

THIS CIRCULAR TO SHAREHOLDERS OF CENGILD MEDICAL BERHAD (“CENGILD MEDICAL” OR “COMPANY”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. This Circular has been reviewed by Hong Leong Investment Bank Berhad, being the Principal Adviser to the Company for the Proposed Special Issue (as defined below).

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



CENGILD MEDICAL BERHAD

Registration No.: 202101004143 (1404442-P)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED SPECIAL ISSUE OF UP TO 118,000,000 NEW ORDINARY SHARES IN CENGILD MEDICAL TO BUMIPUTERA INVESTORS TO BE IDENTIFIED AND/OR APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY (“PROPOSED SPECIAL ISSUE”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser and Placement Agent



Hong Leong Investment Bank Berhad
(Registration No. 197001000928 (10209-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

The above proposal will be tabled at the Extraordinary General Meeting (“EGM”) of Cengild Medical. The details of our EGM which will be conducted virtually through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3, Unit 29.01 Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur are set out below:

Date and time of the EGM : Thursday, 23 March 2023, at 3:00 p.m.
Last date and time for lodging the Proxy Form : Tuesday, 21 March 2023, at 3:00 p.m.

You are entitled to attend and vote at the EGM of our Company or to appoint a proxy or proxies to attend and vote on your behalf. The Proxy Form must be lodged at the office of our Share Registrar located at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur 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 or by electronic lodgement via TIH Online at <https://tiih.online> on or before the time and date indicated above should you unable to attend the meeting. The lodging of the Proxy Form will not preclude you from attending and voting remotely at the meeting if you subsequently wish to do so.

This Circular is dated 8 March 2023

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act 2016
Board	:	Board of Directors of Cengild Medical
Bumiputera Equity Condition	:	Requirement to allocate 12.50% of the enlarged number of issued Shares to Bumiputera investors to be approved by MITI within one (1) year after achieving the profit requirement for companies seeking listing on Main Market of Bursa Securities, or five (5) years after being listed on ACE Market of Bursa Securities, whichever is earlier
Bursa Securities	:	Bursa Malaysia Securities Berhad
Cengild Medical or Company	:	Cengild Medical Berhad
Cengild Medical Group or Group	:	Cengild Medical and its subsidiaries, collectively
Cengild Medical Share(s) or Share(s)	:	Ordinary share(s) in Cengild Medical
Director(s)	:	Director(s) of Cengild Medical
EGM	:	Extraordinary general meeting
EPS	:	Earnings per Share
ESOS	:	Executives' share option scheme
ESOS Options	:	Options granted under the ESOS to subscribe for new Shares pursuant to the contract constituted by the acceptance of an offer made in accordance with the terms and conditions of the offer and the by-laws
FYE	:	Financial year ended / ending
HLIB or Principal Adviser	:	Hong Leong Investment Bank Berhad
Listing Requirements	:	ACE Market Listing Requirements
LPD	:	28 February 2023, being the latest practicable date prior to the printing of this Circular
MITI	:	Ministry of International Trade and Industry
NA	:	Net assets
PAT	:	Profit after taxation
Proposed Special Issue	:	The proposed special issue of up to 118,000,000 new Shares, representing 14.41% of the existing issued share capital of our Company, to Bumiputera investors to be identified and approved by MITI at an issue price to be determined later
RM	:	Ringgit Malaysia
SC	:	Securities Commission Malaysia
Special Issue Shares	:	Up to 118,000,000 new Shares to be issued pursuant to the Proposed Special Issue
VWAMP	:	Volume weighted average market price

DEFINITIONS (CONT'D)

References to “we”, “us”, “our” and “ourselves” are to our Company and where the context requires, shall include our subsidiaries. All references to “you” in this Circular are referred to Cengild Medical’s shareholders.

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Circular shall be reference to Malaysian time, unless otherwise specified.

TABLE OF CONTENTS

	PAGE
LETTER TO THE SHAREHOLDERS OF CENGILD MEDICAL CONTAINING:	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED SPECIAL ISSUE	2
3. RATIONALE FOR THE PROPOSED SPECIAL ISSUE	4
4. USE OF PROCEEDS	5
5. INDUSTRY OVERVIEW AND PROSPECTS	6
6. EFFECTS OF THE PROPOSED SPECIAL ISSUE	9
7. APPROVALS REQUIRED AND CONDITIONALITY	11
8. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSON CONNECTED WITH THEM	11
9. DIRECTORS' RECOMMENDATION	11
10. ESTIMATED TIME FRAME FOR COMPLETION	12
11. CORPORATE PROPOSAL ANNOUNCED BUT PENDING COMPLETION	12
12. EGM	12
13. FURTHER INFORMATION	12
APPENDIX	
I FURTHER INFORMATION	13
NOTICE OF EGM	ENCLOSED
PROXY FORM	ENCLOSED



CENGILD G. I. MEDICAL CENTRE
Centre for Gastrointestinal and Liver Diseases

CENGILD MEDICAL BERHAD

Registration No.: 202101004143 (1404442-P)
(Incorporated in Malaysia)

Registered Office:

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

8 March 2023

Board of Directors:

Dato' Dr Tan Huck Joo (Executive Chairman)
Emeritus Professor Dato' Dr Goh Khean Lee (Executive Director)
Dr Mohamed Akhtar Bin Mohamed Ditali Qureshi (Executive Director)
Kua Choo Kai (Independent Non-Executive Director)
Dr Chong Su-Lin (Independent Non-Executive Director)
Dr Azrina Binti Abu Bakar (Independent Non-Executive Director)

To: Our Shareholders

Dear Sir / Madam,

PROPOSED SPECIAL ISSUE

1. INTRODUCTION

On 14 February 2023, HLIB had, on behalf of our Board, announced that our Company proposes to undertake the Proposed Special Issue.

