



annual report 2022

**OPTIMAX HOLDINGS BERHAD**

Registration No. 201801028697 (1290723-T)  
(Incorporated in Malaysia under the Companies Act 2016)

**OPTIMAX**  
New Vision New Life®

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# CORPORATE PROFILE

## OPTIMAX New Vision New Life®

Optimax Holdings Berhad (“Optimax” or the “Company”) was incorporated in Malaysia under the Companies Act 2016 as a private limited company on 9 August 2018 under the name of Optimax Holdings Sdn Bhd. Subsequently on 20 January 2020, our Company was converted into a public limited company and assumed our present name of Optimax Holdings Berhad. The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 18 August 2020. The Company, has on 3 November 2022, completed the transfer of the listing of and quotation for the entire issued share capital of Optimax from the ACE Market to the Main Market of Bursa Securities.

Our material subsidiary, Optimax Eye Specialist Centre Sdn Bhd (“OESC”) was incorporated in Malaysia on 5 January 1995 as a private limited company. The principal activities of OESC are provision of eye specialist services and related products and services and investment holding.

## KEY HIGHLIGHTS



## OUR SERVICES

- 01 Treatment of eye diseases and disorders
- 02 Refractive surgery
- 03 Consultation and dispensary services
- 04 Oculoplastic surgery
- 05 Eye examination
- 06 Others

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### DATO' SERI DR. CHEN CHAW MIN

Independent Non-Executive Director and Chairman

### TAN SRI DATO' (Dr.) TAN BOON HOCK

Non-Independent Executive Director and Deputy Chairman

### TAN SRI DATO' SERI MOHAMAD NOOR BIN ABDUL RAHIM

Non-Independent Non-Executive Director

### SANDY TAN SING YEE

Non-Independent Executive Director and Chief Executive Officer

### YAP PING HONG

Independent Non-Executive Director

### YAP ENG GEE

Independent Non-Executive Director

### MICHELLE TAN SING CHIA

Non-Independent Executive Director

### MOHD SAHIR BIN RAHMAT

Independent Non-Executive Director

#### Audit And Risk Management Committee

Yap Ping Hong  
(Chairman)  
Mohd Sahir Bin Rahmat  
Yap Eng Gee

#### Remuneration And Nominating Committee

Mohd Sahir Bin Rahmat  
(Chairman)  
Yap Ping Hong  
Yap Eng Gee

#### Company Secretaries

Rebecca Kong Say Tsui  
(MAICSA 7039304)  
SSM Practising Certificate No: 202008001003

Leela A/P Suresh Kee See Leng  
(MAICSA 7069589)  
SSM Practising Certificate No: 201908001962

#### Registered Office

Unit 30-01, Level 30, Tower A,  
Vertical Business Suite,  
Avenue 3, Bangsar South, No.8, Jalan Kerinchi,  
59200 Kuala Lumpur, Wilayah Persekutuan  
Tel : +603 2783 9191 Fax : +603 2783 9111

#### Head/Management Office

1<sup>st</sup> and 2<sup>nd</sup> Floor, No. 145, Jalan Radin Bagus,  
Seri Petaling, 57000 Kuala Lumpur, Wilayah Persekutuan  
Tel : +603 9054 6186/89 Fax : +603 9055 4150  
Email : contact@optimax.com.my  
Website : www.optimax2u.com

#### Stock Exchange Listing

Main Market of Bursa Securities

#### Stock Name / Code

OPTIMAX / 0222

#### Auditors

KPMG PLT (LLP0010081-LCA & AF 0758)  
Chartered Accountants  
Level 10, KPMG Tower, 8, First Avenue,  
Bandar Utama, 47800 Petaling Jaya,  
Selangor Darul Ehsan  
Tel : +603 7721 3388 Fax : +603 7721 3399

#### Share Registrar

Unit 32-01, Level 32, Tower A, Vertical Business Suite,  
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200  
Kuala Lumpur, W.P. Kuala Lumpur, Malaysia  
Tel : +603-2783 9299 Fax : +603-2783 9222

#### Principal Bankers

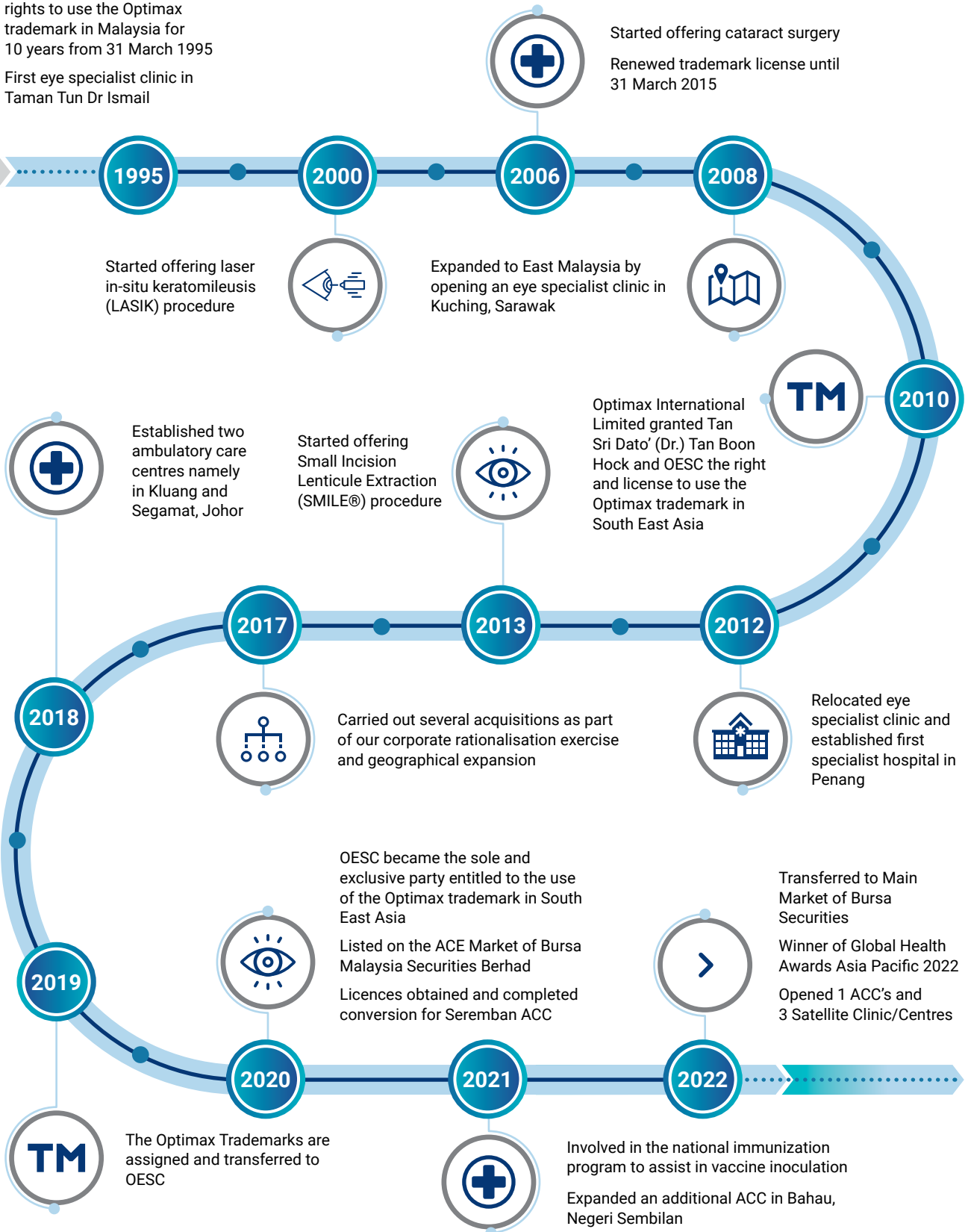
Affin Bank Berhad  
Public Bank Berhad

# CORPORATE MILESTONE

Incorporated OESC

Optimax International Ltd granted OESC sole rights to use the Optimax trademark in Malaysia for 10 years from 31 March 1995

First eye specialist clinic in Taman Tun Dr Ismail



# CORPORATE STRUCTURE

## OPTIMAX New Vision New Life®

### OPTIMAX HOLDINGS BERHAD

Registration No. 201801028697 (1290723-T)  
(Incorporated in Malaysia under the Companies Act 2016)

### OESC

#### Optimax Eye Specialist Centre Sdn Bhd

(Registration No. 199501000582 (329776-D))

#### 100% OESC SHAH ALAM

**Optimax Eye Specialist Centre (Shah Alam) Sdn Bhd**  
(Registration No. 200301021426 (623846-H))

#### 100% OESC SEREMBAN

**Optimax Eye Specialist Centre (Seremban) Sdn Bhd**  
(Registration No. 200801014414 (815703-P))

#### 79% OESC KAJANG <sup>(1)</sup>

**Optimax Eye Specialist Centre (Kajang) Sdn Bhd**  
(Registration No. 200801003710 (804994-H))

#### 100% OESC KUCHING

**Optimax Eye Specialist Centre (Kuching) Sdn Bhd**  
(Registration No. 200701039589 (797621-V))

#### 70% OESC BANDAR SUNWAY <sup>(3)</sup>

**Optimax Eye Specialist Centre (Bandar Sunway) Sdn Bhd**  
(Registration No. 200701036559 (794588-D))

#### 70% OESC SOUTHERN <sup>(4)</sup>

**Optimax Eye Specialist Centre (Southern) Sdn Bhd**  
(Registration No. 201701016274 (1230438-H))

#### 100% OESC IPOH

**Optimax Eye Specialist Centre (Ipoh) Sdn Bhd**  
(Registration No. 200201029578 (597241-U))

#### 70% OESC SERI PETALING <sup>(2)</sup>

**Optimax Eye Specialist Centre (Seri Petaling) Sdn Bhd**  
(Registration No. 200101022531 (558289-K))

#### 100% OPTIXANTHIN

**Optixanthin Sdn Bhd**  
(Registration No. 201901022570 (1331899-X))

#### 100% OPTIMAX INTERNATIONAL

**Optimax International Sdn Bhd**  
(Registration No. 202101011650 (1411949-U))

#### 100% OESC Cambodia

**Optimax Eye Specialist Centre (Cambodia) Co., Ltd.**  
(Registration No. 1000244609)

#### 100% OPTIMAX VENTURES

**Optimax Ventures Sdn Bhd**  
(Registration No. 202101029168 (1429468-P))

#### 100% OESC BUKIT MERTAJAM

**Optimax Eye Specialist Centre (Bukit Mertajam) Sdn Bhd**  
(Registration No. 202301007812 (1501733-U))

#### 100% OESC BAHAU

**Optimax Eye Specialist Centre (Bahau) Sdn Bhd**  
(Registration No. 202101005834 (1406133-X))

#### 100% OESC Muar

**Optimax Eye Specialist Centre (Muar) Sdn Bhd**  
(Registration No. 200601016753 (736505-T))

#### 90% OESC Kluang <sup>(5)</sup>

**Optimax Eye Specialist Centre (Kluang) Sdn Bhd**  
(Registration No. 201701027461 (1241627-D))

#### 90% OESC Segamat <sup>(6)</sup>

**Optimax Eye Specialist Centre (Segamat) Sdn Bhd**  
(Registration No. 201701027643 (1241809-M))

#### 100% Inspirasi Alamjaya

**Inspirasi Alamjaya Sdn Bhd**  
(Registration No. 201201043810 (1028287-D))

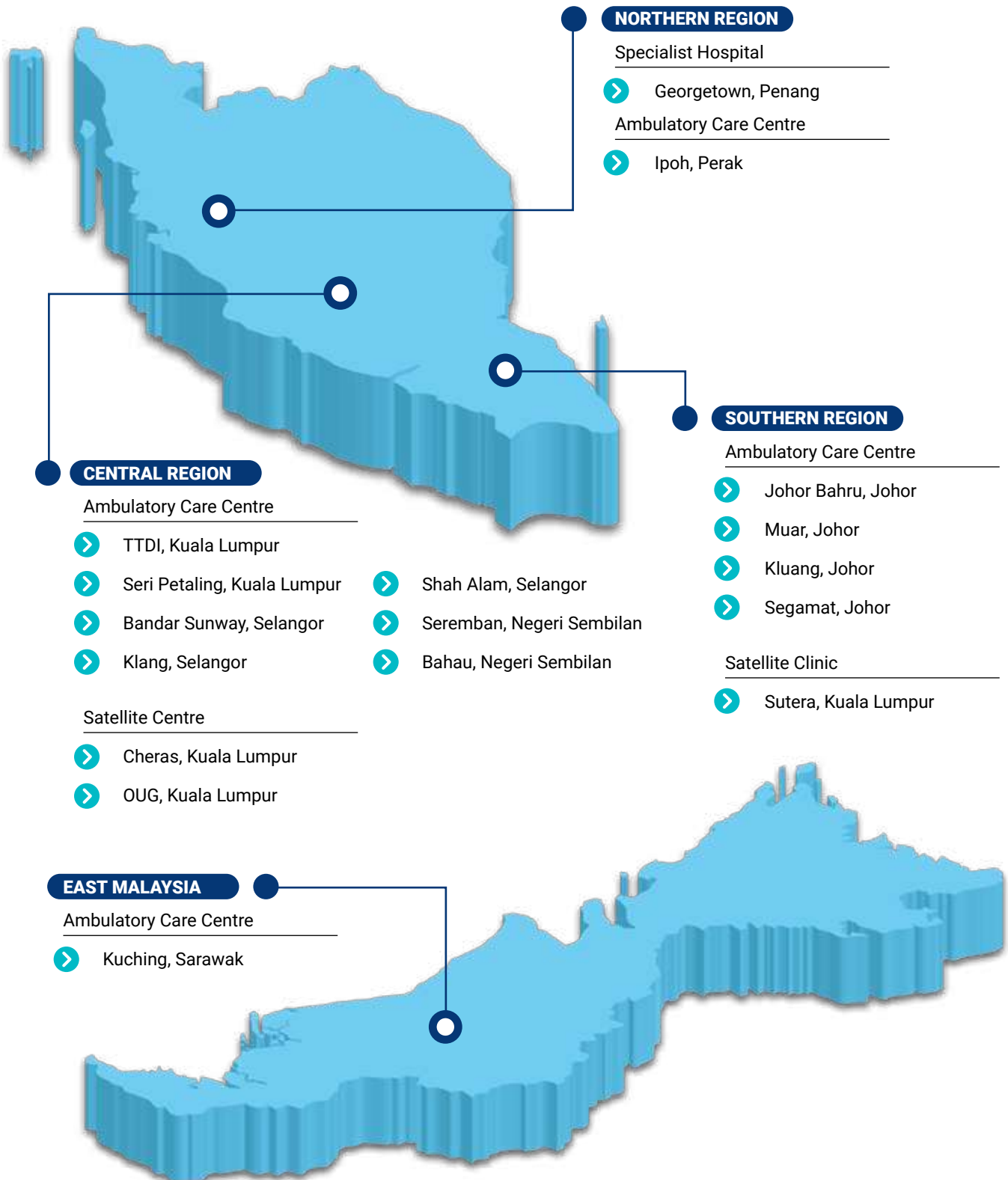
#### 100% OESC Sutera

**Optimax Eye Specialist Centre (Sutera) Sdn Bhd**  
(Registration No. 202101029171 (1429471-P))

**Note:**

- (1) OESC Kajang ceased its operations since the FYE 31 December 2012. The remaining 21% equity interest in OESC Kajang is held by Dr. Yen Siew Siang.
- (2) The remaining 30% equity interest in OESC Seri Petaling is held by Dr. Chang Khai Meng.
- (3) The remaining 30% equity interest in OESC Bandar Sunway is held by Dr. Ngo Chek Tung.
- (4) The remaining 30% equity interest in OESC Southern is held by Dr. Lam Hee Hong.
- (5) The remaining 10% equity interest in OESC Kluang is held by Dr. Ng Kang Kok.
- (6) The remaining 10% equity interest in OESC Segamat is held by Dr. Ngim You Siang.

# OPTIMAX AT A GLANCE



# OUR FOOTPRINT

## CENTRAL REGION

TTDI -  
Ambulatory Care Centre



Klang -  
Ambulatory Care Centre



Bandar Sunway -  
Ambulatory Care Centre



Seri Petaling -  
Ambulatory Care Centre



Shah Alam -  
Ambulatory Care Centre



## OUR FOOTPRINT (CONT'D)

### CENTRAL REGION

Seremban -  
Ambulatory Care Centre



Bahau -  
Ambulatory Care Centre



Cheras -  
Satellite Centre



### EAST MALAYSIA

Kuching -  
Ambulatory Care Centre



OUG -  
Satellite Centre



### SOUTHERN REGION

Johor Bahru -  
Ambulatory Care Centre



## OUR FOOTPRINT (CONT'D)

### S O U T H E R N   R E G I O N

Muar -  
Ambulatory Care Centre



Kluang -  
Ambulatory Care Centre



Segamat -  
Ambulatory Care Centre



Sutera -  
Satelite Clinic



### N O R T H E R N   R E G I O N

George Town -  
Specialist Hospital



Ipoh -  
Ambulatory Care Centre





# CHAIRMAN'S STATEMENT

**DATO' SERI  
DR. CHEN CHAW MIN**

Independent Non-Executive Director and Chairman

## BUSINESS OVERVIEW

**Dear shareholders, on behalf of the Board of Directors, we are pleased to present the Annual Report and Audited Financial Statement of Optimax Holdings Berhad (“the Company”) and its subsidiaries (“the Group”) for the financial year ended 31 December 2022.**

With the world emerging from the shadows of the pandemic, whilst finding itself traversing a period of great precariousness due to a myriad of macroeconomic factors, the Malaysian economy has shown resilience chalking up an encouraging performance, expanding by 8.7% in 2022. This growth performance has also far exceeded the 3.1% economic growth achieved in 2021. The stronger growth was also reflective of normalising economic activities as the country moved towards endemicity and reopened international borders.

Nevertheless, despite strong economic growth overall, times have been challenging. In a bid to manage and overcome these headwinds, Optimax Holdings Berhad have had to remain prudent and relentlessly seek ways to enhance the Group’s competitiveness in driving growth opportunities by leveraging on its strong foundations in business processes, staff unity and branding to react proactively during any setbacks. Each and every decision made during such testing times, has always been carefully thought after to ensure sustainable shareholders’ returns.

## CHAIRMAN'S STATEMENT (CONT'D)

### FINANCIAL OVERVIEW 2022

Year 2022 has indeed brought lots of cheer to Optimax Holdings Berhad, one well worth mentioning is our momentous achievement of being transferred to the Main Board of Bursa Malaysia. This achievement is definitely no mean feat, with group backing up its success by posting record revenue and profit after tax since its listing. Both climbing more than 20% in 2022, amid chalking up the highest number of surgeries conducted, effective marketing efforts and also improved cost management. This strong performance is certainly a testament to the steadfast and fully committed management. We have indeed come a long way since our humble beginnings back in 1995 and are proud that Optimax Holdings Berhad is Malaysia's most recognized eye specialist centre especially in laser refractive surgery.

### MOVING FORWARD WITH PURPOSE

Looking ahead, in line with Optimax Holdings Berhad's expansion plans, we have set sights on adding a few more satellite clinic/centres to our existing fleet of 13 Ambulatory Care Centres (ACC), 1 specialist hospital and 3 satellite clinic/centres. With these additions in place, we strongly believe that it would garner increased patient traffic which should result in improved margins for the group. This pragmatic move should in turn ease patient congestion in major ACCs, as satellite clinic/centres will be able to provide eye examination and consultation services, and only send patients to the nearest available ACC for cases that require surgery.

### REGIONAL EXPANSION

While Malaysia is well known as a popular tourist destination for its many natural and historical sights, you may be surprised to learn that Malaysia is also equally popular for its medical tourism. When we say "medical tourism", we do not actually mean tourists who come to the country to have a vacation, or take a tour around hospitals in the country. Medical tourism instead refers to people from abroad who come to Malaysia to receive medical treatment. In 2023, we anticipate that this will continue to see an upward trajectory in terms of growth.

Malaysia's medical tourism industry has seen significant gains over the years, with more than 1.2 million healthcare travellers coming to the country to seek medical treatment, recording a whopping estimated RM1.7 billion in revenue. This is all due to the government's many initiatives, programmes and organisations that have helped to build up the country's reputation as a trusted health tourism destination worldwide, with excellent care facilities, state-

of-the-art equipment, and highly affordable treatment rates and options. Under the guidance of the government, in conjunction with the Malaysian Healthcare Travel Council (MHTC), a blueprint was developed to set the medical tourism roadmap from 2021 to 2025, in the hopes of making further gains to boost medical tourism in the country. Optimax Holdings Berhad has definitely benefitted from this move and we will continue to tap into this niche area which, if handled correctly, could see extremely profitable returns to the group and shareholders.

Eye health is becoming increasingly important as more people are constantly using digital devices to communicate, learn, and entertain themselves. Poor habits, such as sitting too close to bright screens, can eventually lead to a degradation in a person's ocular well-being. Optimax Holdings Berhad have earned a number of accolades. The most recent being recognised by the Malaysian Book of Records 2022 for having conducted the most number of refractive eye treatments in Malaysia. We definitely have proven our capability and calibre to be able to meet the needs of medical travellers.

We continue to stay focused and are always on the lookout to pounce on any opportunities that arise along the way which we deem could deliver value to the group and our shareholders while upholding Optimax Holdings Berhad's core business values and culture. With this, our investors can rest assured that this will lead to continued sustainable success, given steady fundamentals, effective corporate governance and prudent business management.

### APPRECIATION

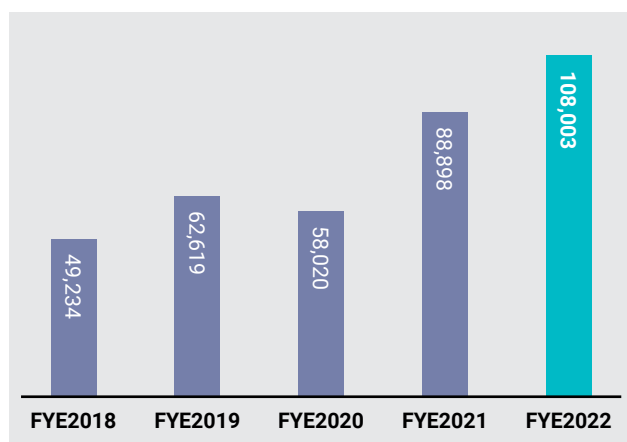
Last but not least, on behalf of the Board, I would like to take this opportunity to express our sincere appreciation to our management team and our pool of talented doctors and staff whose devotions and contributions have been vital to the Group's success. We thank them for their exemplary dedication and hard work. Together, we shall strive for further growth and future success of our Group. At the same time, we are grateful to all our stakeholders, including our customers, suppliers, business partners, regulatory authorities and financiers for their unwavering support and trust. Finally, to our shareholders, thank you for your continued trust. You are the reason we are one of the leading eye specialist providers today. We will remain dedicated to enhancing our shareholders' value by continuing to grow the business sustainably.

# FINANCIAL HIGHLIGHTS

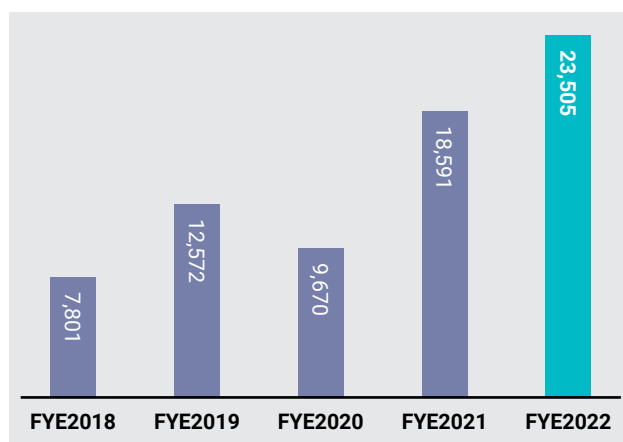
For Financial Year Ended 31 December		2018	2019	2020	2021	2022
Revenue	RM'000	49,234	62,619	58,020	88,898	108,003
Gross Profit	RM'000	7,801	12,572	9,670	18,591	23,505
Profit After Taxation (PAT)	RM'000	4,970	8,730	6,413	13,101	16,414
Profit For The Year Attributable To Equity Holders	RM'000	4,445	7,831	5,641	12,298	14,691
GP Margin	%	15.84	20.08	16.67	20.91	21.80
PAT Margin	%	10.09	13.96	11.05	14.73	15.20
Basic Earnings Per Share <sup>(1)</sup>	Sen	0.82	1.45	1.04	2.28	2.72

<sup>(1)</sup> The calculation of basic earnings per share have been adjusted retrospectively to reflect the changes in the number of Optimax shares during the financial year ended 31 December 2022 as per the requirement of MFRS 133, Earnings per Share, Paragraph 64.

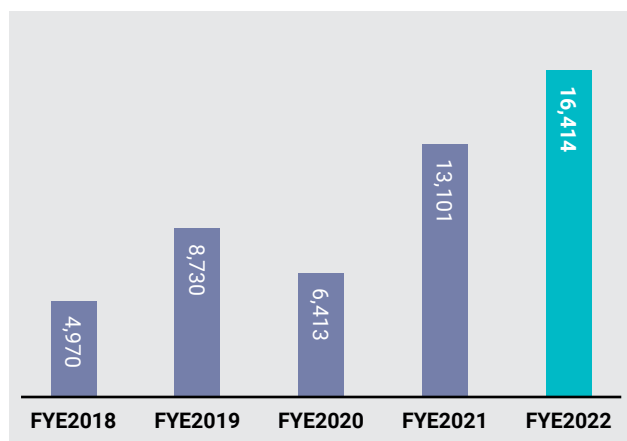
## REVENUE (RM'000)



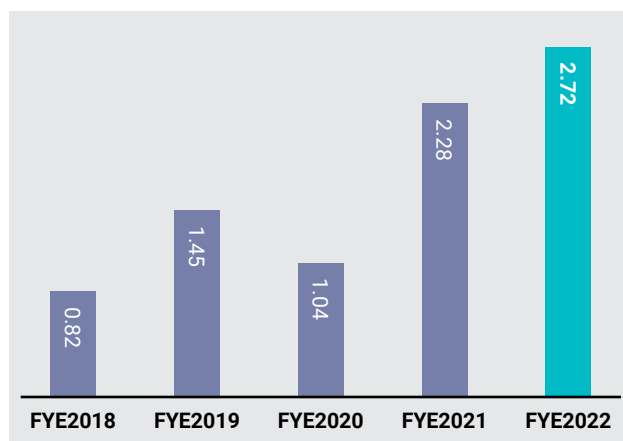
## GROSS PROFIT (RM'000)



## PROFIT AFTER TAX (RM'000)



## BASIC EARNINGS PER SHARE (Sen)



# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

Optimax Holdings Berhad (“**Optimax**” or the “**Company**”) was incorporated in Malaysia under the Companies Act 2016 as a private limited company on 9 August 2018 under the name of Optimax Holdings Sdn Bhd. Subsequently on 20 January 2020, our Company was converted into a public limited company and assumed our present name of Optimax Holdings Berhad. The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) on 18 August 2020. The Group, has on 3 November 2022, completed the transfer of the listing of and quotation for the entire issued share capital of Optimax from the ACE Market to the Main Market of Bursa Securities.

Our core subsidiary, Optimax Eye Specialist Centre Sdn. Bhd. (“**OESC**”) was incorporated in Malaysia on 5 January 1995 as a private limited company. The principal activities of OESC are provision of eye specialist services and related products and services and investment holding.

(Optimax and its subsidiaries are collectively referred to as the “**Group**”)

We provide eye specialist services across Malaysia through a network of seventeen (17) eye specialist centres comprising a specialist hospital, thirteen (13) ambulatory care centres (“**ACC(s)**”) and three (3) satellite clinic/centres. Our centres provide a comprehensive range of treatments aimed at addressing various eye and vision problems, including refractive errors, cataracts, glaucoma, macular degeneration, diabetic retinopathy, and other eye diseases and disorders so as to provide our patients with the best possible care and treatment options, tailored to their specific needs.

Our core services can broadly be categorised into four major groups:

- Refractive surgery comprising of laser vision correction and implant vision correction;
- Treatment of eye diseases and disorders including cataract surgery and other eye medical treatment;
- Consultation and dispensary services comprising doctor consultation and medication; and
- Oculoplastic surgery provides functional and cosmetic treatment for disorders around the eye.

Besides these core services, our Group also provides related services such as eye examinations performed by our in-house optometrists, sales of optical wear, consumables from surgery and medical treatment, procedures (mainly Ortho-K, which is a non-surgical method of reshaping the cornea to provide a clearer vision for children and Botox), administration services, vaccination as well as laboratory tests for patients.

As of the date of this Annual Report, our Group has twenty two (22) eye surgeons to perform a range of eye specialist services from diagnosis to treatment including medical and surgical procedures. Our eye surgeons are supported by a team of professional workforce of fifty four (54) optometrists to perform eye examinations.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS (CONT'D)

#### Operational Updates

Many have described the year 2022 was a year of transition for Malaysia. Year 2022 was a new chapter for the nation when the country entered the transition to the Coronavirus Disease 2019 ("COVID-19") endemic phase on 1 April 2022 after battling the virus outbreak for two years. The spill over effect from the transition to the endemic phase has resulted in more vigorous social activities and hence economic sectors progressively returned to normalcy.

Rebounding from the pandemic-induced economic shock, the Malaysian economy gathered momentum in 2022 as its growth rate surpassed expectations quarter after quarter. The first quarter of 2022 saw a growth rate of 5.0% year-on-year. The pace continued through 2022 where the second quarter registered a remarkable rate of 8.9%. Malaysia's economy delivered a strong growth rate of 14.2% and 7.0% in the third and fourth quarter, bringing 2022's full year gross domestic product ("GDP") to stronger-than-expected growth of 8.7% that surpassed the government's forecast of 6.5% to 7.0%. The high growth rate is mainly driven by private consumption supported by better labour market prospects and business confidence that remains positive.

(Source : [www.dosm.gov.my](http://www.dosm.gov.my))

While there were clear signs that the Malaysian economy had recovered from the debilitating effects of the pandemic, various challenges persisted. The Russia-Ukraine conflict put a major obstacle in the way of Malaysia's recovery. Although the war did not directly affect Malaysia's growth, it did lead to significant hike in crude oil prices and supply chain disruptions. Rising inflationary pressures from prolonged supply chain disruptions, global food shortages and other factors further stymied global and domestic economic recovery.

In 2022, global economic growth moderated to 3.4% from initial forecast of 6.0%. This is the weakest growth since 2001, except for the 2008 global financial crisis and the acute phase of the COVID-19 pandemic.

(Source : [www.imf.org](http://www.imf.org))

Riding on the reopening of economy and relaxation of movement restrictions, the Group recorded an increase in total revenue of RM19.1 million or corresponding 21.5% to RM108.0 million in the financial year ended 31 December ("FYE") 2022, when comparing to RM88.9 million reported in FYE 2021. In tandem with the growth in revenue, the Group's profit before tax ("PBT") stood at RM23.5 million in FYE 2022 with a reported increase of RM4.9 million or corresponding 26.4% as compared to FYE 2021.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### YEAR-ON-YEAR FINANCIAL REVIEW

A summary of our financial performance and financial position indicators for FYE 2022 and FYE 2021 are as follows:

Our financial performance	FYE 2022	FYE 2021	Variance	
	RM'000	RM'000	RM'000	%
Revenue	108,003	88,898	19,105	21.5
Result from operating activities	24,627	19,658	4,969	25.3
PBT	23,505	18,591	4,914	26.4
Profit after tax ("PAT")	16,414	13,101	3,313	25.3
Result from operating activities margin (%)	22.8%	22.1%	0.7 bp	3.2
PBT margin (%)	21.8%	20.9%	0.9 bp	4.3
PAT margin (%)	15.2%	14.7%	0.5 bp	3.4

#### Revenue

Revenue by geographical segment	FYE 2022	FYE 2021	Variance	
	RM'000	RM'000	RM'000	%
North Malaysia	18,703	13,734	4,969	36.2
Central Malaysia	62,413	58,240	4,173	7.2
South Malaysia	23,411	15,187	8,224	54.2
East Malaysia	3,476	1,737	1,739	100.1
<b>Revenue</b>	<b>108,003</b>	<b>88,898</b>	<b>19,105</b>	<b>21.5</b>

Our Group's revenue increased from RM88.9 million in FYE 2021 to RM108.0 million in FYE 2022, representing a year-on-year ("YoY") increase of RM19.1 million or 21.5%.

The primary factor contributing to the revenue growth in FYE 2022 was the surge in patients' demand for treatments, particularly for refractive surgeries and cataract surgeries, which had been delayed due to the various movement control orders in Malaysia in prior years. With the easing of certain restrictions since Malaysia entered the endemic phase on April 1, 2022, more patients were able to seek treatment, resulting in increased revenue for the Group.

Additionally, the Group's marketing efforts in increasing the brand awareness, such as offering free vouchers and discounts for eye specialist services through online platforms, also played a vital role in driving revenue growth during FYE 2022.

The revenue generated from the Central Malaysia region continues to be the primary source of the Group's total revenue, accounted for 57.8% of the revenue in FYE 2022 (FYE 2021 : 65.5%). This was mainly due to the fact that Central Malaysia has the highest number of ACCs compared to other regions.

It is notable that in FYE 2022, revenue growth from Southern Malaysia region of RM8.2 million made the highest contributor to the total revenue growth, which was 43.0% of total revenue growth for Optimax. This was mainly due to the Company's continuous efforts to improve our market reach via the newly setup of satellite clinic/centres to provide eye examinations and consultation services. The Group has set up three (3) new satellite clinic/centres during FYE 2022, one of which is in Johor, while the other two satellite centres are in Kuala Lumpur.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### YEAR-ON-YEAR FINANCIAL REVIEW (CONT'D)

#### Result from operating activities

In congruence with the increase in revenue, the Group recorded an improved result from operating activities of RM24.6 million in FYE 2022 as compared to RM19.7 million recorded in FYE 2021, with a YoY increase of RM4.9 million or 25.3%. Notwithstanding the challenges for the year of the increase in commodities price and supply chain disruption, the operating margin for FYE 2022 remained resilient with an improvement of 0.7 basic point ("bp") when compared to FYE 2021 as the Group continued to be mindful of cost discipline and optimisation through leveraging on our operational excellence and cost optimisation initiatives.

