LAC Med Berhad (5341)

Delivering Confidence in Critical Care

By Research Team / research@tradeviewcapital.my

Subscribe

Target Price: RM0.94 (+25%)

Current Share Price: RM0.75

Valuation

Our target price is based on:

FY26F PE of 13.9x, in line with UMediC Group Berhad's forward PE, justified by LAC's trading-focused business model, which we expect to trade closer to UMediC Group Berhad's valuation level of around 13.9x forward PE.

Subscription start date	Subscription Dead-line	Ballot Result	Listing Date
14th Nov 2025	25th Nov 2025	1st Dec 2025	10th Dec 2025

IPO Note	Growth	Investment Horizon : 12 months

We recommend a Subscribe rating for LAC Med Berhad (LAC), with a target price of RM0.940, representing a 25% upside. LAC Med Berhad is a medical equipment distributor and healthcare technology solutions provider with entrenched sole distributorships for leading global brands. We favour LAC for its (i) entrenched sole distributorships for top brands, (ii) Innovative EaaS and SaaS subscription revenue, and (iii) regional expansion into Indonesia anchored by exclusive distributorships and branch roll out.

Top Brand Partnerships Create High Customer Stickiness

LAC has held sole distributorships for Philips since 2017 and Samsung since 2013. We expect these to remain intact given (i) its turnkey capabilities from layout design and renovation through supply, installation, support and maintenance, (ii) its long standing partnerships, and (iii) the high entry barriers requiring crisis management competency and a strong technical network. These sole distributorships provide strong customer stickiness and repeat order beyond the ten year equipment life cycle as hospitals refresh equipment. With nine new industry leading brands added since 2023, management guided an additional RM700mn addressable market. Supported by an order book of RM197.5mn as at Oct 2025 and a tender book of around RM700mn, we forecast overall revenue growth of 18.6% to 23.5% from FY25F to FY27F, leveraging its sole distributorship status, expanding brand portfolio alongside EaaS.

EaaS and SaaS to Drive Recurring Revenue

To address hospitals upfront capital needs and limited technical expertise, LAC expanded into a lease like EaaS model in exchange for subscription fees. Management guided an expected IRR of about 10% per product. Based on our assumed 4-6% financing rate, we expect each lease to be profitable and support market share gains under the expanded brand portfolio. As total revenues scale, we expect stronger medical consumables sales and therefore forecast the medical consumables and others segment to grow at least 30% over FY25F to FY27F, contributing RM20.0mn or 6.2% of total revenue in FY27. LAC also offers system integration and software across 3 licensed brands and 1 in house brand which aligns with the Ministry of Health digitalisation target for all clinics by 2027 and hospitals by 2029. With its data, dashboard, storage and AI capabilities and a new tiered SaaS solution targeted for launch in 1Q FY27, we expect the software and systems segment to grow 105% to RM3.1mn in FY27F from RM1.5mn in FY26F. Recurring revenue from EaaS, SaaS and consumables should support near term growth and provide stable cash flow.

Indonesia presence adds geographic diversification

LAC's Indonesia operation (PT Fairmed) incorporated in December 2024 and active since July 2025, now employs 20 personnel in Jakarta, with IPO proceeds allocated to expand branches across Sumatra, Surabaya and Kalimantan for sales, customer service and technical support. PT Fairmed has secured one exclusive distributorship from Alpinion for ultrasound equipment in Indonesia which has an installed base of 800 units. Although Indonesia will contribute minimally in the near term, we expect PT Fairmed to secure more licences, broaden its brand portfolio and grow its sales and support team by leveraging its Malaysia track record and relationships with brand principals. We forecast Indonesia revenue of RM12.6mn in FY27, contributing 3.9% of total revenue, supported by Indonesia's larger population and aging demographic.