Cengild Medical was listed on the ACE Market of Bursa Securities on 18 April 2022 under the condition that, amongst others, Cengild Medical is required to:

- (i) allocate 12.50% of its enlarged number of issued Shares to Bumiputera investors to be approved by MITI within one (1) year after achieving the profit requirement for companies seeking listing on the Main Market of Bursa Securities ("**Profit Requirement**") or five (5) years after being listed on the ACE Market of Bursa Securities, whichever is earlier ("**Compliance Date**"); and
- (ii) submit to the SC a proposal to comply with the Bumiputera Equity Condition, at least six (6) months prior to the Compliance Date.

After our Company's listing on the ACE Market of Bursa Securities on 18 April 2022, we have achieved the Profit Requirement based on our Group's audited PAT of RM9.39 million for the FYE 30 June 2022. Hence, our Company is required to comply with the Bumiputera Equity Condition by 30 June 2023.

On 13 December 2022, HLIB had, on behalf of our Company, submitted a proposal to the SC and MITI on our proposal to comply with the Bumiputera Equity Condition by implementing the Proposed Special Issue.

On 18 January 2023, HLIB had, on behalf of our Board, announced that the SC had, vide its letter dated 17 January 2023 (which was received on 18 January 2023), approved the resultant equity structure of Cengild Medical pursuant to the Proposed Special Issue under the equity requirement for public listed companies.

On 8 February 2023, HLIB had, on behalf of our Board, announced that the MITI had, vide its letter dated 8 February 2023, taken note of the Proposed Special Issue to comply with the Bumiputera Equity Condition and has no objection on the Proposed Special Issue.

On 6 March 2023, HLIB had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 6 March 2023, granted its approval for the listing and quotation of the Special Issue Shares to be issued pursuant to the Proposed Special Issue on ACE Market of Bursa Securities. The approval of Bursa Securities is subject to the conditions set out in **Section 7** of this Circular.

The purpose of this Circular is to provide you with information in relation to the Proposed Special Issue and to seek your approval for the resolution pertaining to the Proposed Special Issue to be tabled at the forthcoming EGM of our Company. The Notice of EGM and the Proxy Form are enclosed together in this Circular.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED SPECIAL ISSUE TO BE TABLED AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED SPECIAL ISSUE

2.1 Size of the Proposed Special Issue

The Proposed Special Issue will entail the issuance of up to 118,000,000 Special Issue Shares, representing 14.41% of the existing total number of issued shares of our Company, to Bumiputera investors to be identified and/or approved by MITI at an issue price to be determined later after obtaining all relevant approvals.

The Special Issue Shares of up to 118,000,000 was arrived at after taking into consideration the following:

- (i) the existing total number of issued Shares of 818,800,000 Shares as at the LPD; and
- (ii) 2,340,000 ESOS Options to be vested on 18 April 2023, which are exercisable into new Shares from 18 April 2023 onwards.

2.2 Placement arrangement

The Special Issue Shares will be allotted and issued to third party Bumiputera investors to be identified and approved by MITI who fall within the ambit of Schedules 6 and 7 of the Capital Markets and Services Act 2007. In compliance with Rule 6.05(c) of the Listing Requirements, the Special Issue Shares will not be placed to the following parties:

- (i) a director, major shareholder or chief executive of our Company (each referred to as the **“Interested Person”**);
- (ii) a person connected with the Interested Person; and
- (iii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

The identity of Bumiputera investors and number of Special Issue Shares to be allocated will be determined and finalised later when the Proposed Special Issue is implemented.

The Proposed Special Issue may be implemented in one (1) or more tranches as Bumiputera investors may be identified and procured over a period of time depending on the prevailing equity market conditions and interest from Bumiputera investors.

2.3 Basis for determining the issue price of the Special Issue Shares

The issue price of the Special Issue Shares will be determined and fixed by our Board and announced by our Company at a later date (“**Price-Fixing Date**”) after receipt of all relevant approvals for the Proposed Special Issue.

In the event the Special Issue Shares are to be issued in tranches, there will be a price-fixing announcement for each tranche and our Company will ensure payment for the Special Issue Shares by Bumiputera investors is received within five (5) market days from the Price-Fixing Date of each tranche of the Proposed Special Issue.

The issue price of the Special Issue Shares will be based on a discount of not more than 10% to the 5-day VWAMP of Cengild Medical Shares immediately preceding the Price-Fixing Date.

For illustrative purposes only, based on the issue price of RM0.42 per Special Issue Share, it represents a discount of 9.77% to the 5-day VWAMP of Cengild Medical Shares up to and including the LPD of RM0.4655 (“**Illustrative Issue Price**”).

The actual quantum of discount to the 5-day VWAMP will be determined by our Board (in consultation with our Placement Agent, being HLIB) after taking into account, inter-alia, the prevailing equity market conditions and interests from Bumiputera investors.

2.4 Ranking of the Special Issue Shares

The Special Issue Shares shall, upon issuance and allotment, rank equally in all respects with our existing Shares, save and except that the holders of the Special Issue Shares will not be entitled to any dividend, rights, allotment and/or other distribution which may be declared, made or paid to our shareholders, the entitlement date of which fall before the date of issuance and allotment of the Special Issue Shares.