#### Profit before tax

In furtherance to the abovementioned analysis, our PBT increased by RM4.9 million or 26.4%, to RM23.5 million in FYE 2022 when compared to FYE 2021 of RM18.6 million. PBT margin demonstrated resilience and remained strong at 21.8% in FYE 2022, improved by 0.9 bp from 20.9% reported in FYE 2021.

#### Profit after tax

The Group reported an improved PAT of RM16.4 million in FYE 2022, it shown a growth rate of 25.3% as compared to RM13.1 million in FYE 2021.

#### Profit net of tax attributable to the equity holders of the Company ("Net Profit")

Consistent with the above, the Group achieved a net profit of RM14.7 million in FYE 2022 which was higher than the net profit of RM12.3 million attained in FYE 2021 by RM2.4 million or 19.5%. As such, this has translated to our basic earnings per share for FYE 2022 of 2.72 sen, which was 0.44 sen higher than that of 2.28 sen attained in FYE 2021.

Our financial position	FYE 2022	FYE 2021	Variance	
	RM'000	RM'000	RM'000	%
Non-current assets	68,302	59,097	9,205	15.6
Current assets	33,084	33,518	(434)	(1.3)
Non-current liabilities	23,450	20,905	2,545	12.2
Current liabilities	15,949	13,968	1,981	14.2
Equity attributable to owners of the Company	58,120	55,038	3,082	5.6

#### Assets

Non-current assets comprise largely by right-of-use assets, property, plant and equipment and deferred tax assets. The non-current assets increased from RM59.1 million as at 31 December 2021 to RM68.3 million as at 31 December 2022, which was mainly caused by the additions on property, plant and equipment of RM14.7 million, cushioned by the depreciation charges of RM6.0 million. The additions were mainly made for the purpose of capacity expansion, which reflecting the Company's commitment to growth and improving its ability to meet customer demand.

Current assets recorded a marginal decrease from RM33.5 million as at 31 December 2021 to RM33.1 million as at 31 December 2022.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### YEAR-ON-YEAR FINANCIAL REVIEW (CONT'D)

#### Liabilities

Non-current liabilities comprise loan and borrowings, lease liabilities and deferred tax liabilities which increased by RM2.6 million or 12.2% YoY to RM23.5 million as at 31 December 2022 (31 December 2021: RM20.9 million). The said increase was mainly due to increase in loans and borrowings of RM1.2 million, deferred tax liabilities of RM0.8 million as well as lease liabilities of RM0.5 million due to renewal of lease contracts.

Current liabilities consist mainly of trade and other payables, loan and borrowings, lease liabilities and current tax liabilities, which increased by RM2.0 million or 14.2% YoY to RM15.9 million as at 31 December 2022 (31 December 2021: RM14.0 million). The said increase was largely due to the increase in trade and other payables by RM1.5 million which was in line with the increase in the cost of sales.

#### Liquidity, capital resources and gearing

Our cash flow from/(used in)	As at	As at	Variance	
	31 December 2022	31 December 2021	RM'000	%
Operating activities	27,055	19,692	7,363	37.4
Investing activities	(11,239)	(295)	(10,944)	3,709.8
Financing activities	(16,139)	(10,715)	(5,424)	50.6
Net changes in cash and cash equivalents	(323)	8,682	(9,005)	(103.7)

Cash and cash equivalents comprise of cash and bank balance offset with pledged deposits. As at 31 December 2022, our cash and bank balances reported a marginal reduction of RM0.3 million or 1.7% to RM18.2 million when comparing to RM18.5 million recorded as at 31 December 2021 whereas pledged deposits remained the same as at 31 December 2022.

The PBT reported in FYE 2022 has contributed to the positive cash flow before working capital changes of RM32.3 million. With the prompt collection from trade and other receivables of RM2.0 million as well as increase in trade and other payables of RM0.9 million, negated with the increase in inventories of RM1.2 million and increase in prepayment of RM0.4 million, this has positively improve our cash generated from operations by RM1.3 million. With the payment of interest and income tax of RM6.5 million, we reported a net cash flow from operating activities of RM27.0 million in FYE 2022.

Net cash outflow of RM11.2 million was recorded from investing activities during FYE 2022, which was mainly contributed by the cash investment made on property, plant and equipment of RM11.1 million as mentioned above.

The Group has reported net cash outflow of RM16.1 million from financing activities during FYE 2022 mainly due to the dividend paid of RM12.2 million, net repayment of loan and borrowings of RM2.3 million as well as repayment of lease liabilities of RM1.7 million.

Our business operations are financed by a combination of internal and external sources of funds. Internal sources of funds comprise mainly shareholders' equity and cash generated from our operations, while the external source of funds comprises bank borrowings as well as credit terms granted by our suppliers. Credit terms granted to us by our suppliers range from 30 to 60 days.

The Management believes that after considering our cash and bank balance as well as the funds envisaged to be generated from our business operations, we will be having adequate working capital to meet our present and foreseeable day-to-day business operation requirements. Save as aforementioned, we are not aware of any other known trends and events that are reasonably likely to have a material effect on our operations, performance, financial condition and liquidity.

Whereas for capital commitments, we entered into agreement to invest approximately RM4.2 million for the purpose of capacity expansion.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### REVIEW OF OPERATING ACTIVITIES

#### Corporate Developments

On 17 December 2021, the Board of Directors (“**Board**”) of Optimax announced that Optimax had entered into a Memorandum of Understanding (“**MOU**”) with Selgate Healthcare Sdn. Bhd. (“**Selgate**”) to manage and operate a full-service eye specialist centre for Selgate group of hospitals on an exclusive basis. Selgate shall be responsible to provide the exact facilities at the designated Selgate group of hospitals for the usage by Optimax whereas Optimax shall be responsible to procure the medical and specialist equipment and disposable items required for the operation of a full-service eye specialist centre at the clinic. On 29 November 2022, Optimax announced that Optimax and Selgate have agreed that the MOU which expired on 17 December 2022 will be extended for a period of another 24 months.

On 30 May 2022, the Board of Optimax announced that Optimax had entered into a MOU with Sena Resources Sdn. Bhd. (“**Sena**”) and Kempas Eye Specialist Hospital Sdn. Bhd. in relation to the construction by Sena of a “purpose built” private eye hospital on the land which is owned by Sena, and to rent the land and eye hospital to Optimax. The rationale of this MOU will enable Optimax to operate the eye hospital and expand its services within the Southern Malaysia region. Optimax is expected to leverage on its existing southern ACCs and satellite clinic/centres which are currently located in Segamat, Kluang, Muar and Johor Bahru for referral and to provide specialist services to customers and patients at the eye hospital for treatment and follow-ups. Upon becoming operational, we envisage the eye hospital will also be able to capture and cater for the expected increase in demand for eye treatment services from neighbouring countries such as Singapore and Indonesia. In addition, the eye hospital may potentially receive an increase of demand for eye treatment services after the Johor Bahru–Singapore Rapid Transit System is built and becomes operational in due course which is expected to improve the travelling convenience for prospective patients from Singapore to seek treatment in Johor, Malaysia.

#### Corporate Exercise

On 30 April 2021, the Group announced to undertake the bonus issue of 67,500,000 warrants (“**Warrants**”) in the Company on the basis of 1 warrant for every 4 existing ordinary shares in Optimax held on entitlement date (“**Bonus Issue of Warrants**”). The Board is of the view that the Bonus Issue of Warrants is the most appropriate avenue of rewarding existing shareholders of the Company as the Bonus Issue of Warrants will:

- reward existing shareholders of the Company for their continuous support by enabling them to participate in convertible securities of the Company in the form of Warrants which are tradeable on Bursa Malaysia;
- provide existing shareholders of the Company with an opportunity to increase their equity participation in the Company at a pre-determined price during the tenure of the Warrants;
- allow existing shareholders of the Company to benefit from any potential capital appreciation of the Warrants; and
- help to strengthen the Company’s capital base and shareholders’ equity as well as potentially provide Optimax up to RM81.0 million over the next five years as and when any of the Warrants are exercised, without incurring extra financing costs.

On 6 January 2022, the Bonus Issue of Warrants has been completed following the listing of and quotation 67,499,994 warrants on the ACE Market of Bursa Malaysia.

On 14 February 2022, the Group announced to undertake the bonus issue of up to 404,999,992 ordinary shares in Optimax on the basis of 1 bonus share for every 1 Optimax share held on entitlement date (“**Bonus Issue**”). The Board is of the view that the Bonus Issue is the most appropriate avenue for Optimax to achieve the following objectives:

- to increase the number of Optimax’s shares held by the existing shareholders, while maintaining their percentage of equity interest held in the Company;
- to enhance the trading liquidity and improve the affordability of the Optimax’s shares on Bursa Securities by way of a larger number of shares available in the market; and
- potentially broaden the shareholder base of the Company as a result of the increase in the number of Optimax’s shares.

Further, as the Bonus Issue will not require any capitalisation of the Company’s reserves, the Company will be able to deploy its reserves and net assets towards future needs.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### REVIEW OF OPERATING ACTIVITIES (CONT'D)

#### Corporate Exercise (Cont'd)

On 9 May 2022, the Bonus Issue has been completed following the listing of and quotation for 207,001,500 bonus shares and 67,498,494 additional warrants on ACE Market of Bursa Malaysia.

On 3 November 2022, the Group completed the transfer of the listing of and quotation for the entire issued share capital and warrants of Optimax from the ACE Market to the Main Market of Bursa Malaysia. The Board believes that the transfer will enhance the Company's credibility, prestige and reputation, and accord the Company with greater recognition and support amongst investors, in particular, institutional investors, while reflecting Optimax's current scale of operations. This in turn is expected to improve the liquidity and marketability of Optimax's shares. In addition, the transfer is envisaged to build confidence and trust of Optimax's customers, suppliers, business associates, employees, shareholders and lenders/bankers in the Company, through its profile as a company listed on the Main Market of Bursa Malaysia.

### RISK PROFILES

We highlight below the key anticipated or known risks that our Group is exposed to that may have a material effect on our operations, performance, financial condition and liquidity. Our plans and strategies to mitigate these risks have also been disclosed below:-

#### (i) Business risks

Our Group is principally involved in the provision of eye specialist services. Hence, we are susceptible to the risks inherent to this industry. These include, amongst others, any outbreaks of diseases affecting local and global markets, rising costs of labour and raw materials, availability of skilled personnel, changes in laws and regulations applicable to our business, business and credit conditions, as well as fluctuations in foreign exchange rates. There can be no assurance that any material changes to these factors will not have a material adverse effect on the business operations of our Group.

Nevertheless, our Group has been taking effective measures to mitigate the aforementioned risks such as prudent financial management and efficient operating procedures. Further, we constantly keep abreast of economic and regulatory changes relating to our business.

#### (ii) Operational risks

We are subject to the risks of medical and legal claims, regulatory actions and professional liability arising from the provision of our eye specialist services and business operations.

As such, our insurance coverage and indemnities may not be adequate to cover all risks and losses associated with our business operations. Our Group faces the risk of exposure to malpractice, medical or negligence claims on account of alleged misconduct or deficiencies in the services provided. We may not be able to avoid malpractice, medical negligence, or misconduct exposure, including on account of error by our personnel, machine or equipment error, or the lack of pre-operative advice or post-operative care for patients.

Our ophthalmologists are required to maintain their own individual medical indemnity insurance while our Group also maintains malpractice liability policies for the sum insured of RM5 million to protect against various losses and liabilities arising from medical malpractice. We obtained indemnity from each of our ophthalmologists against any and all losses, damages, and liabilities incurred or suffered by our Group or that may arise from any negligence, demands, actions, claims, lawsuits or proceedings that are threatened or pending against us arising from medical negligence. Our fire insurance policies and machinery and equipment policies with coverage against, amongst others, risk of damage to or loss of our specialist hospital, ACCs, specialist clinics, machinery and equipment.

Nonetheless, our Group is committed to maintaining the highest standard of quality in our eye specialist services through stringent quality assurance procedures and regular training sessions attended by our technical workforce. Our Group has, thus far, never encountered any medical and legal claims in relation to the provision of these services.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### RISK PROFILES (CONT'D)

#### (iii) Competition risks

The Group's revenue and profitability are exposed to the risk of uncertainty arising from global and local economic conditions. Furthermore, we continue to face competition from existing and new competitors who may be capable of offering similar services and products. Whilst we strive to remain competitive, there can be no assurance that any changes in the competitive environment would not have any material and adverse impact on our business and financial performance.

Nevertheless, our Group strives to maintain our competitive edge by ensuring the quality of our services and products through stringent quality assurance procedures. We also continuously place importance on improving our services and products by investing in market research and product development activities.

### FORWARD-LOOKING STATEMENT

Since 2020, the COVID-19 pandemic was the most negative issue plaguing the global economy followed by, arguably, supply chain disruption. Fortunately, the pandemic is no longer a major concern while the supply chains situation started improving gradually. However, with the looming global recessionary risk, the tighter global monetary and financial conditions and the uncertainties of the Russia-Ukraine conflict and intensifying US-China trade war, the global economic outlook is rather gloomy. These could potentially dampen the uptick of economic activity that we had been experiencing since early 2022. With the deceleration of the global economy, the nascent increased spending in capital expenditure could be impacted by rising risk aversion and risk-off sentiments. Companies could delay or postpone capital expenditure.

The World Bank, in its January 2023 Global Economic Prospects report, forecasted that the global economy growth would decelerate sharply to 1.7% in 2023, the third weakest pace of growth in nearly three decades. The setback to global prosperity will likely persist as a result of the continued disruptions from Russia's invasion of Ukraine, higher-than-expected inflation and abrupt rises in interest rates to contain it.

The World Bank also sees growth in Malaysia's economy moderating. In the World Bank's latest Global Economic Prospects report, it said growth is projected at 4.0% in Malaysia. Malaysia's real GDP is expected to moderate in 2023 to 4.0% as forecasted by Fitch Solutions Country Risk and Industry Research, weighed down by the fading of base effects and pent-up demand, tighter credit conditions and a weakening global growth outlook.

(Source: [www.theedgemarkets.com](http://www.theedgemarkets.com))

While market volatility will remain largely beyond our control, we are cautiously optimistic at this juncture and we will continue to look for pockets of income growth while being mindful of keeping costs down, to deliver a commendable performance. We remain focus to ensure our capital and liquidity buffers are robust so that we remain resilient to market uncertainties and business challenges as we endeavour to remain focused on delivering growth and long-term shareholders' value.

The Group remains committed to expanding its network of ACC in Malaysia. In this endeavor, due consideration will be given to factors such as location, population, demographics, and availability of skilled healthcare professionals. These factors will inform the decision-making process for setting up ACCs, ensuring that the centres are optimally located and equipped to cater to the healthcare needs of their respective communities.

Optimax will continue to set up satellite clinic/centres as part of its future plans to provide eye examination and consultation services to further improve our market reach. Through the clinics, we will be able to refer patients that require surgery to our surgeons at the nearest ACC. This allows us to have more geographical coverage including to the remote areas.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### FORWARD-LOOKING STATEMENT (CONT'D)

Our Group is committed to expanding our footprint in the South-East Asia ("SEA") region, as we see tremendous opportunities for growth and development in this dynamic and diverse market. We believe that by establishing a strong presence in SEA, we can better serve our customers in the region, build new partnerships and collaborations, and leverage the unique strengths and resources of each country we operate in.

The Group will also continue to invest in brand building and promotional activities to remain competitive. Our Group has been growing from strength to strength and embracing new challenges as we grow and we remain committed to providing quality and safe services and products, as well as continuously improve our business processes to enhance cost optimisation and efficiency.

### DIVIDEND

Our highest priority remains the creation of sustainable, long-term value and return for our shareholders. Amidst the macroeconomic uncertainties, our stable operational performance and prudent cost management efforts allowed us to reward our shareholders. On 29 November 2022 and 28 February 2023, the Group declared a first and second interim single-tier dividend of 1.2 sen per share respectively with a total of 2.4 sen per share (FYE 2021: 3.8 sen per share). This equates to a pay-out ratio of 88.2% of consolidated profits to shareholders, made possible by our on-going focus on operational efficiencies and robust cash generation capabilities.

We are committed to provide our loyal shareholders with an attractive dividend yield, while also maintaining financial prudence to support reinvestment in our business. Our goal is to continue paying dividends to our shareholders, as we believe it is important to enable them to participate in our profits.

# DIRECTORS' PROFILE



## DATO' SERI DR. CHEN CHAW MIN

Independent Non-Executive Director and Chairman

Nationality



Gender



Age



**Dato' Seri Dr. Chen Chaw Min ("Dato' Seri Dr. Chen")** was appointed to the Board in December 2021.

Dato' Seri Dr. Chen started his career with the Malaysian Civil Service in 1988 and has held many posts in the government. His first posting was in Ministry of Rural Development and from 1990 onwards; he has served in various divisions in the Ministry of Finance such as the Budget Division, Investment Division, Housing Loan Division, Finance Division and Fiscal and Economy Division of the Ministry. On 25th April 2014 he joined Ministry of Health as Deputy Secretary General (Finance). On 4th July 2015, Dr. Chen was appointed as the Secretary General of Ministry of Health Malaysia.

During his tenure as Secretary General of Ministry of Health and until his retirement, he was actively involved in several National Policy Task Forces and Health-related Councils. He also played a pivotal role in spearheading the fight against Covid-19. He was appointed as the Chairman of Protect Health Malaysia and a board member of several government companies such as National Heart Institute (IJN), National Kenaf & Tobacco, Clinical Research Malaysia (CRM), Malaysia Health Tourism Council (MHTC) and Protect Health Corporation.

He has published in international and local journals and was invited to present papers in international conferences and seminars. Dr. Chen has also attended several prestigious short courses namely in Harvard Business School USA and Oxford University Said School of Business UK. He is very active and excel in outdoor activities such as tennis, golf and hiking. Dr. Chen retired officially from civil service on 4th February 2021.

At present, Dato' Seri Dr. Chen is the independent Non-Executive Chairman of Optimax Holding Berhad and independent Non-Executive Chairman of Malaysia Genome Research Centre Berhad. He is also the director of several privately owned companies in Malaysia.

Dato' Seri Dr. Chen has attended 6 Board meetings held during the year ended 31 December 2022 and he does not hold any ordinary shares and warrants in the Company.

Dato' Seri Dr. Chen has no family relationship with any Director and/or major shareholder of the Company. He has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest with the Company.

**Board Meetings of Optimax Holdings Berhad held in the financial year ended 31 December 2022**

**Attended**

**6/6**

**DIRECTORS' PROFILE  
(CONT'D)**

**Tan Sri Dato' (Dr.) Tan Boon Hock ("Tan Sri Dato' (Dr.) Tan")** was appointed to the Board in August 2018. He is a major shareholder of the Company.

Tan Sri Dato' (Dr.) Tan ventured into the eye specialist healthcare industry by incorporating OESC under the name of Precious Premier (M) Sdn Bhd, offering refractive surgery services to patients. Throughout the 25 years since the incorporation of OESC, Tan Sri Dato' (Dr.) Tan expanded the business of OESC to other states in Malaysia and started providing other eye specialist services, including cataract surgery services.

In Tan Sri Dato' (Dr.) Tan's capacity as a director of companies within the Optimax Group, he has provided business and management guidance and strategic advice to the senior management of the Optimax Group over the years. He has also played a leading role in the formulation of the business direction and strategies of the Optimax Group. Under his guidance and direction, the Optimax Group has grown rapidly to become one of the major operators in the eye specialist industry in Malaysia and it is anticipated that going forward, Tan Sri Dato' (Dr.) Tan will continue to play a similar role in formulating the business and strategies of the Optimax Group.

At present, Tan Sri Dato' (Dr.) Tan is the Non-Independent Non-Executive Director of ITMAX System Berhad and holds directorships in other private limited companies.

Tan Sri Dato' (Dr.) Tan has attended 6 Board meetings held during the financial year ended 31 December 2022. Tan Sri Dato' (Dr.) Tan holds 144,086,000 ordinary shares together with 36,021,500 warrants directly in the Company.

Tan Sri Dato' (Dr.) Tan is the father of Sandy Tan Sing Yee, the Chief Executive Officer and Non-Independent Executive Director and Tan Sing Chia, Non-Independent Non-Executive Director of the Company. He has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest with the Company other than those disclosed in the Company's circular to shareholders in relation to recurrent related party transactions.

**TAN SRI DATO' (DR.)  
TAN BOON HOCK**

Non-Independent Executive Director and  
Deputy Chairman"

Nationality



Gender



Age

67

**Board Meetings of Optimax Holdings Berhad held  
in the financial year ended 31 December 2022**

**Attended**

**6/6**

## DIRECTORS' PROFILE (CONT'D)



**Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim ("Tan Sri Dato' Seri Mohamad Noor")** was appointed to the Board in December 2021.

Tan Sri Dato' Seri Mohamad Noor graduated with a Bachelor of Arts (Honours) from University of Malaya and joined the Malaysian civil service in 1968. Tan Sri Dato' Seri Mohamad Noor has held positions in the Government including State Secretary of Pulau Pinang, Kelantan Federal Development Director (Prime Minister's Department), Perak State Financial Officer, Director General of Kuala Lumpur City Hall, Under Secretary for Ministry of Defence and Ministry of Finance and Secretary General of Ministry of Domestic Trade and Consumer Affairs. Tan Sri Dato' Seri Mohamad Noor last post in the civil service was as the Secretary General of the Ministry of Home Affairs from 1998- 2000.

Currently, Tan Sri Dato' Seri Mohamad Noor is the Chairman of TSR Capital Berhad and Independent Non-Executive Director of Mitrajaya Holdings Berhad. He is also currently the President of the Asian Petanque Confederation, Committee member of the Malaysia Golf Association, Vice President of Olympic Council of Malaysia, Council Member of Institut Sukan Negara and Deputy Chairman of Federal Territory Sports Council.

Tan Sri Dato' Seri Mohamad Noor has attended 5 Board meetings held during the year ended 31 December 2022 and he does not hold any ordinary shares and warrants in the Company.

Tan Sri Dato' Seri Mohamad Noor has no family relationship with any Director and/or major shareholder of the Company. He has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest with the Company.

### TAN SRI DATO' SERI MOHAMAD NOOR BIN ABDUL RAHIM

Non-Independent Non-Executive Director

Nationality



Gender



Age

78

**Board Meetings of Optimax Holdings Berhad held  
in the financial year ended 31 December 2022**

**Attended**

**5/6**

**DIRECTORS' PROFILE  
(CONT'D)**

**Sandy Tan Sing Yee ("Sandy")** was appointed to the Board in December 2019.

Sandy started as a customer service executive in OESC in 2012. She was then re-designated as a human resources executive in 2013, where she was exposed to various type of works relating to human resources management of our Group. She was promoted to Marketing Director one year later and took charge of sales and marketing activities of the Group. Subsequently, she was appointed as our Chief Executive Officer in 2017.

Upon joining the Group, Sandy has been responsible for developing and implementing marketing strategies to elevate our Group's branding with the aim of increasing market share in the eye specialist industry. She is also responsible for developing new business opportunities, particularly in promoting our Group's business and services in the eye specialist industry. It is anticipated that going forward, she will continue to play a similar role within the Group.

Sandy has attended 6 Board meetings held during the year ended 31 December 2022 and holds 2,060,000 ordinary shares and 515,000 warrants directly in the Company.

Sandy is the daughter of Tan Sri Dato' Tan Boon Hock, the Executive Deputy Chairman and a major shareholder of the Company. She has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. She has no conflict of interest with the Company other than those disclosed in the Company's circular to shareholders in relation to recurrent related party transactions. She does not hold any directorship in other public companies and listed issuers in Malaysia.

**SANDY TAN SING YEE**

Non-Independent Executive Director

Nationality



Gender



Age

36

**Board Meetings of Optimax Holdings Berhad held  
in the financial year ended 31 December 2022**

**Attended**

**6/6**

## DIRECTORS' PROFILE (CONT'D)



**Yap Ping Hong ("Ping Hong")** was appointed to the Board in January 2020. He is a member of the Association of Chartered Certified Accountants ("ACCA") since 2008 and a fellow of ACCA since 2013. Ping Hong also a chartered accountant of the Malaysian Institute of Accountants (MIA) and a professional member of The Institute of Internal Auditors Malaysia (IIA Malaysia).

Ping Hong started his career with BDO Malaysia as external auditor and subsequently joined the advisory department of BDO Malaysia where he was responsible for carrying out assignment relating to receivership and liquidation. Ping Hong was an associate director of NGL Tricor Governance Sdn Bhd, where he led a team of internal auditors to provide internal audit services to public listed companies in Malaysia and Singapore.

Ping Hong is one of the co-founders and presently a director of Silver Ocean Advisory Sdn Bhd, a company providing corporate advisory and risk advisory; Ping Hong also owns Herman Yap & Associates, a firm registered with MIA, providing accounting and corporate services.

Ping Hong has attended 6 Board meetings held during the year ended 31 December 2022 and does not hold any ordinary shares and warrants in the Company.

Ping Hong has no family relationship with any Director and/or major shareholder of the Company. He has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest with the Company. He does not hold any directorship in other public companies and listed issuers in Malaysia.

### YAP PING HONG

Independent Non-Executive Director

Nationality



Gender



Age

41

**Board Meetings of Optimax Holdings Berhad held  
in the financial year ended 31 December 2022**

**Attended**

**6/6**

**DIRECTORS' PROFILE  
(CONT'D)**

**Yap Eng Gee ("Eng Gee")** was appointed to the Board in January 2020. She is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and a member of the Malaysian Institute of Accountants (MIA).

Eng Gee has more than 30 years of extensive experience in various spectrum of finance functions encompassing accounting, taxation, financial reporting, corporate finance and corporate development across various industries including manufacturing, property development, automotive and healthcare services in both private and public listed companies.

Senior leadership positions held by Eng Gee include as Chief Executive Officer of Stemlife Berhad, Group Chief Financial Officer of TMC Life Sciences Berhad and Chief Financial Officer of Pantai Holdings Berhad.

Eng Gee has attended 6 Board meetings held during the year ended 31 December 2022 and does not hold any ordinary shares and warrants in the Company.

Eng Gee has no family relationship with any Director and/or major shareholder of the Company. She has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. She has no conflict of interest with the Company. She does not hold any directorship in other public companies and listed issuers in Malaysia.

**YAP ENG GEE**

Independent Non-Executive Director

Nationality



Gender



Age

54

**Board Meetings of Optimax Holdings Berhad held  
in the financial year ended 31 December 2022**

**Attended**

**6/6**

## DIRECTORS' PROFILE (CONT'D)



**Michelle Tan Sing Chia ("Michelle")** was appointed to the Board in December 2022.

Michelle began her career as a Credit Control Officer at Pantai Hospital Kuala Lumpur in 2011, where she was primarily responsible for conducting credit checks on new customers and resolving problems for outstanding invoice payments. In late 2011, she joined Rawang Specialist Center Sdn Bhd as an Assistant to the Chief Operating Officer, where she was involved in establishing and setting up of the Rawang Specialist Hospital (now known as KPJ Rawang Specialist Hospital). In November 2012, she was appointed as a director of Sena Traffic Systems Sdn Bhd. (STS) and in her capacity as a director, she oversaw the finance and accounting functions of STS.

In June 2013, she left Rawang Specialist Center Sdn Bhd and joined Sena Letrik (M) Sdn Bhd (Sena Letrik) as Acting Chief Financial Controller in December 2013, where she was primarily responsible for handling day-to-day finance activities and financial planning of the Sena Letrik group of companies (including STS, which was a subsidiary of Sena Letrik until January 2018).

In August 2018, Michelle left Sena Letrik and joined Optimax Eye Specialist Centre Sdn Bhd, a subsidiary of Optimax Holdings Berhad, as Group Financial Controller. She was re-designated as Chief Financial Officer of Optimax Holdings Berhad in January 2020, where she was primarily responsible for overseeing the finance and accounting, treasury functions and regulatory compliance matters of the Optimax Holdings Berhad group of companies until her resignation in May 2022. Michelle was appointed as Non-Independent Non-Executive Director of the Company on 1 December 2022.

### MICHELLE TAN SING CHIA

Non-Independent Executive Director

Nationality



Gender



Age

34

At present, Michelle is the Executive Director (Corporate and Finance) of ITMAX System Berhad and holds directorships in other private limited companies.

Michelle has not attended any of the meetings held during the financial year ended 31 December 2022 as he was appointed to the Board in December 2022. She holds 2,060,000 ordinary shares and 515,000 warrants directly in the Company.

Michelle is the daughter of Tan Sri Dato' Tan Boon Hock, the Executive Deputy Chairman and a major shareholder of the Company. She has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. She has no conflict of interest with the Company other than those disclosed in the Company's circular to shareholders in relation to recurrent related party transactions. She is the Executive Director.

### Board Meetings of Optimax Holdings Berhad held in the financial year ended 31 December 2022

### Attended

Note : Appointed to the Board in December 2022.

**DIRECTORS' PROFILE  
(CONT'D)**

**Mohd Sahir Bin Rahmat ("Encik Sahir")** was appointed to the Board in December 2022. He is a member of the Malaysian Institute of Accountants (MIA).

Encik Sahir has more than 30 years of extensive experience in various spectrum of finance functions encompassing accounting, taxation, financial reporting, corporate finance, and corporate development in healthcare services industry in both private and public listed companies.

Senior leadership positions held by Encik Sahir include as Chief Financial Officer of KPJ Healthcare Berhad, Senior Vice President, Corporate Services of KPJ Healthcare Berhad and Head of International Business of KPJ Healthcare Berhad.

Encik Sahir has not attended any of the meetings held during the financial year ended 31 December 2022 as he was appointed to the Board in December 2022 and does not hold any ordinary shares and warrants in the Company

Encik Sahir has no family relationship with any Director and/or major shareholder of the Company. He has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest with the Company. He does not hold any directorship in other public companies and listed issuers in Malaysia.

**MOHD SAHIR BIN RAHMAT**

Independent Non-Executive Director

Nationality



Gender



Age

58

**Board Meetings of Optimax Holdings Berhad held  
in the financial year ended 31 December 2022****Attended**



Note : Appointed to the Board in December 2022.

# KEY SENIOR MANAGEMENT



## SANDY TAN SING YEE

Chief Executive Officer

Nationality	Gender	Age
		36

**Sandy** joined our Group in 2012.

Sandy started as a customer service executive in OESC in 2012. She was then re-designated as a human resources executive in 2013, where she was exposed to various type of works relating to human resources management of our Group. She was promoted to Marketing Director one year later and took charge of sales and marketing activities of the Group. Subsequently, she was appointed as our Chief Executive Officer in 2017.



Upon joining the Group, Sandy has been responsible for developing and implementing marketing strategies to elevate our Group's branding with the aim of increasing market share in the eye specialist industry. She is also responsible for developing new business opportunities, particularly in promoting our Group's business and services in the eye specialist industry. It is anticipated that going forward, she will continue to play a similar role within the Group.

Sandy holds 2,060,000 ordinary shares and 515,000 warrants directly in the Company.



## SUSAN CHEOW POH KHENG

Chief Operating Officer

Nationality	Gender	Age
		42

**Cheow Poh Kheng ("Susan Cheow")**, joined our Group in January 2021.

Susan Cheow has more than 15 years of extensive experience in the healthcare industry where she held senior management and leadership roles at various established private hospitals in Malaysia. Prior to joining OESC, she was the Director of Allied Health at Thomson Hospital Kota Damansara, where she was responsible for more than 10 clinical support services departments. Susan Cheow has also previously held a management position in the Pharmacy Department of Assunta Hospital, Petaling Jaya, and Pantai Hospital Kuala Lumpur.

Susan Cheow joined OESC as our Chief Operating Officer. She brings with her strong healthcare rationales and meticulous approach towards administration and operations into our Group. She is instrumental in the establishment of strong governance, achievement of renowned healthcare quality accreditations and implementation of successful business strategies and process improvement plans in accordance with the goals and directions of our Group.



Susan Cheow does not hold any ordinary shares and warrants in the Company.

## KEY SENIOR MANAGEMENT (CONT'D)



### PANG WOEI YAW

Chief Financial Officer

Nationality	Gender	Age
		35

**Pang Woei Yaw ("Pang")** joined our Group in September 2018.

Pang was a corporate finance manager for Sena Diecasting Industries Sdn Bhd, where he was primarily responsible for the financing and accounting matters of the company, including preparing monthly management accounts and financial reports and identifying areas for improvement in finance operations. During his employment with Sena Diecasting Industries Sdn Bhd, he was seconded to OESC and placed in charge of reviewing the financial statements of our Group and providing related financing advisory services.



He left Sena Diecasting Industries Sdn Bhd and joined OESC as the Group Accountant. He is responsible for accounting and tax-related matters of our Group, including reviewing the financial statements and audit reports of our Group.

Pang does not hold any ordinary shares and warrants in the Company.



### DR. STEPHEN CHUNG

Senior Medical Director

Nationality	Gender	Age
		64

**Dr. Stephen Chung ("Dr. Stephen")**, joined our Group in 1995.

Dr. Stephen first joined OESC as a consultant ophthalmologist. He underwent training with eye surgeons from Optimax UK for the understanding of then-revolutionary Photorefractive Keratectomy (PRK) refractive laser procedure. He later went on to perform the first PRK operation in OESC.