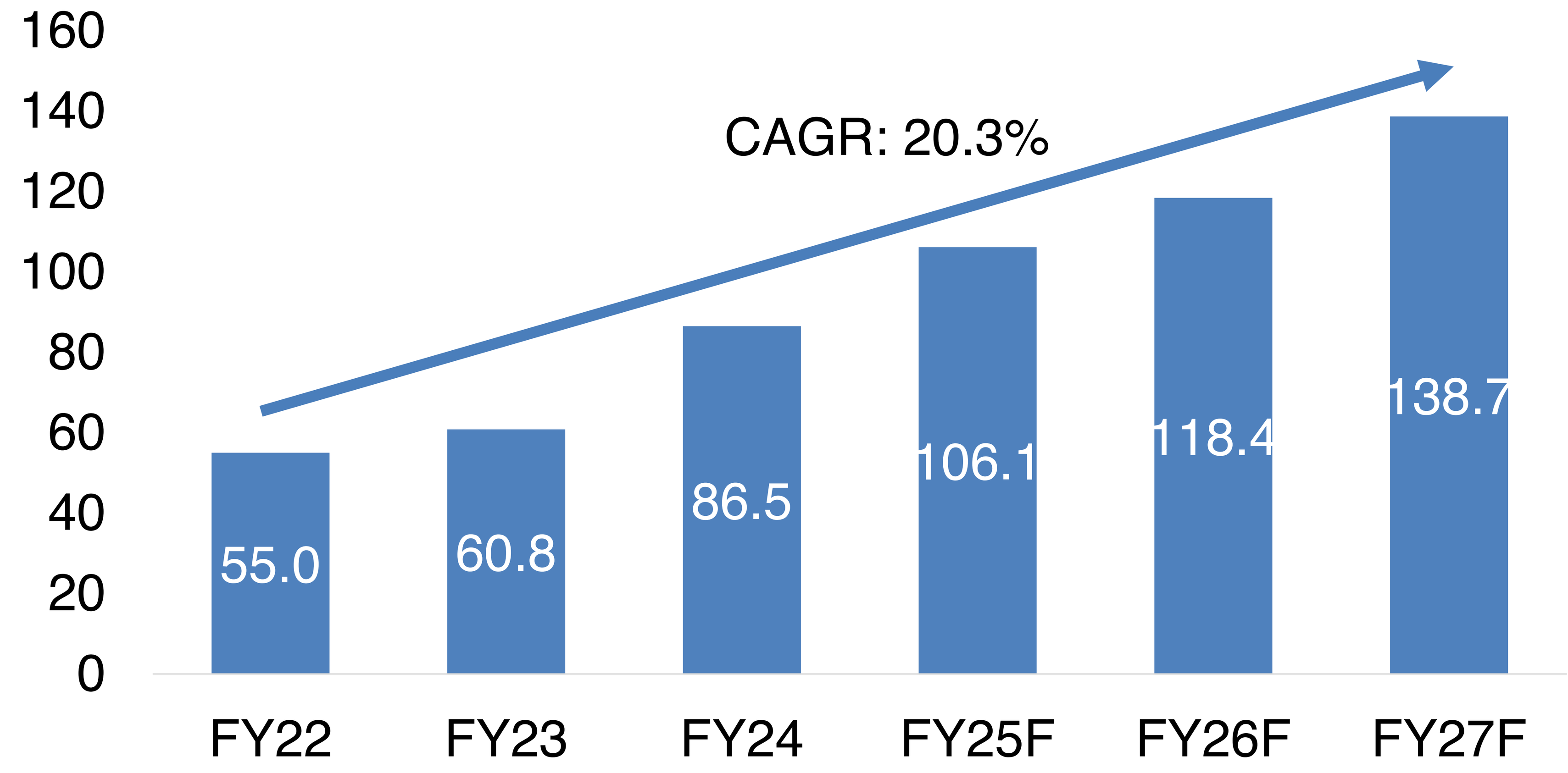
Investment Thesis

Sole Distributorships Underpin Revenue Visibility

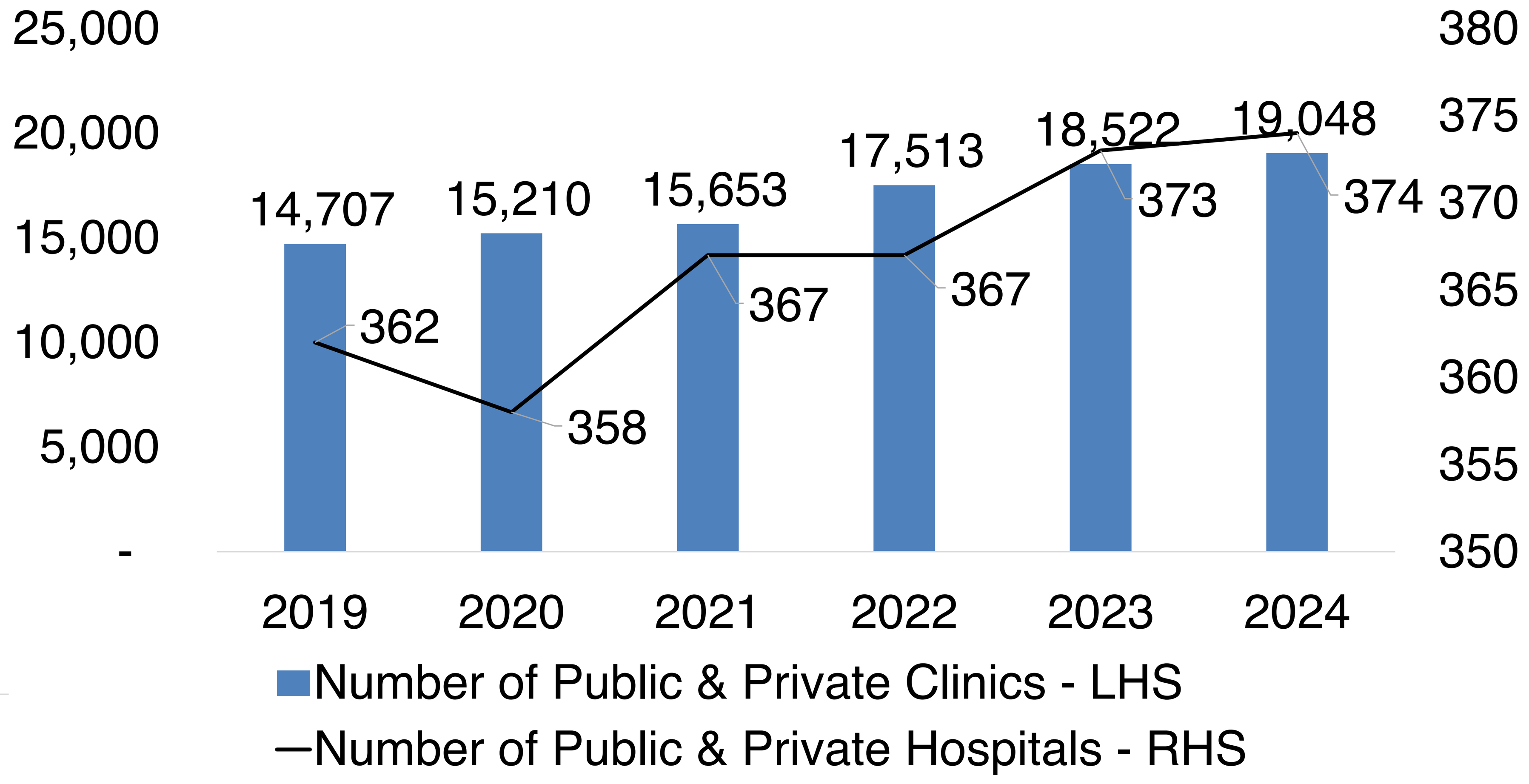
LAC has been appointed as sole distributorship for top brands such as Philips since 2017 and Samsung since 2013. We expect LAC to maintain these sole distributorships for the foreseeable future due to (i) its turnkey capabilities spanning layout design and renovation through supply, installation, post installation support and maintenance, (ii) existing strong and long standing partnerships, and (iii) high barriers to entry because principals require confident crisis management and a strong technical support network. Sole distributorships give LAC strong customer stickiness and repeat orders from existing customers beyond product life cycle of around 10 years as hospitals need to keep their technology up to date.

On top of existing Philips and Samsung distributorships, LAC is expected to access a new addressable market of RM700mn based on management guidance after expanding its brand portfolio to include nine new industry leading brands since 2023. Leveraging sole distributorship status and a continuing expanding brand portfolio together with EaaS, we forecast overall revenue growth of 18.6% to 23.5% over FY25F to FY27F, supported by an order book of RM197.5mn as at Oct 2025 and a tender book of around RM700mn.

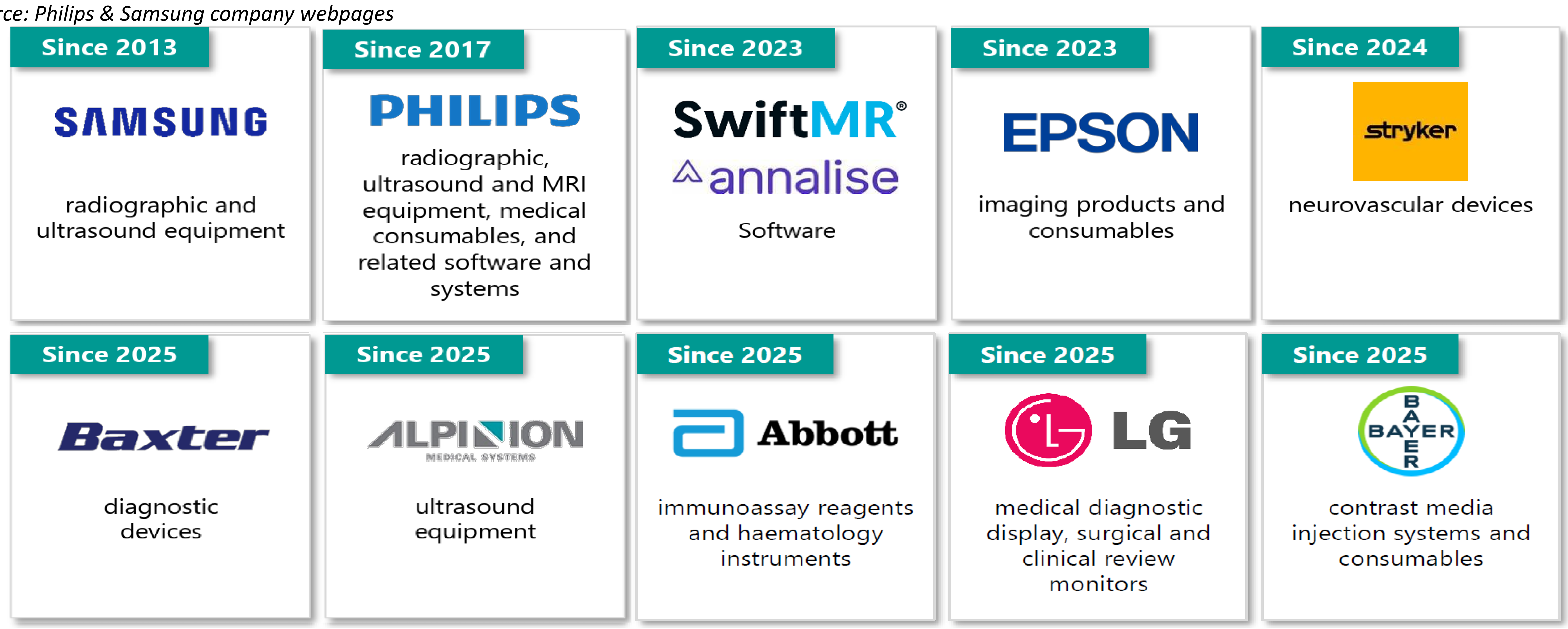
Supply and Integration of Medical Devices Segment Revenue (RM mn)



Number of Hospitals and Clinics in Malaysia



Source: Philips & Samsung company webpages



Source: Company presentation slide

From Equipment Sales to Subscription Based Services

To address the upfront capital investment and in house technical expertise required by hospitals to own medical devices LAC expanded into a lease like EaaS business for hospital customers. Under EaaS, LAC will first own the assets via bank financing and then lease them out, offering customised solutions that bundle equipment with its managed software platform, along with maintenance, repair and upgrade services, in return for subscription fees.