2.5 Listing and quotation of the Special Issue Shares

Bursa Securities had on 6 March 2023 granted its approval for the listing and quotation of the Special Issue Shares on ACE Market of Bursa Securities.

2.6 Pre-emptive rights pursuant to Section 85(1) of the Act

Pursuant to Section 85(1) of the Act read together with Clause 12(3)(a) of our Constitution, our shareholders have pre-emptive rights to be offered any new Shares which rank equally to the existing issued Shares or other convertible securities.

Section 85(1) of the Act provides as follows:

“85. Pre-emptive rights to new shares

- (1) *Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.”*

Clause 12(3)(a) of our Constitution provides as follows:

“Clause 12(3)(a)

Subject to the Act, the Listing Requirements and any direction to the contrary that may be given by the Company in General Meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled.”

In order for our Board to issue any new Shares or other convertible securities free of pre-emptive rights, such pre-emptive rights must be waived.

As such, an ordinary resolution to seek our shareholders’ approval for the Proposed Special Issue and to waive such pre-emptive rights will be tabled at our forthcoming EGM. The ordinary resolution if passed, will exclude your pre-emptive rights to be offered any new Shares to be issued by our Company pursuant to the Proposed Special Issue. Please refer to the ordinary resolution as set out in the notice of EGM herein.

3. RATIONALE FOR THE PROPOSED SPECIAL ISSUE

The Proposed Special Issue is being undertaken to enable Cengild Medical to comply with the Bumiputera Equity Condition and to facilitate the equity participation of Bumiputera investors in Cengild Medical.

In addition, the Proposed Special Issue may allow Cengild Medical to raise funds for the purposes highlighted in **Section 4** below.

Fund raising exercise undertaken in the past 12 months

Our Company had undertaken a fund raising exercise via an initial public offering in the past 12 months, raising gross proceeds of approximately RM72.20 million. The status of utilisation of proceeds raised from the initial public offering as at the LPD is as follows:

Details of utilisation of proceeds	Actual proceeds raised	Actual utilisation as at the LPD	Balance amount unutilised	Estimated timeframe for utilisation upon listing on the ACE Market of Bursa Securities on 18 April 2022
	RM'000	RM'000	RM'000	
Expansion of existing medical centre ⁽¹⁾	13,000	2,700	10,300	Within 36 months
Establishing new medical centres	37,100	-	37,100	Within 36 months
Working capital ⁽²⁾	17,404	60	17,344	Within 24 months
Defraying the listing expenses	4,700	4,497	203	Within 1 month
Total	72,204	7,257	64,947	

Notes:

(1) We have allocated RM13.0 million to expand and renovate our existing medical centre. The plan involves the expansion by leasing additional space of approximately 12,000 sq ft to 15,000 sq ft at Nexus @ Bangsar South, Kuala Lumpur to cater for current and future demand for our medical services, especially endoscopic procedures to strengthen our position in the segment. As at the LPD, we have utilised RM2.70 million for the said expansion, which include, amongst others, renovations and purchase of additional 8 day care beds. The balance amount utilised of RM10.30 million will remain to be utilised for further expansion of existing medical centre as and when the need arise.

- (2) We have allocated RM17.40 million as working capital to support the expansion of our existing medical centre as well as into other major cities in Malaysia such as Johor Bahru, Penang or Ipoh. We intend to strengthen our medical team by attracting and recruiting consultants and surgeons in the areas of gastroenterology and hepatology. These new medical team, new employee consultants and surgeons will be based either at our existing medical centre or at two (2) new full-fledged medical centres to be established in selected major cities as part of our expansion plan. Out of the RM17.04 million allocation, we have allocated RM1.639 million for general working capital for the purchase of medical supplies and consumables to support the operations of our Group, in which as at the LPD, we have utilised approximately RM60,000. The balance amount utilised will remain for the intended purposes.

The utilisation of proceeds as disclosed above should be read in conjunction with the prospectus of the Company dated 30 March 2022.

4. USE OF PROCEEDS

The exact amount of gross proceeds to be raised from the Proposed Special Issue would depend on the actual issue price and the actual number of Special Issue Shares to be issued, which will be determined at a later date.

Based on the Illustrative Issue Price of the Special Issue Shares of RM0.42 each and the issuance of up to 118,000,000 Special Issue Shares, the Proposed Special Issue is expected to raise gross proceeds of up to RM49.56 million. The gross proceeds from the Proposed Special Issue are expected to be used in the following manner:

Description	Note	RM'000	Estimated timeframe for use from the date of listing of the Special Issue Shares
Working capital	(1)	48,460	Within 18 months
Estimated expenses for the Proposed Special Issue	(2)	1,100	Within 6 months
Total		49,560	

Notes:

- (1) As at 31 January 2023, the trade payables, other payables and accruals of our Group is approximately RM12.22 million. The proceeds earmarked for our Group's working capital are intended to be utilised as follows within 18 months from the date of listing of the Special Issue Shares:

	RM'000
Purchase of pharmaceutical products, medical supplies and consumables, surgical supplies, scope devices and laboratory cost	30,046
Rental of premise and staff cost	18,414
Total	48,460

- (2) The following summarises the estimated expenses for the Proposed Special Issue:

	RM'000
Professional fees including placement fees	1,058
Fees payable to authorities	20
Estimated expenses for the printing of circular, advertisement and EGM related expenses	22
Total	1,100

Any variance in the actual gross proceeds raised and the intended gross proceeds to be raised will be adjusted against the amount allocated for working capital.