After fully dedicating his time to OESC, he took the initiative to enhance his skills by adapting and mastering the latest innovations and evolutions of laser technology in the field of ophthalmology by carrying out the femtosecond assisted laser in-situ (FemtoLASIK) procedure in 2005, and the Small Incision Lenticule Extraction (SMILE®) procedure in 2013, and expanding the specialist services that our Group could offer to existing and potential customers.

Dr. Stephen is our Senior Medical Director and substantial shareholder with over 36 years of experience in the eye care industry. He is mainly stationed at our eye specialist centre located at Taman Tun Dr. Ismail, Kuala Lumpur and further provides his services at our eye specialist centres in Kuching and Ipoh on an ad-hoc basis by performing refractive surgeries. Dr. Stephen is also primarily responsible for providing refractive surgeries training to our doctors. He is also the Chairman of our Group's Medical Committee, which is primarily responsible for introducing rules and standard operating procedures to be adopted by our specialist hospital, ambulatory care centres, and clinics and applied by our doctors.



Dr. Stephen holds 30,720,000 ordinary shares and 7,680,000 warrants directly in the Company.

## KEY SENIOR MANAGEMENT (CONT'D)



### DR. CHUAH KAY LEONG

Senior Medical Director

Nationality	Gender	Age
		56

**Dr. Chuah Kay Leong** (“Dr. Chuah”) joined our Group in 2002.

Dr. Chuah first joined OESC as a Consultant Ophthalmologist, bringing with him over 10 years of experience in the eye care industry. He has since been working closely with our Group and is primarily responsible for providing technical and clinical leadership support and mentorship to the cataract surgeons and ophthalmic nurses.



He sits on our Group’s Medical Committee and his primary responsibility is to introduce the rules and standard operating procedures that are applied by all our doctors and adopted by our specialist hospital, ambulatory care centres and clinics.

Dr. Chuah holds 20,170,000 ordinary shares and 5,042,500 warrants directly in the Company.



### DR. LAM HEE HONG

Medical Director (Southern)

Nationality	Gender	Age
		45

**Dr. Lam Hee Hong** (“Dr. Lam”) joined our Group in January 2018.

A veteran in the eye care industry, Dr. Lam first affiliated with OESC when his clinic, Lam Eye Specialist business and assets were acquired by OESC in 2016. He officially joined our Group as an Ophthalmologist in January 2018 and upon joining the Group, he has since contributed substantially to the expansion of our Group into the Southern region by taking part in the implementation of marketing strategies to strengthen the presence of our Group there.

He was also involved in the process of setting up our branches in Segamat and Kluang. Dr. Lam is responsible for monitoring the performance of the specialist doctors within our Group by coordinating and obtaining feedback from customers and then relaying the responses and assessments to our doctors.

He sits on our Group’s Medical Committee, which is primarily responsible for introducing rules and standard operating procedures to be adopted by our specialist hospital, ambulatory care centres and clinics and to be applied by our doctors.

Dr. Lam holds 220,000 ordinary shares and 55,000 warrants directly in the Company.

**KEY SENIOR MANAGEMENT  
(CONT'D)****ANG CHIAN YEN**

Operations Manager

Nationality



Gender



Age

34

**Ang Chian Yen ("Ang")** joined our Group in October 2012.

Ang began her career with the Group as an Optometrist in OESC (TTDI branch), where she was primarily responsible for performing vision tests on customers using optometric equipment and diagnostic machines.

Ang was transferred to the operations department as an Operations Executive cum Optometrist and was subsequently promoted to the position of assistant operation manager. She was then promoted to the position of operations manager, where she has been responsible for ensuring that all our branches, doctors and nurses hold and maintain the requisite licenses and certificates for the purpose of complying with the MOH's requirements as well as adhering to ISO standards with regards to clinical matters. In addition, she is also responsible for assisting our Chief Operating Officer in managing the overall operations of our Group.

Ang holds 48,400 ordinary shares and 10,100 warrants directly in the Company.

# CERTIFICATIONS AND RECOGNITIONS

## 2019

ISO 9001:2015 certification issued by Independent European Certification (M) Sdn Bhd

- Independent European Certification (M) Sdn Bhd

## 2018

The Pioneer Clinic in Malaysia to Offer Zeiss SMILE Laser Vision Correction and for reaching five years of successful surgeries

- Carl Zeiss Pte Ltd

## 2018

ISO 9001:2015 certification issued by Independent European Certification (M) Sdn Bhd

- Independent European Certification (M) Sdn Bhd

## 2016

ISO 9001:2008 certification issued by Independent European Certification (M) Sdn Bhd

- Independent European Certification (M) Sdn Bhd



Optimax is thrilled to have awarded the Ophthalmology Medical Centre Of the Year Ophthalmology Medical Centre of The Year at the Global Health Asia-Pacific Awards 2022 and Malaysia Health & Wellness Brand Awards 2022

# SUSTAINABILITY STATEMENTS

## THE REPORT

Since the Sustainability Report (“**Report**”) was first released during the year of 2021, Optimax Holdings Berhad (“**Optimax**”/“**Company**”) has issued the Report for three consecutive years. The Report elaborates the Group’s concepts, practices and achievements of its sustainable development and social responsibility during the financial year ended 31 December (“**FYE**”) 2022 from the economic, environmental and social (“**EES**”) as well as governance aspects.

## SCOPE OF THE REPORT

The Report covers Optimax and its subsidiaries (“**the Group**”). Information disclosed in this Report encompasses our eye specialist services through a network of a specialist hospital, thirteen (13) ambulatory care centres (“**ACC(s)**”) and three (3) satellite clinic/centres.



Our centres provide a comprehensive range of treatments aimed at addressing various eye and vision problems, including refractive errors, cataracts, glaucoma, macular degeneration, diabetic retinopathy, and other eye diseases and disorders so as to provide our patients with the best possible care and treatment options, tailored to their specific needs.

To ensure that our patients receive the best possible care, all of our Group’s Specialist Hospital and ACC are equipped with operation theatres for eye surgery, procedure rooms, general and day-care wards, as well as relevant state-of-the-art equipment for surgical procedures. Our facilities are designed to provide a comfortable and safe environment for our patients, with modern and efficient infrastructure.

The Report covers the period from 1 January 2022 to 31 December 2022. All information in the Report is disclosed from the Group level.

## REPORTING PRINCIPLES

The Report is prepared in accordance to the principles of:

- Bursa Malaysia Securities Berhad (“**Bursa Securities**”)’s Sustainability Reporting Guide (2nd Edition);
- Listing Requirements of Bursa Malaysia Securities Berhad [Paragraph 29, Part A of Appendix 9C of the Main Market Listing Requirements (supplemented by Practice Note 9)]; and
- Sustainability Reporting Standards (“**GRI Standards**”) core option published by Global Reporting Initiative (GRI).

## SUSTAINABILITY STATEMENTS (CONT'D)

### REPORTING PRINCIPLES (CONT'D)

The Report follows the reporting principles of:

<b>Materiality</b>
<b>The Group identifies key EES issues through stakeholder engagement and materiality assessment</b>
<b>Quantitative</b>
<b>The Report states the Group's key environmental and social KPIs on a quantitative basis; quantitative information is accompanied by a narrative, explaining its purpose, impacts, and giving comparative data where appropriate</b>
<b>Balance</b>
<b>The Report provides an unbiased picture of the Group's environmental and social performance</b>

### COMMITMENT TO SUSTAINABILITY DEVELOPMENT

Sustainability has always been a pillar of Optimax's culture as we strive to achieve continuing growth and profitability in a safe, caring and sustainable environment. We recognise that sustainability practices are one of the important criteria in investors' investment decisions.

In line with Bursa Malaysia Securities Berhad's Sustainability Reporting Guide (2nd Edition), the Group's sustainability practices are to ensure that EES risks and opportunities are tied in with our governance framework and social responsibilities. This enables our corporate success and behaviour to be judged and measured by the public.

In this respect, our mission, as a responsible corporate citizen, is to ensure high standards of governance across our business to promote responsible business practices, manage environmental impacts, and meet the social needs of the community in which we operate, which is in line with our corporate culture.



## SUSTAINABILITY STATEMENTS (CONT'D)

### COMMITMENT TO SUSTAINABILITY DEVELOPMENT (CONT'D)

The Group continued success in maintaining a sustainable business and generating long-term shareholders' value is influenced by several internal and external factors. Each material factor presents unique risks and opportunities to our organisation and is a key consideration in our approach to strategies formulation and execution as it substantially influences the assessments and decisions of our stakeholders. The Board regularly reviews these factors to assess their impacts on our business model over the near, medium and long term.



#### ECONOMIC

##### Sustaining our economy

- Delivering sustainable returns to our shareholders
- Delivering quality products to achieve patients' and customers' satisfaction



#### ENVIRONMENT

##### Conserving our environment

- Protecting our environment and improving our environmental performance



#### SOCIAL

##### Building a resilient workforce

- Ensuring a positive workplace for our employees

##### Serving our community

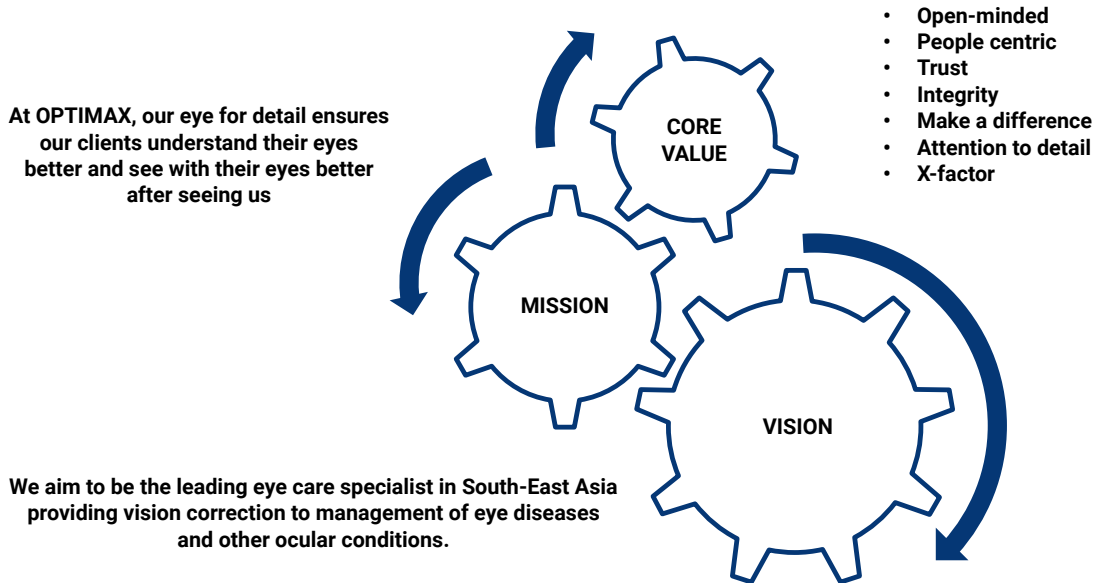
- Contributing to the well-being of the community around us

## SUSTAINABILITY STATEMENTS (CONT'D)

### GOVERNANCE FRAMEWORK

#### Vision, Mission and Core Value

Our vision and mission are the cornerstones of our commitment to the sustainability of the Group. Our core values are the guiding principles that we uphold in day-to-day operations and conduct ourselves to support our vision and shape our culture.



#### Corporate Governance

Sustainability is embedded in our organisational approach and is led from the top. The Board of Directors ("Board") plays a vital guidance and oversight role in advancing sustainability across the organisation with the assistance from the Executive Management to oversee the implementation of the organisation's sustainability approach and ensure that key targets are being met.

The Board also acknowledges that risk management and internal controls are integral to our corporate governance and it is responsible for establishing a sound risk management framework and internal control system as well as to ensure their adequacy and effectiveness. The review of the adequacy and effectiveness of the risk management framework and the internal control system is delegated by the Board to the Audit and Risk Management Committee.

The Group's performance is also tracked with the assistance of the Remuneration and Nominating Committee. Performance evaluation of the Board and Senior Management include a review of the performance of the Group in addressing the Group's material sustainability risks and opportunities.

#### Ethical Business Practices and Anti-Bribery and Corruption Policy

The Board recognises the importance of ethical business conduct across the operations to maintain our stakeholders' trust. Our businesses are conducted with integrity through good governance as mentioned by the Group's Code of Conduct and Ethics.

Good governance is the bedrock of our business, led by ethical business practices and integrity. We have embedded the highest standards of governance in our business not only by complying with the law but through processes and directives that continue to reinforce the principles.

The Group has established and adopted Anti-Bribery and Corruption Policy as we are committed to a zero-tolerance approach in our efforts to prevent corrupt and bribery practices. We are committed to conduct our business ethically, as well as in conformity with all applicable laws. This Anti-Bribery and Corruption Policy is applicable to the Board, our employees as well as any Third Parties associated with us.

The Group inducts all new employees on the Company's Anti-Bribery and Corruption Policy as well as Code of Conduct and Ethics, during the dedicated in-house orientation programme. Any updates to the Employee Handbook are done through the internal network and all employees sign off on the Company's policies on confidentiality and conflict of interest, integrity and prevention of staff fraud once they have attended the Group's internal briefings.

## SUSTAINABILITY STATEMENTS (CONT'D)

### RESPONSES TO SUSTAINABLE DEVELOPMENT GOALS (“SDG(S)”)

In September 2015, all one hundred and ninety-three (193) United Nation member states adopted “Agenda 2030” - a plan to solve the world’s most pressing EES problems over the next fifteen (15) years. It consists of seventeen (17) goals and one hundred and sixty-nine (169) targets that cover a broad set of challenges such as economic inclusion, geopolitical instability, depleting natural resources, environmental degradation and climate change. Malaysia is committed to “Agenda 2030” through its SDG Roadmap.

We support the SDGs, recognize their strategic importance to our business and to the world, hence we are committed to helping achieve them. The Group has well-established programs to ensure we operate sustainably and responsibly, following our long-standing commitment to ethical corporate citizenship and promoting sustainability in all our activities. All the SDGs are relevant to our operations to varying degrees and we are already contributing to many of these goals.



## SUSTAINABILITY STATEMENTS (CONT'D)

### STAKEHOLDERS' ENGAGEMENT AND COMMUNICATION

The Board continued to engage our stakeholders actively throughout the fiscal year as part of our sustainability assessment process. Engagement with stakeholders allows us to gain more complete understanding of our materiality issues and matters whilst, we are also able to capture the key aspects and impacts of our sustainability journey.

The table below lists our key stakeholder groups and their respective areas of interest as well as methods by which the Board engages them.

STAKEHOLDERS	ENGAGEMENT METHODS	ENGAGEMENT AREAS
Shareholders	<ul style="list-style-type: none"> <li>Annual &amp; Extraordinary General Meetings</li> <li>Press releases</li> <li>Bursa announcements</li> <li>Quarterly report</li> <li>Annual report</li> <li>Timely update on corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>Dividend policy</li> <li>Return on investments</li> <li>Corporate governance</li> </ul>
Government	<ul style="list-style-type: none"> <li>Compliances to laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Operation regulations</li> <li>Bursa listing requirements</li> <li>Companies Act</li> <li>Labour law</li> <li>Taxations</li> <li>Anti-Bribery and Corruption</li> </ul>
Board of directors	<ul style="list-style-type: none"> <li>Board meetings</li> </ul>	<ul style="list-style-type: none"> <li>Corporate strategy</li> <li>Corporate governance</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Technical and skills trainings</li> <li>Performance appraisal</li> <li>Team building activities</li> </ul>	<ul style="list-style-type: none"> <li>Remuneration policy</li> <li>Career development</li> <li>Performance review</li> <li>Fair employment practices</li> </ul>
Financial Institutions	<ul style="list-style-type: none"> <li>Bursa announcements</li> <li>Quarterly report</li> <li>Annual report</li> <li>Timely update on corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>Funding requirement</li> </ul>
Patients and Customers	<ul style="list-style-type: none"> <li>Communications/feedback such as email and social media</li> <li>Marketing campaign</li> </ul>	<ul style="list-style-type: none"> <li>Products compliances with safety, health and regulatory requirements</li> <li>Quality assurance</li> <li>Customer satisfactions</li> <li>After-sales services</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>New supplier registration form</li> <li>Regular meetings</li> <li>Onsite visits and field audits</li> <li>Evaluation and performance reviews</li> </ul>	<ul style="list-style-type: none"> <li>Products' quality and safety</li> <li>Supply commitment</li> <li>Transparent procurement practices</li> </ul>
Communities	<ul style="list-style-type: none"> <li>Community events</li> </ul>	<ul style="list-style-type: none"> <li>Social contribution</li> <li>Job opportunities</li> <li>Donation and financial aid</li> </ul>
Analyst/Media	<ul style="list-style-type: none"> <li>Annual &amp; Extraordinary General Meetings</li> <li>Press conferences and media releases</li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>General announcements</li> </ul>

## SUSTAINABILITY STATEMENTS (CONT'D)

### SUSTAINABILITY RISKS AND RESPONSES

The Board understands the importance of addressing sustainability risks and opportunities in an integrated and strategic manner to support the Group's long-term strategy and success. The Board proactively considers sustainability issues when overseeing the planning, performance and long-term strategy of the Company, to ensure the Company remains resilient, is able to deliver durable and sustainable value as well as maintain the confidence of its stakeholders.

RISK	RISK ANALYSIS	RISK RESPONSES
<b>Rapid development of the market</b>	The risk of rapid development of the market can be significant, as it can create challenges in keeping up with the changing patients' and customers' needs and preferences as well as new technological advancements.	We believe that staying at the forefront of technological advancements in eye care is essential to providing our patients with the best possible outcomes. Our team of experienced professionals is dedicated to staying up-to-date with the latest advances in the field to ensure that our patients receive the highest quality care and achieve optimal results. At Optimax, we utilise proven and cutting-edge technology for our treatments, which are on par with those used by some of the world's most reputable eye laser centres.
<b>Medical malpractice and reputation risk</b>	<p>Hospitals are responsible for the actions of their medical staff, and can face liability for medical malpractice if a patient is harmed due to negligence or errors.</p> <p>Hospitals are heavily dependent on their reputation to attract patients and staff.</p> <p>Negative publicity, such as a high-profile medical error or allegations of misconduct, can damage a hospital's reputation and undermine trust in its services.</p>	<p>Our eye surgeons are medical practitioners licensed by the Malaysian Medical Council as well as registered ophthalmologists under the National Specialist Register. With dedicated resident eye surgeons treating the patients, Optimax has a good track record in eye surgeries including refractive, cataract and oculoplastic surgeries.</p> <p>We have earned recognition from prestigious certification bodies worldwide. One of our notable achievements is the International Organization for Standardization ("ISO") certification, which is held by only a select few top-tier eye laser centres globally.</p>
<b>Dependence risk on key professional workforce</b>	The risk of dependence on key professional workforce can be significant for a hospital, as it can create vulnerabilities in the hospital's ability to provide quality care if they become unavailable for any reason.	The Group continues to cultivate a high-performance culture and nurture a vibrant and diverse workforce with robust training and succession plan.
<b>Cyber security risk</b>	The Group relies on medical system to facilitate and perform daily operations. As such, there is an inherent risk that the security of the Group's information on the medical system could be compromised by unauthorised users, who may target the price-sensitive information or matters of a confidential nature.	The Group continues with physical access control to server room, enforcement of password control, medical software will lock users' account after three (3) failed attempts, regular patching, IT security awareness training and etc.

## SUSTAINABILITY STATEMENTS (CONT'D)



### ECONOMIC

- Shareholders
- Patients and Customers
- Suppliers

### Shareholders

Our shareholders are the ultimate owners of the Company and as such, they are entitled to timely and quality information on the Group's financial performance and position. Apart from the Annual General Meeting where shareholders are encouraged to ask questions to the Board and Executive Management on business operations, and the financial performance and position of the Group, the Group's corporate website at [www.optimax2u.com](http://www.optimax2u.com) also provides a link on investor relations where quarterly and annual financial statements, announcements, financial information, annual reports, circulars/statements to shareholders and other pertinent information are uploaded on a timely basis when available.

### Patients and Customers

The Group is dedicated to ensuring that not only our shareholders' interests but also those of our patients and customers are well-taken care of. For our patients and customers, we are committed to supplying and providing high-quality and safe services and products that meet their satisfaction and expectations. We strive to achieve this by continually improving our technology and processes as required.

When patients choose Optimax, they have cast their vote of confidence in the quality of our services and products. To reciprocate this trust, we serve wholeheartedly to satisfy their needs and expectations by offering a diverse range of high-quality and safe services and products to support our patients and customers to pursue vision care.

### PATIENTS' SATISFACTION

**Internationally recognised best practices and international quality and safety accreditation**

**Experienced workforce that equipped with professional knowledge and comprehensive training**

**Prompt and reliable service**

**Efficient after-sales service, create an integrated and resilient workforce**

As one of the leading players in the industry, we boast a team of highly skilled employees who possess in-depth industry knowledge and expertise. They go extra mile to ensure the quality and safety of each and every service and product we carry. Our professional service quality reflects our commitment to our patients and customers. Our team is well-equipped to manage and exceed our patients' expectations with ease. Our eye surgeons are medical practitioners licensed by the Malaysian Medical Council as well as registered ophthalmologists under the National Specialist Register. With dedicated resident eye surgeons treating the patients, Optimax has a good track record in eye surgeries including refractive, cataract and oculoplastic surgeries.

We endeavour to provide high-quality and worry-free services and products to our patients and customers through these measures.

Optimax possesses a team of highly trained and experienced optometrists and opticians who are dedicated to providing quality eye care services. Our optometrists are healthcare professionals who specialise in the examination, diagnosis, and treatment of vision problems and eye diseases. They are trained to perform comprehensive eye exams, prescribe corrective lenses, and manage conditions such as glaucoma, cataracts, and diabetic retinopathy. Our opticians, on the other hand, are experts in the design, fitting, and dispensing of eyeglasses, contact lenses, and other vision aids. They work very closely with our optometrists to ensure that patients receive the best possible visual correction and comfort. Our optometrists and opticians collaborate closely to provide personalized and comprehensive eye care to each patient, based on their unique needs and preferences.

## SUSTAINABILITY STATEMENTS (CONT'D)

### ECONOMIC (CONT'D)

#### Patients and Customers (Cont'd)

We have earned recognition from prestigious certification bodies worldwide. One of our notable achievements is the ISO certification, which is held by only a select few top-tier eye laser centres globally. This accolade is a testament to our unwavering commitment to quality and safety in our operations. It also highlights our adherence to the rigorous standards set forth by the ISO, which covers various aspects of our business, including the provision of laser eye surgery, patient care, and management systems. By achieving this certification, we demonstrate our dedication to providing our patients and customers with a world-class eye care services that meet or exceed industry standards.

Ensuring the safety of our patients is our foremost priority. To ensure the safety and quality of our treatments, we follow strict guidelines as part of our SOPs. These guidelines mandate a thorough assessment of patients prior to any surgical or treatment procedures. Our SOPs include a comprehensive eye examination to assess visual acuity, eye health, and any underlying conditions that may impact treatment outcomes. We also review patients' ophthalmic history and issues to ensure that any pre-existing conditions are taken into account and properly managed. Our guidelines are designed to ensure that patients are fit to undergo surgery or treatment, and that any potential risks are identified and addressed before the procedure is carried out. By adhering to these guidelines, we are able to provide a safe and effective treatment experience for our patients and minimise the risk of complications or adverse events.

We have a system in place to audit our treatment outcomes to ensure that our patients receive the best possible eye care experience. Our internal auditors are responsible for conducting independent and objective evaluations of our treatment results. This ensures that we maintain a high level of quality and consistency in our services, and that any issues or concerns are promptly addressed. Our internal auditors use a variety of methods and tools to assess our treatment outcomes, including reviewing patients' feedback, analysing clinical data, and conducting surveys. This allows us to identify areas of strength and areas for improvement, and to continuously refine and enhance our services to better meet the needs of our patients. By auditing our treatment outcomes, we are able to maintain a culture of accountability and transparency, and to ensure that we are providing our patients with the highest standard of care possible.

At Optimax, we prioritise our patients and customers and strive to deliver a consumer-oriented approach to our business. We are committed to continuously innovating and evolving our services and product offerings to ensure long-term, sustainable growth and provide the public with high-quality products they can trust. We offer a comprehensive range of vision treatment options, all conveniently available in one location. Our goal is to provide a one-stop solution for vision correction so that the patients and customers can achieve optimal vision and enjoy life without the hassle of glasses. Our core services can broadly be categorized into four major groups :

- Refractive surgery comprising of laser vision correction and implant vision correction;
- Treatment of eye diseases and disorders including cataract surgery and other eye medical treatment;
- Consultant and dispensary services comprising doctor consultant and medication; and
- Oculoplastic surgery provides functional and cosmetic treatment for disorders around the eye

Our Group also provides related services such as eye examination performed by our in-house optometrists, sales of optical wear, consumables from surgery and medical treatment, procedures (mainly Ortho-K, which is a non-surgical method of reshaping the cornea to provide a clearer vision for children and Botox), administration fees as well as laboratory tests for patients.





## SUSTAINABILITY STATEMENTS (CONT'D)

### ECONOMIC (CONT'D)

#### Patients and Customers (Cont'd)

We believe that staying at the forefront of technological advancements in eye care is essential to providing our patients with the best possible outcomes. Our team of experienced professionals is dedicated to staying up-to-date with the latest advances in the field to ensure that our patients receive the highest quality care and achieve optimal results. At Optimax, we utilise proven and cutting-edge technology for our treatments, which are on par with those used by some of the world's most reputable eye laser centres. Our commitment to using the latest technology ensures that our patients receive the most effective and reliable treatments available. Furthermore, we understand the importance of investing in top-of-the-line equipment to provide the highest quality care. As such, our Group reinvest the profit from business to purchase advanced ophthalmological equipment and tools to upgrade or replace existing equipment, thus enabling our centres to expand their capacity and offer additional services.

At Optimax, we understand the importance of having a strong support system and network to provide our patients with the best possible care. With a large network covering most major cities in Malaysia, we are easily accessible to our patients and provide them with the support they need. To further expand our reach and increase business growth, our plans include expanding our network of ACCs to areas where we currently have little or no presence, such as Sabah and the east coast states of Peninsular Malaysia. This expansion will enable us to provide our services to a wider patient population and meet the growing demand for eye care services in these areas. We plan to achieve this expansion by either fully owning these centres or jointly owning them with minority equity participation from resident doctors. This approach will enable us to leverage the expertise of local doctors and ensure that our patients receive the highest quality care.



*Optimax is thrilled to have awarded the Ophthalmology Medical Centre Of the Year Ophthalmology Medical Centre of The Year at the Global Health Asia-Pacific Awards 2022 and Malaysia Health & Wellness Brand Awards 2022*

We also understand that patients and customers are our most important innovation partners. As we are constantly challenged to stay ahead of the competition by developing innovative services and products, patients' and customers' feedback is a valuable and immense resource of ideas that can ensure our service and product development and innovation alignment with their current and future needs. Hence, we collect feedbacks from our patients and customers via various channels i.e. social media, website, hotline, frontline staff, and customer satisfaction survey so that we hear their expectations and thus advance the future improvements. The feedbacks and recommendations are delicately handled by an experienced team of members to ensure response and supports are provided in a timely manner.

## SUSTAINABILITY STATEMENTS (CONT'D)

### ECONOMIC (CONT'D)

#### Patients and Customers (Cont'd)

Cybersecurity and privacy are core elements of our patients' trust. Doing business in this day and age, patients' peace of mind through data security and privacy is utmost important for the business consideration. The Group views cyberattack risks as something to be reduced, if not eliminated. Information Technology ("IT") officers are sent for training to embed and upgrade their skills in handling cybersecurity issues. In the year under review, similar to last year, there have been no incidence or breach from malware, ransomware, hacking or other cyberattacks on its database. The Group's IT Department has conducted its routine IT audits and has given the Group's assets a clean bill of health, including exposure from unauthorised software usage.

We abide by the prescribed laws in the Malaysian Personal Data Protection Act 2010 ("PDPA"), which mandates the protection of the private data of our patients and customers, employees and business partners. We implement only the best practices when it comes to privacy and security controls so that our customers, employees and business partners can rest assured that their data are safe and secured. We conduct our business in compliance with the PDPA's guidance with the collection, use and disclosure of personal data. We have also safeguarded against external attempts to breach any confidential information. There were no reported cases of corruption and non-compliance with Personal Data Protection Act 2010 in FYE 2022.

We trust operating a sustainable business will enable us to serve our patients and customers for generations to come.

#### Suppliers

We have built a competent pool of suppliers based on integrity, trust, and reliability. As such, we have maintained good long-term relationships with existing suppliers whom have adapted well to our working culture, integrated sustainability measures in their operations and are willing to go the extra mile in terms of quality and services.

We value the long-term cooperation with our suppliers, which has resulted in better efficiency, reliability of delivering of product and service. Periodic assessments are conducted to ensure that the quality of products and services are on par with our requirements and standards. New suppliers are required to ensure quality of their products and services which are based on the quality standards expected by Optimax.

To our suppliers, we are committed to enhance our processes and engage with our suppliers to identify and manage risks, increase productivity and efficiency within the supply chain, underpinned by values of integrity and transparency. We look to create value, by looking for opportunities to collaborate and to share best practices with our suppliers.

With regard to supplier acceptance, our suppliers are filtered through careful selection ensuring only the ones with appropriate criteria met are engaged. We are in compliance with the internal checklist in the New Supplier Registration Form, reviews qualification and systems of supplier to be approved, to screen out qualified suppliers for verification. The Group will carry out assessment on quality management, environment, social and governance aspect and etc.

Optimax is committed to addressing the environmental and social impacts of our business within our operations and across our supply chain. We promote sustainable supply chain by embedding this into the Group's value chain creates a sense of corporate responsibility on resource management.

We encourage our suppliers to adopt responsible and sustainable practises with respect to a range of environmental and social issues outlined in our Code of Business Conduct and Ethics. This process gives preference to suppliers which integrate considerations for environmental conservation, protection of endangered species, protection of labour rights and welfare, equal opportunities, no corruptions or bribery and no pending environmental issues.

The Group conducts daily inspection on products and services received from suppliers. On top of that, the Group conducts annual performance evaluation on suppliers on the criteria mentioned above. If the suppliers fail inspection or annual review, we will terminate sourcing from them immediately.



## SUSTAINABILITY STATEMENTS (CONT'D)



### ENVIRONMENT

- Energy Savings
- Water Savings
- Waste Management

### Energy Savings

As part of the global commitment and acceleration of efforts to transition to a net zero economy, we have evaluated our operations to enhance energy efficiency to reduce our carbon footprint to support cleaner and sustainable growth. We aspire to protect the environment by integrating environmental considerations into our decision-making process. We implement appropriate measures to advance energy efficiency to minimise the impacts on the environment brought about by our daily operations.

Our initiatives to reduce our energy consumption every year are regular inspection of air-conditioning system of all our office places so that the temperature setting conforms to the range of 22-25 degree Celsius. Each year we install and replace lightings with energy saving LED lights. Apart from that, we switch off unnecessary ventilation, air conditioning systems, lighting when not in use and during non-business hours.

### Water Savings

Water is a limited resource, and as the world continues to advance and the global population continues to grow, an increasing strain is being placed on the supply of clean water. Water conservation is therefore an area that our Group works hard on, both improving the efficiency with which we use our water, as well as working to educate our employees as well as patients and customers about the need to conserve it by placing reminders near water taps.

### Waste Management

To ensure sustainable consumption and production patterns, we are committed to reduce consumption and to responsibly use resources available to it. During the year, we continue to implement our strategy to reduce, reuse and recycle across our offices in an effort to minimise waste disposal to landfill.

At our Group, we are committed to responsible waste management and ensuring that our operations have a minimal impact on the environment. To achieve this, we work with a certified waste management company to dispose of waste generated from our operations in a responsible manner.

In addition to waste management, we also have a proper system in place to manage our medicine supply and ensure minimum wastage. Our team is dedicated to managing medication supplies efficiently, and any expired medication is disposed off properly to prevent any adverse impact on the environment. Waste classification is important in development of a robust waste management system. Waste segregation has been done by placing different bins in and around our offices and centres.

We also take initiatives to lessen our impacts on the environment by reducing the distribution of plastic and paper bags to our patients and customers. Product packaging is either recyclable or made from biodegradable material.

Other existing efforts to save paper include installing more paper recycling bins, encouraging the employees to prioritise electronic means to share and store documents and to reduce printing or photocopying, otherwise, to use double-sided printing, ordering of office stationery including paper, letterheads and name cards are centralised to reduce wastage and for better monitoring and control.

Additionally, other materials such as furnishing, and fixture are recycled or reused where possible.

## SUSTAINABILITY STATEMENTS (CONT'D)



### SOCIAL

- Safe Workplace
- Labour Practices
- Talent Motivation & Skill Development

### Safe Workplace

The Group believes that the safety and well-being of its employees are the foundation of its success. Hence, we strive to provide a safe and healthy environment for our employees and to ensure safe practices in all aspects of our business operations. The Group has in place a policy that highlights our commitment to:

- ensure compliance with laws and regulations in relation to safety and health;
- set targets and measures to drive occupational safety and health performance across the organisation; and
- promote a culture where all employees share the commitment to prevent harm to the safety and health of our employees, customers, patients and the general public.

The Group's target for safety and health was to reach a zero-accident rate for FYE 2022. This KPI has been met as there were no accidents or claims for work-related injury in the year under review.

We are also committed to maintaining a safe and healthy environment for our patients and customers by adhering to all health and safety procedures. All of our centres are equipped with ultraviolet (UV) air sterilizers to reduce the spread of infectious diseases and disabled accessibility pathways to ensure equal access to our facilities and services

### Labour Practices

We are committed to provide and respect fundamental human rights and safeguard against violation of human rights. We guarantee an anti-discriminatory and anti-harassment workplace, one that is safe and healthy and above all, ethical in conduct. Employees are not restricted from unionising and are afforded the freedom of association per local laws and practice.

