Pg 26 - "The revenue in USD terms for FY2023 is expected to remain flat compared to that in FY2022". Is this expectation remains the same as of today?
Shareholder	Lai Jing Hoa
Question 11	Can the company maintain the revenue after tax exemption lifted?
Answer	<p>As of today, our revenue projection for the entirety of 2023 still indicates a flat trend, based on the orders and forecasts received from our customers. We are continuously monitoring the market conditions and factors that may impact our revenue outlook. Additionally, we remain committed to maintaining an operating profit margin of at least 40%, provided that the USD exchange rate remains no less than 3.9, barring any unforeseen impacts.</p>

22

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Sun Nee Teh
Question 12	<p>a) Are revenue and profit in first half of 2023 likely to be less Y-O-Y? b) Did the major customer slow down placing the order to UCHI in the first half of 2023? c) Did the customer asked to delay any shipment in first half of 2023? Is this normal compares to year 2022?</p>
Answer	<p>The Group announced on May 23, 2023, via a public announcement that the revenue in RM and the Profit Before Tax for the quarter ended March 31, 2023, increased by 20% and 70% respectively. The figures stood at RM57.4 million and RM46.0 million compared to the same quarter of the previous year (March 31, 2022), which recorded revenue of RM47.9 million and a Profit Before Tax of RM27.0 million. This increase can be attributed to higher demand for the Group's products and services, as well as a gain of RM11.3 million from the disposal of assets held for sale.</p> <p>(continue on the next page)</p>

23

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Answer (continued)	<p>Up to this point in FY2023, we have not experienced any slowdown in orders placed, nor have we received requests from our customers to delay shipments.</p> <p>Recognizing the variability inherent in business performance, we must note that at this moment, it would be premature and potentially misleading to comment on revenue or profit associated with the ongoing current quarter, as these figures are influenced by many factors that could change over time. We appreciate your understanding.</p>
-------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

24

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO PRE-AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Te Seng Whatt @ Tay Seng Whatt
Question 13	Please give us some e vouchers/e wallet for attending this RPV as a token of appreciation.
Answer	We acknowledge the request. At Uchi, we traditionally do not provide door gifts, e-vouchers, food vouchers, or e-wallets for attending AGMs. However, our commitment to rewarding shareholders is evident from our historical dividend payout ratios, which have ranged between 91% and 159% during the period from 2017 to 2021. In the current year, we have already distributed a first interim dividend of 12.0 cents in January 2023, and a second interim and special dividends will be paid out on May 26 th , 2023. This will result in a total dividend of 30.0 cents per share, equivalent to a payout ratio of 109% of our net profit for FY2022.

25

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Tan Tee Siong
Question 1	<p>Good Day BOD</p> <p>a) Could management share the recipe of how to remain the good margin and customers loyalty simultaneously for so many years? Thanks.</p> <p>b) I just wonder the information era nowadays, and business tend to cost saving but we still manage to remain so good margin.</p>
Shareholder	Sean Chua
Question 2	The board, management and team have done an excellent job. Despite challenging operating environments (covid, supply chain disruption, inflation, economy slowdowns, etc.), our company is still able to consistently grow revenue and profits over the past 5 years. Can the MD please share what is the secret of this continuous success?
Answer	(continue on next page)

26

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Answer (continued)	<p>The key to remain profit margin is through enhancing partnerships relationship between Uchi and our customers. Our trusted “Neutrality”, “Solution-Exclusivity” business principles, R&D and manufacturing capabilities, together with the branding and marketing strengths of our customers, are what constitute the mutually beneficial partnerships that enables a win-win situation for Uchi and customers.</p> <p>Despite the global economic slowdown caused mainly by factors such as geopolitical conflicts, the Russo-Ukrainian War, interest rate hikes, global inflation, and other consequences of the COVID-19 aftermath, the Group is confident to maintain our Operating Profit Margin (OPM) of at least 40% if USD is no less than 3.9.</p>
-------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

27

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Low Tuck Wai
Question 3	Key Audit Matter raised by External Auditors state that the production date has yet to be fixed by MITI for the commencement date of the tax-free period. Please provide an update on the tax status of Uchi for FY2023.
Shareholder	Thoh YH
Question 4	What is the guidance of Revenue contribution from this CPDSToF module in 2023?
Shareholder	Kim Hiong Ang
Question 5	For the latest QR, what is the effective tax rate?
Answer	<p>Earlier this year, we announced the outcome of Pioneer Status application, its projected impact on our products, and our strategic approach to leveraging this opportunity, among other details.</p> <p>(continue on next page)</p>