Management guided for an expected IRR of about 10% per product. Based on our assumptions of a bank financing rate of around 4-6% and a projected net cash position in FY25, we expect LAC to be profitable for each equipment leased, continue strengthening its market share, and successfully penetrate new markets under the newly added brands. As a result of the expected higher growth in LAC's overall revenue, we anticipate stronger growth in complementary medical consumables sales, supported by the supply of more units and a wider range of products and brands. We therefore forecast the medical consumables and others segment to grow at least 30% over FY25F to FY27F, contributing RM20.0mn or 6.2% of total revenue in FY27.

Investment Thesis

Additionally, LAC provides software and system integration that complement and integrate with medical devices, comprising 3 licensed brands and 1 in house brand, aligned with the Ministry of Health target to digitalise all health clinics by 2027 and all hospitals by 2029. Its existing software portfolio facilitates data management and analytics, dashboard display, storage and AI capabilities to enhance imaging outcomes such as SwiftMR.

LAC has allocated part of its IPO proceeds to develop a new software solution to be sold on a tiered service plan. This subscription-based SaaS product is expected to launch in 1Q FY27. Together with existing software offerings, we expect the software and systems segment to grow 105% to RM3.1mn in FY27 from a low base of RM1.5mn in FY26F. Collectively, we expect recurring revenue from EaaS, SaaS, and complementary medical consumables to support near-term growth and provide stable cash flow.

LAC's New Software and System Features	Details
IoT integration	Connect medical equipment to software using IoT sensors for seamless data collection and analysis
Real-time global positioning system	Incorporation of tracking technologies such as radio-frequency identification (RFID) and barcodes to locate and monitor the assets in real-time
Predictive and preventive maintenance services	AI driven analytics to predict equipment failure based on usage patterns, data and historical records, as well as to perform scheduled maintenance when certain performance thresholds are met to reduce unnecessary downtime
Cloud-based asset management	Cloud-based platform that centralises medical device data such as locations, service history, warranty and compliance records, while providing real-time asset and maintenance visibility. It can be customised for full lifecycle management with automated end-of-life alerts to support timely procurement planning.
Dashboard display and periodic reports	Dashboard and reporting system that tracks equipment performance, including uptime, downtime, utilisation and maintenance costs, supported by a data platform that manages device usage, billing, compliance and complete service documentation for regulatory requirements.

Source: Company Prospectus, Tradeview Research

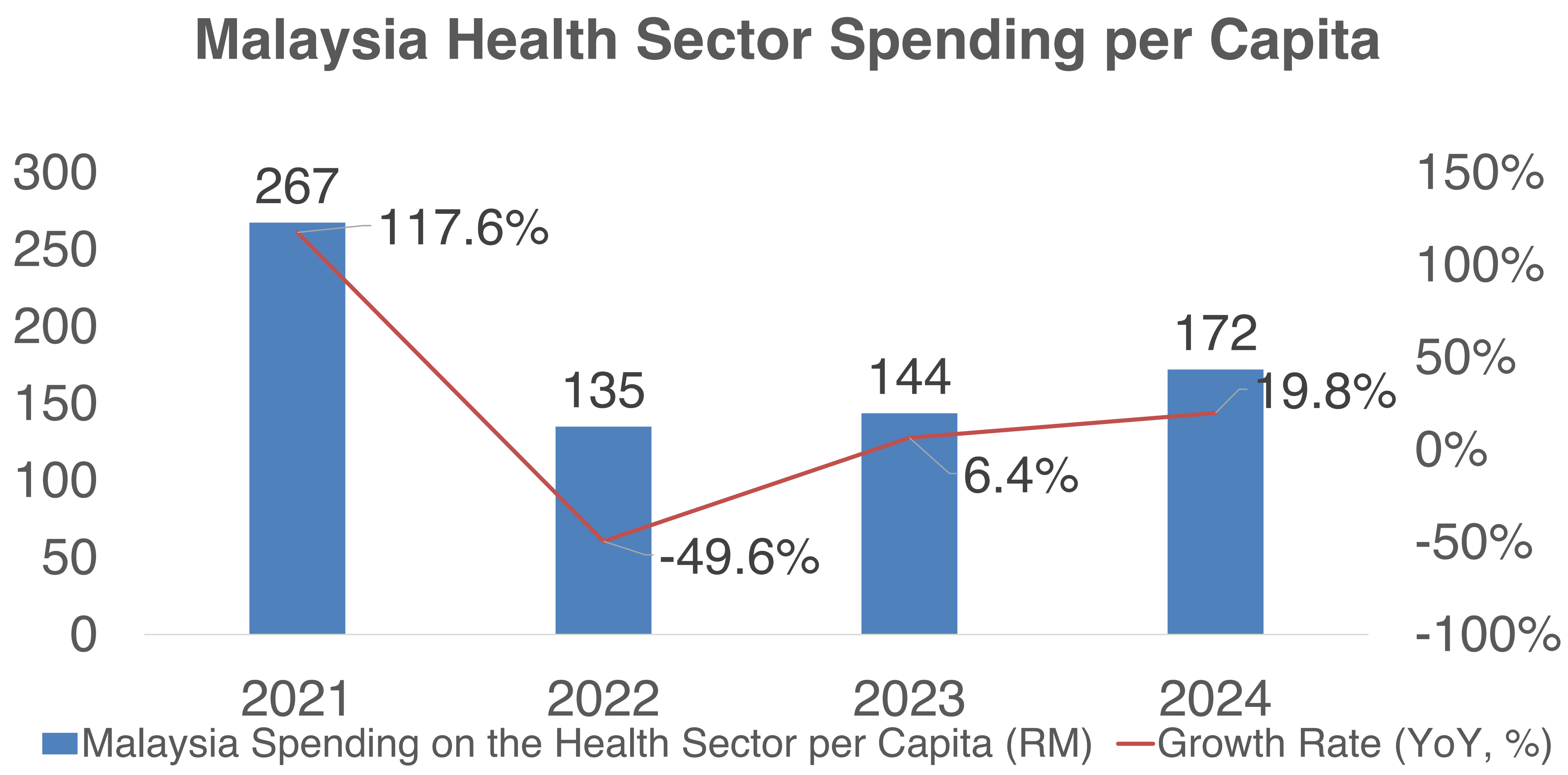
Indonesia roll out targets sizeable market opportunity

Incorporated in December 2024 and operating since July 2025, LAC Indonesia operation (PT Fairmed) currently has 20 personnel in Jakarta. Management allocated part of the IPO proceeds to progressively set up branch offices in Sumatra, Surabaya and Kalimantan for sales, customer service and technical support. PT Fairmed has secured one exclusive distributorship from Alpinion for ultrasound equipment in Indonesia with an existing installed base of 800 units.