In addition to this, all employee benefits provided by the Group is above minimum statutory requirements and includes healthcare and insurance coverage, leaves, statutory payment and career development bonuses. Remuneration packages, while strictly private and confidential, are determined upon the employees' experience, expertise, qualifications and job grade.

### Talent Motivation & Skill Development

The Group recognises that employees are our greatest assets hence we proactively provide opportunities for growth and development for talent in the organisation through targeted development plans and succession planning. Ensuring our long-term sustainability, we continuously invest time and effort in recruiting (internal and external), upskilling, engaging and rewarding talents/employees of the organisation accordingly.

We have well-established learning and development plans and programmes to ensure our staff to embrace the knowledge and skills to fulfil their potential and serve with heart. Professional development for our professional workforce such as eye surgeons, optometrists, opticians and nurses and etc. is essential to keep up-to-date with the latest advancements in their field and maintain high standards of patient care. Eye surgeons, optometrists, opticians, nurses and etc. participate in continuing education courses, seminars, workshops, and conferences on a regular basis to maintain their license to practice.

Employees are encouraged to attend internal or external training or pursue professional development to enhance their knowledge and skill for career enhancement and personal development, human resource management, technical skills, and others.

For critical and leadership roles, succession planning is vital to our long-term performance as part of our Group's sustainability move. Our Remuneration and Nominating Committee will review the Group's human resources plan including the succession management framework and activities, human resources initiatives such as jobs and salary review, and the annual manpower budget. The succession planning across the Group is implemented by stages where the training program is designed specifically for management staff.

## SUSTAINABILITY STATEMENTS (CONT'D)

### SOCIAL (CONT'D)

#### Talent Motivation & Skill Development (Cont'd)

We review remuneration package annually which is linked to job responsibilities and task goals of employees to motivate employees. The remunerations of the employees of the Group are no less than the minimum statutory requirements. The Group regularly evaluates the reasonableness of employees' wages and review the wages each year according to the personal and operation performance and the market salary.

For many years, we have recognised the importance of engaging with our workforce. Employees' engagement is important to an organisation because it motivates employees to do their best. We consider effective engagement a key element of the Company's ability to create value as we recognise that our people are our greatest asset. Management regularly engages with the workforce through a range of activities such as festive celebrations and etc.

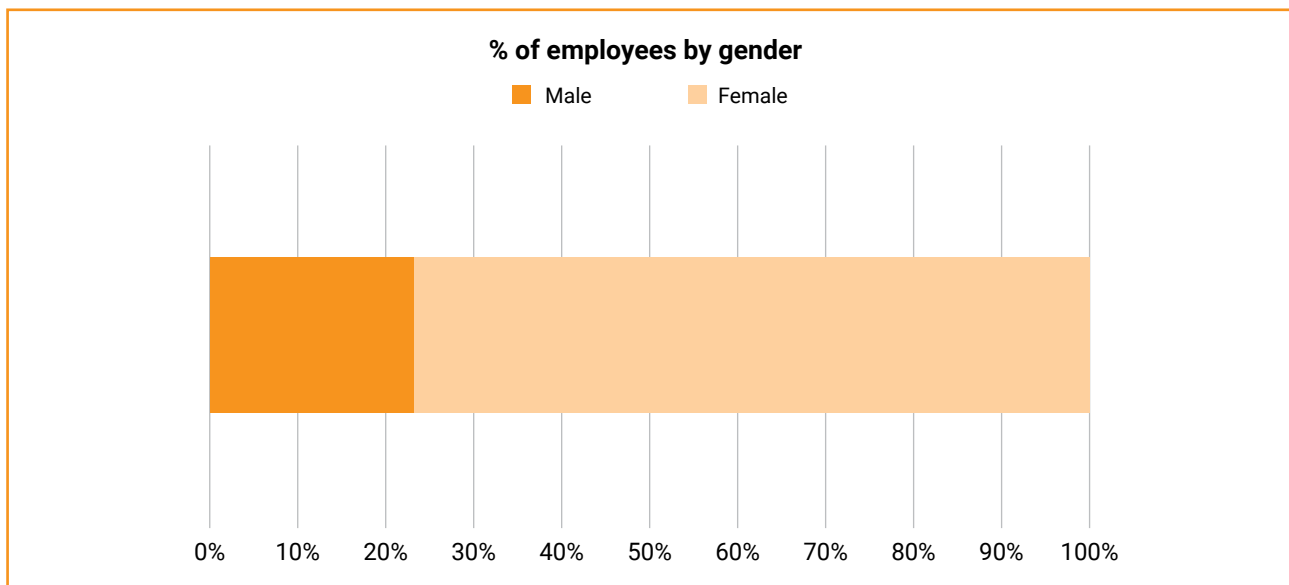


#### Diversity and Inclusion

Diversity refers to the differences in workforce by gender, age, ethnicity and disability. This measure is considered across the Board, from the Directors to the Management and the rest of the workforce.

In the appointment and recruitment process, we pride ourselves being an employer that provides equal opportunities and continuously seek to promote it regardless of religious belief, age, marital status, gender, family status or any disability. Our commitment in that respect applies to all areas of the working environment, all employment activities, resource allocation and all employment terms and conditions. Every employee is given an equal opportunity to rise up in their careers through hard work and dedication.

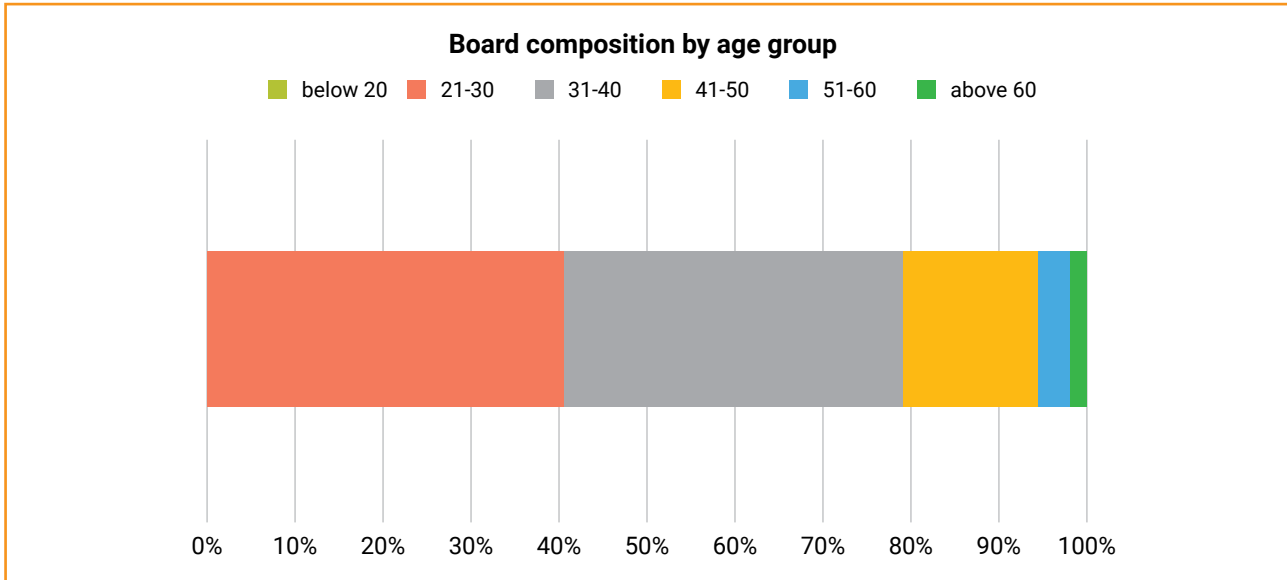
We draw strength from the diversity and inclusiveness that is prevalent in our workplace. As at 31 December 2022, the total number of employees stood at 242 employees, of which 76% is female and the remaining 24% is male.



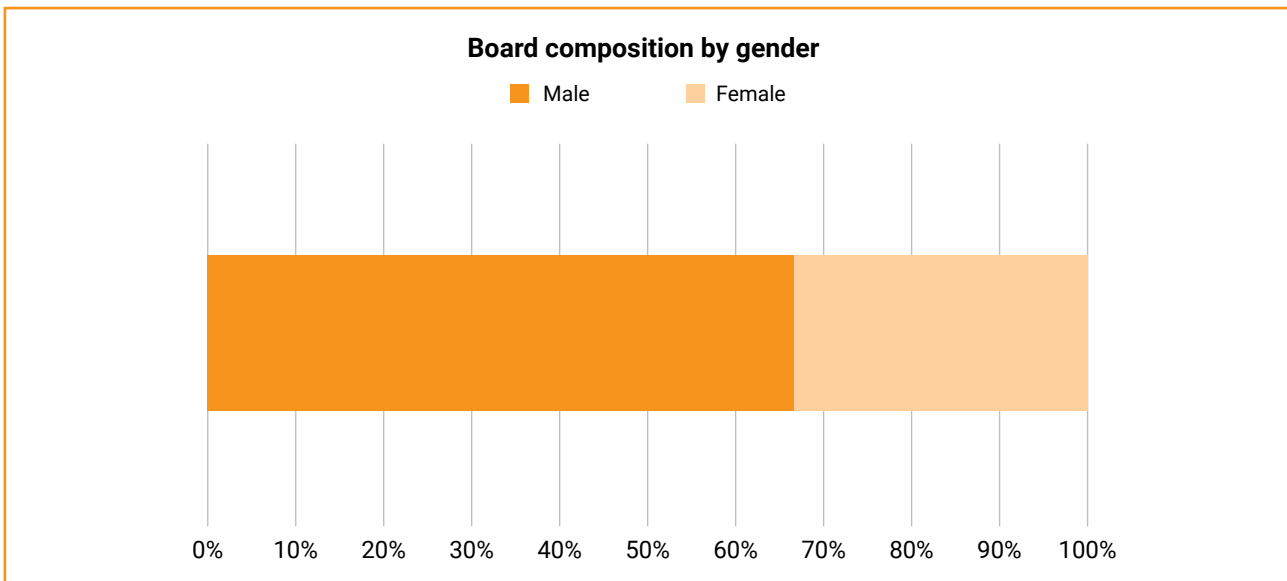
## SUSTAINABILITY STATEMENTS (CONT'D)

### SOCIAL (CONT'D)

#### Diversity and Inclusion (Cont'd)



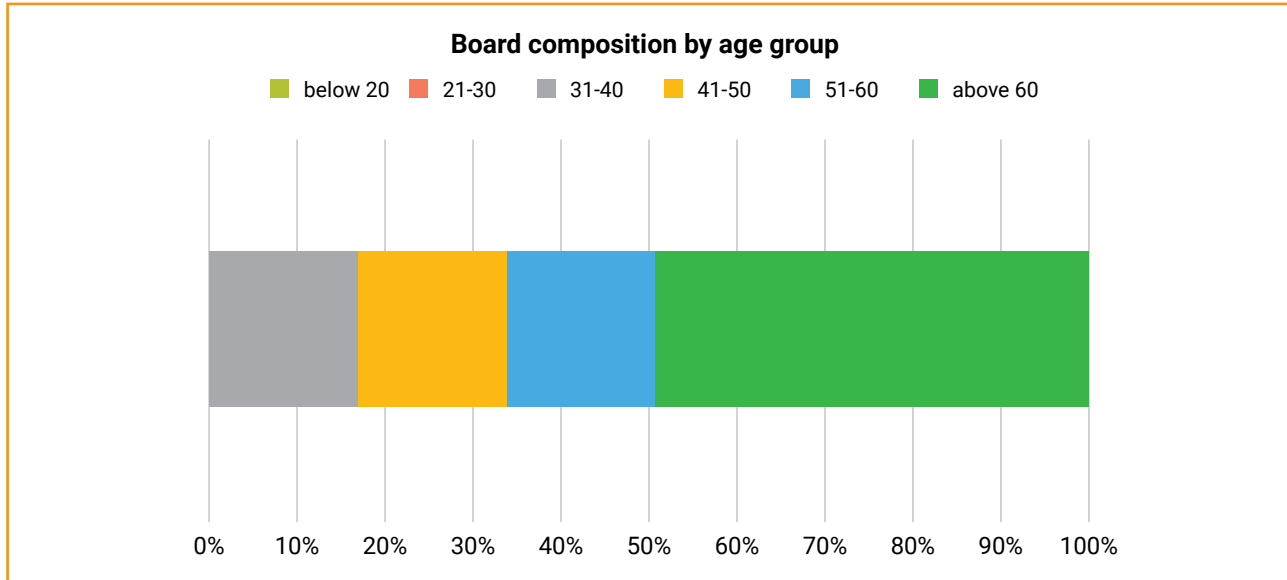
The Directors are cognisant of the ongoing initiative to increase female representation in the boardroom and are looking into increasing female representation should the right director be found. We continue to adopt an approach of strong corporate governance. The Remuneration and Nominating Committee continues to review the composition of the Board and skills and diversity of the Directors and will make further appointments where it considers them necessary, having particular regard to diversity. The Remuneration and Nominating Committee endeavours to create a diverse pipeline with a good mix of people with varied experiences and backgrounds to enrich the organisation including board composition. It is worth noting that during the fiscal year under review, Optimax has more than 30% women directors on its board.



## SUSTAINABILITY STATEMENTS (CONT'D)

### SOCIAL (CONT'D)

#### Diversity and Inclusion (Cont'd)



Having a diverse team of employees, across age, gender and industry experience, encourages open-minded dialogues, broadens our positive influence and reach, helps bridge gaps, and brings in new perspectives and strategies.

Aside from this, we also ensure that the welfare and wellbeing of senior staff with the age over 60 are not neglected. It is a commitment by the Group to provide employment opportunities to them ever since we commenced our business operations, and as at 31 December 2022, approximately 2% of the Group's workforce is over the age of 60. We acknowledge that the senior staff could contribute positively to the Company even after their retirement and that the invaluable experience, skills and mastery in their industries can still be gainfully utilised. In this respect, the Group is proud that it has been a strong source of employment for these senior staff for past years. This has raised the quality of life of these senior staff as there is greater income stability and consequently, better and improved living standards and conditions.

Persons with disabilities have yet to be hired by the Group. However, as an equal-opportunities employer, there is no limitation or obstacle for persons with disabilities to join, as long as it doesn't interfere with the nature of the job that otherwise non-disabled staff are able to perform.

#### Community Engagement

As we are deeply rooted in the community we operate, we actively engage in community outreach programmes and activities. We are proud of having the privilege to serve various segments of the community towards providing for social empowerment and helping to make a positive difference for people across all walks of life. We have from time to time made various donations and contribution to orphanages, old folks homes, disability homes and non-profit organisations.



*Optimax is proud of giving back to our community by aiding orphaned children at Rumah Nur Sakinah.*



## SUSTAINABILITY STATEMENTS (CONT'D)

### SOCIAL (CONT'D)

#### Community Engagement (Cont'd)

From time to time we have provided sponsorship of cataract surgeries to those in need. Sponsorship of cataract surgeries involves providing financial support to individuals who cannot afford the cost of cataract surgery, which is a common cause of vision loss, particularly in older adults.



On October 22, 2022, in conjunction with World Sight Day, Optimax collaborated with Sarawak General Hospital to provide sponsored surgeries to 31 eyes in need during the Cataract Camp held in Serian District.

Alongside sponsoring cataract surgeries, we provide free eye health education and screenings to the public. This initiative aims to increase awareness about the significance of regular eye exams, protecting one's eyes, and recognising common eye conditions' signs and symptoms. By doing so, individuals can take necessary steps to prevent vision loss and maintain optimal eye health. These efforts can be executed through community outreach programs, public events, and collaborations with local organizations, maximizing the reach of this important initiative.



Optimax supported the Nicol David Organisation's efforts to provide pediatric eye examinations for the children in need

## SUSTAINABILITY STATEMENTS (CONT'D)

### OUR COMMITMENT

As a responsible corporate citizen, the Group shall endeavour to undertake sustainable and responsible practices to add value to sustainable business growth, environmental stewardship and social responsibility.

<b>Rewarding our shareholders</b>	Dividend
<b>Sustaining long term value</b>	Investment in our resources to ensure long-term benefits to our various stakeholders
<b>Advancing our business</b>	Reinvestment in our core business
<b>Investing in our human resources</b>	Competitive remuneration, compensation, benefits and trainings
<b>Contributing to society</b>	Continued upliftment of our society's well-being through taxes and donations

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board acknowledges the importance of the principles and practices as set out in the Malaysian Code on Corporate Governance (“MCCG”) in managing Optimax Group’s business towards its mission of sustainable growth. The Board strives to ensure the Group adopts the best practices of corporate governance in an effort to protect the interest of the stakeholders and enhance shareholders’ value.

This statement is prepared in compliance with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read together with the Corporate Governance Report 2022 which is available on the Company’s corporate website at <https://www.optimax2u.com>.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### A. BOARD RESPONSIBILITIES

#### Board’s Role

The Board is responsible for the long-term success for the Group and the value creations to its stakeholders. Other than setting the strategic direction and overseeing the management, they shall also ensure the implementation and monitoring of the strategic plans of the Company. All members of the Board bring their independent judgement to assess the strategy, performance, resources and standards of conduct.

With the diverse background and experience, the Board is able to contribute their expertise and independent judgement and to act in high standards of transparency, accountability to uphold the core values of integrity while performing their fiduciary duties. They are principally responsible for the following responsibilities of which are also stated in the Company’s Board Charter:-

- (i) to review, challenge and approve the Company’s annual corporate plan, which includes the Group’s overall corporate strategy, marketing plan, human resources plan, information technology plan, financial plan, budget, regulations plan and risk management plan;
- (ii) to oversee the conduct of the Group’s businesses and to determine whether the Group’s businesses are being properly managed;
- (iii) to identify principal risks and ensure the implementation of appropriate internal controls and mitigation risks to effectively monitor and manage these risks;
- (iv) to develop succession planning, including appointing, training, fixing the remuneration of, and where appropriate, replacing key management;
- (v) to oversee the development and implementation of a shareholder communications policy for the Company; and
- (vi) to review the adequacy and integrity of our Group’s management information and internal controls systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines (including the MMLR, securities laws and the Companies Act 2016).

The roles and responsibilities of the Directors are clearly stated in the Board Charter appropriately segregated between those of the Non-Executive Chairman, Individual Directors, Executive and Non-Executive Directors, Independent Directors as well as the Chief Executive Officer.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### A. BOARD RESPONSIBILITIES (CONT'D)

##### Board's Role (Cont'd)

The following policies have been adopted by the Board to ensure proper governance is practiced by the Company and across the Group:-

- (i) Risk Management Policy;
- (ii) Anti-Bribery and Corruption Policy;
- (iii) No Gift Policy;
- (iv) Whistleblowing Policy; and
- (v) Directors' Fit and Proper Policy.

To ensure the Board is able to effectively supervise the operations of the Company and to discharge their duties, the following Board Committees were formed to assist the Board:-

- (i) Audit and Risk Management Committee ("ARMC");
- (ii) Remuneration and Nominating Committee ("RNC"); and
- (iii) Employees' Share Option Scheme Committee "ESOSC").

Each of the Board Committees is governed by its own terms of reference ("TOR") which are aligned with the MCCG. The Board Committees are actively engaged and act as oversight committees. They evaluate and recommend matters under their purview for the Board to consider and approve. The respective Chairman of the Board Committees reports to the Board after each Committee on the matters that have been discussed and deliberated at the meetings and the decisions taken by the committee.

The Board Charter and the respective TOR of the Board Committees will be reviewed periodically and is available on the Company's website, <https://www.optimax2u.com>.

The Board also has an oversight on matters delegated to Management through the Chief Executive Officer and Management will provide updates and reports to the Board on a quarterly basis.

##### Separation of Chairman and Chief Executive Officer ("CEO")

The positions of the Chairman and CEO are held by different individuals, each with clear and distinct roles which are stated in the Company's Board Charter to ensure a balance of power and authority between the two positions. This distinction allows for better understanding and distribution of jurisdictional responsibilities and accountabilities. The Chairman, Dato' Seri Dr. Chen Chaw Min leads the Board, focusing on board strategy, governance and compliance whilst the CEO, Sandy Tan Sing Yee oversees the day-to-day operations of the Company and implements the Company's strategies and policies.

##### Company Secretaries

The Board has full access to the two (2) qualified and competent company secretaries who are members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and are qualified to act as company secretary under Section 235(2) of the Companies Act 2016. The secretarial function of the Group is outsourced to Tricor Corporate Services Sdn. Bhd. The roles and responsibilities of the Company Secretaries are also stated in the Board Charter of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

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

## A. BOARD RESPONSIBILITIES (CONT'D)

## Board and Committee meetings

The Board and the ARMC convene their meetings every quarter while the RNC will meet at least twice a year or as and when the need arises. In order for the Board to have sufficient time to study the materials, meeting materials are circulated via email at least five (5) business days prior to the meetings. The Management is invited to attend Board and Board Committees meetings to provide explanation on the meeting agenda. Full board minutes are circulated to the Board and Board Committees respectively as soon as practicable after meeting for review and comment.

The Directors have timely, full and unrestricted access to all information pertaining to the Group's business affairs, whether as a full Board or in their individual capacity, to enable them to discharge their duties effectively.

Following are the Board, ARMC and RNC meetings held during the financial year ended 31 December 2022 and the directors' attendance:-

Director	Number of Meetings Attended / Held		
	Board	ARMC	RNC
<b>Dato Seri Dr. Chen Chaw Min</b>	6/6	–	–
<b>Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali</b> <i>(resigned on 28 February 2022)</i>	1/1	1/1	1/1
<b>Tan Sri Dato' (Dr.) Tan Boon Hock</b>	6/6	–	–
<b>Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim</b>	5/6	3/4	2/3
<b>Sandy Tan Sing Yee</b>	6/6	–	–
<b>Yap Ping Hong</b>	6/6	5/5	3/3
<b>Yap Eng Gee</b>	6/6	5/5	3/3
<b>Michelle Tan Sing Chia</b> <i>(appointed on 1 December 2022 and redesignated as Non-Independent Executive Director on 1 March 2023)</i>	–	–	–
<b>Mohd Sahir Bin Rahmat</b> <i>(appointed on 1 December 2022)</i>	–	–	–



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### A. BOARD RESPONSIBILITIES (CONT'D)

##### Directors' Training

The Board acknowledges the importance of continuing education for Directors to ensure that they are well-equipped with the necessary skills and knowledge to perform their duties and meet the challenges facing the Board.

The Board, through the RNC, reviews and assesses the training needs of the Directors from time to time and determines the area of training that he or she may require for personal development as a director to strengthen their contributions to the Board.

The following training programmes were attended by the Directors during the financial year ended 31 December 2022:-

Director	Programme Title
<b>Tan Sri Dato' (Dr.) Tan Boon Hock</b>	<ul style="list-style-type: none"> <li>The Human Moment at Work</li> <li>The Power of an Agile Mindset</li> </ul>
<b>Dato Seri Dr. Chen Chaw Min</b>	<ul style="list-style-type: none"> <li>Sun Tzu Art of War and 36 Strategies</li> </ul>
<b>Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim</b>	<ul style="list-style-type: none"> <li>Bursa Malaysia Sustainability Disclosure Review 2021</li> <li>Guide Book on Public Listed Companies Transformation Programme</li> </ul>
<b>Sandy Tan Sing Yee</b>	<ul style="list-style-type: none"> <li>Zeiss Refractive &amp; Cataract Symposium 2022</li> <li>40th Congress of the European Society Of Cataract &amp; Refractive Surgeons (ESCRS) 2022</li> <li>Thriving Through Transitions &amp; Transformations</li> </ul>
<b>Yap Ping Hong</b>	<ul style="list-style-type: none"> <li>Reimagine Risk Management: Post-Pandemic</li> <li>Chapter 10-Transactions with 3rd Party and Related Party</li> <li>Sustainability and Climate Change Disclosure Requirements</li> <li>MFRS 2022/2023 Updates</li> <li>TCFD101: Getting Started with Climate-related Financial Reporting</li> <li>TCFD102: Building Experience in Climate-related Financial Reporting</li> <li>International Professional Practices Framework (IPPF) Talk</li> </ul>
<b>Yap Eng Gee</b>	<ul style="list-style-type: none"> <li>Reimagine risk management: post-pandemic</li> <li>TCFD 101: Getting started with climate-related financial reporting</li> <li>"Women Who Count" #BreaktheBias</li> <li>TCFD 102: Building experience in climate-related financial reporting</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### A. BOARD RESPONSIBILITIES (CONT'D)

##### Directors' Training (Cont'd)

Director	Programme Title
<b>Yap Eng Gee (Cont'd)</b>	<ul style="list-style-type: none"> <li>• Insights into Task Force on Climate-Related Financial Disclosures ("TCFD") and Sustainable Finance</li> <li>• Developing Malaysia's roadmap to net zero</li> <li>• Turning stress into positive energy</li> <li>• 2022 Board &amp; audit committee priorities</li> <li>• Assessing your organizational culture</li> <li>• Navigating through the evolution of Corporate Governance with the introduction of Tax Corporate Governance Framework ("TCGF")</li> <li>• Supercharge ESG Ambitions with Technology</li> <li>• Human Rights risk management for Malaysian companies</li> <li>• Understanding the requirements in Bursa Malaysia's enhanced sustainability reporting framework</li> <li>• Securities Commission-AOB: Conversation with Audit Committees – Session 1</li> </ul>
<b>Michelle Tan Sing Chia</b>	<ul style="list-style-type: none"> <li>• Bursa Malaysia Mandatory Accreditation Programme (MAP)</li> <li>• Media, public relations and investor relations training</li> <li>• The Human Moment at Work</li> <li>• The Power of an Agile Mindset</li> </ul>
<b>Mohd Sahir Bin Rahmat</b>	<ul style="list-style-type: none"> <li>• The Human Moment at Work</li> <li>• The Power of an Agile Mindset</li> </ul>

##### Whistle Blower Policy

The Company recognises that any genuine commitment to detecting and preventing actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct must include a mechanism whereby employees and other stakeholders can report their concerns freely without fear of reprisal or intimidation. To this end, the Company adopts Whistleblowing Policy which serves as the guidelines for managing improper conduct within the Group and provides a channel of communication to encourage the report of any misconduct so that appropriate actions can be taken to resolve these issues.

The Whistleblowing Policy will be periodically reviewed and are available on the Company's corporate website, [https://optimax.listedcompany.com/cg\\_policy.html](https://optimax.listedcompany.com/cg_policy.html).



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### B. BOARD COMPOSITION

The Board currently consist of eight (8) Directors with four (4) Independent Non-Executive Directors, three (3) Non-Independent Executive Director and one (1) Non-Independent Non-Executive Director. Currently, there are three (3) female Directors on the Board, namely Sandy, Yap Eng Gee and Michelle.

The Directors' Fit and Proper Policy was adopted by the Company in May 2022 to ensure a formal, rigorous and transparent process for the appointment/election of candidates as Directors of the Company and for the re-election of Directors. The Company practices recruitment of Directors based on meritocracy and the Board had on 1 December 2022, appointed Michelle as a Non-Independent Non-Executive Director and Encik Sahir as an Independent Non-Executive Director of the Company based on the recommendation by RNC.

The Board composition meets the requirements of MMLR, which requires at a minimum of two (2) or one-third (1/3) of the Board, whichever is higher to be Independent Directors and the MCCG which requires at least half of the Board to consist of Independent Directors.

The Independent Directors are independent of management and are able to provide greater check and balance during boardroom deliberations and decision making. The tenure of each Director was reviewed by the RNC and an annual evaluation and assessment on the performance and contribution of each Director during the financial year was carried out prior to recommending whether the retiring Director should be nominated for re-election at the forthcoming Annual General Meeting.

In relation to the criteria to assess independence of directors, the Board had adopted the same criteria used in the definition of "independent directors" prescribed by the MMLR.

The RNC is cognisant of Practice 5.1 and the proposed amendments to the MMLR of Bursa Securities which will take effect on 1 June 2023 whereby Directors whose services exceeded a cumulative period of twelve years will be redesignated as non-independent directors.

No Independent Directors have served on the Board for more than nine (9) consecutive years as the Company was only listed on ACE Market of Bursa Securities in August 2020 and subsequently, transferred listing from the ACE Market to the Main Market in November 2022. However, a policy on the tenure of Independent Directors was adopted and forms part of the Board Charter. Should the Board intend to retain the Independent Director whose tenure exceeds the term of nine (9) years, it shall seek for shareholders' approval with proper justification. The profile of all members of the Board can be found on pages 22 to 29 in the Board of Directors' Profiles section of the Annual Report 2022.

The significance of the diversity on the Board and the senior management in regards to skills, experience, age, cultural background and gender have always been emphasised by the Board to ensure there is variety of professional opinion and where there is value that can be contributed to the growth of the Company. As at the date of this report, there are three (3) female Board members, representing 37.5% of female representation on the Board, adopting MCCG's target to achieve at least 30% female representation on the Board. The Board maintains a strong record on Board diversity with a wide range of backgrounds represented among the Board members.

The RNC is responsible to develop policies on diversity, as well as to identify and recommend suitable candidates for appointment as directors or Senior Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

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

## C. REMUNERATION

The RNC had developed a fair and transparent policies and procedure for determining the remuneration of Directors and Senior Management of the Group. The RNC is tasked to develop a remuneration package that is competitive and in line with current market practice to attract, retain and reward talented Directors and Senior Management, and is aligned with the Group's strategy. The remuneration package is determined by taking into account the short-term and long-term objectives and growth of the Group. The RNC consists of three (3) members, all of whom are Independent Non-Executive Directors.

The TOR of the RNC is available on the Company's website, <https://www.optimax2u.com>.

The details of the remuneration of the Directors of the Company and the Group on a named basis for the financial year ended 31 December 2022 are as below:-

Executive Directors (inclusive of Company and Group)	Fees (RM)	Salaries (RM)	Bonus (RM)	Allowance (RM)
<b>Sandy Tan Sing Yee</b>	60,000	435,600	99,000	36,400
<b>Tan Sri Dato' (Dr.) Tan Boon Hock</b>	60,000	–	–	4,800
<b>Michelle Tan Sing Chia *</b> <i>(appointed on 1 December 2022 as Non-Independent Executive Director and redesignated as Non-Independent Executive Director on 1 March 2023)</i>	5,000	–	–	–
Non-Executive Directors (Company)				
<b>Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali</b> <i>(resigned on 28 February 2022)</i>	21,200	–	–	636
<b>Yap Ping Hong</b>	66,000	–	–	4,800
<b>Yap Eng Gee</b>	60,000	–	–	4,800
<b>Dato' Seri Dr Chen Chaw Min</b>	130,000	–	–	4,800
<b>Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim</b>	60,000	–	–	4,200
<b>Mohd Sahir Bin Rahmat</b> <i>(appointed on 1 December 2022)</i>	5,500	–	–	–

\* Michelle Tan will not be entitled for any Director's fee upon her re-designation to an Executive Director and will be paid a salary by the Company.

With regard to the disclosure of remuneration of Group's Key Senior Management, the Company is of the view that the interest of the shareholders will not be prejudiced as a result of the non-disclosure of the Company's Key Senior Management Personnel who are not directors of the Company. In view of the competitive nature of human resource market in the industry the Company operates, the Company should protect the confidentiality of personal information such as employees' remuneration package.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### A. AUDIT COMMITTEE

The ARMC currently comprises all Independent Non-Executive Directors and it is chaired by Yap Ping Hong. The Chairman of the ARMC and the Board are held by two (2) different individuals. The ARMC members have a wide range of skills and knowledge from business administration, accounts, finance, audit and others. In order to perform their duties professionally, the members had attended trainings, seminars, conferences and other relevant programmes to ensure that they are up-to-date on accounting and auditing standards, corporate governance practices and listing rules.

Currently, the ARMC does not have a member who was a former key audit partner of the Company. However, there is a policy in the TOR of the ARMC stated that any key audit partners are required to observe a cooling off period of at least three (3) years before being appointed as a member of the ARMC.

The TOR of the ARMC is available on the Company's website, <https://www.optimax2u.com>.

During the financial year, the ARMC had carried out an annual assessment on the independence and performance of the external auditors, Messrs KPMG PLT, and was satisfied that the external auditors have been independent throughout their audit engagement.

#### B. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board is well aware of the importance of a sound internal control and risk management framework in ensuring the operation runs smoothly and potential risks are mitigated. As such, the Company has engaged Messrs Crowe Governance Sdn Bhd, an independent internal audit firm ("Internal Auditors") to assist in establishing the Group's risk management framework and internal control system. The Internal Auditors report directly to the ARMC.

The ARMC is responsible for reviewing the risk management framework and internal control system and ensure that it aligns with the business objectives of the Group. The ARMC's roles include updating the Board on current major risks, potential risks identified, changes of risk profile and management action plans taken to manage those identified risks. Annual assessment and periodic testing on the effectiveness of the risk management framework and internal control system are conducted, and the assessment results together with recommendations for improvements are reported to the Board.

Details on the key features of the risk management and internal control system together with its adequacy and effectiveness are described in the Statement on Risk Management and Internal Control, which is included on page 62 to 64 in the Company's 2022 Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL REPLATIONSHIP WITH STAKEHOLDERS

#### A. COMMUNICATION WITH STAKEHOLDERS

The Company is fully committed in providing continuous communication with the stakeholders and also the importance of transparency. Hence, the Board has established an effective and transparent method to keep the stakeholders informed on corporate information, policies on governance, the environment and social responsibility.

The Group maintains a corporate website at which provides the relevant information to its stakeholders. The following were posted on the Company's website at <https://www.optimax2u.com>, with the intention of building a communication channel between the Company with the stakeholders:-

(i) Announcements submitted to Bursa Securities

The Company has all its material announcements submitted to Bursa Securities posted on the Company's website and stakeholders may access the announcements from its website.

(ii) Investor section which provides relevant corporate information

The Company's website consists of an Investor section dedicated to provide corporate information to the stakeholders' such as share price, general corporate information, directors' profile, corporate structure and policies approved by the Board.

(iii) General telephone number, fax number and email address.

The general line number, fax number and general enquiry email address of the Company are provided for the stakeholders to send in any enquiries to the Company directly.