28

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Lew Tuck Wai
Answer (continued)	<p>Part of our strategy to reduce the effective tax rate is to incorporate the approved high-accuracy, programmable, and environmentally adaptable sensing technology into more of our new product development. However, this integration crucially must align with our customers' marketing strategies, where the product's lifespan is just one of several considerations.</p> <p>Since the Effective Tax Rate for FY2023 is forward-looking information and is highly susceptible to various factors, thus we are unable to provide a specific number. However, in our previous announcements made in the beginning of this year, we indicated that the effective tax rate for the Group in the current year is estimated to be higher than in preceding years.</p> <p>(continue on next page)</p>

29

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Answer (continued)	<p>In line with the indication, our FY2023 first quarter result, announced on May 23, 2023, reflects an effective tax rate of approximately 18%. This rate is lower than the statutory income tax rate. The lower rate can be attributed to two factors:</p> <ol style="list-style-type: none"> i. The gain on disposal of assets held for sale is not subject to income tax; and ii. A subsidiary company was granted pioneer status for certain products manufactured by the subsidiary company.
-------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

30

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	SY Sung
Question 6	Hi, Now, Europe is facing economic downturn. Will this affect Uchitec business?
Shareholder	Yih Chin Ee
Question 7	Do you face challenges in staff turnover and difficulties retaining talents? How does the Group fare as compared to peers in Penang?
Shareholder	Han Ni Ng
Question 8	Many automotive sales demand is dropping, does it impact to UCHI as well?
Shareholder	Chuan Hooi Lau
Question 9	May I know, what is the company's future outlook ?
Shareholder	Sean Chua
Question 10	News reported that due to inflation, Ukraine war, and economic growth slowdown, Europe zone consumers are seemingly spending less on discretionary products, such as coffee machines etc. How come this has not affected our company?
Answer	(continue on next page)

31

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Answer (continued)	<p>Thank you, the Board is pleased to take this opportunity to answer the question concerning revenue guidance.</p> <p>After navigating a year filled with turmoil, the end remains uncertain to the mounting tensions between the US and China, alongside the persisting conflict in Ukraine.</p> <p>As we journey through 2023, we continue to witness the prolonged Russia-Ukraine war, more geopolitical conflicts, global inflation, interest rate hikes, and the increasing trend on deglobalization.</p> <p>These factors have collectively amplified the slowdown of world economy, impacting most regions significantly. Locally, the economic pressure has been compounded by wage hikes and talent shortages.</p> <p>(continue on next page)</p>
-------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

32

UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS



Answer
(continued)

In response to these challenges, our Group is actively implementing measures to mitigate these impacts. That includes fortifying our supply chain, intensifying strategic planning, maintaining robust safety buffer stock levels, focusing on talent acquisition and retention, and balancing order loads between our manufacturing arms. Although the list is not exhaustive, our prime focus remains fostering close collaborations with our customers to cater to their needs effectively.

We just announced the first quarter's results yesterday. Our Q1 year-over-year (YoY) revenue increased by 15% in USD and 20% in RM compared to the same period last year. This revenue growth is primarily attributed to the increased demand for our products and services in the last quarter. Additionally, the higher USD exchange rate has further contributed to the YoY growth.

(continue on next page)

33

UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS



Answer
(continued)

Despite our positive performance in Q1, at this moment (it's 2nd Q), based on the orders and forecasts we've received from our customers, the prospects for the year still indicate a flat trend.

We fully understand the eagerness of our shareholders to understand how well our performance will be for the year. However, at this time, it will still be early and potentially misleading to provide further comments on the revenue or profit beyond the announcement we made. We recognize the inherent variability in business performance, including fluctuations in demand each quarter.

Nonetheless, we are diligently monitoring market conditions and factors that may impact our revenue outlook. Additionally, we remain committed to maintaining an operating profit margin of at least 40%, provided that the USD exchange rate remains no less than 3.9, barring any unforeseen impacts. Thank you.

34

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Thoh YH
Question 11	Good afternoon BOD, there is one off gain of RM11.3 million arising from disposal of assets in Q1 2023, what is the plan for this amount?
Answer	<p>Good afternoon. Our group has always been very prudent in handling the cash on hand. The financial instrument approved by the Board that we have been utilizing is fixed deposit. We do not appreciate other forms of investments as they are prone to risk and are not our operating income, while Original Design Manufacturer (ODM) is.</p> <p>From time to time, we do have excess amounts of cash that are beyond our working capital needs. In such cases, certain arrangement will be implemented. Currently, we are right in the middle of turbulences and challenges, and for many business entities, having enough cash on hand is a very good advantage.</p>

35

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Low Tuck Wai
Question 12	Management Discussion & Analysis on page 26 of Annual Report stated that the Group is targeting a modest estimate of 40% operating profit margin at the rate of 40% operating profit margin at the rate of RM3.90:USD1.00. The current RM:USD exchange rate is around RM4.50:USD1. Will it be reasonable for the profit margin to be above 40% in view of the current favorable RM:USD rates?
Answer	Thank you for your question. Out of an abundance of caution, we've chosen an exchange rate lower than the actual prevailing market rate (spot rate). This conservative approach helps safeguard us from the fluctuations in the actual exchange rate.