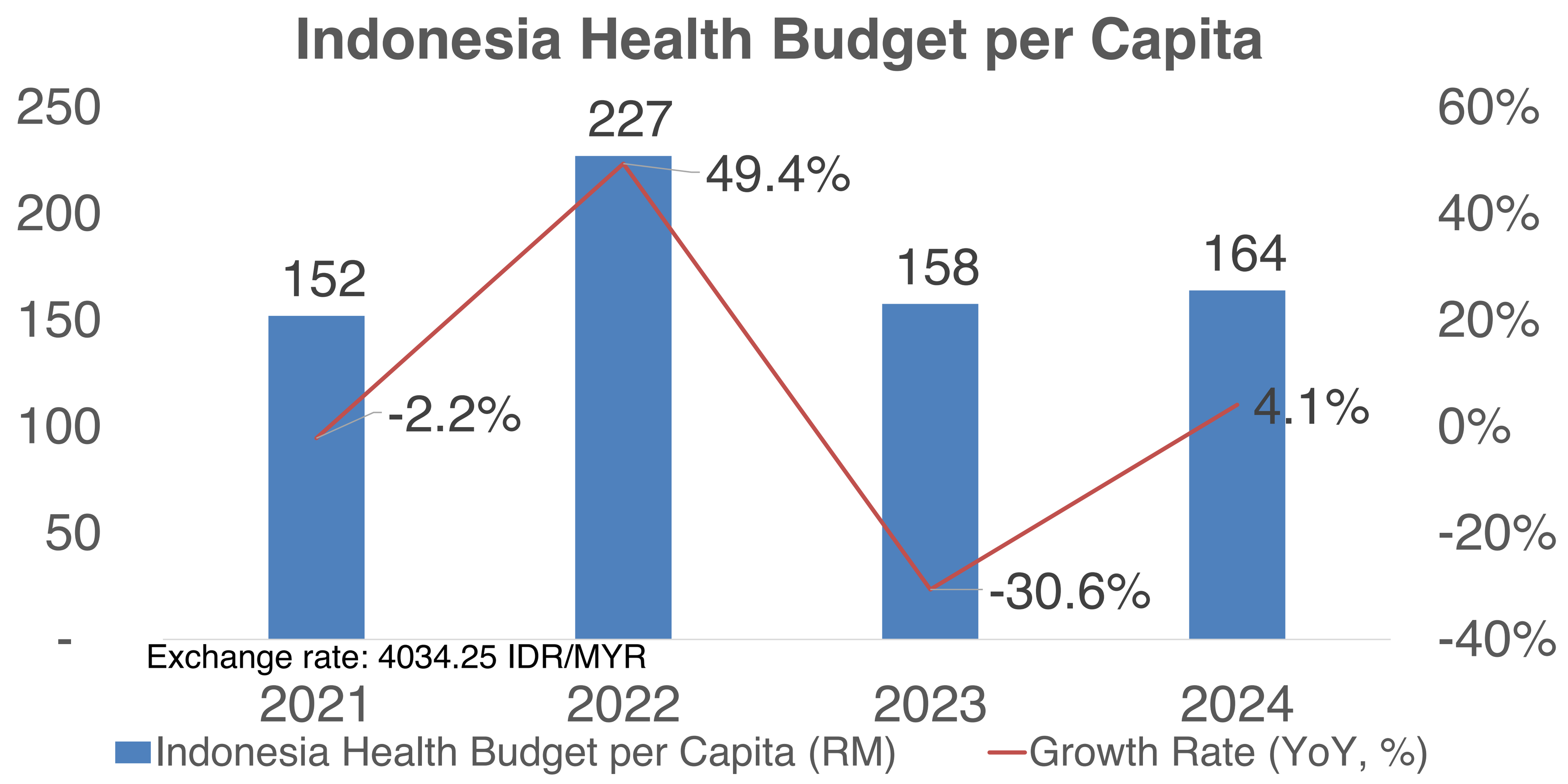
Although Indonesia will contribute minimally in the near term with only one licence, we expect PT Fairmed to secure additional licences (such as the licence to distribute irradiating medical devices), diversify its brand portfolio and expand its sales and support team by leveraging its Malaysia experience and strong relationships with brand principals. Therefore, we expect Indonesia operations to reach RM12.6mn and contribute 3.9% of total revenue in FY27, supported by Indonesia's larger population and aging demographic.

Indonesia Population by Ages Group (1Q 2025)	1Q 2025	Percentage (%)
0-19	88.8	31.2%
20-39	88.6	31.2%
40-64	85.4	30.0%
>65	21.6	7.6%
Total	**284.4**	**100.0%**

Malaysia Population by Ages Group (1Q 2025)	1Q 2025	Percentage (%)
0-14	7.6	19.9%
15-64	24.0	62.8%
>60	2.6	6.8%
>65	4.0	10.5%
Total	**38.2**	**100.0%**



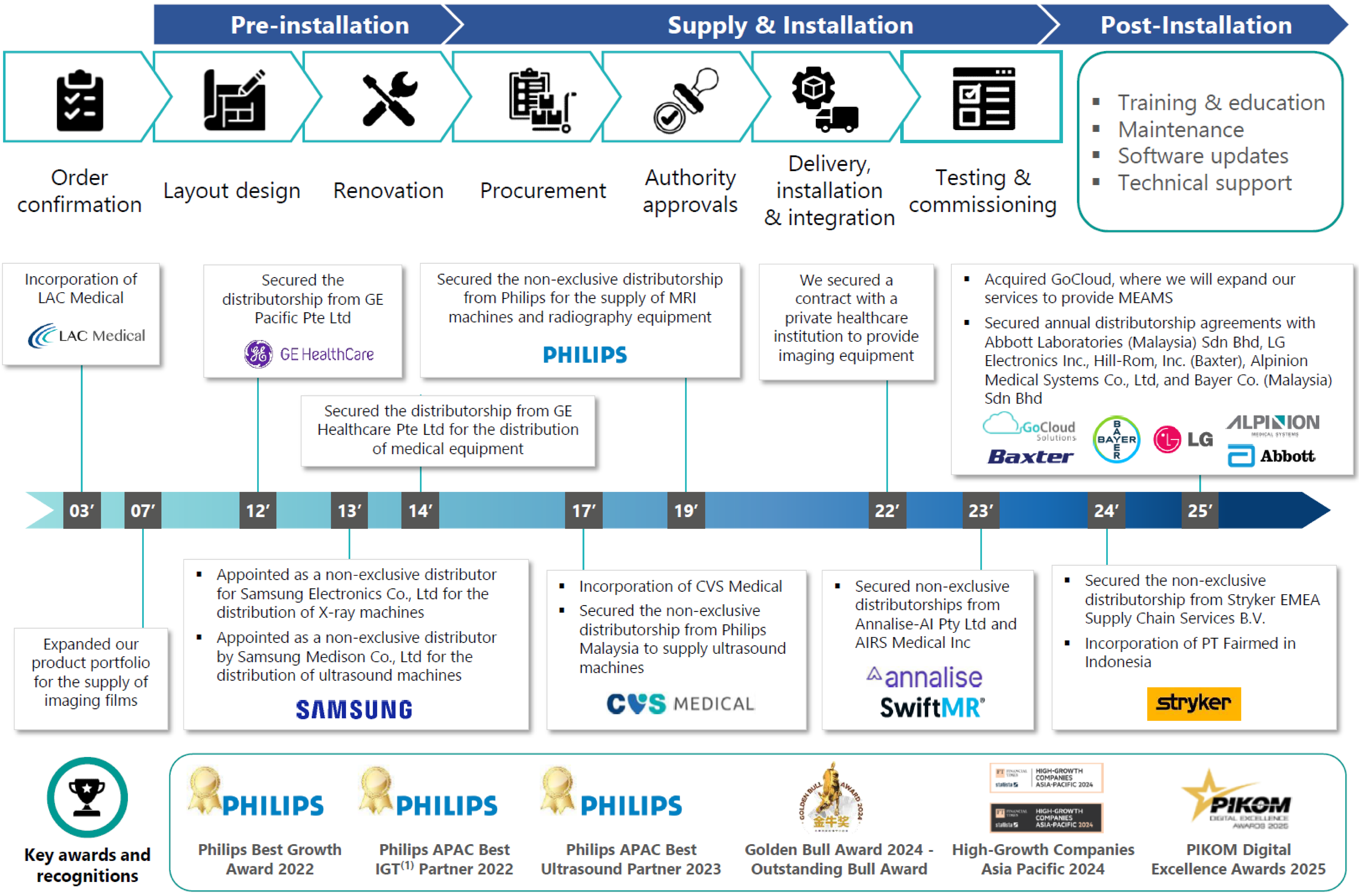
Source: Company Prospectus, Tradeview Research