#### B. CONDUCT OF ANNUAL GENERAL MEETING ("AGM")

The AGM of the Company serves as a principal forum for the Company and the shareholders to be informed on the Company's growth and to seek for shareholders' approval on resolutions.

The notice and agenda of the AGM together with the proxy form are given to the shareholders at least 28 days prior to the date of the AGM. This will give the shareholders sufficient time to consider the resolutions to be tabled at the AGM and make the necessary arrangement to attend in person and submit the proxy forms to attend the AGM. The notice of AGM was also accompanied by explanatory notes which provides further explanation on each resolution proposed to facilitate informed decision-making by the shareholders.

### STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF THE CODE

The Board is in the opinion that the Group has maintained the highest standards in Corporate Governance practices and compliances and remain fully committed to achieve the highest level of integrity and ethical standard in delivering the strategic objectives and sustainable performance of the Group over the long term.

This statement was tabled and approved at the Board of Directors' Meeting held on 18 April 2023.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Malaysian Code on Corporate Governance requires the Board of Directors (“Board”) to maintain a sound system of risk management and internal control to safeguard shareholders’ investments and the Group’s assets. The Board of Optimax Holdings Berhad (“Optimax”) is committed to maintaining a sound system of internal control and effective risk management as part of its ongoing efforts to practise good corporate governance.

This Statement of Risk Management and Internal Control is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) and Guidance Note 11 of Bursa Malaysia Securities Berhad (“Bursa Securities”).

## BOARD’S RESPONSIBILITY

The Board affirms its responsibilities for the system of internal control of Optimax and its subsidiaries (collectively referred to as the “Group”), which includes the establishment of an effective control environment and appropriate internal control framework as well as review of its adequacy and integrity. This system is designed to identify and manage risk facing the business and covers financial, organisational, operational and compliance controls to safeguard shareholder investment and the Group’s assets.

Due to limitations inherent in any internal control system, such a system is designed to manage, rather than to eliminate the risk of failure to achieve the Group’s business objectives and corporate objectives. Accordingly, the system can only provide reasonable but not absolute assurance against material misstatement, losses or fraud.

In evaluating the adequacy of the Group’s risk management and internal control system, the Board is assisted by the Audit and Risk Management Committee (“ARMC”) which comprises of Independent Directors in discharging the roles and responsibilities guided by Malaysian Code on Corporate Governance 2021 (“MCCG”) and Rules 15.11 and 15.12 of the MMLR. The ARMC meets and hold at least four (4) meetings in a year. In addition, the Chairman of the ARMC may call for additional meetings at any time at his/her discretion. Notwithstanding the delegated responsibilities, the Board acknowledges its overall responsibility in the establishment and oversight of the Group’s risk management and internal control system.

## RISK MANAGEMENT FRAMEWORK AND KEY FEATURES OF INTERNAL CONTROL SYSTEM

The Group has in place a risk management framework which incorporates, amongst others, a structured process for identifying, evaluating and prioritising risks, as well as clearly defined risk responsibilities and escalation process of significant risks. The Management has in place a process to conduct periodic follow-up updates on its risk profiles or as and when there is a significant change to the Group’s business environment. The Board, through its ARMC, regularly reviews the Group’s risk profiles and evaluates measures taken for risk mitigation to ensure that the risks are managed within the Group’s risk appetite.

Whilst the Board considers the risk management framework to be robust, the framework is still subject to annual testing and continuous improvement, taking into consideration better practices and the dynamic business environment.

The key elements of the Group’s internal control system include:-

- i. A clear and well-defined organisational structure taking into account the business and operational requirements of the core businesses of the Group which limits the respective levels of authority, accountability and responsibility of job functions and specifications;
- ii. Documentation of standard operating procedures and ensuring that internal policies, processes and procedures are drawn-up, reviewed and updated as and when required and necessary;
- iii. Senior Management Meetings are held when necessary to raise issues, discuss, review and monitor the business development and resolve operational and management issues and review financial performance against the business plans, the targets and the budgets, if any, for each operating unit;

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

### RISK MANAGEMENT FRAMEWORK AND KEY FEATURES OF INTERNAL CONTROL SYSTEM (CONT'D)

- iv. Board Meetings are held at least four (4) times during the year. According to Terms of Reference of ARMC, the ARMC shall hold at least four (4) meetings in a year. ARMC Meetings are held for five (5) times during the year. The respective meeting papers are distributed on a timely basis to enable members to have access to all relevant information for reviews and queries to be raised;
- v. Quarterly financial results and year-end financial statements are reviewed by the ARMC prior to approval by the Board, focusing particularly on:-
  - Changes in or implementation of major accounting policy changes;
  - Significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed; and
  - Compliance with accounting standards and other legal requirements.
- vi. Periodic reviews are performed by the outsourced Internal Auditor to assess the adequacy of internal controls, integrity of financial information provided and the extent of compliance with established procedures and advising management on areas of improvement;
- vii. The Whistleblowing Policy is established to provide an avenue for all employees of the Group and members of the public to disclose any improper conduct and raise legitimate concerns relating to potential breaches of legislation malpractices in an objective manner without fear of reprisal;
- viii. Code of Ethics and Conduct is in place whereby all the Directors and employees are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Group;
- ix. Related party transactions and conflict of interest situations that may arise in any transactions, procedures or course of conduct that may raise questions of management integrity, are reviewed on a quarterly basis;
- x. Succession planning is developed, including appointment, training, fixing the remuneration of, and where appropriate, replacing key management;
- xi. Major assets are insured to ensure that assets of the Group are sufficiently covered against mishap that may result in material losses to the Group; and
- xii. The Anti-Bribery and Corruption Policy is in place to outline how the Group combats bribery and corruption in furtherance of the Group's commitment to lawful and ethical behavior at all times and is subject to review periodically.

### INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to external consultants to assist the Board in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. The internal audit function; i.e. the Internal Auditor reports independently to the ARMC to provide assurance on the adequacy and effectiveness of risk management, internal control and governance systems. In carrying out its activities, the Internal Auditor has unrestricted access to the relevant records, personnel and physical properties.

The Internal Auditor also reviews the internal control system within the Group based on a risk-based Internal Audit Plan approved by the ARMC. The audit strategy and plan are based on the risk profiles of major business units of the Group. Planned corrective actions are independently monitored for timely completion.



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

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2022, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

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

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

### BOARD ASSESSMENT

The Board is of the view that the Group's overall risk management and internal control system is operating adequately and effectively, in all material aspects, and has received the same assurance from both the Chief Executive Officer and Chief Financial Officer.

The Board confirms that the risk management process in identifying, evaluating and managing significant risks faced by the Group has been in place throughout the financial year ended 31 December 2022 up to the date of approval of this statement. Notwithstanding this, the Board and Key Senior Management remain committed to strengthening the Group's control environment and processes. Ongoing measures and appropriate action plans will be put in place to enhance the Group's system of internal control as and when necessary.

This Statement is made in accordance with the resolution of the Board of Directors dated 18 April 2022.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (“Board”) of Optimax Holdings Berhad (“Optimax” or the “Company”) is pleased to present the Audit and Risk Management Committee Report for the financial year ended 31 December 2022 (“FYE 2022”).

## 1. COMPOSITION

The Company’s Audit and Risk Management Committee (“ARMC”) comprises three (3) members, consist solely of Independent Non-Executive Directors. All of the Independent Non-Executive Directors satisfied the test of independence under the Main Market Listing Requirements (“MMLR”) of Bursa Securities. The ARMC meets the requirements of Paragraph 15.09(1)(a) and (b) of the MMLR as well as Step Up Practice 9.4 of the Malaysian Code on Corporate Governance (“MCCG”).

The Chairman of ARMC, Mr Yap Ping Hong, is a member of the Malaysian Institution of Accountants (“MIA”). Hence, the Company also complies with Paragraph 15.09(1)(c) of the MMLR.

The members of ARMC and their respective designation are as follows:-

Name	Designation
<b>Yap Ping Hong</b>	Chairman (Independent Non-Executive Director)
<b>Yap Eng Gee</b>	Member (Independent Non-Executive Director)
<b>Mohd Sahir Bin Rahmat</b> <i>(appointed on 1 December 2022)</i>	Member (Independent Non-Executive Director)
<b>Tan Sri Dato’ Seri Mohamad Noor Bin Abdul Rahim</b> <i>(resigned on 1 December 2022)</i>	Member (Non-Independent Non-Executive Director)

The Board, via the Remuneration and Nominating Committee (“RNC”), would assess the composition and performance of the ARMC and its members through the Board Assessment Effectiveness Evaluation.

Following a review of the term of office and performance of the ARMC during the 2022 Annual Board Committee Effectiveness Evaluation, the Board was satisfied that the ARMC had discharged its responsibilities in accordance with its Terms of Reference (“TOR”).

The TOR of the ARMC, which were reviewed and approved in August 2022 and subsequently November 2022 in compliance with the transfer listing from the ACE Market to the Main Market set out the authorities, duties and responsibilities of the ARMC is accessible on the Company’s website at [https://optimax.listedcompany.com/misc/Tof\\_Audit\\_and\\_Risk\\_Mgmt\\_Comm\\_new.pdf](https://optimax.listedcompany.com/misc/Tof_Audit_and_Risk_Mgmt_Comm_new.pdf).

## 2. ROLES AND RESPONSIBILITIES

The roles and responsibilities of the ARMC include reviewing the following functions:

### Audit functions

- (a) review the following and report the same to the Board:
  - (i) audit plan with our external auditors;
  - (ii) audit report and evaluation of our system of internal controls with our external auditors;
  - (iii) adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
  - (iv) assistance given by our employees to the external auditors;
  - (v) internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and whether or not appropriate action is taken on the recommendations;

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

### 2. ROLES AND RESPONSIBILITIES (CONT'D)

The roles and responsibilities of the ARMC include reviewing the following functions: (Cont'd)

#### Audit functions (Cont'd)

- (a) review the following and report the same to the Board: (Cont'd)
  - (vi) quarterly results and annual financial statements, before presenting to the Board for approval, focusing particularly on:
    - (a) changes in or implementation of major accounting policy changes;
    - (b) significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed;
    - (c) compliance with accounting standards and other legal requirements;
    - (d) any related party transaction and conflict of interests situation that may arise including any transaction, procedure or course of conduct that raises questions of management integrity;
    - (e) any resignation letter and reasons for non-suitability of external auditors; and
    - (f) whether there is reason (supported by grounds) to believe that the Company's external auditors are not suitable for re-appointment.
- (b) recommend the nomination of a person or persons as external auditors.

#### Risk functions

- (a) oversee and recommend the risk management policies and procedures and to ensure the Group has in place at all times a risk management policy which addresses the strategic, operational, financial and compliance risks;
- (b) set reporting guidelines for management to report to the ARMC on the effectiveness of managing its business risks;
- (c) implement and maintain a sound risk management framework which identifies, assesses, manages and monitors the business risks;
- (d) review the risk profile of the Group and to evaluate the measures taken to mitigate its business risks;
- (e) review the adequacy of management response to issues identified in risk registers and ensuring that the risks are managed within the Group's risk appetite;
- (f) Review the Statement on Risk Management and Internal Control for inclusion in the Company's Annual Report, and recommend to the Board for approval; and
- (g) Carry out other responsibilities, functions or assignments as may be defined by the Board from time to time.

### 3. MEETINGS AND ATTENDANCE

The ARMC held five (5) meetings during the FYE 2022. The Chief Financial Officer ("CFO") was invited to attend all the ARMC meetings to provide clarifications and information on audit issues and relevant issues pertaining to the Group's operations. The Company's previous CFO was appointed as a Non-Independent Non-Executive Director and her position as the CFO was replaced by the Group Accountant on 31 May 2022. The Company Secretaries also attended all the meetings.

The representatives of the External Auditors ("EA"), Messrs KPMG PLT and the outsourced Internal Auditors and Risk Management Consultant, Messrs Crowe Governance Sdn Bhd attended three (3) and four (4) of ARMC meetings respectively.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

### 3. MEETINGS AND ATTENDANCE (CONT'D)

During the FYE 2022, the meetings attendance records of the ARMC members are as follow:-

Name	Number of meetings attended/held during the members' term in office
<b>Yap Ping Hong</b> Chairman / Independent Non-Executive Director	5/5
<b>Yap Eng Gee</b> Member / Independent Non-Executive Director	5/5
<b>Mohd Sahir Bin Rahmat</b> Member / Independent Non-Executive Director <i>Appointed on 1 December 2022</i>	-
<b>Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali</b> Member / Independent Non-Executive Chairman <i>Resigned on 28 February 2022</i>	1/1
<b>Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim</b> Member / Non-Independent Non-Executive Director <i>Resigned on 1 December 2022</i>	3/4

Minutes of each ARMC Meeting were recorded and tabled for confirmation at the ARMC meetings.

### 4. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR UNDER REVIEW

The ARMC carried out its duties in accordance with its TOR.

The summary of works and activities performed by the ARMC during FYE 2022 comprised the following:-

#### a. Financial Reporting

- Reviewed and recommended the Quarterly Financial Statements and Annual Audited Financial Statements of the Group for approval of the Board.
- Reviewed and recommended the Quarterly Financial Statements of the Group to be submitted to Bursa Securities for approval of the Board.

For purposes of the above, the ARMC considered changes in accounting policies and practices and the implementation of such changes, compliance with accounting standards and other legal and regulatory requirements, significant and unusual events, significant adjustments arising from the audit process, material litigation, the going concern assumption and where applicable, review and ensure corporate disclosure policies and procedures of the Group (as they pertain to accounting, audit and financial matters) complied with the disclosure requirements of Bursa Securities.

#### b. Re-appointment of External Auditors ("EA")

The ARMC recommended to the Board for the re-appointment of Messrs KPMG PLT as the Company's EA, after the ARMC had assessed and satisfied with the EA's suitability, objectivity, independence as well as the quality of the services provided, sufficiency of audit resources and interactions with the Management based on the performance of Messrs KPMG PLT in auditing the Company's financial statements for FYE 2022.

On 23 June 2022, the shareholders of the Company approved the re-appointment of Messrs KPMG PLT as the EA of the Company for FYE 2022 at the Third (3rd) Annual General Meeting.



## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

### 4. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR UNDER REVIEW (CONT'D)

#### c. External Audit

The EA, Messrs KPMG PLT presented their Audit Planning Memorandum in relation to the audit of the financial statements for the FYE 2022 on 19 August 2022. The ARMC reviewed and approved the Audit Planning Memorandum which include the scope of work, audit process, key audit matters, audit concepts, engagement team, regulatory compliance and the disclosure requirements of the relevant accounting standards.

The audit engagement partner of EA also highlighted the audit approach and key audit areas.

The ARMC also had a private meeting with the EA without the presence of Executive Directors and Management on 28 February 2023.

#### d. Internal Audit

The Group outsources its Internal Audit function to an independent internal audit firm ("Internal Auditors"), Messrs Crowe Governance Sdn Bhd. The Internal Auditors were engaged to undertake independent and objective review of the effectiveness of the governance, risk management and internal control process of the Group. The Internal Auditors report directly to the ARMC. The internal audit function provides timely and impartial advice to the ARMC and the Management as to whether the internal audit functions reviewed are:-

- i. in accordance with the Group's policies and direction;
- ii. in compliance with prescribed laws and regulations; and
- iii. achieving the desired results effectively and efficiently.

The Internal Audit Report was presented to the ARMC on a half yearly basis for deliberation and its recommendations were communicated to the Management for corrective actions to be taken. The internal audit function also provided follow-up audit reports at subsequent ARMC meetings to report on the status of the key audit issues highlighted in the preceding ARMC meetings. All proposals presented by the Internal Auditors after review by the ARMC were tabled to the Board for its notation or approval.

The total fees billed for the Group's Internal Audit Function for FYE 2022 were RM50,000, billed respectively in 28 Feb 2022, 29 April 2022 and 30 Sept 2022 for RM15,000, RM17,500 and RM17,500 respectively for 2 internal audit cycle.

#### e. Internal Audit Function

The activities of the Internal Auditors during the financial year were as follows:-

##### 1. Internal Audit Reports

During the financial year under review, the following key audit areas were conducted based on the annual internal Audit Plan approved by the ARMC:

- i. Human Resources and Payroll Processing;
- ii. Related Party Transactions Framework; and
- iii. Information Technology General Controls.

Follow-up reports were presented at subsequent ARMC meetings to report on preceding outstanding issues.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

### 4. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR UNDER REVIEW (CONT'D)

#### e. Internal Audit Function (Cont'd)

The activities of the Internal Auditors during the financial year were as follows:- (Cont'd)

#### 2. Enterprise Risk Management ("ERM") framework

The Company had adopted an ERM framework in accordance with the standards and best practices of ISO 31000.

#### f. Review of Related Party Transactions

The ARMC reviewed quarterly reports on related party transactions and possible conflict of interest situations that may arise within the Group including any transactions, procedure or course of conduct that may give rise to questions on management integrity and to ensure all transactions are at arm's length basis in every quarterly meeting. The ARMC had ensured that the Company is in compliance with the MMLR and these related party transactions are not detrimental to minority shareholders. The ARMC also did not detect any issue that warrants specific disclosure.

#### g. Established Policies and Procedures

As we are in the era of evidence-based practice, it is crucial for the Company to establish policies and procedures to safeguard the interest of the Company, and at the same time, adopt best practices of corporate governance in relation to the MMLR and MCCG:-

- **Risk Management Policy**

The Risk Management Policy was developed to provide a guideline on risk management within the Group and to prevent departure of relevant standards and could be designed specifically to fit the organisation's needs. This policy was presented to ARMC for deliberation and subsequently approved by the Board on 26 November 2020.

- **Anti-Bribery and Corruption Policy**

The Anti-Bribery and Corruption Policy was established to provide guidance to the Directors, employees and business associates in observing and upholding our position on bribery and corruption as well as providing information on how to recognise and to deal with this issue. This policy was presented to the ARMC on 27 August 2020 for further deliberation and review, and was subsequently approved by the Board and is available at [https://optimax.listedcompany.com/cg\\_policy.html](https://optimax.listedcompany.com/cg_policy.html).

- **No Gift Policy**

The Group has adopted a "No Gift" Policy whereby, subject only to certain narrow exceptions, employees and directors (executive and non-executive), family members or agents acting for or on behalf of the Group are prohibited from, directly or indirectly, receiving or providing gifts. This policy was presented to the ARMC on 27 August 2020 for further deliberation and review, and was subsequently approved by the Board and is available at [https://optimax.listedcompany.com/cg\\_policy.html](https://optimax.listedcompany.com/cg_policy.html).

- **Whistleblowing Policy**

This Policy was established to provide an avenue for all employees of Group and the members of the public to disclose any improper conduct in accordance with the procedures as provided for under this policy and to provide protection for employees and members of the public who report such allegations. This policy was presented to the ARMC on 27 August 2020 for further deliberation and review, and was subsequently approved by the Board and is available at [https://optimax.listedcompany.com/cg\\_policy.html](https://optimax.listedcompany.com/cg_policy.html).



## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

### 4. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR UNDER REVIEW (CONT'D)

#### g. Established Policies and Procedures (Cont'd)

- Directors' Fit and Proper Policy

This Policy would enhance the governance of the Company in relation to the Board's quality and integrity, as well as ensure that each of its Directors has the character, experience, integrity, competence, time and commitment to effectively discharge an individual's role as a Director. The RNC had passed and recommended the adoption of this policy together with assessment form via written resolution to the Board for approval on 23 May 2022. This policy was approved by the Board on 25 May 2022 and is available at [https://optimax.listedcompany.com/cg\\_policy.html](https://optimax.listedcompany.com/cg_policy.html).

#### h. Review of the reports for the inclusion in this Annual Report

The ARMC has reviewed and recommended the Corporate Governance Statements, ARMC Report, Statement on Risk Management and Internal Control, Management Discussion and Analysis Statement, and the Sustainability Report to the Board for approval, for inclusion in the 2022 Annual Report.

#### i. Periodic Review of the TOR of the ARMC

Reviewed and accessed the adequacy of the TOR of the ARMC periodically, and where necessary, obtained the assistance of the Management, Group's EA and Internal Auditors, and recommended changes to the Board for approval. Further to the listing of the Company on Main Market of Bursa Securities on 3 November 2022, the TOR of ARMC was updated accordingly during the year.

This report was reviewed by the ARMC and approved by the Board on 18 April 2023.

# ADDITIONAL DISCLOSURE REQUIREMENTS

## 1. UTILISATION OF PROCEEDS

The Company undertook its Initial Public Offering (“IPO”) exercise in 2020 and was listed on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 18 August 2020. Pursuant to the said listing, the Company had successfully raised RM21.0 million from the issuance of 70,000,000 ordinary shares in the Company at an issue price of RM0.30 per share. As at 31 December 2022, the IPO proceeds had been fully utilised as follows: -

Purpose	Intended timeframe for utilisation from listing	Proposed utilisation RM'000	Amount utilised as at the 31 December 2022 RM'000	Percentage utilised %
Capital expenditure	Within 24 months*	10,354	10,354	100.00
Repayment of borrowings	Within 3 months	3,520	3,520	100.00
Working capital	Within 12 months	3,526	3,526	100.00
Estimated listing expenses	Within 1 month	3,600	3,600	100.00
<b>Total</b>		<b>21,000</b>	<b>21,000</b>	<b>100.00</b>

Note:

\* There was an extension of time for the proceeds to be utilised from within 12 months to within 24 months.

The Bonus Issue of 67,500,000 Warrants (“Warrant(s)”) on the basis of one (1) warrant for every four (4) existing ordinary shares in the Company was approved by the shareholders on 24 November 2021. The Warrants were listed on the ACE Market of Bursa Securities on 6 January 2022 and was subsequently transferred to the Main Market on 3 November 2022. The proceeds raised up to 31 December 2022 was RM1,800 from the exercise of the Warrants and had been used for working capital and had been utilised within 12 months from the date of the receipt of the proceeds.

An Employees’ Share Option Scheme (“ESOS”) involving up to 20% of the total number of issued shares of the Company (excluding treasure shares, if any) at any point in time during the duration of the ESOS for the eligible Executive Directors and Employees of the Company and its non-dormant subsidiaries was approved by the shareholders on 24 November 2021. As at 31 December 2022, no ESOS Options were granted and exercised.

Further to the above, the Company was transferred from the ACE Market of Bursa Securities to the Main Market of Bursa Securities on 3 November 2022.

## 2. AUDIT AND NON-AUDIT FEES

During the year under review, the amount of audit and non-audit fees paid or payable by the Group were RM265,000 and RM110,000 respectively.

The non-audit fees of RM110,000 paid or payable to the external auditors, or a firm or corporation affiliated to the auditors’ firm by the Group during the financial year ended 31 December 2022 were mainly for their services rendered as a Reporting Accountant for the transfer listing exercise.

## 3. MATERIAL CONTRACTS

During the FYE 2022, there was no material contract entered into by the Company or its subsidiaries involving Directors’ and major shareholders’ interests still subsisting at the end of the Financial Year.



## ADDITIONAL DISCLOSURE REQUIREMENTS (CONT'D)

### 4. MATERIAL CONTRACTS RELATING TO LOANS

During the FYE 2022, there was no material contract relating to loans entered into by the Company or its subsidiaries involving Directors and major shareholders.

### 5. RECURRENT RELATED PARTY TRANSACTIONS

At the Annual General Meeting ("AGM") of the Company held on 23 June 2022, Optimax had obtained a mandate from its shareholders for Optimax and/or its subsidiaries to enter into recurrent related party transactions ("RRPTs") of a revenue or trading nature.

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the MMLR, details of the RRPTs of a revenue or trading nature entered into during the FYE 2022 are as follows:-

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual value
(a)	Sena Letrik (M) Sdn Bhd [Registration No. 198401003301 (115820-W)] ("Sena Letrik") and Optimax Eye Specialist Centre Sdn Bhd [Registration No. 199501000582 (329776-D)] ("OESC") and its subsidiaries	Medical fees received from Sena Letrik for eye treatment services provided to employees of Sena Letrik group of companies	<p><b>Interested major shareholders</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan, a director of OESC, is also a director and a shareholder of Sena Healthcare Sdn Bhd [Registration No. please insert] ("Sena Healthcare") which in turn wholly-owns Sena Letrik</li> <li>Sena Healthcare Services Sdn Bhd [Registration No. 201101009752 (937891-K)] ("Sena Healthcare Services")</li> <li>Puan Sri Datin Lim Sho Hoo</li> </ul> <p><b>Interested Directors</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan</li> <li>Sandy Tan</li> <li>Michelle Tan</li> </ul>	RM70,056
(b)	Sena Traffic Systems Sdn Bhd [Registration No. 200701033286 (791314-W)] ("Sena Traffic") and OESC and its subsidiaries	Medical fees received from Sena Traffic Systems for eye treatment services provided to its employees	<p><b>Interested major shareholders</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan</li> <li>Sena Healthcare Services</li> <li>Puan Sri Datin Lim Sho Hoo</li> </ul> <p><b>Interested Directors</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan</li> <li>Sandy Tan</li> <li>Michelle Tan</li> </ul>	RMnil

## ADDITIONAL DISCLOSURE REQUIREMENTS (CONT'D)

### 5. RECURRENT RELATED PARTY TRANSACTIONS (CONT'D)

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the MMLR, details of the RRPTs of a revenue or trading nature entered into during the FYE 2022 are as follows:- (Cont'd)

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual value
(c)	Modal Saujana Sdn Bhd, [Registration No. 199701017437 (432934-W)] ("Modal Saujana") and OESC/ Optimax Eye Specialist Centre (Ipoh) Sdn Bhd [Registration No. 200201029578 (597241-U)] ("OESC Ipoh") / Optimax Eye Specialist Centre (Bahau) Sdn Bhd [Registration No. 202101005834 (1406133-X)] ("OESC Bahau")	<p>Payment of rental to Modal Saujana (as landlord) by the following parties for renting of the following premises:</p> <ul style="list-style-type: none"> <li>OESC (as tenant) – No. 17, Jalan Bayu Tinggi 7, 41200 Klang, Selangor for use as eye specialist centre and storage: <ul style="list-style-type: none"> <li>Rental payable on monthly basis</li> <li>Tenancy agreement does not exceed 3 years</li> <li>Area: 3,917 square feet</li> </ul> </li> <li>OESC (as tenant) – No. 37-2, Jalan Radin Bagus, Seri Petaling, 57000 Kuala Lumpur for office and/or commercial purpose: <ul style="list-style-type: none"> <li>Rental payable on monthly basis</li> <li>Tenancy agreement does not exceed 3 years</li> <li>Area: 2,088 square feet</li> </ul> </li> <li>OESC Ipoh (as tenant) – No. 1, Jalan Dato' Khong Kam Tak, Off Jalan Tambun, 31400 Ipoh, Perak: <ul style="list-style-type: none"> <li>Rental payable on monthly basis</li> <li>Tenancy agreement does not exceed 3 years</li> <li>Area: 3,985 square feet</li> </ul> </li> <li>OESC Bahau (as tenant) – No. 13 &amp; 15, Jalan Seraya 1, Pusat Perniagaan Seraya, Bandar IOI, 72100 Bahau, Negeri Sembilan: <ul style="list-style-type: none"> <li>Rental payable on monthly basis</li> <li>Tenancy agreement does not exceed 3 years</li> <li>Area: 7,036 square feet</li> </ul> </li> </ul>	<p><b>Interested major shareholders</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan</li> <li>Sena Healthcare Services</li> <li>Puan Sri Datin Lim Sho Hoo</li> </ul> <p><b>Interested Directors</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan</li> <li>Sandy Tan</li> <li>Michelle Tan</li> </ul>	<p>RM96,000</p> <p>RM27,600</p> <p>RM144,000</p> <p>RM120,000</p>



## ADDITIONAL DISCLOSURE REQUIREMENTS (CONT'D)

### 5. RECURRENT RELATED PARTY TRANSACTIONS (CONT'D)

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the MMLR, details of the RRPTs of a revenue or trading nature entered into during the FYE 2022 are as follows:- (Cont'd)

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual value
(d)	Inspirasi Alamjaya Sdn Bhd [Registration No. 201201043810 (1028287-D)] ("Inspirasi Alamjaya") and Tan Boon Hock Holdings Sdn Bhd [Registration No. (199101004124) (214434-D)] ("TBH Holdings")/ Puan Sri Datin Lim Sho Hoo	<p>Payment of rental by Alamjaya (as tenant) to the following parties for renting of the following premises:</p> <ul style="list-style-type: none"> <li>TBH Holdings (as landlord) – 55, Jalan Cantik 6, Taman Pelangi Indah, 81800 Ulu Tiram, Johor for use as eye specialist centre and storage: <ul style="list-style-type: none"> <li>Rental payable on monthly basis</li> <li>Tenancy agreement does not exceed 3 years</li> <li>Area: 5,355 square feet</li> </ul> </li> <li>Puan Sri Datin Lim Sho Hoo (as landlord) – 53, Jalan Cantik 6, Taman Pelangi Indah, 81800 Ulu Tiram, Johor for use as eye specialist centre and storage: <ul style="list-style-type: none"> <li>Rental payable on monthly basis</li> <li>Tenancy agreement does not exceed 3 years</li> <li>Area: 5,355 square feet</li> </ul> </li> </ul>	<p><b>Interested major shareholders</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan</li> <li>Puan Sri Datin Lim Sho Hoo</li> <li>Sena Healthcare Services</li> </ul> <p><b>Interested Directors</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan</li> <li>Sandy Tan</li> <li>Michelle Tan</li> </ul>	<p>RM96,000</p> <p>RM96,000</p>
(e)	Tan Sri Dato' (Dr.) Tan and Inspirasi Alamjaya	<p>Payment of rental to Tan Sri Dato' (Dr.) Tan (as landlord) by the following parties for renting of the following premises:</p> <ul style="list-style-type: none"> <li>Inspirasi Alamjaya (as tenant)-Akademic Suite #L9-10, Block A, Jalan Mount Austin, 81100 Johor Bahru, Johor for use as staff accommodation: <ul style="list-style-type: none"> <li>Rental payable on monthly basis</li> <li>Tenancy agreement does not exceed 3 years</li> <li>Area: 753 square feet</li> </ul> </li> </ul>	<p><b>Interested major shareholders</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan</li> <li>Sena Healthcare Services</li> <li>Puan Sri Datin Lim Sho Hoo</li> </ul> <p><b>Interested Directors</b></p> <ul style="list-style-type: none"> <li>Tan Sri Dato' (Dr.) Tan</li> <li>Sandy Tan</li> <li>Michelle Tan</li> </ul>	RM21,600

## ADDITIONAL DISCLOSURE REQUIREMENTS (CONT'D)

### 5. RECURRENT RELATED PARTY TRANSACTIONS (CONT'D)

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the MMLR, details of the RRPTs of a revenue or trading nature entered into during the FYE 2022 are as follows:- (Cont'd)

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual value
(f)	OESC and Dr. Nor Zainura binti Zainal	Payment of consultancy fees by OESC to – • Dr. Nor Zainura binti Zainal for provision of professional services in relation to surgery and consultation	<b>Interested Directors</b> • Dr. Nor Zainura binti Zainal	RM281,257
(g)	Optimax Eye Specialist Centre (Shah Alam) Sdn Bhd [Registration No. 200301021426 (623846-H)] ("OESC Shah Alam") and Dr. Nor Zainura binti Zainal	Payment of consultancy fees by OESC Shah Alam to – • Dr. Nor Zainura binti Zainal for provision of professional services in relation to surgery and consultation	<b>Interested Directors</b> • Dr. Nor Zainura binti Zainal	RM837,696
(h)	OESC and Aquiline Eyecare Training Enterprise	Payment of fees by OESC to – • Aquiline Eyecare Training Enterprise for the provision of professional services in relation to surgery and consultation provided by Dr. Yen Siew Siang	<b>Interested Directors</b> • Dr. Yen Siew Siang	RM688,856
(i)	Sena Wellness Sdn Bhd [Registration No. 201001038827 (922751-A)] ("Sena Wellness") and Optixanthin Sdn Bhd [Registration No. 201901022570 (1331899-X)] ("Optixanthin")	Sale of inventories by Optixanthin to – • Sena Wellness for Optixanthin - food product	<b>Interested major shareholders</b> • Tan Sri Dato' (Dr.) Tan • Puan Sri Datin Lim Sho Hoo • Sena Healthcare Services  <b>Interested Directors</b> • Tan Sri Dato' (Dr.) Tan • Sandy Tan • Michelle Tan • Dr. Nor Zainura binti Zainal	RM63,326
(j)	ITMAX System Berhad [Registration No. 200101008580 (544336-M)] ("ITMAX System") and OESC and its subsidiaries	Medical fees received from ITMAX System for eye treatment services provided to its employees	<b>Interested major shareholders</b> • Tan Sri Dato' (Dr.) Tan • Puan Sri Datin Lim Sho Hoo • Sena Healthcare Services  <b>Interested Directors</b> • Tan Sri Dato' (Dr.) Tan • Sandy Tan • Michelle Tan	RM3,696



## ADDITIONAL DISCLOSURE REQUIREMENTS (CONT'D)

### 5. RECURRENT RELATED PARTY TRANSACTIONS (CONT'D)

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the MMLR, details of the RRPTs of a revenue or trading nature entered into during the FYE 2022 are as follows:- (Cont'd)

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual value
(k)	Sena Wellness and OESC	Sale of inventories by OESC to –  Sena Wellness for medical inventories such as vaccines	<b>Interested major shareholders</b> <ul style="list-style-type: none"> <li>• Tan Sri Dato' (Dr.) Tan</li> <li>• Puan Sri Datin Lim Sho Hoo</li> <li>• Sena Healthcare Services</li> </ul> <b>Interested Directors</b> <ul style="list-style-type: none"> <li>• Tan Sri Dato' (Dr.) Tan</li> <li>• Sandy Tan</li> <li>• Michelle Tan</li> <li>• Dr. Nor Zainura binti Zainal</li> </ul>	RM127,789
(l)	Sena Wellness and OESC and its subsidiaries	Medical fees paid to Sena Wellness provided to employees of OESC and its subsidiaries	<b>Interested major shareholders</b> <ul style="list-style-type: none"> <li>• Tan Sri Dato' (Dr.) Tan</li> <li>• Puan Sri Datin Lim Sho Hoo</li> <li>• Sena Healthcare Services</li> </ul> <b>Interested Directors</b> <ul style="list-style-type: none"> <li>• Tan Sri Dato' (Dr.) Tan</li> <li>• Sandy Tan</li> <li>• Michelle Tan</li> <li>• Dr. Nor Zainura binti Zainal</li> </ul>	RM3,848
(m)	ITMAX System Berhad [Registration No. 200101008580 (544336-M)] ("ITMAX System") and OESC Kluang/ OESC Segamat	Payment of rental to ITMAX System (as landlord) by the following parties for renting of the following premises: <ul style="list-style-type: none"> <li>• OESC Kluang (as tenant) – No. 43 &amp; 44, Jalan Haji Manan, 86000 Kluang, Johor for use as eye specialist centre and storage: <ul style="list-style-type: none"> <li>– Rental payable on monthly basis</li> <li>– Tenancy agreement does not exceed 3 years</li> <li>– Area: 6,516 square feet</li> </ul> </li> </ul>	<b>Interested major shareholders</b> <ul style="list-style-type: none"> <li>• Tan Sri Dato' (Dr.) Tan</li> <li>• Puan Sri Datin Lim Sho Hoo</li> <li>• Sena Healthcare Services</li> </ul> <b>Interested Directors</b> <ul style="list-style-type: none"> <li>• Tan Sri Dato' (Dr.) Tan</li> <li>• Sandy Tan</li> <li>• Michelle Tan</li> </ul>	RM108,000

## ADDITIONAL DISCLOSURE REQUIREMENTS (CONT'D)

### 5. RECURRENT RELATED PARTY TRANSACTIONS (CONT'D)

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the MMLR, details of the RRPTs of a revenue or trading nature entered into during the FYE 2022 are as follows:- (Cont'd)

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual value
(m)	ITMAX System Berhad [Registration No. 200101008580 (544336-M)] ("ITMAX System") and OESC Kluang/ OESC Segamat (Cont'd)	<ul style="list-style-type: none"> <li>OESC Segamat (as tenant)               <ul style="list-style-type: none"> <li>No. 49B &amp; 49C, Jalan Genuang, 85000 Segamat, Johor for use as eye specialist centre:                   <ul style="list-style-type: none"> <li>Rental payable on monthly basis</li> <li>Tenancy agreement does not exceed 3 years</li> <li>Area: 2,640 square feet</li> </ul> </li> </ul> </li> </ul>		RM81,000

The shareholdings of the interested Directors, Major Shareholders and/or Persons Connected to the Directors and Major Shareholders in the Company as at 21 March 2023 were as follows:

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<b><u>Interested Directors</u></b>				
Tan Sri Dato' (Dr.) Tan	144,086,000	26.682	162,552,000 <sup>(1)</sup>	30.102
Sandy Tan	2,060,000	0.38	–	–
Michelle Tan	2,060,000	0.38	–	–
<b><u>Interested Major Shareholder</u></b>				
Sena Healthcare Services	157,720,00	29.207		
<b><u>Person Connected</u></b>				
Puan Sri Datin Lim Sho Hoo	712,000	0.13	305,926,000 <sup>(2)</sup>	56.65

**Notes:**

<sup>(1)</sup> Deemed interested by virtue of Section 8 of the Companies Act, 2016 through a shareholding of more than 20% in Sena Healthcare Services Sdn. Bhd. and held through his spouse and children.