36

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Te Seng Whatt @ Tay Seng Whatt
Question 13	Please give us some e-vouchers/e-wallet for attending this RPV as a token of appreciation. Tq.
Shareholder	Chuan Hooi Lau
Question 14	Will The Board consider giving door gift such e-voucher or e-wallets for those participating in this AGM as a token of appreciation?
Answer	We acknowledge the request. At Uchi, we traditionally do not provide door gifts, e-vouchers, food vouchers, or e-wallets for attending AGMs. However, our commitment to rewarding shareholders is evident from our historical dividend payout ratios, which have ranged between 91% and 159% during the period from 2017 to 2021. In the current year, we have already distributed a first interim dividend of 12.0 cents in January 2023, and a second interim and special dividends will be paid out on May 26 th , 2023. This will result in a total dividend of 30.0 cents per share, equivalent to a payout ratio of 109% of our net profit for FY2022.

37

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Amit Khindriya
Question 15	Please explain your growth strategy.
Shareholder	Yih Chin Ee
Question 16	The Group has been very selective in developing partnership with its customers, such that it currently only has two segments name Art of Living and Biotech. What are the criteria the Group looks for in potential future partners/ customers?
Shareholder	Chong Ghee Chew
Question 17	AS mentioned in AR page 26 that Uchi have several exciting projects. Is it possible to estimate when is the mass production date for these projects.
Answer	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 (continue on next page)

38

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Answer (continued)	<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> <p>Currently, we have approximately 16 projects at different stages of the R&D cycle, and around one-third of these projects are scheduled to be launched for mass production in 2023. This demonstrates our commitment to delivering innovative solutions to the market.</p> <p>We are continuously exploring growth opportunities to enhance our revenue streams. However, at this time, we are unable to provide specific details or definitive projections. This is not only due to the constraints of NDAs, but also because the success and impact of these projects on our revenue will depend on various factors.</p>
-------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

39

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Zui Khai Lee
Question 18	Understand that there are a few new product in the pipeline. Can you elaborate further on what is the stages of R&D and roughly by when it will contribute to the company's earning. Tq.
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, we have approximately 16 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. Around one third of these projects are scheduled to be launched for mass production in 2023, demonstrating our commitment to delivering innovative solutions to the market.</p>

40

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Arvin Thurairaj
Question 19	What percentage of options went to workers at different levels of the company?
Answer	In accordance to the By-Law 4.1 of the Employee Share Option Scheme 2016, subject to the discretion of the ESOS Committee, only Eligible Persons (Employee and Director) who fulfil the conditions shall be eligible to participate in the Scheme. The number of persons, including directors, granted with the options is 157.

41

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Arvin Thurairaj
Question 20	Is the 109% dividend payout ratio-sustainable?
Shareholder	Abdul Jabbar Ismail
Question 21	Does dividend payout is sustainable? Company not worried about paying out too much dividend and not having enough money for further expansion of business?
Answer	When setting our dividends, we take into account factors such as cash reserves, working capital, capital expenditure, future strategic plans, and our dividend policy, which stipulates distributing at least 70% of net profit. While we understand the request to increase dividends, it's crucial to maintain a balance. We strive to provide robust dividends while also retaining enough profits to invest in our company's growth and stability. This strategic approach, we believe, ensures not only immediate returns but also the sustainability of our business and consistent, long-term shareholder returns. Thank you.

42

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Arvin Thurairaj
Question 22	Why a sharp increase in equity settled share based payments to directors ?
Answer	<p>The increased in equity-settled share-based payments to directors was due to the grant of options in accordance to the Bye-Laws of Employee Share Option Scheme 2016 (“ESOS 2016”) which was approved by the shareholders during the Extraordinary General Meeting held on May 18, 2016. The Bye-laws specified rules, terms and conditions of the ESOS 2016, which was established in accordance to the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).</p> <p>The rationale behind the proposal for Non-Executive Directors is to acknowledge and reward their contributions and efforts as they play a constructive role in driving the growth and performance of the UCHITEC Group. By allowing their participation in the equity of the Company, we anticipate an increase in their level of commitment and contribution. This approach also aims to attract and retain capable individuals to serve as non-executive Directors of UCHITEC, who can contribute to the overall strategic direction of the UCHITEC Group.</p>

43

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Arvin Thurairaj
Question 23	Any new PPE purchases, why is there a sharp increase in cash used for this purpose?
Answer	<p>We have an average annual budget of RM 5 million for capital expenditures (CapEx). In FY2018, we made a major investment of more than RM 9 million. In Y2022, we spent approximately RM 2 million on various purposes such as production machine replacement and upgrades, installation of a new solar panel system, server upgrades, software system enhancement, etc.</p>

44

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Arvin Thurairaj
Question 24	Please provide a coffee machine market overview and future trends in Europe.
Shareholder	Kim Hiong Ang
Question 25	Is Capsule type coffee machine taking away Uchi's client market share? or affecting their profit margin?
Answer	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.