Pending the use of proceeds from the Proposed Special Issue as stated above, the proceeds will be placed in interest-bearing deposits with financial institutions or short-term money market instruments as our Board may deem fit. The interest income derived from the deposits with the financial institution or any gain arising from the short-term money market instruments will be used as working capital of our Group, details of which is set out in Note (1) above.

5. INDUSTRY OVERVIEW AND PROSPECTS

5.1 Overview and outlook of the Malaysian economy

The Malaysian economy registered a growth of 7.0% in the fourth quarter of 2022 compared to 14.2% in the third quarter, as support from the stimulus measures and low base effect⁽¹⁾ waned. At 7.0%, the fourth quarter growth was still above the long-term average of 5.1%.⁽²⁾ On a quarter-to-quarter seasonally adjusted basis, the economy registered a decline of 2.6% (3Q 2022: 1.9%). For 2022 as a whole, the economy expanded by 8.7% (2021: 3.1%).

All economic sectors registered growth in the fourth quarter of 2022. The services sector expanded by 8.9% (3Q 2022: 16.7%), supported by consumer-related subsectors amid better labour market conditions and the continued recovery in tourism activities. The sector also benefitted from improvements in real estate and business services activities.

Domestic demand grew by 6.8% (3Q 2022: 13.1%), mainly supported by private sector expenditure. Private consumption expanded by 7.4% (3Q 2022: 15.1%), supported by improving labour market conditions and policy measures. Spending was driven by consumption of necessities, particularly for transport as well as housing and utilities, and selected discretionary components such as recreational services and culture. Public consumption grew by 2.4% (3Q 2022: 4.5%), reflecting continued support from Government spending on emolument and supplies and services.

Headline inflation, as measured by the annual percentage change in the Consumer Price Index (“CPI”), moderated to 3.9% during the quarter (3Q 2022: 4.5%). As expected, the lower headline inflation was largely due to the lapse in the base effect of electricity inflation.⁽³⁾ The moderation was also amid the easing of key global commodity prices which partly led to lower inflation in some CPI items, including fuel. Inflation for some key staple food items, such as fresh meat and eggs, also moderated during the quarter.

However, the downward impact was partly offset by higher core inflation, which rose to 4.2% (3Q 2022: 3.7%). The increase reflected the continued strength in domestic demand. By components, the increase was driven mostly by core services⁽⁴⁾ and several discretionary spending categories.⁽⁵⁾ Correspondingly, price pressures remained pervasive during the quarter, although it has moderated. The share of CPI items recording monthly price increases remained above historical average (4Q 2022: 51.2%; 3Q 2022: 58.1%; 2011-2019 average: 45.6%).

For 2023, the Malaysian economy is expected to expand at a more moderate pace of approximately 4.5%⁽⁶⁾, amid a challenging external environment. Growth will be driven by domestic demand, supported by the continued recovery in labour market and realization of multi-year investment projects. The services and manufacturing sectors will continue to drive the economy. Meanwhile, the slowdown in exports following weaker global demand will be partially cushioned by higher tourism activity.

The balance of risks to Malaysia’s growth outlook remains tilted to the downside. This stems from weaker-than-expected global growth, tighter financial conditions, further escalation of geopolitical conflicts, and worsening supply chain disruptions.

In line with earlier assessments, headline inflation averaged higher at 3.3% in 2022 (2021: 2.5%), having peaked at 4.7% in August 2022 and moderating thereafter, albeit remaining elevated. Underlying inflation, as measured by core inflation, also increased to 3.0% (2021: 0.7%).

Over the course of 2023, headline and core inflation are expected to moderate but remain at elevated levels amid lingering demand and cost pressures. The inflation rate is anticipated to range between 2.8% - 3.8% in 2023, following slower economic prospects as well as stable commodity prices⁽⁶⁾. Notably, recent core inflation rates are expected to persist in the near-term, especially given the low base in the first half of 2022. There are several factors which would continue to mitigate the extent of upward pressure to inflation going forward. These include existing fuel subsidies, price control measures, and the remaining spare capacity in the economy. The balance of risk to the inflation outlook is tilted to the upside, particularly reflecting any potential changes to domestic policy, global commodity price developments and prolonged supply-related disruptions.

Notes:

- (1) *The low base effect originated from the decline in economic growth in the third quarter of 2021 (-4.5%), partially contributing towards a high growth a year later, 14.2% in the third quarter of 2022.*
- (2) *Average from 1Q 2011 to 4Q 2019.*
- (3) *The base effect was due to the discount on electricity bill which had been implemented in 3Q 2021 under the PEMULIH Electricity Discount Scheme.*
- (4) *Core services included food away from home, repair and maintenance of personal transport and rental.*
- (5) *Discretionary spending categories included expenditure in restaurant and café, and cultural services.*
- (6) *Source: Economic & Fiscal Outlook and Federal Government Revenue Estimates 2023.*

(Source: BNM Quarterly Bulletin Vol. 37 No. 4, 4th Quarter of 2022, Bank Negara Malaysia)

5.2 Overview and outlook of the healthcare industry in Malaysia

The other services subsector⁽¹⁾ rebounded by 9.2% in 2022 following improvement in private education and health segments in line with higher enrolments in private colleges and universities along with a strong demand for private healthcare services. The rebound was also supported by the recovery in sports and recreational activities as the country transitions into normalcy.