Source: Company Prospectus, Tradeview Research

Company Overview

LAC Med Berhad was incorporated on 22 November 2024 and converted into a public company on 14 April 2025, but the Group traces its origins to LAC Medical, founded in 2003 by Liew Yoon Kit and Giam Teck Eng to supply medical goods and equipment. The business expanded steadily with the addition of imaging films, computer radiography systems and healthcare IT software in the mid-2000s, followed by distributorships for X-ray and ultrasound machines from Samsung in 2013. Leadership deepened when Liew Yoon Poh joined in 2009, became Director and shareholder in 2012, and progressively took on a larger role in driving the Group's commercial and strategic growth. In 2017, the Group broadened its cardiovascular and ultrasound portfolio through the establishment of CVS Medical, which secured the Philips distributorship covering West Malaysia. Regional expansion began with the incorporation of PT Fairmed in 2024 to enter the Indonesian market for medical devices and integration services. The Group further enhanced its capabilities with the acquisition of GoCloud in 2025 to support its digital healthcare and MEAMS offerings. Over the years, LAC has secured multiple new distributorships across imaging equipment, neurovascular devices, diagnostics consumables and healthcare software, culminating in the launch of its EaaS segment in partnership with KPJ Healthcare in 2025. Today, LAC Med Berhad operates as an integrated supplier and integrator of medical devices across Malaysia and Indonesia, offering imaging equipment, consumables, software solutions and end-to-end installation, commissioning and maintenance services for healthcare facilities.



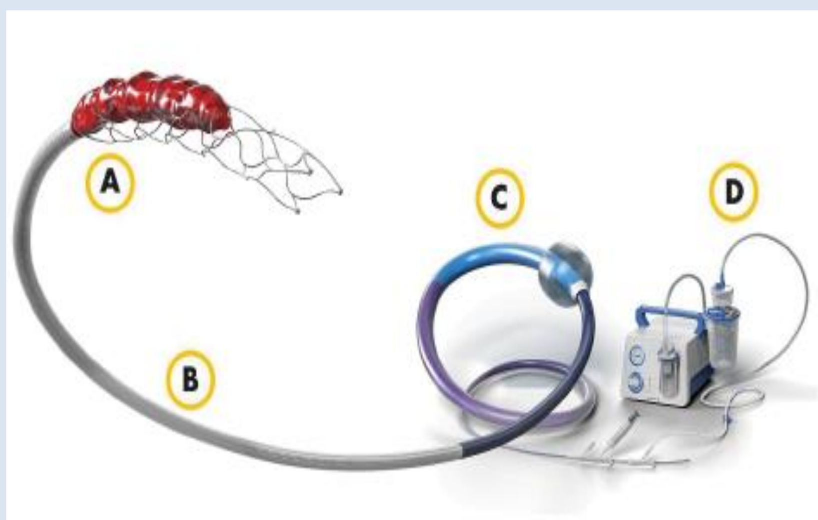
Utilisation of the RM55.6mn from the IPO Proceeds

Purposes	RM'mn	%	Estimated timeframe for utilisation from the listing date
Setting up new head office and warehouse	12.0	21.6	36 months
Expansion of Indonesian business	8.0	14.4	36 months
Establishment of EaaS and MEAMS segments	8.0	14.4	36 months
Repayment of bank borrowings	16.0	28.7	12 months
Working capital requirements	6.1	11.0	24 months
Estimated listing expenses	5.5	9.9	1 months

Source: Company Prospectus, Tradeview Research

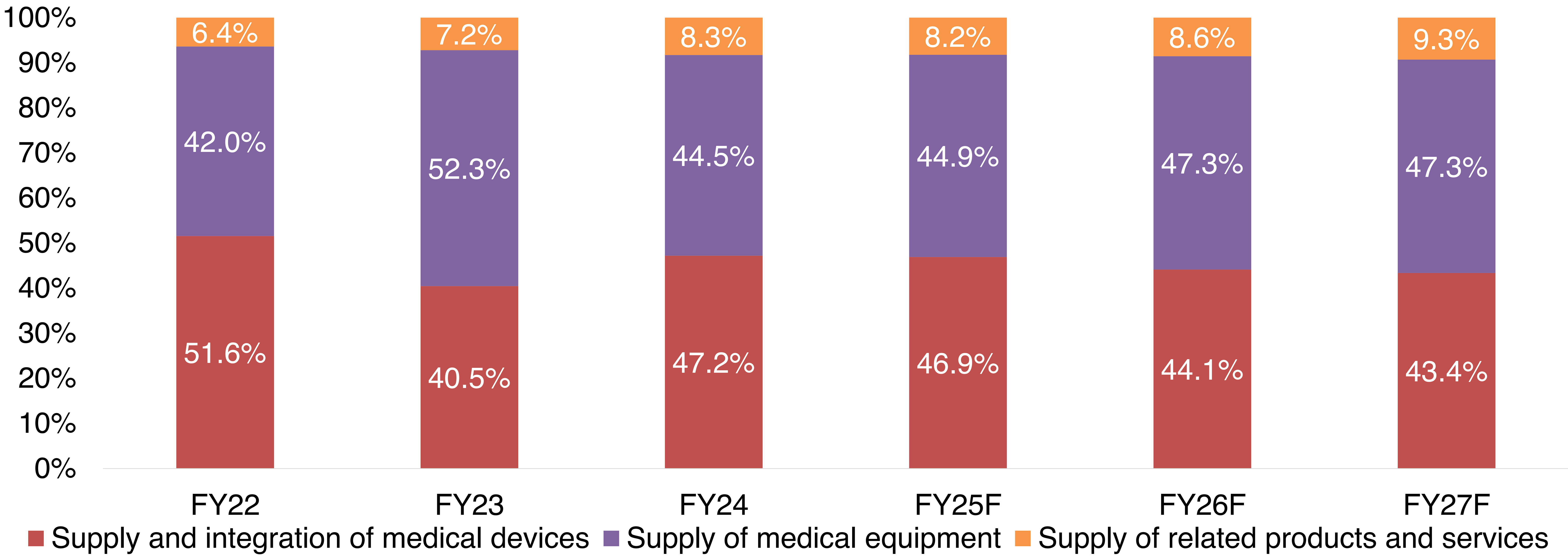
Company Overview

Business Segment

Segments	Description	Visualization / Services	
supply and integration of medical devices	• Provide end-to-end supply and integration of fixed and large medical equipment that require significant renovation and M&E works. • Capabilities include facility design, infrastructure planning, custom fit-outs, installation, systems integration, testing and commissioning, as well as training and maintenance.	 Radiographic equipment	 MRI machines
Supply of medical equipment	• supply standalone and portable medical equipment that require minimal M&E works and are typically plug-and-play	 Ultrasound machines	 Radiographic equipment
Supply of related products and services	• Complement equipment offerings with related medical consumables, accessories and software solutions. • Provide comprehensive after-sales support through preventive, corrective and breakdown maintenance delivered by field service engineers.	 Medical consumables and others	 Software and systems

Source: Company Prospectus, Tradeview Research

Revenue by Business Segments



Source: Company Prospectus, Tradeview Research

Management Team

1. Liew Yoon Poh is the Group Chief Executive Officer of LAC, appointed to the Board in November 2024. He leads the Group's strategic direction, business development and overall growth. He began his career in 2001 by co-founding a children education book distribution business before working as a corporate trainer. He joined LAC in 2009 as Sales Executive and progressed to Director in 2012, Managing Director in 2022 and Group Chief Executive Officer in 2025. He co-founded CVS Medical in 2017 and oversees its day-to-day management as well as serves as Commissioner of PT Fairmed and Director of GoCloud. He holds a Bachelor of Science in Economics and Management from the University of London. He is the brother of Liew Yoon Kit.