<sup>(2)</sup> Deemed interested by virtue of Section 8 of the Companies Act, 2016 through a shareholding of more than 20% in Sena Healthcare Services Sdn. Bhd. and held through her spouse and children

Please refer to the notes of Section 2.4.1 of the Circular to shareholders dated 29 April 2022 on the directorships and shareholdings of the interested Directors and interested Major Shareholders in the transacting parties.



# STATEMENT OF DIRECTORS RESPONSIBILITIES

The Board of Directors (“Board”) is responsible for ensuring that the financial statements for the Company and the Group are properly drawn up in accordance with the applicable Approved Accounting Standards in Malaysia, the provisions of the Companies Act 2016 (“Act”) and the Main Market Listing Requirements of Bursa Securities so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and of the financial performance and cash flows for the financial year ended on that date.

Throughout the preparation of the financial statements for the financial year ended 31 December 2022, the Board has:-

- i) Applied appropriate accounting policies consistently;
- ii) Made judgments and estimations that were reasonable and prudent; and
- iii) Ensured compliance with applicable approved financial reporting standards in Malaysia and the financial statements were prepared on a going concern basis.

The Board is responsible for ensuring that the Group keeps proper and adequate accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy to ensure compliance with the provisions of the Act.

The Board is also responsible to take reasonable steps to safeguard the assets of the Group and of the Company to prevent and detect fraud and other irregularities.

This statement is prepared pursuant to Paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Securities.



# Financial Statements

Section

**FINANCIAL  
STATEMENTS**

**06**

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# DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

## SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

## RESULTS

	Group RM'000	Company RM'000
Profit for the financial year attributable to: Owners of the Company	14,691	14,052
Non-controlling interests	1,723	–
	16,414	14,052

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

**DIRECTORS' REPORT  
(CONT'D)****DIVIDEND**

Since the end of the previous financial year, the amount of dividends paid by the Company were as follows:

- i) In respect of the financial year ended 31 December 2021 as reported in the Directors' Report of that year, a second interim tax-exempted dividend of 1.90 sen per ordinary share totalling RM5,130,019 was declared on 24 February 2022 and paid on 28 March 2022.
- ii) In respect of the financial year ended 31 December 2022, a first interim tax-exempted dividend of 1.20 sen per ordinary share totalling RM6,480,035 was declared on 29 November 2022 and paid on 23 December 2022.

Subsequent to the end of the current financial year, the Directors declared a second interim tax-exempted dividend of 1.20 sen per ordinary share totalling RM6,480,035 on 28 February 2023 which was paid on 30 March 2023 in respect of the financial year ended 31 December 2022. The financial statement for the current financial year do not reflect this declared second interim tax-exempted dividend. The dividend will be accounted for in equity as an appropriation of retained earnings for the financial year ending 31 December 2023.

The Directors do not recommend any final dividend to be paid for the financial year under review.

**DIRECTORS**

Directors of the Company who served during the financial year until the date of this report are:

Tan Sri Dato' (Dr.) Tan Boon Hock  
Tan Sing Yee  
Yap Eng Gee  
Yap Ping Hong  
Dato' Seri (Dr.) Chen Chaw Min  
Tan Sri Dato' Seri Mohamad Noor bin Abdul Rahim  
Tan Sing Chia (appointed on 1 December 2022)  
Mohd Sahir bin Rahmat (appointed on 1 December 2022)  
Tan Sri Datuk (Dr.) Ir. Ahmad Tajuddin bin Ali (resigned on 28 February 2022)

Directors of the Company's subsidiaries (excluding Directors who are also Directors of the Company) who served during the financial year until the date of this report are:

Dr. Chuah Kay Leong  
Dr. Chang Khai Meng  
Dr. Chung Soon Hee  
Dr. Hasani bin Andar  
Dr. Lam Hee Hong  
Dr. Ngim You Siang  
Dr. Ngo Chek Tung  
Dr. Nor Zainura binti Zainal  
Dr. Yen Siew Siang (resigned on 1 March 2023)



## DIRECTORS' REPORT (CONT'D)

### DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2022/ Date of appointment	Bonus Issue	Sold	At 31.12.2022
<b>Interests in the ultimate holding company, Optimax Holdings Berhad:</b>				
<b>Direct interests</b>				
Tan Sri Dato' (Dr.) Tan Boon Hock	72,043,000	72,043,000	–	144,086,000
Tan Sing Yee	1,030,000	1,030,000	–	2,060,000
Tan Sing Chia	1,030,000	1,030,000	–	2,060,000
<b>Indirect interests</b>				
Tan Sri Dato' (Dr.) Tan Boon Hock <sup>(1) (2)</sup>	79,216,000	79,216,000	–	158,432,000

	Number of warrants			
	At 1.1.2022/ Date of appointment	Bonus Issue	Sold	At 31.12.2022
<b>Interests in the ultimate holding company, Optimax Holdings Berhad:</b>				
<b>Direct interests</b>				
Tan Sri Dato' (Dr.) Tan Boon Hock	18,010,750	18,010,750	–	36,021,500
Tan Sing Yee	257,500	257,500	–	515,000
Tan Sing Chia	257,500	257,500	–	515,000
<b>Indirect interests</b>				
Tan Sri Dato' (Dr.) Tan Boon Hock <sup>(1) (2)</sup>	19,804,000	19,804,000	–	39,608,000

<sup>(1)</sup> Deemed interests by virtue of his interests in Sena Healthcare Services Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016 ("Act") and interests of his spouse and children (except for Tan Sing Yee and Tan Sing Chia who are Directors of the Company) by virtue of Section 59(11)(c) of the Act.

<sup>(2)</sup> Tan Sing Chia was appointed as a Director of the Company on 1 December 2022. Shares and warrants held under her name was excluded from Tan Sri Dato' (Dr.) Tan Boon Hock indirect interests in share as at 1 January 2022.

## DIRECTORS' REPORT (CONT'D)

### DIRECTORS' INTERESTS IN SHARES (CONT'D)

By virtue of his interests of more than 20% in the shares of the Company, Tan Sri Dato' (Dr.) Tan Boon Hock is also deemed interested in the shares of all subsidiaries during the financial year to the extent that the Company has an interest.

Details of his deemed interests in non-wholly owned subsidiaries are as follows:

	At 1.1.2022	Number of ordinary shares		At 31.12.2022
		Bought	Sold	
<b>Held through Optimax Eye Specialist Centre Sdn. Bhd. <sup>(1)</sup>:</b>				
Optimax Eye Specialist Centre (Bandar Sunway) Sdn. Bhd.	560,000	–	–	560,000
Optimax Eye Specialist Centre (Kajang) Sdn. Bhd.	158,000	–	–	158,000
Optimax Eye Specialist Centre (Seri Petaling) Sdn. Bhd.	35,000	–	–	35,000
Optixanthin Sdn. Bhd.	90	–	–	90
Optimax Eye Specialist Centre (Southern) Sdn. Bhd.	70	–	–	70
Optimax International Sdn. Bhd.	100	–	–	100
<b>Held through Optimax Eye Specialist Centre (Southern) Sdn. Bhd. <sup>(1)</sup>:</b>				
Optimax Eye Specialist Centre (Muar) Sdn. Bhd.	70,000	–	–	70,000
Optimax Eye Specialist Centre (Kluang) Sdn. Bhd.	63,000	–	–	63,000
Optimax Eye Specialist Centre (Segamat) Sdn. Bhd.	63,000	–	–	63,000
Inspirasi Alamjaya Sdn. Bhd.	2	–	–	2
Optimax Eye Specialist Centre (Bahau) Sdn. Bhd.	1	–	–	1
Optimax Eye Specialist Centre (Sutera) Sdn. Bhd.	70	–	–	70

<sup>(1)</sup> Companies with shares held through Optimax Eye Specialist Centre Sdn. Bhd. or Optimax Eye Specialist Centre (Southern) Sdn. Bhd. which in turn is a direct subsidiary of Optimax Holdings Berhad.

The other Directors holding office at 31 December 2022 did not have any interest in the shares of the Company and of its related corporations during the financial year.



## DIRECTORS' REPORT (CONT'D)

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than the related party transactions as disclosed in Note 26 to the financial statements.

The director's benefits paid to or receivable by directors in respect of the financial year ended 2022 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	467	–
Remuneration	29	836
	496	836

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

### ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up share capital of the Company was increased from 270,000,000 ordinary shares to 540,003,000 ordinary shares by way of:

- (i) Conversion of a total of 1,500 units of warrants to ordinary shares at an exercise price of RM1.20 for RM1,800 which have been listed on 7 March 2022 and 27 April 2022 respectively; and
- (ii) Issuance of 270,001,500 ordinary shares on 9 May 2022 through bonus issue on the basis of one bonus share for every one existing ordinary share held in the Company.

There were no other changes in the issued and paid-up capital of the Company during the financial year. There were no debentures issued during the financial year.

**DIRECTORS' REPORT  
(CONT'D)****WARRANTS**

As at end of the financial year, the Company has the following outstanding warrants:

<b>Warrants</b>	<b>Exercise price per ordinary share</b>	<b>Expiry date</b>	<b>Number of warrants outstanding as at 31.12.2022</b>
Warrant A	RM0.60	29.12.2026	134,996,988

Warrant A were issued on 30 December 2021 pursuant to the bonus issue of 67,500,000 free warrants in the Company on the basis of one (1) Warrant for every four (4) existing ordinary shares in the Company. The warrants entitle the holders to subscribe for new ordinary share in the Company on the basis of one new ordinary share for every warrant held at an exercise price of RM1.20 per ordinary share within 5 years from the date of issue of the warrants. The exercise price of the warrants is subject to adjustment from time to time in accordance with the conditions stipulated in the Deed Poll.

During the financial year, the warrant of the Company was increased from 67,499,994 units to 134,996,988 units by way of:

- (i) Conversion of a total of 1,500 units of warrants to ordinary shares at an exercise price of RM1.20 for RM1,800 which have been listed on 7 March 2022 and 27 April 2022; and
- (ii) Issuance of 67,498,494 additional warrants on 9 May 2022 through a bonus issue on the basis of one bonus warrant for every one existing warrant held in the Company.

Accordingly, the exercise price per ordinary share has now been adjusted to RM0.60.

**OPTIONS GRANTED OVER UNISSUED SHARES**

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

**INDEMNITY AND INSURANCE COSTS**

During the financial year, there is no indemnity and insurance purchased for Directors, officers and auditors of the Company.

**QUALIFICATION OF SUBSIDIARIES' FINANCIAL STATEMENTS**

The auditors' report on the audit of the financial statements of the Company's subsidiaries did not contain any qualification.



## DIRECTORS' REPORT (CONT'D)

### OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) there are no bad debts to be written off and no provision needs to be made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render it necessary to write off any bad debts or provide for any doubtful debts, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2022 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

### SIGNIFICANT EVENTS

Significant events are disclosed in Note 27 to the financial statements.

### SUBSEQUENT EVENTS

Subsequent events are disclosed in Note 28 to the financial statements.

**DIRECTORS' REPORT  
(CONT'D)****AUDITORS**

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Group and of the Company during the year are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Auditors' remuneration</b>				
Audit fees				
- KPMG PLT	265	224	45	40
Non-audit fees				
- KPMG PLT	110	25	110	25
	375	249	155	65

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

-----  
**Tan Sri Dato' (Dr.) Tan Boon Hock**  
Director

-----  
**Tan Sing Yee**  
Director

Kuala Lumpur

Date: 18 April 2023



# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Assets</b>					
Property, plant and equipment	3	58,046	49,266	-	-
Right-of-use assets	4	9,949	9,462	-	-
Investments in subsidiaries	5	-	-	19,500	19,500
Deferred tax assets	6	307	369	-	-
Trade and other receivables	7	-	-	13,358	10,248
<b>Total non-current assets</b>		<b>68,302</b>	<b>59,097</b>	<b>32,858</b>	<b>29,748</b>
Inventories	8	4,291	3,070	-	-
Trade and other receivables	7	2,549	4,563	2,122	2,822
Current tax assets		406	433	-	-
Prepayments		1,610	1,206	-	-
Investment in financial assets	9	4,919	4,632	4,918	4,632
Pledged deposits	10	1,107	1,089	-	-
Cash and cash equivalents	11	18,202	18,525	625	922
<b>Total current assets</b>		<b>33,084</b>	<b>33,518</b>	<b>7,665</b>	<b>8,376</b>
<b>Total assets</b>		<b>101,386</b>	<b>92,615</b>	<b>40,523</b>	<b>38,124</b>
<b>Equity</b>					
Share capital	12	39,072	39,071	39,072	39,071
Reserves		19,048	15,967	1,385	(1,057)
<b>Total equity attributable to owners of the Company</b>		<b>58,120</b>	<b>55,038</b>	<b>40,457</b>	<b>38,014</b>
Non-controlling interests		3,867	2,704	-	-
<b>Total equity</b>		<b>61,987</b>	<b>57,742</b>	<b>40,457</b>	<b>38,014</b>

STATEMENTS OF FINANCIAL POSITION  
(CONT'D)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Liabilities</b>					
Loans and borrowings	13	13,403	12,188	-	-
Lease liabilities		7,270	6,760	-	-
Deferred tax liabilities	6	2,777	1,957	-	-
<b>Total non-current liabilities</b>		23,450	20,905	-	-
-----					
Loans and borrowings	13	3,808	3,620	-	-
Lease liabilities		1,655	1,515	-	-
Trade and other payables	14	9,323	7,788	66	110
Current tax liabilities		1,163	1,045	-	-
<b>Total current liabilities</b>		15,949	13,968	66	110
-----					
<b>Total liabilities</b>		39,399	34,873	66	110
-----					
<b>Total equity and liabilities</b>		101,386	92,615	40,523	38,124

The notes on pages 97 to 147 are an integral part of these financial statements.



# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	15	108,003	88,898	16,130	5,130
Other income		238	169	127	51
Inventories and consumables		(23,633)	(19,473)	–	–
Staff costs	16	(41,425)	(34,722)	(496)	(411)
Depreciation expenses		(7,820)	(6,580)	–	–
Other expenses		(10,736)	(8,634)	(1,808)	(818)
<b>Results from operating activities</b>		<b>24,627</b>	<b>19,658</b>	<b>13,953</b>	<b>3,952</b>
Finance income		108	191	99	380
Finance costs	17	(1,230)	(1,258)	–	–
<b>Profit before tax</b>	18	<b>23,505</b>	<b>18,591</b>	<b>14,052</b>	<b>4,332</b>
Tax expense	19	(7,091)	(5,490)	–	–
<b>Profit and total comprehensive income for the financial year</b>		<b>16,414</b>	<b>13,101</b>	<b>14,052</b>	<b>4,332</b>
<b>Profit and total comprehensive income attributable to:</b>					
Owners of the Company		14,691	12,298	14,052	4,332
Non-controlling interests		1,723	803	–	–
<b>Profit and total comprehensive income for the financial year</b>		<b>16,414</b>	<b>13,101</b>	<b>14,052</b>	<b>4,332</b>
<b>Earnings per ordinary share (sen)</b>	20				
Basic earnings per ordinary share (sen)		2.72	2.28		
Diluted earnings per ordinary share (sen)		2.22	1.82		

The notes on pages 97 to 147 are an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	← Attributable to owners of the Company →		← Non-distributable →		Distributable		← Non-controlling interests →		Total equity
	Share capital	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>									
<b>At 1 January 2021</b>	39,071	(17,486)	26,285	47,870	2,351	50,221			
Dividends to non-controlling interests	-	-	-	-	(450)	(450)			
Dividends to owners of the Company	-	-	(5,130)	(5,130)	-	(5,130)			
Profit and total comprehensive income for the financial year	-	-	12,298	12,298	803	13,101			
<b>At 31 December 2021/1 January 2022</b>	39,071	(17,486)	33,453	55,038	2,704	57,742			
Dividends to non-controlling interests	-	-	-	-	(560)	(560)			
Dividends to owners of the Company	-	-	(11,610)	(11,610)	-	(11,610)			
Profit and total comprehensive income for the financial year	-	-	14,691	14,691	1,723	16,414			
Conversion of bonus warrant	1*	-	-	1	-	1			
<b>At 31 December 2022</b>	39,072	(17,486)	36,534	58,120	3,867	61,987			

← Note 12 →

\* Conversion of a total of 1,500 units of warrants to ordinary shares for RM1,800.



# STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Share capital RM'000	Retained earnings/ (Accumulated losses) RM'000	Total equity RM'000
<b>Company</b>			
<b>At 1 January 2021</b>	39,071	(259)	38,812
Dividends to owners of the Company	–	(5,130)	(5,130)
Profit and total comprehensive income for the financial year	–	4,332	4,332
<b>At 31 December 2021/1 January 2022</b>	39,071	(1,057)	38,014
Dividends to owners of the Company	–	(11,610)	(11,610)
Conversion of bonus warrant	1*	–	1
Profit and total comprehensive income for the financial year	–	14,052	14,052
<b>At 31 December 2022</b>	39,072	1,385	40,457

Note 12

\* Conversion of a total of 1,500 units of warrants to ordinary shares for RM1,800.

The notes on pages 97 to 147 are an integral part of these financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Cash flows from operating activities</b>					
Profit before tax		23,505	18,591	14,052	4,332
<i>Adjustments for:</i>					
Depreciation of property, plant and equipment	3	5,951	4,880	-	-
Depreciation of right-of-use assets	4	1,869	1,700	-	-
Finance costs	17	1,230	1,258	-	-
Finance income	18	(108)	(191)	(99)	(380)
Gain on derecognition of right-of-use assets	18	-	(67)	-	-
Dividend income	18	-	-	(16,130)	(5,130)
Fair value gain on investment in financial assets	18	(171)	(52)	(127)	(52)
Bad debts written off	18	-	4	-	-
Property, plant and equipment written off	18	-	6	-	-
<b>Operating profit/(loss) before changes in working capital</b>					
		32,276	26,129	(2,304)	(1,230)
<i>Changes in working capital:</i>					
Inventories		(1,221)	(850)	-	-
Trade and other receivables		2,014	(3,113)	34	67
Prepayments		(404)	(205)	-	-
Trade and other payables		899	2,740	(44)	60
<b>Cash generated from/ (used in) operations</b>					
		33,564	24,701	(2,314)	(1,103)
Dividends received		-	-	11,853	5,130
Interest received		96	45	77	165
Interest paid		(541)	(522)	-	-
Tax refund		165	-	-	-
Tax paid		(6,229)	(4,532)	-	-
<b>Net cash from operating activities</b>					
		27,055	19,692	9,616	4,192

**STATEMENTS OF CASH FLOWS  
(CONT'D)**

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Cash flows from investing activities</b>					
Acquisition of property, plant and equipment		(11,117)	(11,084)	-	-
Proceeds from disposal of property, plant and equipment		-	112	-	-
Net (increase in)/redemption from investment in financial assets		(104)	10,695	(150)	10,690
Change in pledged deposits		(18)	(18)	-	-
Advances to subsidiaries		-	-	1,846	(8,896)
<b>Net cash (used in)/from investing activities</b>		<b>(11,239)</b>	<b>(295)</b>	<b>(1,696)</b>	<b>1,794</b>
<b>Cash flows from financing activities</b>					
Dividends paid to owners of the Company	21	(11,610)	(5,130)	(11,610)	(5,130)
Dividends paid to non-controlling interests		(560)	(450)	-	-
Interest paid		(689)	(736)	-	-
Repayment of hire purchase liabilities		(3,663)	(3,319)	-	-
Repayment of term loans		(591)	(515)	-	-
Proceeds from hire purchase liabilities		2,679	1,055	-	-
Proceeds from conversion of bonus warrant		1	-	1	-
Payment of lease liabilities		(1,706)	(1,620)	-	-
<b>Net cash used in financing activities</b>		<b>(16,139)</b>	<b>(10,715)</b>	<b>(11,609)</b>	<b>(5,130)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(323)</b>	<b>8,682</b>	<b>(297)</b>	<b>856</b>
Cash and cash equivalents at 1 January		18,525	9,843	922	66
<b>Cash and cash equivalents at 31 December</b>		<b>18,202</b>	<b>18,525</b>	<b>625</b>	<b>922</b>

STATEMENTS OF CASH FLOWS  
(CONT'D)

## (i) Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash at banks	11	18,202	18,525	625	922

## (ii) Cash outflows for leases as a lessee

	Note	Group 2022 RM'000	Group 2021 RM'000
<b>Included in net cash from operating activities:</b>			
Interest paid in relation to lease liabilities	17	541	520
Payment relating to short-term leases	18	75	28
Payment relating to leases of low-value assets	18	41	17
Payment relating to variable lease payments not included in the measurement of lease liabilities	18	11	12
<b>Included in net cash from financing activities:</b>			
Payment of lease liabilities		1,706	1,620
<b>Total cash outflows for leases</b>		<b>2,374</b>	<b>2,197</b>

## (iii) Acquisition of property, plant and equipment

During the financial year, the Group acquired property, plant and equipment as follows:

	Group 2022 RM'000	Group 2021 RM'000
Paid in cash	11,017	10,952
In the form of hire purchase	2,978	227
Balances remained unpaid at financial year end	736	100
	<b>14,731</b>	<b>11,279</b>

During the financial year, the Group paid the remaining outstanding amounts in relation to property, plant and equipment acquired in the previous financial year of RM100,000 (2021: RM132,000).

The Group also entered into hire purchase arrangement to fully finance the plant and equipment acquired in the previous financial year of RM2,679,000 which was initially funded out of the Group's internally generated funds in the previous financial year. The Group also acquired plant and equipment of RM2,978,000 during the financial year via hire purchase arrangement.

In previous financial year, the Group had entered into hire purchase arrangement to fully finance the plant and equipment acquired in the previous financial year ended 31 December 2020 of RM1,760,000 in which RM705,000 is related to the balances that remained unpaid at the financial year ended 31 December 2020. The remaining RM1,055,000 was initially funded out of the Group's internally generated funds in the financial year ended 31 December 2020.

STATEMENTS OF CASH FLOWS  
(CONT'D)

## (iv) Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1.1.2021 RM'000	Payments RM'000	Acquisition of new lease RM'000	Derecognition RM'000	Remeasure- ments RM'000	At 31.12.2021 RM'000
<b>Group</b>						
Term loans	8,832	(515)	–	–	–	8,317
Hire purchase liabilities <sup>(1)</sup>	8,823	(3,319)	1,987	–	–	7,491
Lease liabilities	8,758	(1,620)	1,508	(1,103)	732	8,275
	26,413	5,454	3,495	(1,103)	732	24,083

	At 1.1.2022 RM'000	Payments RM'000	Acquisition of new lease RM'000	Remeasure- ments RM'000	At 31.12.2022 RM'000
<b>Group</b>					
Term loans	8,317	(591)	–	–	7,726
Hire purchase liabilities <sup>(2)</sup>	7,491	(3,663)	5,657	–	9,485
Lease liabilities	8,275	(1,706)	2,144	212	8,925
	24,083	(5,960)	7,801	212	26,136

<sup>(1)</sup> In previous financial year, the Group had entered into hire purchase arrangement to fully finance the plant and equipment acquired in the financial year ended 31 December 2020 of RM1,760,000 in which RM705,000 is related to the balances that remained unpaid at the financial year ended 31 December 2020. The remaining RM1,055,000 was initially funded out of the Group's internally generated funds in the financial year ended 31 December 2020.

<sup>(2)</sup> The Group had also entered into hire purchase arrangement to fully finance the plant and equipment acquired in the previous financial year of RM2,679,000, which was initially funded out of the Group's internally generated funds in the previous financial year. The Group also acquired plant and equipment of RM2,978,000 during the financial year via hire purchase arrangement.

The notes on pages 97 to 147 are an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

Optimax Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

**Principal place of business**

1st and 2nd Floor  
No. 145, Jalan Radin Bagus  
Seri Petaling  
57000 Kuala Lumpur, Wilayah Persekutuan

**Registered office**

Unit 30-01, Level 30, Tower A, Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur, Wilayah Persekutuan

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2022 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the financial year ended 31 December 2022 do not include other entities.

The Company is principally engaged in investment holding, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

These financial statements were authorised for issue by the Board of Directors on 18 April 2023.

## 1. BASIS OF PREPARATION

### (a) Statement of compliance

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

The following are accounting standard and amendments that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendment to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendment to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 1. BASIS OF PREPARATION (CONT'D)

#### (a) Statement of compliance (Cont'd)

***MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the relevant abovementioned accounting standard and amendments:

- from the annual period beginning on 1 January 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 and amendments to MFRS 17 which are not applicable to the Group and the Company.
- from the annual period beginning on 1 January 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024.

The initial application of the abovementioned amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company.

#### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

#### (c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

#### (d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- *Note 4 – extension options and incremental borrowing rate in relation to leases*

The Group assesses at the lease commencement whether it is reasonably certain to exercise the extension options. The Group also applies judgement and assumptions in determining the incremental borrowing rate of respective leases.

- *Note 6 – recognition of deferred tax assets*

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

#### (a) Basis of consolidation

##### (i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

##### (ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

##### (iii) Acquisitions of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (a) Basis of consolidation (Cont'd)

##### (iv) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group's equity and any resulting gain or loss is recognised directly in equity.

##### (v) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset depending on the level of influence retained.

##### (vi) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

##### (vii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

#### (b) Foreign currency

##### Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (c) Financial instruments

##### (i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

##### (ii) Financial instrument categories and subsequent measurement

###### **Financial assets**

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

###### (a) **Amortised cost**

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(h)(i)) where the effective interest rate is applied to the amortised cost.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (c) Financial instruments (Cont'd)

##### (ii) Financial instrument categories and subsequent measurement (Cont'd)

###### **Financial assets (Cont'd)**

###### (b) Fair value through profit or loss

All financial asset not measured at amortised costs or fair value through other comprehensive income are measured at fair value through profit or loss. This includes derivative financial asset (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to impairment assessment (see Note 2(h)(i)).

###### **Financial liabilities**

###### **Amortised cost**

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

##### (iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

##### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (d) Property, plant and equipment

##### (i) Recognition and measurement

Freehold land is measured at cost. Other items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

##### (ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

##### (iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

• Buildings	50 years
• Furniture, fittings and office equipment	3 - 10 years
• Operation equipment	5 - 8 years
• Renovation	5 - 10 years
• Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted as appropriate.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (e) Leases

##### (i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

##### (ii) Recognition and initial measurement

###### As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (e) Leases (Cont'd)

##### (ii) Recognition and initial measurement (Cont'd)

###### As a lessee (Cont'd)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

##### (iii) Subsequent measurement

###### As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (f) Inventories

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

The cost of inventories is calculated using the first-in-first-out method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

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

#### (g) Cash and cash equivalents

Cash and cash equivalents consist of balances and pledged deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short-term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

#### (h) Impairment

##### (i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables is always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (h) Impairment (Cont'd)

##### (i) Financial assets (Cont'd)

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery amounts due.

##### (ii) Other assets

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

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (i) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

##### (i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

##### (ii) Ordinary shares

Ordinary shares are classified as equity.

#### (j) Employee benefits

##### (i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### (ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

#### (k) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (l) Revenue and other income

##### (i) Revenue

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

- a) the customer simultaneously receives and consumes the benefits provided as the Group performs;
- b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

##### (ii) Dividend income

Dividend income is recognised in profit or loss on the date that the right to receive payment is established.

##### (iii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss.

#### (m) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when the expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (n) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the temporary differences relating to the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### (o) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise warrants and share options granted to employee.

If the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are authorised for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (p) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by the chief operating decision maker, which in this case is the Chief Executive Officer of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

#### (q) Fair value measurements

Fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 3. PROPERTY, PLANT AND EQUIPMENT

Group Cost	Freehold land RM'000	Buildings RM'000	Furniture, fittings and office equipment RM'000	Operation equipment RM'000	Renovation RM'000	Motor vehicles RM'000	Capital work-in- progress RM'000	Total RM'000
At 1 January 2021	14,636	6,215	5,331	55,835	8,734	1,112	112	91,975
Additions	1,090	2,180	1,078	4,413	1,930	588	-	11,279
Disposals	-	-	(2)	-	-	-	(112)	(114)
Written off	-	-	(162)	(8)	(140)	-	-	(310)
At 31 December 2021/1 January 2022	15,726	8,395	6,245	60,240	10,524	1,700	-	102,830
Additions	-	-	641	10,731	2,693	-	666	14,731
Written off	-	-	(1)	(2)	-	-	-	(3)
At 31 December 2022	15,726	8,395	6,885	70,969	13,217	1,700	666	117,558
<b>Accumulated depreciation</b>								
At 1 January 2021	-	436	3,772	39,535	4,524	723	-	48,990
Depreciation for the financial year	-	155	396	3,282	795	252	-	4,880
Disposals	-	-	(2)	-	-	-	-	(2)
Written off	-	-	(160)	(3)	(141)	-	-	(304)
At 31 December 2021/1 January 2022	-	591	4,006	42,814	5,178	975	-	53,564
Depreciation for the financial year	-	184	492	4,143	849	283	-	5,951
Written off	-	-	(1)	(2)	-	-	-	(3)
At 31 December 2022	-	775	4,497	46,955	6,027	1,258	-	59,512
<b>Carrying amounts</b>								
At 1 January 2021	14,636	5,779	1,559	16,300	4,210	389	112	42,985
At 31 December 2021/1 January 2022	15,726	7,804	2,239	17,426	5,346	725	-	49,266
At 31 December 2022	15,726	7,620	2,388	24,014	7,190	442	666	58,046

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

#### 3.1 Assets under hire purchase

Carrying amounts of plant and equipment held under hire purchase arrangements are as follows:

	Group	
	2022 RM'000	2021 RM'000
Operation equipment	12,250	9,181
Motor vehicles	165	295
	12,415	9,476

#### 3.2 Security

Included in property, plant and equipment of the Group are certain property, plant and equipment with carrying amount of RM16,855,000 (2021: RM16,906,000) which were pledged to a financial institution to secure term loan facility granted to the Group as disclosed in Note 13.

### 4. RIGHT-OF-USE ASSETS

	Leasehold land RM'000	Buildings RM'000	Operation equipment RM'000	Total RM'000
<b>Group</b>				
At 1 January 2021	1,778	7,862	318	9,958
Additions	–	1,508	–	1,508
Derecognitions	–	(1,036)	–	(1,036)
Remeasurements	–	732	–	732
Depreciation	(20)	(1,545)	(135)	(1,700)
At 31 December 2021/1 January 2022	1,758	7,521	183	9,462
Additions	–	2,144	–	2,144
Remeasurements	–	212	–	212
Depreciation	(20)	(1,763)	(86)	(1,869)
At 31 December 2022	1,738	8,114	97	9,949

The Group's leasehold land has remaining lease terms of 87 years (2021: 88 years) since the date of acquisition.