Expenditure on health subsector recorded RM4.4 billion in 2022 mainly for the ongoing construction, upgrading, renovation and repair works of health facilities. The spending is lower as compared to 2021 mainly due to reclassification of medicine supply items as recurrent expenditure.

Health subsector will receive RM4.9 billion to build, upgrade and repair health facilities such as upgrading of Melaka General Hospital. The healthcare delivery system will be uplifted to provide universal access to quality healthcare, especially for the poor and needy. In this regard, the Government will ensure hospitals and clinics are equipped with sufficient healthcare personnel, advanced healthcare equipment and infrastructure to further improve the quality of services as well as provide a more conducive environment in healthcare centres. Early detection initiatives to strengthen the healthcare system's preparedness and response to infectious disease outbreaks will be continued through effective health screening programmes. Moreover, in fostering an active, supportive and healthy lifestyle in society, awareness programmes on dietary and nutrition as well as mental and emotional well-being will also be introduced to increase the quality of life for Malaysians.

The other services subsector⁽¹⁾ is projected to expand backed by private health and education segments. The extensive efforts by the Malaysia Healthcare Travel Council (“**MHTC**”) in international forums to promote quality, accessible and affordable healthcare services as well as the reopening of the borders will spur the private health segment. In this regard, MHTC estimates healthcare tourism revenue to increase by 30% to more than RM1.5 billion in 2023.

Note:

(1) *The other services subsector comprises of arts, entertainment & recreation and personal services & other activities, private education and private health.*

(Source: Economic & Fiscal Outlook and Federal Government Revenue Estimates 2023)

5.3 Prospects of our Group

Our overall business strategy is to continue with our core business specialising in the diagnosis and treatment of gastrointestinal and liver diseases, and obesity and expand our business operations. We intend to grow our core business through a two-prong expansion approach by expanding our current medical centre as well as expand our presence to other major cities in Malaysia. We will also strengthen our medical team via recruitment of consultants and surgeons in the areas of gastroenterology and hepatology.

In addition, we will also recruit new staff which include nursing staff (such as nurse managers, registered nurses) and clinical support as well as administrative staff (such as clinic assistants, radiographer, central sterile supply department technicians and executives to support the IT, human resources, finance and business office) to support the expansion of our existing medical centre and the setting up of two (2) proposed new full-fledged medical centres.

Currently, we have undertaken expansion for our existing medical centre at Nexus @ Bangsar South, Kuala Lumpur. The expansion includes, amongst others, renovations and addition of 8 day care beds in which Ministry of Health of Malaysia has carried out the inspection. The said expanded areas are fully operational in January 2023. Following this expansion, we believe that our medical centre will be able to cater for the current and future demands of our medical services.

Based on the above and barring any unforeseen circumstances, our Board expects the prospects of our Group for the FYE 30 June 2023 to be favourable.

(Source: Management of Cengild Medical)

6. EFFECTS OF THE PROPOSED SPECIAL ISSUE

For illustrative purposes, the pro forma effects of the Proposed Special Issue on the issued share capital, substantial shareholders' shareholdings, NA per Share and gearing ratio, earnings and EPS are illustrated below.

6.1 Issued share capital

The pro forma effects of the Proposed Special Issue on the issued share capital of our Company as at the LPD are as follows:

	<u>No. of Shares</u>	<u>RM</u>
Issued share capital as at the LPD	818,800,000	⁽¹⁾ 81,932,561
Number of Special Issue Shares to be issued pursuant to the Proposed Special Issue	118,000,000	⁽²⁾ 49,560,000
Enlarged issued share capital	<u>936,800,000</u>	<u>131,492,561</u>

Notes:

(1) During the FYE 30 June 2022, our Company increased its issued and paid-up share capital from RM12,240,001 to RM84,444,001 by way of issuance of 218,800,000 new Shares at an issue price of RM0.33 per Share pursuant to the listing of our Company on the ACE Market of Bursa Securities which raised a total proceeds of RM72,204,000. The listing expenses arising from the issuance of new Shares amounting to RM2,511,440 were offset against share capital.

(2) Based on the Illustrative Issue Price of RM0.42.

6.2 Substantial shareholders' shareholdings

The pro forma effects of the Proposed Special Issue on the shareholdings of our substantial shareholders as at the LPD are as follows:

	<u>As at the LPD</u>				<u>After the Proposed Special Issue</u>			
	<u>Direct</u>		<u>Indirect</u>		<u>Direct</u>		<u>Indirect</u>	
	<u>No. of Shares</u>	⁽¹⁾ %	<u>No. of Shares</u>	%	<u>No. of Shares</u>	⁽²⁾ %	<u>No. of Shares</u>	%
Substantial shareholders								
Dato' Dr Tan Huck Joo	134,728,570	16.45	-	-	134,728,570	14.38	-	-
Anne Marie Loh Foong Han	80,294,704	9.81	-	-	80,294,704	8.57	-	-
Emeritus Professor Dato' Dr Goh Khean Lee	60,183,121	7.35	-	-	60,183,121	6.42	-	-
Dr Mohamed Akhtar Bin Mohamed Ditali Qureshi	56,327,438	6.88	-	-	56,327,438	6.01	-	-

Notes:

(1) Calculated based on the existing total number of issued Shares of 818,800,000 as at the LPD.

(2) Calculated based on the enlarged total number of issued Shares of 936,800,000 after the Proposed Special Issue.