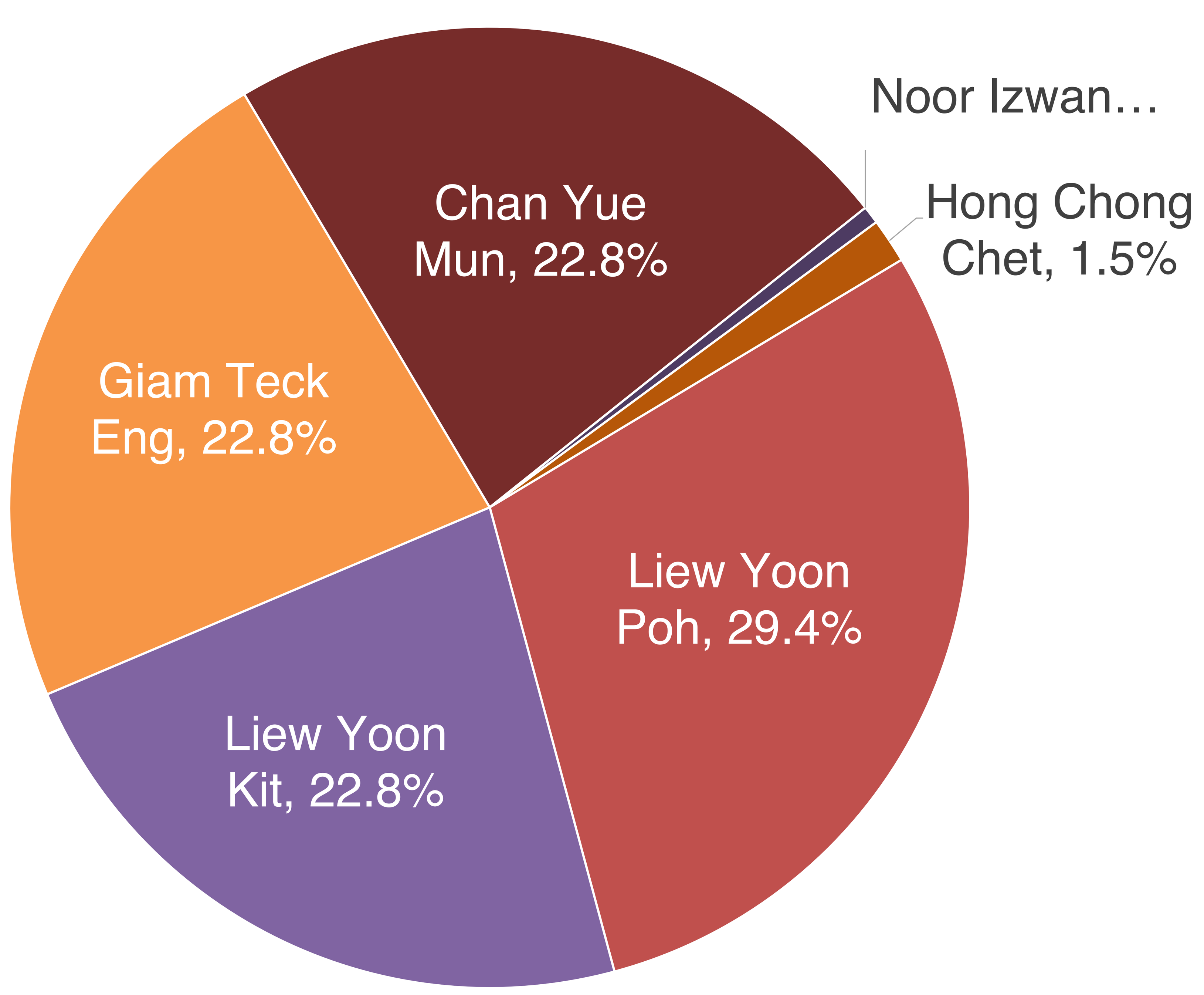
2. Liew Yoon Kit is the Non-Independent Non-Executive Chairman of LAC, appointed to the Board in April 2025. He guides the Board on governance and strategic oversight. He co-founded multiple ICT businesses including Glocomp in 1999, where he remains a substantial shareholder and part of key management, and LAC in 2003. He has held various leadership roles in industry bodies, including Chairman of the National Tech Association of Malaysia and advisor to MBAM's ICT Automation and Robotics Committee. He also co-founded several ICT related companies such as Retec Distribution, Goodybuzz and Global Computing Solutions. He holds a Bachelor of Arts from the University of Malaya and is the brother of Liew Yoon Poh.

3. Hong Chong Chet is the Deputy Chief Executive Officer of LAC. He oversees strategic projects, digital healthcare development and regional expansion initiatives. He has extensive experience in medical equipment, project execution and healthcare IT across ASEAN, having served in leadership roles at GE Healthcare, IDS Services and Pharmaniaga Biomedical. He joined LAC in 2022 as Chief Transformation Officer and was re-designated Deputy Chief Executive Officer in 2025. He also serves as President Director of PT Fairmed and Director of CVS Medical. He holds a Bachelor of Electrical Engineering from University Tun Hussein Onn Malaysia.