The Group also leases a number of buildings for its clinics and operation equipment for its business operation that typically run between 2 to 5 years. The Group has an option to renew the lease for buildings after that date.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 4. RIGHT-OF-USE ASSETS (CONT'D)

#### 4.1 Extension options

Some of the buildings contain extension options exercisable by the Group between 1 to 6 years before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

The extension options in the leases of buildings have been included in the determination of lease liabilities at the lease commencement date.

#### 4.2 Significant judgements and assumptions in relation to leases

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. The Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. The Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

### 5. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022 RM'000	2021 RM'000
Cost of investment	19,500	19,500

Details of the subsidiaries are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2022 %	2021 %
<b>Direct subsidiary</b>				
Optimax Eye Specialist Centre Sdn. Bhd. ("OESC")	Malaysia	Eye specialist services and related products and services and investment holding	100	100

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2022 %	2021 %
<b>Indirect subsidiaries</b>				
<b>Held through Optimax Eye Specialist Centre Sdn. Bhd.:</b>				
Optimax Eye Specialist Centre (Shah Alam) Sdn. Bhd. ("OESC Shah Alam")	Malaysia	Eye specialist services and related products and services	100	100
Optimax Eye Specialist Centre (Seremban) Sdn. Bhd. ("OESC Seremban")	Malaysia	Eye specialist services and related products and services	100	100
Optimax Eye Specialist Centre (Kajang) Sdn. Bhd. ("OESC Kajang")	Malaysia	Dormant	79	79
Optimax Eye Specialist Centre (Kuching) Sdn. Bhd. ("OESC Kuching")	Malaysia	Eye specialist services and related products and services	100	100
Optimax Eye Specialist Centre (Bandar Sunway) Sdn. Bhd. ("OESC Bandar Sunway")	Malaysia	Eye specialist services and related products and services	70	70
Optimax Eye Specialist Centre (Ipoh) Sdn. Bhd. ("OESC Ipoh")	Malaysia	Eye specialist services and related products and services	100	100
Optimax Eye Specialist Centre (Seri Petaling) Sdn. Bhd. ("OESC Seri Petaling")	Malaysia	Eye specialist services and related products and services	70	70
Optimax Eye Specialist Centre (Southern) Sdn. Bhd. ("OESC Southern")	Malaysia	Investment holding	70	70

**NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)****5. INVESTMENTS IN SUBSIDIARIES (CONT'D)**

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2022 %	2021 %
<b>Indirect subsidiaries (Cont'd)</b>				
<b>Held through Optimax Eye Specialist Centre Sdn. Bhd.: (Cont'd)</b>				
Optixanthin Sdn. Bhd. ("Optixanthin")	Malaysia	Marketing of food product	90	90
Optimax International Sdn. Bhd. ("Optimax International")	Malaysia	Dormant	100	100
Optimax Ventures Sdn. Bhd. ("Optimax Ventures")	Malaysia	Dormant	100	100
<b>Held through Optimax Eye Specialist Centre (Southern) Sdn. Bhd.:</b>				
Optimax Eye Specialist Centre (Muar) Sdn. Bhd. ("OESC Muar")	Malaysia	Eye specialist services and related products and services	70	70
Optimax Eye Specialist Centre (Kluang) Sdn. Bhd. ("OESC Kluang")	Malaysia	Eye specialist services and related products and services	63	63
Optimax Eye Specialist Centre (Segamat) Sdn. Bhd. ("OESC Segamat")	Malaysia	Eye specialist services and related products and services	63	63
Inspirasi Alamjaya Sdn. Bhd. ("Inspirasi Alamjaya")	Malaysia	Eye specialist services and related products and services	70	70
Optimax Eye Specialist Centre (Bahau) Sdn. Bhd. ("OESC Bahau")	Malaysia	Eye specialist services and related products and services	70	70
Optimax Eye Specialist Centre (Sutera) Sdn. Bhd. ("OESC Sutera")	Malaysia	Eye specialist services and related products and services	70	70

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

## 5.1 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	2022						Total RM'000
	OESC Muar RM'000	OESC Bandar Sunway RM'000	OESC Southern RM'000	Inspirasi Alamjaya RM'000	OESC Kluang RM'000	OESC Segamat RM'000	
NCI percentage of ownership interest and voting interest	30%	30%	30%	30%	37%	37%	
Carrying amount of NCI	1,004	1,106	(323)	936	632	635	(123)
Profit/(Loss) allocated to NCI	190	241	507	510	256	219	(200)

Summarised financial information  
before intra-group elimination

As at 31 December	871	558	280	2,768	382	559
Non-current assets	3,067	4,208	13	2,759	1,808	1,770
Current assets	(119)	(58)	-	(1,276)	(52)	(72)
Non-current liabilities	(471)	(1,023)	(1,370)	(1,132)	(429)	(541)
Current liabilities						
<b>Net assets/(liabilities)</b>	<b>3,348</b>	<b>3,685</b>	<b>(1,077)</b>	<b>3,119</b>	<b>1,709</b>	<b>1,716</b>
<b>Financial year ended 31 December</b>						
Revenue	5,369	6,948	1,700	10,347	4,329	4,436
Profit for the financial year	632	802	1,691	1,700	692	592
Total comprehensive income for the financial year	632	802	1,691	1,700	692	592
Cash flows from operating activities	766	1,407	1,692	1,881	1,516	764
Cash flows used in investing activities	(136)	(250)	-	(75)	(39)	(7)
Cash flows used in financing activities	(914)	(170)	(1,680)	(823)	(467)	(629)
Net (decrease)/increase in cash and cash equivalents	(284)	987	12	983	1,010	128
Dividend paid to NCI	-	-	510	-	20	30



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

#### 5.1 Non-controlling interests in subsidiaries (Cont'd)

	2021						Total RM'000
	OESC Muar RM'000	OESC Bandar Sunway RM'000	OESC Southern RM'000	Inspirasi Alamjaya RM'000	OESC Kluang RM'000	OESC Segamat RM'000	
NCI percentage of ownership interest and voting interest	30%	30%	30%	30%	37%	37%	
Carrying amount of NCI	815	865	(320)	425	397	447	2,704
Profit/(Loss) allocated to NCI	90	310	(2)	138	103	122	803

#### Summarised financial information before intra-group elimination

As at 31 December							
Non-current assets	1,105	550	280	3,228	584	789	
Current assets	2,497	3,101	1	1,051	1,251	1,484	
Non-current liabilities	(141)	(84)	-	(1,521)	(204)	(283)	
Current liabilities	(746)	(684)	(1,349)	(1,340)	(560)	(783)	
<b>Net assets/(liabilities)</b>	<b>2,715</b>	<b>2,883</b>	<b>(1,068)</b>	<b>1,418</b>	<b>1,071</b>	<b>1,207</b>	
<b>Financial year ended 31 December</b>							
Revenue	4,034	4,802	-	5,752	3,052	3,506	
Profit/(Loss) for the financial year	299	1,034	(8)	461	277	329	
Total comprehensive income/ (expense) for the financial year	299	1,034	(8)	461	277	329	
Cash flows from/(used in) operating activities	855	1,602	(8)	1,634	109	684	
Cash flows used in investing activities	(51)	(171)	-	(1,103)	(40)	(40)	
Cash flows used in financing activities	(112)	(661)	-	(486)	(324)	(333)	
Net increase/(decrease) in cash and cash equivalents	692	770	(8)	45	(255)	311	
Dividend paid to NCI	-	450	-	-	-	-	

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 6. DEFERRED TAX ASSETS AND LIABILITIES

## Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Group</b>						
Property, plant and equipment	-	-	(2,910)	(2,063)	(2,910)	(2,063)
Right-of-use assets	-	-	(1,997)	(1,609)	(1,997)	(1,609)
Lease liabilities	2,165	1,737	-	-	2,165	1,737
Unutilised tax losses	272	347	-	-	272	347
Tax assets/(liabilities)	2,437	2,084	(4,907)	(3,672)	(2,470)	(1,588)
Set-off	(2,130)	(1,715)	2,130	1,715	-	-
<b>Net tax assets/(liabilities)</b>	<b>307</b>	<b>369</b>	<b>(2,777)</b>	<b>(1,957)</b>	<b>(2,470)</b>	<b>(1,588)</b>

Deferred tax assets and liabilities are offset above when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority.

## Movement in temporary differences during the financial year

	At 1.1.2021 RM'000	Recognised in profit or loss (Note 19) RM'000	At 31.12.2021/ 1.1.2022 RM'000	Recognised in profit or loss (Note 19) RM'000	At 31.12.2022 RM'000
<b>Group</b>					
Property, plant and equipment	(1,211)	(852)	(2,063)	(847)	(2,910)
Right-of-use assets	(1,963)	354	(1,609)	(388)	(1,997)
Lease liabilities	2,102	(365)	1,737	428	2,165
Unutilised tax losses	254	93	347	(75)	272
<b>Total</b>	<b>(818)</b>	<b>(770)</b>	<b>(1,588)</b>	<b>(882)</b>	<b>(2,470)</b>

## Significant judgements and assumptions in relation to deferred tax assets

The Group assesses at the end of the reporting period by applying significant judgement whether there are any future taxable profits will be available against which the deferred tax assets can be utilised. The management considers all facts and circumstances including the subsidiaries' past financial information, future projections and future business plan to help them to determine the amount of deferred tax assets that can be recognised.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 6. DEFERRED TAX ASSETS AND LIABILITIES (CONT'D)

#### Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	2022 RM'000	Group 2021 RM'000
Unutilised tax losses	1,897	939
Others	–	10
	1,897	949
Deferred tax assets not recognised at 24%	455	228

Deferred tax assets have not been recognised in respect of these items in the end of the reporting period of certain subsidiaries because it was not probable that taxable profit will be available against which the Group can utilise the benefits there from.

Pursuant to the provision of Finance Act 2021 requirement, the unutilised tax losses can be carried forward up to ten consecutive years of assessment ("YA"), for which, any excess at the end of the tenth (10th) year, will be disregarded.

The expiry of the unutilised tax losses is as follows:

	2022 RM'000	Group 2021 RM'000
Year of assessment 2028	269	269
Year of assessment 2029	226	226
Year of assessment 2030	280	280
Year of assessment 2031	164	164
Year of assessment 2032	958	–
	1,897	939

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 7. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Non-current</b>					
<b>Non-trade</b>					
Amounts due from subsidiaries	7.1	–	–	13,358	10,248
<b>Current</b>					
<b>Trade</b>					
Trade receivables	7.2	1,181	3,432	–	–
<b>Non-trade</b>					
Other receivables		568	438	–	–
Deposits	7.3	800	693	1	1
Amounts due from subsidiaries	7.4	–	–	2,121	2,821
		1,368	1,131	2,122	2,822
		2,549	4,563	2,122	2,822
		2,549	4,563	15,480	13,070

- 7.1 The non-current portion of non-trade amount due from subsidiaries are unsecured, subject to interest between 3.37% - 4.37% (2021: 3.37%) per annum and not repayable within the next twelve months.
- 7.2 In previous financial year, included in trade receivables of the Group were amounts totalling RM273,000 owing from the companies in which a Director has financial interest. The amounts owing from the companies in which a Director has financial interest were unsecured, interest free and subject to normal trade terms.
- 7.3 Included in the deposits of the Group are amounts totalling RM87,000 (2021: RM117,000) and RM24,500 (2021: RM35,000) paid to companies in which a Director has financial interest and to a Director.
- 7.4 The current portion of non-trade amounts due from subsidiaries are unsecured, interest free and repayable on demand, except for advances amounting to RM2,107,000 (2021: RM2,786,000) which are subject to interest between 3.37% - 4.37% (2021: 3.37%) per annum.

**NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)****8. INVENTORIES**

	Group	
	2022 RM'000	2021 RM'000
At cost:		
Raw materials	10	94
Medicine and disposable consumables	4,281	2,976
	4,291	3,070
Recognised in profit or loss	22,374	16,231

**9. INVESTMENT IN FINANCIAL ASSETS**

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Investment in money market funds - fair value through profit or loss	4,919	4,632	4,918	4,632

**10. PLEDGED DEPOSITS**

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
The deposits are pledged for:				
Bank overdraft	1,107	1,089	-	-

The deposits placed with a licensed bank of the Group is RM1,107,000 (2021: RM1,089,000) pledged for a bank overdraft facility granted to the Group.

**11. CASH AND CASH EQUIVALENTS**

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash at banks	18,202	18,525	625	922

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 12. SHARE CAPITAL AND OTHER RESERVES

## (a) Share capital

	Group and Company		Number of shares 2021 '000
	Amount 2022 RM'000	Number of shares 2022 '000	
<b>Issued and fully paid shares with no par value classified as equity instruments:</b>			
Ordinary shares			
At 1 January	39,071	270,000	270,000
Conversion of bonus warrant	1	1 <sup>(1)</sup>	–
Bonus issue	–	270,001 <sup>(2)</sup>	–
At 31 December	39,072	540,003	270,000

<sup>(1)</sup> Conversion of a total of 1,500 units of warrants to ordinary shares for RM1,800.

<sup>(2)</sup> Issuance of 270,001,500 ordinary shares on 9 May 2022.

**Ordinary shares**

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The new ordinary shares issued during the financial year rank equally in all respects with the existing shares of the Company.

During the financial year, the issued and fully paid-up share capital of the Company was increased from 270,000,000 ordinary shares to 540,003,000 ordinary shares by way of:

- (i) Conversion of a total of 1,500 units of warrants to ordinary shares at an exercise price of RM1.20 for RM1,800 which have been listed on 7 March 2022 and 27 April 2022 respectively; and
- (ii) Issuance of 270,001,500 ordinary shares on 9 May 2022 through bonus issue on the basis of one bonus share for every one existing ordinary share held in the Company.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 12. SHARE CAPITAL AND OTHER RESERVES (CONT'D)

#### (b) Other reserves

##### Business combination reserve

The business combination reserve comprises the difference between the consideration paid and net assets acquired in the acquisition of two subsidiaries namely OESC Ipoh and OESC Seri Petaling from a common control shareholder during the financial year ended 31 December 2017.

#### (c) Warrants

On 30 December 2021, the Company issued the bonus issue of up to 67,500,000 warrants ("Warrant A") in the Company on the basis of one (1) Warrant for every four (4) existing ordinary shares in the Company held at an exercise price of RM1.20 per warrant, which were approved by the shareholders of the Company on 24 November 2021.

During the financial year, 1,500 units of warrants were converted into ordinary shares at an exercise price of RM1.20 per Warrant A for RM1,800 which have been listed on 7 March 2022 and 27 April 2022 respectively.

On 9 May 2022, the Group has completed the issuance of 67,498,494 additional warrants on the basis of one bonus warrant for every one existing warrant held in the Company. The additional warrants arose from the adjustments to the number of outstanding warrants as a result of the bonus issue. Accordingly, the exercise price per ordinary share has now been adjusted to RM0.60.

The salient features of the Warrant A are as follows:

- (i) The issue date of the Warrant A is 30 December 2021 and the expiry date is 29 December 2026. Any warrants which have not then been exercised during the exercise period will lapse and cease to be valid for any purpose;
- (ii) Each Warrant A entitles the registered holder to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.60 per Warrant A;
- (iii) The Warrant A may be exercisable at any time within five (5) years commencing from and including the date of issuance of Warrant A and ending 5 p.m. (Malaysian time) on the expiry date. The expiry date is a date which falls on the day before the fifth (5th) anniversary of the date of issuance of the Warrant A and if such date is not a market day, then on the preceding market day;
- (iv) The exercise price and the number of Warrant A is subject to adjustments in the event of alteration to the share capital of the Company in accordance with the provisions of the Deed Poll; and
- (v) All new ordinary shares to be issued pursuant to the exercise of the Warrant A will rank equally in all respects with existing ordinary shares of the Company except that such new ordinary shares shall not be entitled to any dividends, rights, allotments and other distributions on or prior to the date of allotment of the new ordinary shares concerned.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 13. LOANS AND BORROWINGS

	Note	2022 RM'000	Group 2021 RM'000
<b>Non-current</b>			
Term loan – secured	13.1	7,346	7,867
Hire purchase liabilities	13.2	6,057	4,321
		13,403	12,188
<b>Current</b>			
Term loan – secured	13.1	380	450
Hire purchase liabilities	13.2	3,428	3,170
		3,808	3,620
		17,211	15,808

## 13.1 Term loan

The term loan bears interest at range of 3.08% - 4.45% (2021: 3.37%) per annum with monthly repayment instalments. The term loan is secured and supported by:

- certain property, plant and equipment as disclosed in Note 3; and
- corporate and personal guarantee by certain shareholders of the Company.

The outstanding balance of term loan as at the financial year end is RM7,726,000 (2021: RM8,317,000).

## 13.2 Hire purchase liabilities

Hire purchase liabilities are payable as follows:

	Future minimum lease payments 2022 RM'000	Interest 2022 RM'000	Present value of minimum lease payments 2022 RM'000	Future minimum lease payments 2021 RM'000	Interest 2021 RM'000	Present value of minimum lease payments 2021 RM'000
<b>Group</b>						
Less than one year	3,850	422	3,428	3,530	360	3,170
Between one to five years	6,539	482	6,057	4,581	260	4,321
	10,389	904	9,485	8,111	620	7,491

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 14. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Current</b>					
<b>Trade</b>					
Trade payables		2,605	2,451	–	–
<b>Non-trade</b>					
Other payables	14.1	2,122	1,675	6	33
Deposits		741	704	–	–
Accruals and provisions		3,855	2,958	60	77
		6,718	5,337	66	110
		9,323	7,788	66	110

14.1 Included in other payables of the Group is an amount totalling RM736,000 (2021: RM100,000) relating to acquisition of property, plant and equipment.

### 15. REVENUE

		Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Revenue from contracts with customers</b>					
		108,003	88,898	–	–
<b>Other revenue</b>					
Dividend income		–	–	16,130	5,130
		108,003	88,898	16,130	5,130

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 15. REVENUE (CONT'D)

## Disaggregation of revenue from contracts with customers

	Group	
	2022 RM'000	2021 RM'000
Medicine and others	6,331	4,878
Medical services	101,672	84,020
	108,003	88,898

Revenue recognised is predominantly from operations in Malaysia and is recognised at a point in time.

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms
Medicine and others	Revenue is recognised at a point in time when or as the control of the medicine and others is transferred to the customer. The amount of revenue recognised for medicine and others is adjusted for discounts and rebates given.	Payment for the sales of medicine and others shall be made within 30 days.
Medical services	Revenue is recognised at a point in time as medical services are provided. The amount of revenue recognised for medical services is adjusted for discounts and rebates given.	Payment for the services rendered shall be made within 30 days.

There were no variable elements in consideration, obligation for returns or refunds nor warranty in the provision of the goods and services by the Group.

The Group participated in the provision of vaccination services under the National Covid-19 Immunisation Programme ("PICK") and MYMEDIC@WILAYAH Programme ("Mobile Vaccination Programme"). The revenue generated is classified under medical services as disclosed above. Both programmes ended in Quarter 1 of current financial year.

**NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)****16. STAFF COSTS**

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Director fees					
- Directors of the Company		467	383	467	383
- Directors of the subsidiaries		24	24	-	-
		491	407	467	383
-----					
Wages, salaries and others (including key management personnel's remuneration)	16.1	36,916	31,406	29	28
Contributions to Employees Provident Fund		4,018	2,909	-	-
		40,934	34,315	29	28
		41,425	34,722	496	411

16.1 Included in wages, salaries and others of the Group is wages in relation of the hire of locum staff such as temporary doctors, nurses and medical assistants to facilitate provision of vaccination services to the public under PICK and Mobile Vaccination Programme.

Staff costs include key management personnel and is disclosed in Note 26 (D).

**17. FINANCE COSTS**

	Group	
	2022 RM'000	2021 RM'000
Interest expenses arising from:		
- term loan	190	253
- hire purchase liabilities	499	483
- bank overdraft	-	2
- lease liabilities	541	520
	1,230	1,258

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 18. PROFIT BEFORE TAX

Note	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Profit before tax is arrived at after charging/(crediting):</b>				
Auditors' remuneration				
- Audit fees				
KPMG PLT				
- Statutory audit	265	224	45	40
- Non-audit fees				
KPMG PLT	110	25	110	25
<b>Material expenses/(income)</b>				
Depreciation expenses				
- Property, plant and equipment	5,951	4,880	-	-
- Right-of-use assets	1,869	1,700	-	-
Property, plant and equipment written off	-	6	-	-
Bad debts written off	-	4	-	-
Fair value gain on investment in financial assets	(171)	(52)	(128)	(52)
Finance income				
- Amount due from subsidiaries	-	-	(90)	(234)
- Investment in financial assets	(12)	(146)	(9)	(146)
- Cash and cash equivalents	(78)	(27)	-	-
- Pledged deposits	(18)	(18)	-	-
Dividend income	-	-	(16,130)	(5,130)
<i>Expenses/(Income) arising from leases</i>				
Expenses relating to short-term leases	(i)	75	28	-
Expenses relating to leases of low-value assets	(ii)	41	17	-
Expenses relating to variable lease payment not included in the measurement of lease liabilities		11	12	-
Gain on derecognition of right-of-use assets		-	(67)	-

- (i) The Group leases operation equipment, office equipment, office space, motor vehicles and infrastructures to facilitate vaccination and medical services with contract terms of less than 1 year. These leases are short-term in nature and the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.
- (ii) The Group leases various office equipment with contract terms of 3 years. These leases are low-value in nature and the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

**NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)****19. TAX EXPENSE**

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Recognised in profit or loss</b>					
<b>Current tax expense</b>					
Current year provision		6,148	4,577	-	-
Under provision in prior year		61	143	-	-
		6,209	4,720	-	-
<b>Deferred tax expense</b>					
Origination of temporary differences		721	576	-	-
Under provision in prior year		161	194	-	-
		882	770	-	-
		7,091	5,490	-	-
<b>Reconciliation of tax expense</b>					
Profit before tax		23,505	18,591	14,052	4,332
Income tax calculated using Malaysian tax rate of 24% (2021: 24%)		5,641	4,462	3,372	1,040
Non-deductible expenses		1,056	794	553	294
Net effect of unrecognised deferred tax assets		227	-	-	-
Tax exempt income	19.1	-	-	(3,871)	(1,231)
Others		(55)	(103)	(54)	(103)
Under provision in prior year					
- current tax		61	143	-	-
- deferred tax		161	194	-	-
		7,091	5,490	-	-

19.1 The tax exempt income is in relation to tax effect of the dividend income received from a subsidiary.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 20. EARNINGS PER ORDINARY SHARE

The calculation of earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	2022 RM'000	Group 2021 RM'000
Profit for the financial year attributable to owners of the Company	14,691	12,298
<hr/>		
	2022 '000	Group 2021 '000
<hr/>		
<b>Basic earnings per ordinary share attributable to owners of the Company</b>		
Based on weighted average number of ordinary shares	540,000	540,000
Effect on conversion of the bonus warrant	3	3
<hr/>		
Adjusted weighted average number of ordinary shares <sup>(1)</sup>	540,003	540,003
<hr/>		
Basic earnings per ordinary share (sen) <sup>(2)</sup>	2.72	2.28
<hr/>		
<b>Diluted earnings per ordinary share attributable to owners of the Company</b>		
Based on weighted average number of ordinary shares	540,000	540,000
Effect on conversion of the bonus warrant	3	3
Effect of dilution arising from conversion of all bonus warrants	134,997	134,997
<hr/>		
Adjusted weighted average number of ordinary shares <sup>(3)</sup>	675,000	675,000
<hr/>		
Diluted earnings per ordinary share (sen) <sup>(2)</sup>	2.22	1.82

<sup>(1)</sup> Included the effects of the conversion of a total 1,500 bonus warrants which have been listed on 7 March 2022 and 27 April 2022 and the listing of and quotation for bonus shares on 9 May 2022.

<sup>(2)</sup> The calculation of basic and diluted earnings per share have been adjusted retrospectively to reflect the changes in the number of Optimax Shares as disclosed in Note 1 above as per the requirement of MFRS 133, Earnings per Share, Paragraph 64.

<sup>(3)</sup> Included the assumption that the remaining bonus warrants are converted to Optimax Shares (as at the date of this report, these bonus warrants have not been converted to Optimax Shares).



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 21. DIVIDENDS

Dividends recognised by the Company:

	Sen per share	Total RM'000	Date of payment
<b>2022</b>			
First interim 2022 ordinary	1.20	6,480	23 December 2022
<b>2021</b>			
First interim 2021 ordinary	1.90	5,130	21 December 2021
Second interim 2021 ordinary	1.90	5,130	28 March 2022
		10,260	

Subsequent to the end of the current financial year, the Directors declared a second interim tax-exempted dividend of 1.20 sen per ordinary share totalling RM6,480,035 on 28 February 2023 which was paid on 30 March 2023 in respect of the financial year ended 31 December 2022. The financial statement for the current financial year do not reflect this declared second interim tax-exempted dividend. The dividend will be accounted for in equity as an appropriation of retained earnings for the financial year ending 31 December 2023.

The Directors do not recommend any final dividend to be paid for the financial year under review.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 22. OPERATING SEGMENTS

The Group does not have the reportable segments, as the services are managed indistinctly because they require the similar technology and marketing strategies. The internal management reports consist of performance from respective entities and classified as North, Central, South and East Malaysia. The Group's Chief Executive Officer reviews internal management reports at least on a quarterly basis. The following summary describes the geographical segments results:

#### Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of the customers. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	Revenue RM'000	Group Non-current assets RM'000
<b>Geographical information</b>		
<b>2022</b>		
North Malaysia	18,703	23,049
Central Malaysia	62,413	32,204
South Malaysia	23,411	10,170
East Malaysia	3,476	2,572
	108,003	67,995
<b>2021</b>		
North Malaysia	13,734	20,452
Central Malaysia	58,240	30,795
South Malaysia	15,187	6,817
East Malaysia	1,737	664
	88,898	58,728

#### Major customers

There were no major customers with revenue equal or more than 10% of the Group's total revenue for the financial years ended 31 December 2022 and 31 December 2021.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 23. FINANCIAL INSTRUMENTS

#### 23.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- (a) Fair value through profit or loss ("FVTPL")  
- Designated upon initial recognition ("DUIR")
- (b) Amortised cost ("AC")

	Carrying amount RM'000	FVTPL - DUIR RM'000	AC RM'000
<b>2022</b>			
<b>Financial assets</b>			
<b>Group</b>			
Trade and other receivables	2,549	-	2,549
Investment in financial assets	4,919	4,919	-
Pledged deposits	1,107	-	1,107
Cash and cash equivalents	18,202	-	18,202
	26,777	4,919	21,858
<b>Company</b>			
Trade and other receivables	15,480	-	15,480
Investment in financial assets	4,918	4,918	-
Cash and cash equivalents	625	-	625
	21,023	4,918	16,105
<b>Financial liabilities</b>			
<b>Group</b>			
Trade and other payables	(9,323)	-	(9,323)
Loans and borrowings	(17,211)	-	(17,211)
	(26,534)	-	(26,534)
<b>Company</b>			
Trade and other payables	(66)	-	(66)

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 23. FINANCIAL INSTRUMENTS (CONT'D)

## 23.1 Categories of financial instruments (Cont'd)

	Carrying amount RM'000	FVTPL - DUIR RM'000	AC RM'000
<b>2021</b>			
<b>Financial assets</b>			
<b>Group</b>			
Trade and other receivables	4,563	-	4,563
Investment in financial assets	4,632	4,632	-
Pledged deposits	1,089	-	1,089
Cash and cash equivalents	18,525	-	18,525
	28,809	4,632	24,177
<b>Company</b>			
Trade and other receivables	13,070	-	13,070
Investment in financial assets	4,632	4,632	-
Cash and cash equivalents	922	-	922
	18,624	4,632	13,992
<b>Financial liabilities</b>			
<b>Group</b>			
Trade and other payables	(7,788)	-	(7,788)
Loans and borrowings	(15,808)	-	(15,808)
	(23,596)	-	(23,596)
<b>Company</b>			
Trade and other payables	(110)	-	(110)



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 23. FINANCIAL INSTRUMENTS (CONT'D)

#### 23.2 Net losses and gains arising from financial instruments

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Net (losses)/gains arising on:				
Financial assets at fair value through profit or loss:				
- Designated upon initial recognition	183	198	137	198
Financial assets at amortised cost	96	41	90	234
Financial liabilities at amortised cost	(689)	(738)	-	-
	(410)	(499)	227	432

#### 23.3 Financial risk management

The Group has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

#### 23.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. The Company's exposure to credit risk arises principally from advances to subsidiaries. There are no significant changes as compared to prior periods.

##### Trade receivables

*Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statement of financial position.

*Concentration of credit risk*

The Group does not separate its trade receivables by segment.

As at 31 December 2022, the 2 major customers which contribute aggregate, 39% (2021: 77%) of the Group's trade receivables.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 23. FINANCIAL INSTRUMENTS (CONT'D)

## 23.4 Credit risk (Cont'd)

## Trade receivables (Cont'd)

*Recognition and measurement of impairment loss*

All financial assets measured at amortised cost are first assessed for credit impaired trade receivables.

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions to recover long overdue balances.

Default rates are critically evaluated based on the expectations of the responsible management team regarding the collectability of the trade receivables.

The trade receivables were deemed to have low risk of default.

The following table provides information about the exposure to credit risk for trade receivables which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>Group</b>			
<b>2022</b>			
Current (not past due)	631	-	631
1 – 30 days past due	38	-	38
31 – 120 days past due	36	-	36
More than 120 days past due	476	-	476
	1,181	-	1,181
<b>2021</b>			
Current (not past due)	1,978	-	1,978
1 – 30 days past due	1	-	1
31 – 120 days past due	1,435	-	1,435
More than 120 days past due	18	-	18
	3,432	-	3,432

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses as the Group is of the view that the loss allowance is not material and hence, it is not provided for.

In previous financial year, the Group had written off trade receivables of RM4,000.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 23. FINANCIAL INSTRUMENTS (CONT'D)

#### 23.4 Credit risk (Cont'd)

##### **Other receivables**

*Risk management objectives, policies and processes for managing the risk*

Credit risks on other receivables are mainly arising from deposits paid for office buildings rented. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

*Recognition and measurement of impairment loss*

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses as the Group is of the view that the loss allowance is not material and hence, it is not provided for.

##### **Cash and cash equivalents and pledged deposits**

*Risk management objectives, policies and processes for managing the risk*

The cash and cash equivalents and pledged deposits are held with banks and financial institutions. The Group and the Company monitor the credit ratings of these banks and financial institutions on an ongoing basis.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the Group's and the Company's statements of financial position.

*Recognition and measurement of impairment loss*

These banks and financial institutions have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

##### **Inter-company advances**

*Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the advances regularly.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 23. FINANCIAL INSTRUMENTS (CONT'D)

#### 23.4 Credit risk (Cont'd)

##### Inter-company advances (Cont'd)

##### *Recognition and measurement of impairment loss*

Generally, the Company considers advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers subsidiaries' advances to be credit impaired when:

- The subsidiary is unlikely to repay its advances to the Company in full;
- The subsidiary advances is overdue for more than 365 days; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these advances individually using internal information available.

The following table provides information about the exposure to credit risk for the subsidiaries' advances.

	<b>Gross carrying amount RM'000</b>	<b>Impairment loss allowance RM'000</b>	<b>Net balance RM'000</b>
<b>Company</b>			
<b>2022</b>			
Low credit risk	15,479	–	15,479
<b>2021</b>			
Low credit risk	13,069	–	13,069

As at the end of the reporting period, the Company did not recognise any allowance for impairment losses as the Company is of the view that the loss allowance is not material and hence, it is not provided for.

#### 23.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings and lease liabilities.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

**NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)****23. FINANCIAL INSTRUMENTS (CONT'D)****23.5 Liquidity risk (Cont'd)***Maturity analysis*

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Within 1 year RM'000	1 – 5 years RM'000	More than 5 years RM'000
<b>Group</b>						
<b>2022</b>						
<b>Financial liabilities</b>						
Trade and other payables	9,323	–	9,323	9,323	–	–
Term loans	7,726	3.08 – 4.45	9,777	768	3,071	5,938
Hire purchase liabilities	9,485	2.11 – 3.40	10,389	3,850	6,539	–
Lease liabilities	8,925	4.37 – 6.50	10,482	2,117	6,805	1,560
	<b>35,459</b>		<b>39,971</b>	<b>16,058</b>	<b>16,415</b>	<b>7,498</b>
<b>2021</b>						
<b>Financial liabilities</b>						
Trade and other payables	7,788	–	7,788	7,788	–	–
Term loans	8,317	3.37	11,516	768	3,071	7,677
Hire purchase liabilities	7,491	2.11 – 3.76	8,111	3,530	4,581	–
Lease liabilities	8,275	5.47 – 6.50	9,963	1,955	5,716	2,292
	<b>31,871</b>		<b>37,378</b>	<b>14,041</b>	<b>13,368</b>	<b>9,969</b>
<b>Company</b>						
<b>2022</b>						
<b>Financial liabilities</b>						
Trade and other payables	66		66	66	–	–
<b>2021</b>						
<b>Financial liabilities</b>						
Trade and other payables	110	–	110	110	–	–

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 23. FINANCIAL INSTRUMENTS (CONT'D)

## 23.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

## 23.6.1 Currency risk

The Group and the Company are not exposed to any significant foreign currency risks.

## 23.6.2 Interest rate risk

The Group's primary interest rate risks relate to pledged deposits placed with a licensed bank, term loans, bank overdraft, hire purchase liabilities and lease liabilities.