6.3 NA per Share and gearing ratio

The pro forma effects of the Proposed Special Issue on the NA per Share and gearing ratio of our Group, based on the latest audited consolidated financial statements as at 30 June 2022 are as follows:

	Audited as at 30 June 2022	After the Proposed Special Issue
	RM'000	RM'000
Share capital	81,933	(1)131,493
Reserves	1,618	1,618
Retained profits	9,399	(2)8,299
Total Equity / NA attributable to owners of our Company	92,950	141,410
No. of Cengild Medical Shares ('000)	818,800	936,800
NA per Share (RM)^	0.11	0.15
Total borrowings~	16,206	16,206
Gearing ratio (times)*	0.17	0.11

Notes:

(1) Assuming all of 118,000,000 Special Issue Shares are placed out at the Illustrative Issue Price of RM0.42.

(2) After deducting estimated expenses of approximately RM1.10 million in relation to the Proposed Special Issue.

^ Calculated based on NA attributable to owners of our Company over the total number of issued Shares of Cengild Medical.

~ The total borrowings comprise of lease liabilities only. Our Group does not have any bank borrowings as at 30 June 2022.

* Calculated based on total borrowings over the NA attributable to owners of our Company.

6.4 Earnings and EPS

The Proposed Special Issue is not expected to have a material effect on our earnings for the FYE 30 June 2023. However, the EPS will be diluted as a result of the increase in the number of Shares to be issued pursuant to the Proposed Special Issue.

Nevertheless, the Proposed Special Issue is expected to provide additional funds for our Group's working capital as set out in **Section 4** above.

6.5 Convertible securities

As at the LPD, save for the outstanding 23,400,000 ESOS Options granted by our Company, our Company does not have any other convertible securities. The Proposed Special Issue will not have effect on the convertible securities of our Company.

7. APPROVALS REQUIRED AND CONDITIONALITY

The SC had vide its letter dated 17 January 2023 approved the resultant equity structure of Cengild Medical pursuant to the Proposed Special Issue under the equity requirement for public listed companies. In addition, the MITI had vide its letter dated 8 February 2023 taken note of the Proposed Special Issue to comply with the Bumiputera Equity Condition and has no objection on the Proposed Special Issue.

The Proposed Special Issue is conditional upon the following approval being obtained:

- (i) Bursa Securities for the listing and quotation of up to 118,000,000 Special Issue Shares to be issued pursuant to the Proposed Special Issue.

The approval from Bursa Securities was obtained vide its letter dated 6 March 2023, subject to the following conditions:

<u>No.</u>	<u>Conditions</u>	<u>Status of compliance</u>
(a)	Cengild Medical and HLIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Special Issue;	Noted. To be complied.
(b)	Cengild Medical and HLIB to inform Bursa Securities upon the completion of the Proposed Special Issue; and	To be complied.
(c)	Cengild Medical to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Special Issue is completed.	To be complied.

- (ii) shareholders of Cengild Medical at our forthcoming EGM; and

- (iii) the MITI, for identifying and/or approving Bumiputera investors for our Company to implement the Proposed Special Issue.

The Proposed Special Issue is not conditional upon any other corporate exercise undertaken or to be undertaken by our Company.

8. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSON CONNECTED WITH THEM

None of our Directors, major shareholders, chief executive and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Special Issue.

9. DIRECTORS' RECOMMENDATION

Our Board, after having considered all aspects of the Proposed Special Issue including the rationale, use of proceeds and the effects of the Proposed Special Issue, is of the opinion that the Proposed Special Issue is in the best interest of our Company.

Accordingly, our Board recommends that you vote in favour of the resolution pertaining to the Proposed Special Issue to be tabled at our forthcoming EGM.

10. ESTIMATED TIME FRAME FOR COMPLETION

The Proposed Special Issue is expected to be completed by the second quarter of 2023.

The tentative timetable for the Proposed Special Issue is as follows:

<u>Date</u>	<u>Events</u>
March 2023	<ul style="list-style-type: none">▪ EGM for the Proposed Special Issue▪ Identification and/or approval of Bumiputera investors by MITI for the implementation of the Proposed Special Issue
June 2023	<ul style="list-style-type: none">▪ Listing and quotation of the Special Issue Shares▪ Bumiputera Equity Condition met

11. CORPORATE PROPOSAL ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Special Issue, there are no other corporate proposal which have been announced by our Company but are pending completion as at the LPD.

12. EGM

Our EGM will be held at Tricor Business Centre, Manuka 2 & 3, Unit 29.01 Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia ("**Broadcast Venue**"), on **Thursday, 23 March 2023, at 3:00 p.m.** or at any adjournment thereof and conducted entirely through live streaming from the Broadcast Venue, for the purpose of considering and, if thought fit, passing the resolution as set out in the Notice of EGM enclosed in this Circular, with or without modifications, to give effect to the Proposed Special Issue.

If you are entitled but unable to attend and vote at our forthcoming EGM, you are requested to complete, sign and return the enclosed Proxy Form in accordance with the instructions printed therein as soon as possible, so as to arrive at the office of our Share Registrar at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not later than 48 hours before the time appointed for holding our EGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, speaking and voting in person at our EGM should you subsequently wish to do so.

13. FURTHER INFORMATION

You are advised to refer to **Appendix I** in this Circular for further information.