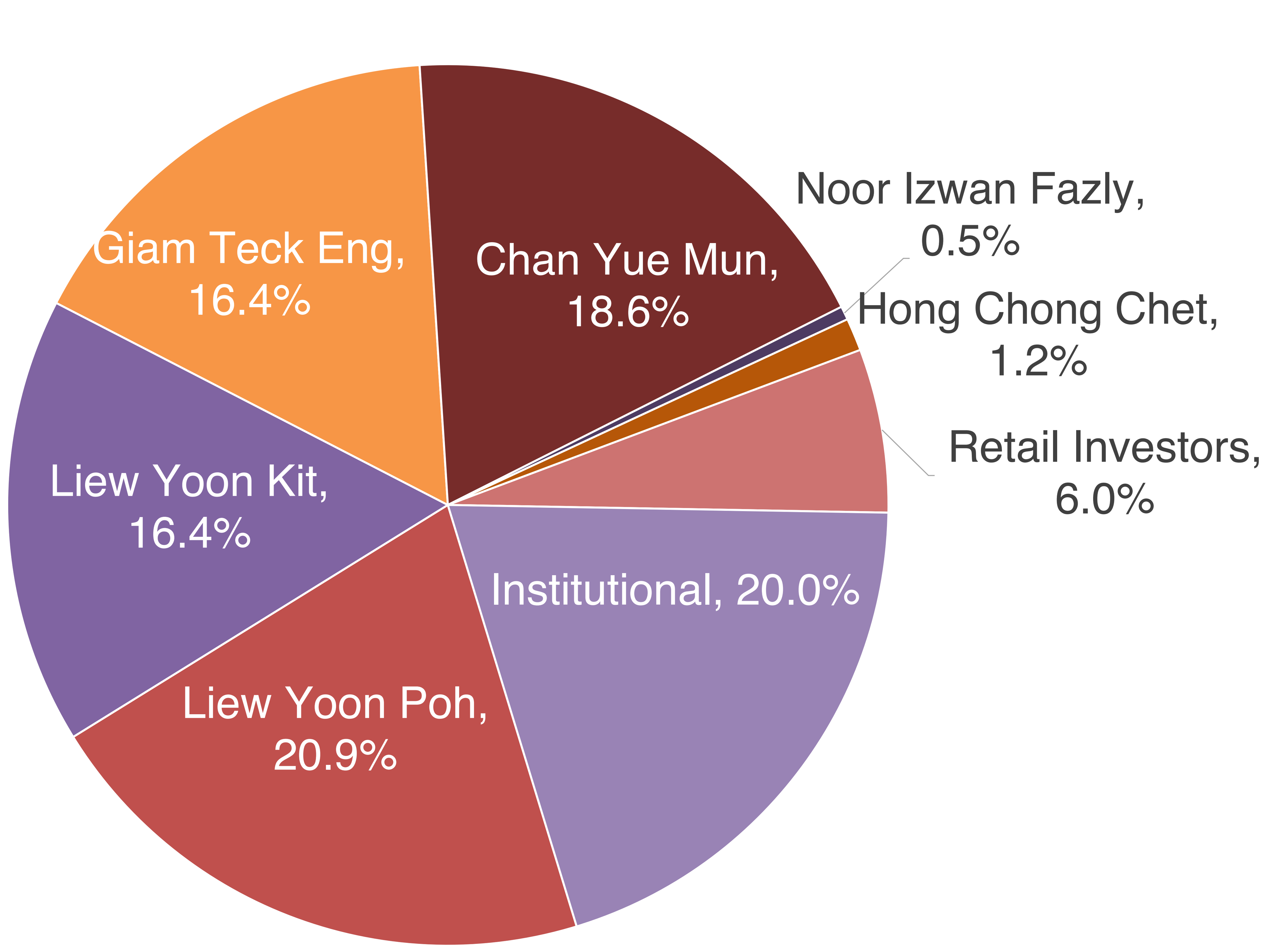
4. Thean Yain Peng is the Chief Financial Officer of LAC, responsible for finance, treasury, tax and procurement. She has more than 30 years of experience in financial management, internal audit and corporate governance in property development, construction and diversified groups, with senior roles at Berjaya Land, Ho Hup Construction, Sentoria Group, Naza TTDI and S P Setia. She is an ACCA Fellow, a member of the MIA and an Associate Member of the Institute of Internal Auditors Malaysia. She joined LAC as Chief Financial Officer in 2024.

5. Teh Peng Ting is the Chief Commercial Officer of LAC, responsible for sales, project management and clinical application functions. He has over 20 years of experience in medical equipment installation, servicing and commercial operations, having held technical and managerial positions in several medical equipment companies before joining LAC in 2013. His roles progressed from Product Manager to National Sales Manager, General Manager and Chief Commercial Officer in 2025. He holds a Bachelor of Electrical and Electronics Engineering from Universiti Putra Malaysia and is a certified Radiation Protection Officer.