The Group's pledged deposits and hire purchase liabilities are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate term loans is exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

*Risk management objectives, policies and processes for managing the risk*

The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

*Exposure to interest rate risk*

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period are as follows:

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Fixed rate instruments</b>					
Financial assets					
- Pledged deposits	10	1,107	1,089	-	-
-----					
Financial liabilities					
- Hire purchase liabilities	13	(9,485)	(7,491)	-	-
- Lease liabilities		(8,925)	(8,275)	-	-
		(18,410)	(15,766)	-	-
		(17,303)	(14,677)	-	-
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## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 23. FINANCIAL INSTRUMENTS (CONT'D)

#### 23.6 Market risk (Cont'd)

##### 23.6.2 Interest rate risk (Cont'd)

*Exposure to interest rate risk (Cont'd)*

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Floating rate instruments</b>					
Financial assets					
- Advances to subsidiaries	7	-	-	15,465	13,034
Financial liabilities					
- Term loan	13	(7,726)	(8,317)	-	-
		(7,726)	(8,317)	15,465	13,034

*Interest rate risk sensitivity analysis*

(a) *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(b) *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables remained constant.

	Profit or loss	
	2022 RM'000	2021 RM'000
<b>Group</b>		
Floating rate instruments	59	63
<b>Company</b>		
Floating rate instruments	(118)	(99)

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 23. FINANCIAL INSTRUMENTS (CONT'D)

#### 23.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The table below analyses other financial instruments at fair value.

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
<b>Group</b>								
<b>2022</b>								
<b>Financial assets</b>								
Investment in financial assets	4,919	-	-	-	-	-	-	4,919
<b>Financial liabilities</b>								
Hire purchase liabilities	-	-	-	-	-	(10,292)	(10,292)	(9,485)
Term loans	-	-	-	-	-	(8,200)	(8,200)	(7,726)
	-	-	-	-	-	(18,492)	(18,492)	(17,211)
<b>2021</b>								
<b>Financial assets</b>								
Investment in financial assets	4,632	-	-	-	-	-	-	4,632
<b>Financial liabilities</b>								
Hire purchase liabilities	-	-	-	-	-	(7,807)	(7,807)	(7,491)
Term loans	-	-	-	-	-	(8,925)	(8,925)	(8,317)
	-	-	-	-	-	(16,732)	(16,732)	(15,808)

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 23. FINANCIAL INSTRUMENTS (CONT'D)

## 23.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
<b>Company 2022</b>								
<b>Financial assets</b>								
Investment in financial assets	4,918	-	-	-	-	-	4,918	4,918
Advances to subsidiaries	-	-	-	-	-	15,465	15,465	15,465
	4,918	-	-	-	-	15,465	20,383	20,383
<b>Company 2021</b>								
<b>Financial assets</b>								
Investment in financial assets	4,632	-	-	-	-	-	4,632	4,632
Advances to subsidiaries	-	-	-	-	-	13,034	13,034	13,034
	4,632	-	-	-	-	13,034	17,666	17,666

**Policy on transfer between levels**

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

**Level 1 fair value**

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 23. FINANCIAL INSTRUMENTS (CONT'D)

#### 23.7 Fair value information (Cont'd)

##### Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

##### Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Advances to subsidiaries, term loans and hire purchase liabilities	Discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the reporting date.

### 24. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with regulatory requirements.

The debt-to-equity ratios at 31 December 2022 and at 31 December 2021 were as follows:

	Note	Group	
		2022 RM'000	2021 RM'000
Total borrowings	13	17,211	15,808
Lease liabilities		8,925	8,275
Less: Cash and cash equivalents	11	(18,202)	(18,525)
Less: Pledged deposits	10	(1,107)	(1,089)
Less: Investment in financial assets	9	(4,919)	(4,632)
Net debt/(equity)		1,908	(163)
Total equity		61,987	57,742
Debt-to-equity ratio		0.03	Nil

There is no change in the Group's approach to capital management during the financial year.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 25. CAPITAL AND OTHER COMMITMENTS

	2022 RM'000	Group 2021 RM'000
<b>Capital expenditure commitments</b>		
<b>Property, plant and equipment</b>		
<i>Authorised and contracted for</i>	4,198	7,556

### 26. RELATED PARTIES

#### Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the parties are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. The key management personnel include all the Directors and certain members of senior management of the Group.

The Group has related party relationship with a Director, companies in which a Director has financial interest, subsidiaries and key management personnel.

#### Significant related party transactions

Related party transactions have been entered into the normal course of business and have been established under negotiated terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are disclosed in Note 7 and Note 14 to the financial statements.

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>A. A Director</b>				
Lease payments	118	203	-	-
<b>B. Companies in which a Director has financial interest</b>				
Lease payments	673	439	-	-
Purchases of inventories	4	2	-	-
Service fees payable	4	25	-	-
Sales of inventories	(195)	(317)	-	-
Service fees receivable	(103)	(81)	-	-

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 26. RELATED PARTIES (CONT'D)

## Significant related party transactions (Cont'd)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>C. Subsidiaries</b>				
Advances to subsidiaries	–	–	1,846	(8,896)
Dividend income	–	–	(16,130)	(5,130)
Finance income	–	–	(90)	(234)
<b>D. Key management personnel</b>				
<b>Directors</b>				
Fees	467	383	467	383
Remuneration	865	537	29	24
	1,332	920	496	407
<b>Other key management personnel</b>				
Fees	24	24	–	–
Remuneration	9,384	6,689	–	–
	9,408	6,713	–	–

Other key management personnel comprise persons other than the Directors of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

## 27. SIGNIFICANT EVENTS

- (i) On 14 February 2022, the Group proposed a bonus issue of up to 404,999,992 ordinary shares in Optimax ("Optimax Share(s)" or "Share(s)") ("Bonus Share(s)") on the basis of 1 Bonus Share for every 1 Optimax Share held. The bonus issue was completed following the listing of and quotation for 270,001,500 bonus shares and 67,498,494 additional warrants on the ACE Market of Bursa Securities on 9 May 2022. The additional warrants arose from the adjustment to the number of outstanding warrants as a result of the bonus issue.
- (ii) On 3 November 2022, the Company announced that the listing of and quotation for the entire issued share capital and outstanding warrants 2021/2026 of Optimax have been transferred from the ACE Market to the Main Market of Bursa Securities with effect from 3 November 2022, marking the completion of the Transfer.

## 28. SUBSEQUENT EVENTS

- (i) On 3 March 2023, the Group incorporated an indirect subsidiary, Optimax Eye Specialist Centre (Bukit Mertajam) Sdn. Bhd. ("OESC Bukit Mertajam"), which is 100% owned by Optimax Eye Specialist Centre Sdn. Bhd., a wholly owned subsidiary of the Group. The share capital of OESC Bukit Mertajam is RM100.
- (ii) On 28 March 2023, the Group incorporated an indirect subsidiary, Optimax Eye Specialist Centre (Cambodia) Co., Ltd. ("OESC Cambodia"), which is 100% owned by Optimax International Sdn. Bhd., a wholly owned subsidiary of the Group. The share capital of OESC Cambodia is USD20,000\* (approximately RM88,340).

\* USD is denoted as U.S Dollar.



# STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 88 to 147 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2022 and of their financial performance and cash flows for the financial year then ended.

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

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**Tan Sri Dato' (Dr.) Tan Boon Hock**  
Director

-----  
**Tan Sing Yee**  
Director

Kuala Lumpur

Date: 18 April 2023

# STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **Pang Woei Yaw**, the officer primarily responsible for the financial management of Optimax Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 88 to 147 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Pang Woei Yaw, NRIC: 870303-06-5565, MIA: CA37872, at Kuala Lumpur in the Federal Territory on 18 April 2023.

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**Pang Woei Yaw**

Before me:

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OPTIMAX HOLDINGS BERHAD

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Optimax Holdings Berhad, which comprise the statements of financial position as at 31 December 2022 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 88 to 147.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key Audit Matters

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

Revenue recognition	
Refer to Note 2(l)(i) – Significant accounting policy: Revenue and Note 15 – Revenue.	
The key audit matter	How the matter was addressed in our audit
<p>The Group's revenue is derived from the provision of medical services and sales of medicine and others. The Group generally recognises revenue when the medical services are provided and controls of the medicine and others are transferred to the customers.</p> <p>We identified the recognition of revenue, specifically on revenue recognised during the year end as a key audit matter due to risk that revenue maybe overstated arising from pressure faced by the Group in achieving performance targets as revenue recognition has a direct impact on the results of the Group.</p>	<p>Our audit procedures, among others, included the following:</p> <ul style="list-style-type: none"> <li>We tested the design and implementation as well as operating effectiveness of the Group's controls relevant to recognition of revenue;</li> <li>We compared, on a sample basis, sales transactions recorded before and after the financial year end date with supporting documents including customers' appointment records and cash receipts subsequent to the financial year end to assess whether the revenue has been recognised in the appropriate financial year;</li> </ul>

## INDEPENDENT AUDITORS' REPORT (CONT'D)

### Key Audit Matters (Cont'd)

Revenue recognition (Cont'd)	
Refer to Note 2(l)(i) – Significant accounting policy: Revenue and Note 15 – Revenue. (Cont'd)	
The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>We tested trade receivables balances as at financial year end, on a sample basis, to supporting documents including customers' appointment records, vaccination reports and cash receipts subsequent to the financial year end;</li> <li>We identified the journal entries posted subsequent to financial year end which relates to the reversal of revenue, enquired the reasons for such entries and compared the details of the entries with supporting documents including sales invoices and credit notes; and</li> <li>We inspected the manual journal entries raised during the financial year relating to revenue, which were outside the normal course of business and enquired the reasons for such entries and compared the details of the entries with supporting documentation.</li> </ul>

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

### Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

## INDEPENDENT AUDITORS' REPORT (CONT'D)

### Responsibilities of the Directors for the Financial Statements

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

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

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



## INDEPENDENT AUDITORS' REPORT (CONT'D)

### Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Other Matter

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

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**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants

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**Vengadesh A/L Jogarajah**  
Approval Number: 03337/12/2023 J  
Chartered Accountant

Petaling Jaya, Selangor

Date: 18 April 2023

## LIST OF PROPERTIES

No.	Title No.	Description	Net Book Value as at 31 December 2022 (RM)
1.	Geran no. 17372, Lot no. 2457, Seksyen 6, Bandar George Town, Daerah Timor Laut, Negeri Pulau Pinang.	Postal address: No. 223, Jalan Masjid Negeri, 11600 Penang  Tenure : Freehold  Description of property: Land with 2-storey detached bungalow and a 1-storey annex  Existing use: Eye Specialist Hospital  Land area/Built-up area (approximate): 31,772 square feet / 6,734.98 square feet  Approximate age of building: 11 years	Freehold land is at RM14.636 million Building is at RM2.219 million
2.	Pajakan Negeri no. 54105, Lot no. 46472, Mukim Petaling, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan.	Postal address: No. 145, Jalan Radin Bagus, Seri Petaling, 57000 Kuala Lumpur  Tenure : Leasehold of 99 years expiring on 26 April 2108  Description of property: Land with 3-storey terrace shop office  Existing use: Ambulatory care on the Ground Floor and offices on Second and Third Floors  Land area/Built-up area (approximate): 2,400 square feet / 7,360 square feet  Approximate age of building: 12 years	Leasehold land is at RM1.736 million Building is at RM3.281 million
3.	Geran no. 226739 Lot no. 23861, Bandar Seremban, Daerah Seremban, Negeri Sembilan,	Postal address: No. 142, Jalan Tun Dr. Ismail, 70200 Seremban, Negeri Sembilan  Tenure : Freehold  Description of property: Land with 3-storey terrace shop office  Existing use: Ambulatory Care Centre  Land area/Built-up area (approximate): 333 square feet / 8,464 square feet  Approximate age of building: 1.5 year	Freehold land is at RM0.732 million Building is at RM1.426 million



## LIST OF PROPERTIES (CONT'D)

No.	Title No.	Description	Net Book Value as at 31 December 2022 (RM)
4.	Geran no. 226738 Lot no. 23862, Bandar Seremban, Daerah Seremban, Negeri Sembilan.	Postal address: No. 141, Jalan Tun Dr. Ismail, 70200 Seremban, Negeri Sembilan  Tenure : Freehold  Description of property: Land with 3-storey terrace shop office  Existing use: Ambulatory Care Centre  Land area/Built-up area (approximate): 148 square feet / 4,239 square feet  Approximate age of building: 1.5 year	Freehold land is at RM0.358 million Building is at RM0.696 million

# ANALYSIS OF SHAREHOLDINGS

Total Number of Issued Shares	:	540,003,000
Issued Share Capital	:	RM40,501,801
Class of shares	:	Ordinary shares
Voting rights	:	One (1) vote per one (1) ordinary share

## DISTRIBUTION OF SHAREHOLDINGS AS AT 21 MARCH 2023

Size of Holdings	No. of Holders	%	No. of Shares	%
1 - 99	17	0.47	300	0.00 #
100 - 1,000	403	11.10	235,400	0.04
1,001 - 10,000	1,896	52.17	10,051,200	1.86
10,001 - 100,000	1,135	31.23	37,506,300	6.95
100,001 - 27,000,149 (*)	180	4.95	159,683,800	29.57
27,000,150 AND ABOVE (**)	3	0.08	332,526,000	61.58
<b>TOTAL :</b>	<b>3,634</b>	<b>100.00</b>	<b>540,003,000</b>	<b>100.00</b>

REMARK : # Negligible

\* Less than 5% of issued shares

\*\* 5% and above of issued shares

## SUBSTANTIAL SHAREHOLDERS AS AT 21 MARCH 2023

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Sena Healthcare Services Sdn. Bhd.	157,720,000 <sup>(4)</sup>	29.21	–	–
Tan Sri Dato' (Dr.) Tan Boon Hock	144,086,000 <sup>(1)</sup>	26.68	162,552,000 <sup>(2)</sup>	30.10
Puan Sri Datin Lim Sho Hoo	712,000 <sup>(4)</sup>	0.13	305,926,000 <sup>(3)</sup>	56.65
Chung Soon Hee	30,720,000 <sup>(4)</sup>	5.69	–	–

### Notes:

- Shares held under Maybank Nominees (Tempatan) Sdn Bhd - Maybank Private Wealth Management.
- Deemed interested by virtue of Section 8 of the Companies Act, 2016 ("the Act") through a shareholding of more than 20% in Sena Healthcare Services Sdn. Bhd. ("Sena Healthcare Services") and held through his spouse and children.
- Deemed interested by virtue of Section 8 of the Act through a shareholding of more than 20% in Sena Healthcare Services and held through her spouse and children.
- Shares held through own name.



## ANALYSIS OF SHAREHOLDINGS (CONT'D)

### DIRECTORS' SHAREHOLDERS AS AT 21 MARCH 2023

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Dato' Seri Dr. Chen Chaw Min	–	–	–	–
Tan Sri Dato' (Dr.) Tan Boon Hock	144,086,000 <sup>(1)</sup>	26.68	162,552,000 <sup>(4)</sup>	30.10
Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim	–	–	–	–
Sandy Tan Sing Yee	2,060,000 <sup>(2)</sup>	0.38	–	–
Yap Ping Hong	–	–	–	–
Yap Eng Gee	–	–	–	–
Michelle Tan Sing Chia	2,060,000 <sup>(3)</sup>	0.38	–	–
Mohd Sahir Bin Rahmat	–	–	–	–

Notes:

1. Shares held under Maybank Nominees (Tempatan) Sdn Bhd - Maybank Private Wealth Management.
2. Shares held through own name.
3. Shares held under Maybank Nominees (Tempatan) Sdn Bhd.
4. Deemed interested by virtue of Section 8 of the Act through a shareholding of more than 20% in Sena Healthcare Services and held through his spouse and children.

### LIST OF TOP 30 LARGEST SECURITIES ACCOUNT HOLDERS AS AT 21 MARCH 2023

NO.	NAME	HOLDINGS	%
1	SENA HEALTHCARE SERVICES SDN. BHD.	157,720,000	29.21
2	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR TAN BOON HOCK (12022333) (443617)	144,086,000	26.68
3	CHUNG SOON HEE	30,720,000	5.69
4	CHUAH KAY LEONG	20,170,000	3.74
5	SOONG CHEE KEONG	16,000,000	2.96
6	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA SHARIAH GROWTH OPPORTUNITIES FUND (50156 TR01)	11,784,000	2.18
7	AMANAHRAYA TRUSTEES BERHAD PMB SHARIAH GROWTH FUND	10,953,400	2.03
8	SEAH LEY HONG	7,598,400	1.41
9	AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC SAVINGS FUND	6,765,300	1.25
10	AMANAHRAYA TRUSTEES BERHAD PMB SHARIAH AGGRESSIVE FUND	5,700,000	1.06
11	RHB NOMINEES (TEMPATAN) SDN BHD OSK CAPITAL SDN BHD FOR GA SKYLIGHT BERHAD	5,600,000	1.04
12	KUA SWEE LEONG	5,018,300	0.93

ANALYSIS OF SHAREHOLDINGS  
(CONT'D)

## LIST OF TOP 30 LARGEST SECURITIES ACCOUNT HOLDERS AS AT 21 MARCH 2023 (CONT'D)

NO.	NAME	HOLDINGS	%
13	GA SKYLIGHT BERHAD	3,997,000	0.74
14	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PERTUBUHAN KESELAMATAN SOSIAL (UOB AMM6939-406)	3,174,600	0.59
15	PHILLIP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP CAPITAL MANAGEMENT SDN BHD	2,475,000	0.46
16	UOBM NOMINEES (TEMPATAN) SDN BHD UOB ASSET MANAGEMENT (MALAYSIA) BERHAD FOR GIBRALTAR BSN AGGRESSIVE FUND	2,194,000	0.41
17	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA DIVERSIFIED FUND (50157 TR01)	2,152,100	0.40
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SING CHIA	2,060,000	0.38
19	TAN SING YEE	2,060,000	0.38
20	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR UNITED MALAYSIA FUND	1,900,000	0.35
21	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA BALANCED FUND	1,884,800	0.35
22	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH OPPORTUNITIES FUND (50154 TR01)	1,822,800	0.34
23	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR UNITED ASEAN DISCOVERY FUND	1,600,000	0.30
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR KENANGA SYARIAH EXTRA FUND (N14011960240)	1,441,100	0.27
25	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE BOON KEAT	1,438,000	0.27
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PRINCIPAL SMALL CAP OPPORTUNITIES FUND (240218)	1,374,400	0.25
27	YOUNG SWEE TING	1,049,000	0.19
28	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG TAI YEN (E-BPJ/BKR)	1,030,000	0.19
29	M & A NOMINEE (ASING) SDN BHD FOR OPTICAL EXPRESS (GYLE) LIMITED	931,400	0.17
30	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA MANAGED GROWTH FUND (50159 TR01)	848,900	0.16
	<b>TOTAL</b>	<b>455,548,500</b>	<b>84.36</b>



# ANALYSIS OF WARRANT HOLDINGS

Total Number of outstanding warrants	:	134,996,988
Class of shares	:	Warrant 2021/2026
Exercise price per warrant	:	RM0.60 each

## DISTRIBUTION OF WARRANTS HOLDINGS AS AT 21 MARCH 2023

Size of Holdings	No. of warrant holders	%	No. of Warrants	%
1 - 99	189	8.36	9,074	0.01
100 - 1,000	729	32.23	374,714	0.28
1,001 - 10,000	833	36.83	3,340,450	2.47
10,001 - 100,000	400	17.68	15,114,750	11.20
100,001 - 6,749,848 (*)	108	4.77	33,276,500	24.65
6,749,849 AND ABOVE (**)	3	0.13	82,881,500	61.39
<b>TOTAL :</b>	<b>2,262</b>	<b>100.00</b>	<b>134,996,988</b>	<b>100.00</b>

REMARK : \* - LESS THAN 5% OF ISSUED WARRANTS  
 \*\* - 5% AND ABOVE OF ISSUED WARRANTS

The interests of the Directors in the warrant in the Company and its related corporations based on the Company's Register of Directors' warrant holdings are as follows:-

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Dato' Seri Dr. Chen Chaw Min	-	-	-	-
Tan Sri Dato' (Dr.) Tan Boon Hock	36,021,500 <sup>(1)</sup>	26.68	40,638,000 <sup>(3)</sup>	30.10
Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim	-	-	-	-
Sandy Tan Sing Yee	515,000 <sup>(2)</sup>	0.38	-	-
Yap Ping Hong	-	-	-	-
Yap Eng Gee	-	-	-	-
Michelle Tan Sing Chia	515,000 <sup>(1)</sup>	0.38	-	-
Mohd Sahir Bin Rahmat	-	-	-	-

### Notes:

1. Warrants held under Maybank Nominees (Tempatan) Sdn Bhd - Maybank Private Wealth Management.
2. Warrants held through own name.
3. Deemed interested by virtue of Section 8 of the Companies Act, 2016 through a warrant holding of more than 20% in Sena Healthcare Services Sdn. Bhd. and held through his spouse and children.

## ANALYSIS OF WARRANT HOLDINGS (CONT'D)

### LIST OF TOP 30 LARGEST WARRANT HOLDERS AS AT 21 MARCH 2023

NO.	NAME	HOLDINGS	%
1	SENA HEALTHCARE SERVICES SDN. BHD.	39,430,000	29.21
2	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR TAN BOON HOCK (12022333) (443617)	36,021,500	26.68
3	CHUNG SOON HEE	7,430,000	5.50
4	CHUAH KAY LEONG	4,542,500	3.36
5	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA SHARIAH GROWTH OPPORTUNITIES FUND (50156 TR01)	1,373,750	1.02
6	LEE AH BENG	1,001,900	0.74
7	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM LIANG SING	1,000,000	0.74
8	KUA SWEE LEONG	737,700	0.55
9	KANG AH LICK	689,700	0.51
10	THAM KAH FOOK	650,000	0.48
11	TAN CHEE SEN	646,700	0.48
12	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEW TEK HOON (E-BMM)	612,500	0.45
13	CHOW PING CHUONG	550,000	0.41
14	WEE CHOI CHIANG	550,000	0.41
15	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR TAN SING CHIA (12022872) (445134)	515,000	0.38
16	TAN SING YEE	515,000	0.38
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE AUN CHEE	460,000	0.34
18	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA DIVERSIFIED FUND (50157 TR01)	458,750	0.34
19	CHIA GIN FOOK	450,000	0.33
20	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH TENG FATT (KLUANG-CL)	430,000	0.32



## ANALYSIS OF WARRANT HOLDINGS (CONT'D)

### LIST OF TOP 30 LARGEST WARRANT HOLDERS AS AT 21 MARCH 2023 (CONT'D)

NO.	NAME	HOLDINGS	%
21	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG TAI YEN (E-BPJ/BKR)	428,600	0.32
22	YONG YUET KUM	420,100	0.31
23	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA BALANCED FUND	400,900	0.30
24	WONG SOO SEE	400,100	0.30
25	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEE KWONG (KUCHAI L-CL)	400,000	0.30
26	YONG YUET KUM	395,000	0.29
27	NG CHEE SIONG	375,000	0.28
28	CHONG CHING YEE	370,000	0.27
29	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE BOON KEAT	359,500	0.27
30	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG IIN SIM (E-KBU)	355,000	0.26
	<b>TOTAL</b>	<b>101,969,200</b>	<b>75.53</b>

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Fourth Annual General Meeting (“**4<sup>th</sup> AGM**”) of OPTIMAX HOLDINGS BERHAD (“**Optimax**” or the “**Company**”) will be held as a fully virtual meeting conducted through live streaming and online remote voting using the Remote Participation and Voting (“**RPV**”) facilities on the online meeting platform provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“**TIIH**”) in Malaysia at <https://tiih.online> on Wednesday, 28 June 2023 at 10.30 a.m. for the following purposes:-

## AGENDA

### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements together with the Reports of the Directors and Auditors thereon for the financial year ended 31 December 2022.

**[Please refer to Explanatory Note (a)]**

2. To re-elect the following Directors who retire by rotation pursuant to Clause 76(3) of the Company’s Constitution:-

**[Please refer to Explanatory Note (b)]**

- (a) Tan Sri Dato’ (Dr.) Tan Boon Hock
- (b) Ms. Yap Eng Gee

**Ordinary Resolution 1**

3. To re-elect the following Directors who retire pursuant to Clause 78 of the Company’s Constitution:-

- (a) Ms. Tan Sing Chia
- (b) En. Mohd Sahir Bin Rahmat

**Ordinary Resolution 2**  
**Ordinary Resolution 3**

**[Please refer to Explanatory Note (b)]**

4. To approve the payment of Non-Executive Directors’ fees and benefits of up to RM450,000 for the period from 29 June 2023 until the conclusion of the next Annual General Meeting of the Company to be held in the year 2024.

**Ordinary Resolution 4**

5. To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

**Ordinary Resolution 5**



## NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

### AS SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modifications, the following resolution:-

6. **Proposed Renewal of Existing Shareholders' Mandate and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

**Ordinary Resolution 6**

"**THAT** approval and authority be and are hereby given for the Company and/or its subsidiaries to enter into any of the transactions falling within the types of recurrent related party transactions of a revenue or trading nature with the related parties ("**Proposed Shareholders' Mandate**") as set out in Section 2.4 of the Circular to Shareholders dated 28 April 2023 in relation to the Proposed Shareholders' Mandate, provided that such transactions are undertaken in the ordinary course of business, at arm's length and based on commercial terms and on terms not more favourable to the related party than those generally available to/from the public and are not detrimental to the minority shareholders and that the breakdown of the aggregate value of the recurrent related party transactions conducted/to be conducted during the financial year, including the types of recurrent related party transactions made and the names of the related parties, will be disclosed in the annual report of the Company pursuant to the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

**AND THAT** such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following this AGM at which such Proposed Shareholders' Mandate is passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

**AND THAT** the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution."

**[Please refer to Explanatory Note (d)]**

7. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

## NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

By Order of the Board

**REBECCA KONG SAY TSUI**

(MAICSA 7039304)  
(SSM PC No.: 202008001003)

**LEELA A/P SURESH KEE SEE LENG**

(MAICSA 7069589)  
(SSM PC No.: 201908001962)

Company Secretaries  
Kuala Lumpur

Dated this 28th day of April 2023

**NOTES:**

**Virtual Annual General Meeting ("AGM")**

1. The 4<sup>th</sup> AGM will be held as a fully virtual meeting using live streaming and online remote voting through RPV facilities on the online meeting platform provided by TIIH in Malaysia at <https://tiih.online>. Please follow the procedures provided in the Administrative Guide for 4<sup>th</sup> AGM in order to register, participate and vote remotely via the RPV facilities.
2. All participants including the Chairman of the meeting will be participating remotely through the online meeting platform at <https://tiih.online>. This fulfills the requirements under Section 327(2) of the Companies Act 2016 as stated in the revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia which was further revised on 7 April 2022.

**Appointment of Proxy**

3. Only a depositor whose name appears in the Record of Depositors of the Company as at 20 June 2023 shall be regarded as a member entitled to attend, speak and vote, and to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf, at the forthcoming AGM.
4. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
5. Where a member appoints more than one (1) proxy to attend the AGM, the member shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy(ies).
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of a duly authorised officer or attorney of the corporation.



## NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

### NOTES: (CONT'D)

#### Appointment of Proxy (Cont'd)

7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company at least forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof:
  - a. In hard copy form  
The Proxy Form must be deposited at the Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.
  - b. By electronic means  
The Proxy Form can be electronically lodged with the Share Registrar via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide for the 4<sup>th</sup> AGM on the procedures for electronic lodgement of Proxy Form.
8. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to the Personal Data Protection Act 2010 set out below:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agent) for the purpose of the processing and administration of proxies and representatives appointed for the (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agent), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agent) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company (or its agent) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

### EXPLANATORY NOTES:

#### a. Audited financial statements for the financial year ended 31 December 2022

This agenda item is meant for discussion only as under the provision of Section 340(1) of the Companies Act 2016, the audited financial statements do not require a formal approval of the members and hence, this item will not be put forward for voting.

#### b. Ordinary Resolution 1 to 3 – Re-election of Directors

Tan Sri Dato' (Dr.) Tan Boon Hock, Ms. Tan Sing Chia and En. Mohd Sahir Bin Rahmat ("the Retiring Directors") are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 4<sup>th</sup> Annual General Meeting ("AGM").

The Board had through the Remuneration and Nomination Committee ("RNC") carried out fit and proper assessment of the Retiring Directors and agreed that they met the criteria as prescribed by Paragraph 2.20A of the Main Market Listing Requirement ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") on character, experience, integrity, competence and time to effectively discharge their role as Directors.

## NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

### EXPLANATORY NOTES: (CONT'D)

#### b. **Ordinary Resolution 1 to 3 – Re-election of Directors (Cont'd)**

The Board had also through the RNC carried out assessment on the independence of En. Mohd Sahir Bin Rahmat and is satisfied that he met the criteria of independence as prescribed in the MMLR of Bursa Securities.

Ms. Yap Eng Gee who is subject to retirement by rotation pursuant to Clause 76(3) of the Constitution of the Company had indicated to the Company that she would not be seeking for re-election and shall be retiring as Director at the conclusion of this AGM.

#### c. **Ordinary Resolution 4 – Directors' fees and benefits**

Pursuant to Section 230(1) of the Act, fees and benefits payable to the Non-Executive Directors of public company or a listed company and its subsidiaries shall be approved by shareholders at a general meeting.

The Shareholder's approval is being sought under Ordinary Resolution 4 for the payment of the remuneration to Non-Executive Directors for the period from 29 June 2023 up to the next AGM of the Company.

The proposed Directors' fees and benefits are calculated based on the current Board size and the number of scheduled Board and Committee meetings for 2023 up to the next AGM. In the event the proposed amount is insufficient (i.e. due to more meetings or enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

The abovementioned resolution, if passed, will allow the Company to make the payment to the Non-Executive Directors ("NEDs") on a monthly basis. The Board is of the view that it is just and equitable for the NEDs to be paid such payment on a monthly basis after they have discharged their responsibilities and rendered their services to the Company.

#### d. **Ordinary Resolution 6 – Proposed Renewal of Existing Shareholders' Mandate and new Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")**

The proposed ordinary resolution, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to and/or from the public and are not, in the Company's opinion, detrimental to the minority shareholders of the Company.

The detailed text on Resolution 6 on the Proposed Shareholders' Mandate is included in the Circular to Shareholders dated 28 April 2023.

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# OPTIMAX

New Vision New Life®  
**OPTIMAX HOLDINGS BERHAD**  
Registration No. 201801028697 (1290723-T)  
(Incorporated in Malaysia)

## PROXY FORM

CDS Account No.

No. of Shares Held

I/We \_\_\_\_\_ Tel: \_\_\_\_\_  
[Full name in block, NRIC/Passport/Company No.]

of \_\_\_\_\_

being member(s) of **OPTIMAX HOLDINGS BERHAD**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or\* (\*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the 4th AGM of the Company to be held as a fully virtual meeting conducted through live streaming and online remote voting using the Remote Participation and Voting ("**RPV**") facilities on the online meeting platform provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("**TIIH**") in Malaysia at <https://tjih.online> on Wednesday, 28 June 2023 at 10.30 a.m. and at any adjournment thereof, and to vote as indicated below:

Ordinary Business	Resolution	For	Against
To re-elect Tan Sri Dato' (Dr.) Tan Boon Hock	Ordinary Resolution 1		
To re-elect Tan Sing Chia	Ordinary Resolution 2		
To re-elect Mohd Sahir Bin Rahmat	Ordinary Resolution 3		
To approve the Non-Executive Directors' fees and benefits for the period from 29 June 2023 until the conclusion of the next Annual General Meeting of the Company to be held in the year 2024	Ordinary Resolution 4		
To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration	Ordinary Resolution 5		
Special Business			
To approve the Proposed Shareholders' Mandate for Recurrent Related Party Transactions	Ordinary Resolution 6		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2023

Signature\*  
Member



- \* *Manner of execution:*
- (a) *If you are an individual member, please sign where indicated.*
  - (b) *If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.*
  - (c) *If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:*
    - (i) *at least two (2) authorised officers, of whom one shall be a director; or*
    - (ii) *any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.*

**NOTES:**

**Virtual Annual General Meeting (“AGM”)**

1. The 4th AGM will be held as a fully virtual meeting using live streaming and online remote voting through RPV facilities on the online meeting platform provided by TIIH in Malaysia at <https://tiih.online>. Please follow the procedures provided in the Administrative Guide for 4th AGM in order to register, participate and vote remotely via the RPV facilities.
2. All participants including the Chairman of the meeting will be participating remotely through the online meeting platform at <https://tiih.online>. This fulfills the requirements under Section 327(2) of the Companies Act 2016 as stated in the revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia which was further revised on 7 April 2022.

**Appointment of Proxy**

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4. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“Omnibus Account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
5. Where a member appoints more than one (1) proxy to attend the AGM, the member shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy(ies).
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of a duly authorised officer or attorney of the corporation.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company at least forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof:-
  - a. In hard copy form  
The Proxy Form must be deposited at the Share Registrar’s office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.
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9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

Fold this flap for sealing

Then fold here

AFFIX  
STAMP

The Share Registrar

**OPTIMAX HOLDINGS BERHAD**

Registration No.: 201801028697 (1290723-T)

Unit 32-01, Level 32, Tower A, Vertical Business Suite  
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur

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# OPTIMAX

New Vision New Life®

## **OPTIMAX HOLDINGS BERHAD**

Registration No. 201801028697 (1290723-T)

(Incorporated in Malaysia under the Companies Act 2016)

1<sup>st</sup> and 2<sup>nd</sup> Floor,  
No. 145, Jalan Radin Bagus,  
Seri Petaling,  
57000 Kuala Lumpur,  
Wilayah Persekutuan.

**Tel No** : +603 9054 6186/89

**Fax No.** : +603 9055 4150

**Email** : [contact@optimax.com.my](mailto:contact@optimax.com.my)

**Website** : [www.optimax2u.com](http://www.optimax2u.com)