Yours faithfully
For and on behalf of the Board of Directors
CENGILD MEDICAL BERHAD

DATO' DR TAN HUCK JOO
Executive Chairman

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Directors and they collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND CONFLICT OF INTEREST

HLIB, being our Principal Adviser and Placement Agent for the Proposed Special Issue, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

HLIB has confirmed that there is no conflict of interest existing or is likely to exist in its capacity as our Principal Adviser and Placement Agent for the Proposed Special Issue.

3. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of Cengild Medical Shares as transacted for the past 12 months preceding to the date of this Circular are as follows:

	<u>High</u>	<u>Low</u>
	RM	RM
<u>2022</u>		
March*	-	-
April	0.52	0.42
May	0.48	0.39
June	0.43	0.335
July	0.405	0.365
August	0.525	0.40
September	0.58	0.415
October	0.51	0.39
November	0.495	0.42
December	0.555	0.445
<u>2023</u>		
January	0.535	0.465
February	0.515	0.435
Last transacted market price on 13 February 2023, being the last market day immediately prior to the announcement of the Proposed Special Issue		RM0.485
Last transacted market price as at the LPD		RM0.435

(Source: Bloomberg)

Note:

* Not available as our Company was listed on 18 April 2022.

FURTHER INFORMATION (CONT'D)

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, and our Board is not aware and does not have any knowledge of any proceedings pending or threatened against our Group, or of any fact likely to give to any proceedings, which might materially and adversely affect the financial position or business of our Group.

5. MATERIAL COMMITMENT AND CONTINGENT LIABILITIES**5.1. Material commitments**

As at the LPD, our Board confirmed that there are no material commitments incurred or known to be incurred by our Group that have not been provided for, which upon becoming due or enforceable, may have a material impact on the financial position or financial performance of our Group.

5.2. Contingent liabilities

As at the LPD, our Board confirmed that there are no contingent liabilities incurred or known to be incurred by our Group which, upon becoming due or enforceable, may have a material impact on the financial position or financial performance of our Group.

6. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at our Registered Office during office hours from the date of this Circular up to and including the date of our forthcoming EGM:

- (i) our Company's Constitution;
- (ii) audited financial statements of our Group for the FYE 30 June 2021 and 2022;
- (iii) the latest quarterly financial results for 6-month financial period ended 31 December 2022;
and
- (iv) consent letter referred to in **Section 2** of this **Appendix I**.



CENGILD G. I. MEDICAL CENTRE
Centre for Gastrointestinal and Liver Diseases

CENGILD MEDICAL BERHAD

Registration No.: 202101004143 (1404442-P)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Cengild Medical Berhad (“**Cengild Medical**” or “**Company**”) will be conducted virtually through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3, Unit 29.01 Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur (“**Broadcast Venue**”) on **Thursday, 23 March 2023, at 3:00 p.m.** or at any adjournment thereof and conducted entirely through live streaming from the Broadcast Venue for the purpose of considering and, if thought fit, passing the following resolution, with or without modifications:

ORDINARY RESOLUTION

PROPOSED SPECIAL ISSUE OF UP TO 118,000,000 NEW ORDINARY SHARES IN CENGILD MEDICAL (“SHARES”) (“SPECIAL ISSUE SHARES”) TO BUMIPUTERA INVESTORS TO BE IDENTIFIED AND/OR APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY (“PROPOSED SPECIAL ISSUE”) AND WAIVER OF PRE-EMPTIVE RIGHTS OVER NEW SHARES OR OTHER CONVERTIBLE SECURITIES IN CENGILD MEDICAL UNDER SECTION 85(1) OF THE COMPANIES ACT 2016 READ TOGETHER WITH CLAUSE 12(3)(A) OF THE CONSTITUTION OF CENGILD MEDICAL

“**THAT** subject to all relevant approvals being obtained for the Proposed Special Issue, approval be and is hereby given to the Board of Directors of the Company (“**Board**”) to allot and issue up to 118,000,000 Special Issue Shares at an issue price to be determined later;

THAT in connection with the Proposed Special Issue, pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 12(3)(a) of the Company’s Constitution, the shareholders of the Company hereby approve and waive their pre-emptive rights over all new Special Issue Shares to be issued pursuant to the Proposed Special Issue;

THAT the Special Issue Shares shall, upon issuance and allotment, rank equally in all respects with the existing Shares, save and except that the holders of the Special Issue Shares will not be entitled to any dividend, rights, allotment and/or other distribution which may be declared, made or paid to the shareholders of the Company, the entitlement date of which fall before the date of issuance and allotment of the Special Issue Shares;

THAT approval be and is hereby given for the Company to use the proceeds raised from the Proposed Special Issue for the purposes set out in the circular to shareholders dated 8 March 2023, and the Board be and is hereby authorised with full powers to vary the manner and/or purpose of the use of such proceeds in such manner as the Board shall in its absolute discretion deem fit, necessary, expedient and/or appropriate and in the best interest of the Company, subject to the approval of relevant authorities, where required;

AND THAT the Board be and is hereby authorised to do all such acts and things and to execute all necessary documents to give full effect to the Proposed Special Issue with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities and to take all steps and actions as they may deem necessary and expedient to finalise, implement and give full effect to the Proposed Special Issue.”