45

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Arvin Thurairaj
Question 26	How does Mr Lim Tian How's working experience in the automotive industry translate to contributions towards Uchitec?
Answer	Thank you for your suggestion. At this moment, doing business in auto industry is not beneficial for Uchi in terms of profit margin and may impose much higher burden than Uchi can bear.

46

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Yih Chin Ee
Question 27	Please continue to offer virtual AGM option in the future even when physical meetings are resumed.
Shareholder	Abdul Jabbar Ismail
Question 28	Can Uchitec hold AGM physically next year? We need to meet like minded investors and establish social network as well.
Answer	Thank you for your idea/proposal, we will put all opinions/proposals into consideration.

47

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Teh Sun Nee
Question 29	Trade receivable reduces significantly in 2023 Q1. What is the reason?
Answer	Thank you for your question. The reduction in trade receivable reflects the good collection from the customers.

48

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Seong Kiem Low
Question 30	<p>Good afternoon,</p> <p>a) I am new here, and I would like to know the purpose of share buyback, which is one of the resolution of this AGM. Thank you.</p> <p>b) Do your company offer share options for employee or do you have any acquisition plan? Else share buy back merely for the purpose of reallocation of capital structure might just be a waste of company's resource.</p>
Answer	<p>Thank you for your question regarding share buy-back. While we do have the authority from our shareholders to carry out such a strategy, we must carefully consider the various implications before proceeding.</p> <p>(continue on next page)</p>

49

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Answer (continued)	<p>The decision to buy back shares will be determined by a careful evaluation of our financial situation, market conditions, and strategic objectives. Rest assured, we will promptly announce any decisions made in this regard. An announcement will be promptly made once we have completed the Share Buy-Back process.</p> <p>Please refer to page number 9 of annual report on rationale for the Proposed Renewal of Share Buy-Back.</p> <p>In accordance to the By-Law 4.1 of the Employee Share Option Scheme 2016, subject to the discretion of the ESOS Committee, only Eligible Persons (Employee and Director) who fulfil the conditions shall be eligible to participate in the Scheme. The number of persons, including directors, granted with the options is 157.</p>
-------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

50

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Thoh YH
Question 31	What is the expected annual income generated from solar system in Dongguan factory that installed since August 2022?
Answer	Thank you for your question. To the best of our knowledge, power generation from the GCPV system sales are recurring in nature, but the actual amount could fluctuate due to factors like timing, prices, weathers, among others.

51

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Chow Boi Yee
Question 32	Appreciate the good and consistent performance over the years. Who are the competitors?
Answer	Thank you for your question. In the interest of all parties involved, it is our company policy to refrain from commenting on our competitors.

52

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Yih Chin Ee
Question 33	Refer answer to MSWG Q2b. Can you explain the difference between the R&D spending of about 3% revenue, versus the R&D budget of about 7% revenue?
Answer	Thank you for your question. The mentioned 3% refers to the expenses incurred in FY2022 related to the development of new projects and employee benefits. On the other hand, the 7% represents the budget allocated for the Group's research and development (R&D) expenses.

53

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Kenneth Ho Tze Kien
Question 34	Our Co. has been doing well & our Co. has areas of competitive advantage. Are our Co's products designed and manufactured using micro chips of our own design or are they mainly general off the shelf chips from other chip producers? Does our Co. use any application specific chips of own design or outsource to chip fabricators and if so does our Co. own the right to it? Or is our products mainly focused on complete system circuit design of firmware and its software?
Answer	Thank you for your question. The chips we use in our electronic modules are standard product which is qualified by automotive industry.

54

**UCHI TECHNOLOGIES BERHAD 25TH ANNUAL GENERAL MEETING
RESPONSES TO AGM QUESTIONS RAISED BY SHAREHOLDERS**



Shareholder	Han Ni Ng
Question 35	Based recent US federal policy, how UCHI diversify US dollar risk?
Answer	<p>Thank you for your question. The group enters into foreign currency forward contracts to manage the risk associated with anticipated sales and purchase transactions. Almost 100% of UCHITEC'S's revenue was denominated in USD and approximately 30% of this revenue is allocated for payables in USD natural hedge. The remaining 70% was exposed to currency fluctuation and was managed via Forward Contract Management Policy which was approved by the Board of Directors in 2010.</p>

55