BY ORDER OF THE BOARD

CHONG LAY KIM (SSM PC NO. 202008001920) (LS 0008373)
YENG SHI MEI (SSM PC NO. 202008001282) (MAICSA 7059759)
Company Secretaries

Kuala Lumpur
8 March 2023

Notes:

1. IMPORTANT NOTICE

*The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairperson of the meeting to be present at the main venue of the meeting.*

*Shareholders **will not be allowed** to attend the Extraordinary General Meeting (“EGM”) in person at the Broadcast Venue on the day of the meeting.*

*Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, “participate”) remotely at the EGM using the Remote Participation and Voting facilities (“RPV”) provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its **TIIH Online** website at <https://tiih.online>.*

Please read these Notes carefully and follow the procedures in the Administrative Details for this EGM in order to participate remotely via RPV.

- 2. For the purpose of determining who shall be entitled to participate in this EGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at **16 March 2023**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this EGM via RPV.*
- 3. A member who is entitled to participate in this EGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.*
- 4. A member of the Company who is entitled to attend and vote at this EGM may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at this EGM.*
- 5. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.*
- 6. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“**Central Depositories Act**”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
- 7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Sections 25A(1) of the Central Depositories Act.*
- 8. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*

9. *A member who has appointed a proxy or attorney or authorised representative to participate at this EGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV via TIIH Online website at <https://tiih.online>. Procedures for RPV can be found in the Administrative Guide for this EGM.*
10. *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 not less than forty-eight (48) hours before the time appointed for holding this EGM or adjourned EGM at which the person named in the appointment proposes to vote:*
 - (i) *In hard copy form*

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, 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, Malaysia.
 - (ii) *By electronic means*

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Please follow the procedures set out in the Administrative Guide.
11. *Please ensure ALL the particulars as required in the proxy form are complete, signed and dated accordingly.*
12. *Last date and time for lodging the proxy form is Tuesday, 21 March 2023, at 3:00 p.m..*
13. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, 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, Malaysia not less than forty-eight (48) hours before the time appointed for holding this EGM or adjourned EGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*
14. *For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, 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, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:*
 - (i) *If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.*
 - (ii) *If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:*
 - (a) *at least two (2) authorised officers, of whom one shall be a director; or*
 - (b) *any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.*
15. *Shareholders are advised to check the Company's website at www.cengild.com and announcements from time to time for any changes to the administration of this EGM that may be necessitated by changes to the directives, safety and precautionary requirements and guidelines prescribed by the Government of Malaysia, the Ministry of Health, the Malaysian National Security Council, Securities Commission Malaysia and/or other relevant authorities.*



CENGILD G. I. MEDICAL CENTRE
Centre for Gastrointestinal and Liver Diseases

CENGILD MEDICAL BERHAD
202101004143 (1404442-P)
(Incorporated in Malaysia)

CDS Account No.

No. of shares held

PROXY FORM

*I/We _____ Tel: _____
(Full name in block, NRIC / Passport No. / Company No.)

of _____

being member(s) of **CENGILD MEDICAL BERHAD**, hereby appoint:

Full Name (in Block as per NRIC / Passport No.)	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or (*delete as appropriate)

Full Name (in Block as per NRIC / Passport No.)	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 and on *my/our behalf at the Extraordinary General Meeting (“EGM”) of the Company which will be conducted virtually through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3, Unit 29.01 Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur (“Broadcast Venue”) on **Thursday, 23 March 2023, at 3:00 p.m.** or any adjournment thereof, and to vote as indicated below:

Description of Resolution	For	Against
Ordinary Resolution - Proposed Special Issue and waiver of pre-emptive rights		

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/she thinks fit.

Signed this _____ day of _____ 2023

Signature / Common Seal

* Delete whichever not applicable



Notes:

1. **IMPORTANT NOTICE**

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairperson of the meeting to be present at the main venue of the meeting.

Shareholders **will not be allowed** to attend the Extraordinary General Meeting (“EGM”) in person at the Broadcast Venue on the day of the meeting.

Please read these Notes carefully and follow the procedures in the Administrative Details for this EGM in order to participate remotely via RPV.

2. For the purpose of determining who shall be entitled to participate in this EGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at **16 March 2023**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this EGM via RPV.
3. A member who is entitled to participate in this EGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
4. A member of the Company who is entitled to attend and vote at this EGM of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at this EGM.
5. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
6. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“**Central Depositories Act**”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Sections 25A(1) of the Central Depositors Act.
8. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
9. A member who has appointed a proxy or attorney or authorised representative to participate at this EGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV via TIIH Online website at <https://tiih.online>. Procedures for RPV can be found in the Administrative Guide for this EGM.
10. 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 not less than forty-eight (48) hours before the time appointed for holding this EGM or adjourned EGM at which the person named in the appointment proposes to vote.

(i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, 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, Malaysia.

(ii) By electronic means

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Please follow the procedures set out in the Administrative Guide.

11. Please ensure ALL the particulars as required in the proxy form are complete, signed and dated accordingly.
12. Last date and time for lodging the proxy form is Tuesday, 21 March 2023, at 3:00 p.m..
13. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, 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, Malaysia not less than forty-eight (48) hours before the time appointed for holding this EGM or adjourned EGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
14. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, 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, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
15. Shareholders are advised to check the Company's website at www.cengild.com and announcements from time to time for any changes to the administration of this EGM that may be necessitated by changes to the directives, safety and precautionary requirements and guidelines prescribed by the Government of Malaysia, the Ministry of Health, the Malaysian National Security Council, Securities Commission Malaysia and/or other relevant authorities.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

CENGILD MEDICAL BERHAD
202101004143 (1404442-P)

c/o Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8 Jalan Kerinchi
59200 Kuala Lumpur

1st fold here