Shareholding Structure
Pre-IPO



Post-IPO

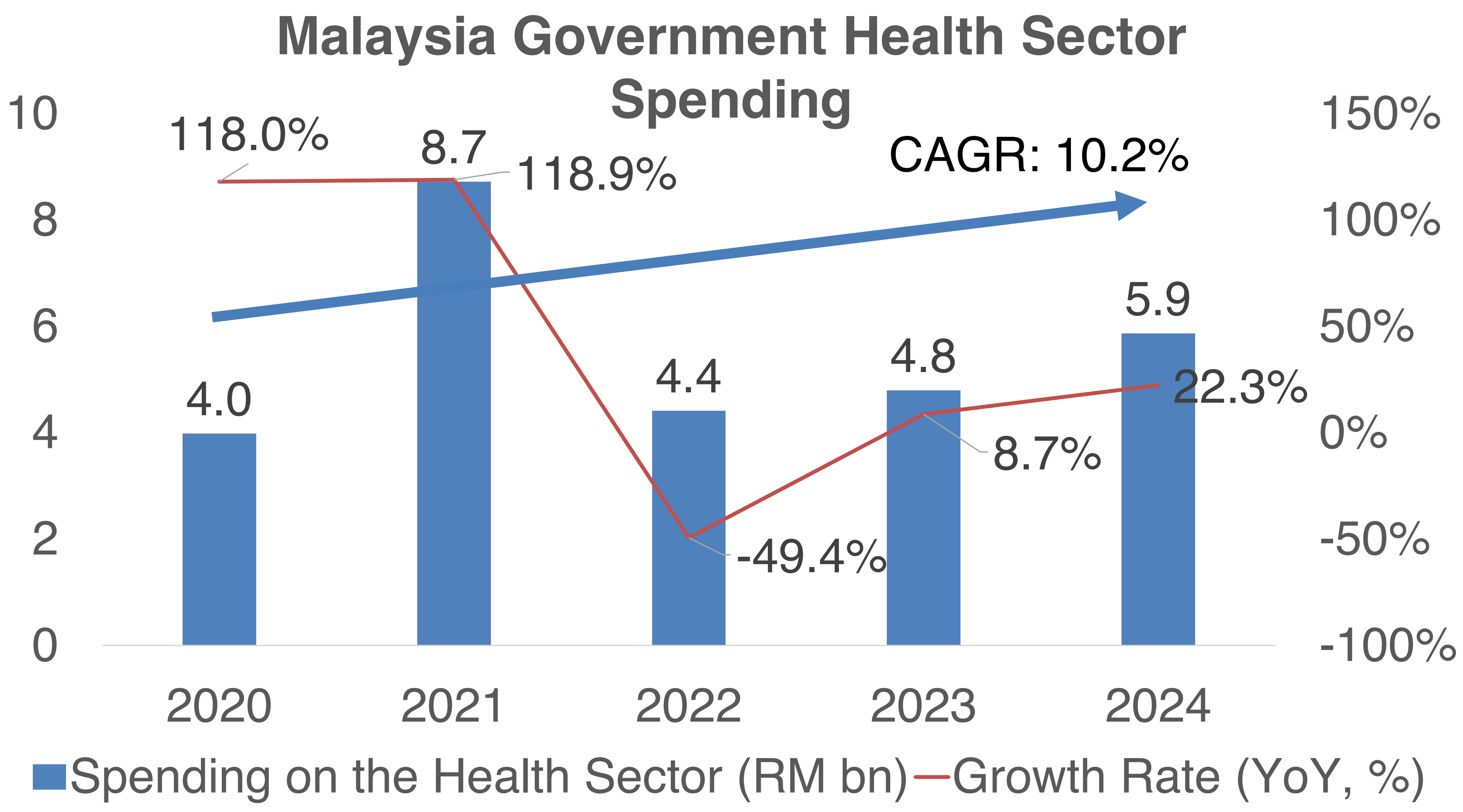


Source: Company Prospectus

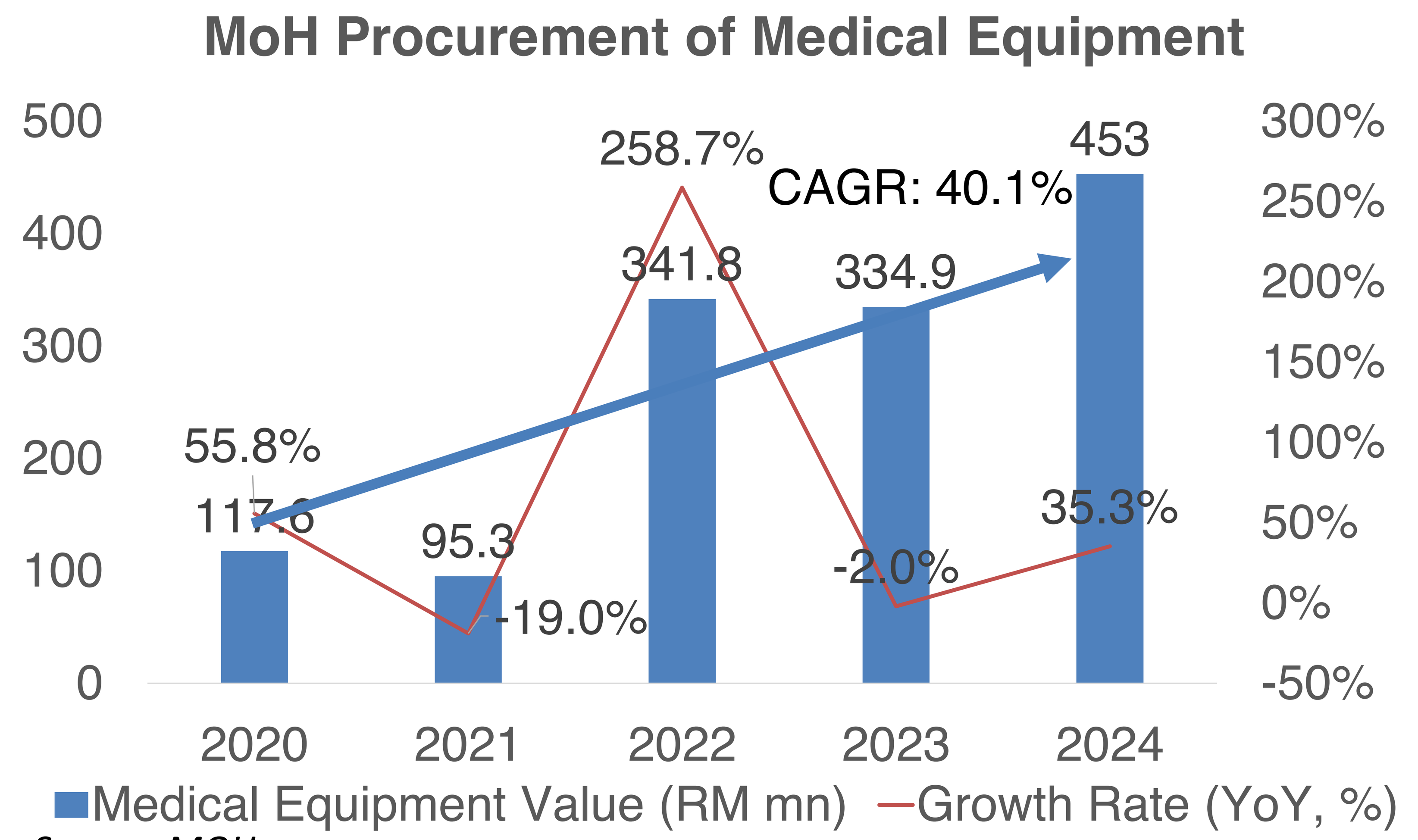
Industry outlook

Rising public healthcare investment and infrastructure expansion underpin sustained device demand

Malaysia's public investment in healthcare has accelerated, creating a multi-year pipeline for medical equipment procurement. Between 2020 and 2024, Malaysia Government development expenditure on health grew at a 10.2% CAGR, with a 22.3% increase in 2024 driven largely by construction, renovation and maintenance of hospitals, rural clinics and research facilities. Under Budget 2026 the Government earmarked RM7.0bn for health sector development and allocated RM46.5bn to the Ministry of Health, including RM1.2bn for hospital and clinic upgrades and RM755.0mn for advanced medical equipment. On top of that, MoH procurement rising at a 40.1% CAGR over 2020-2024 to RM453.0mn in 2024, point to strong public-sector demand for diagnostic, imaging and ancillary technologies.



Source: BNM



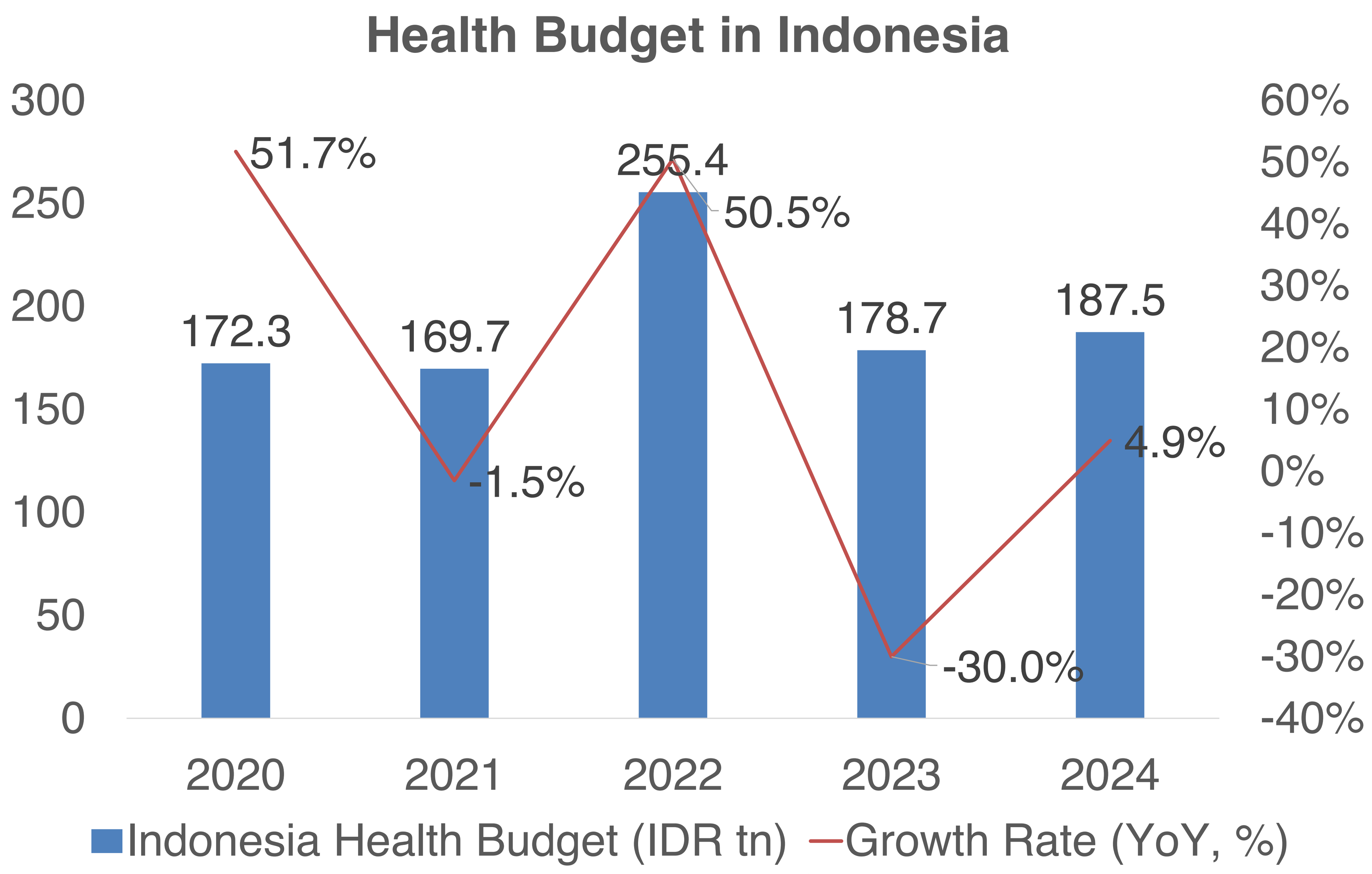
Source: MOH

Demographics and disease burden create structural, long-duration demand tailwinds

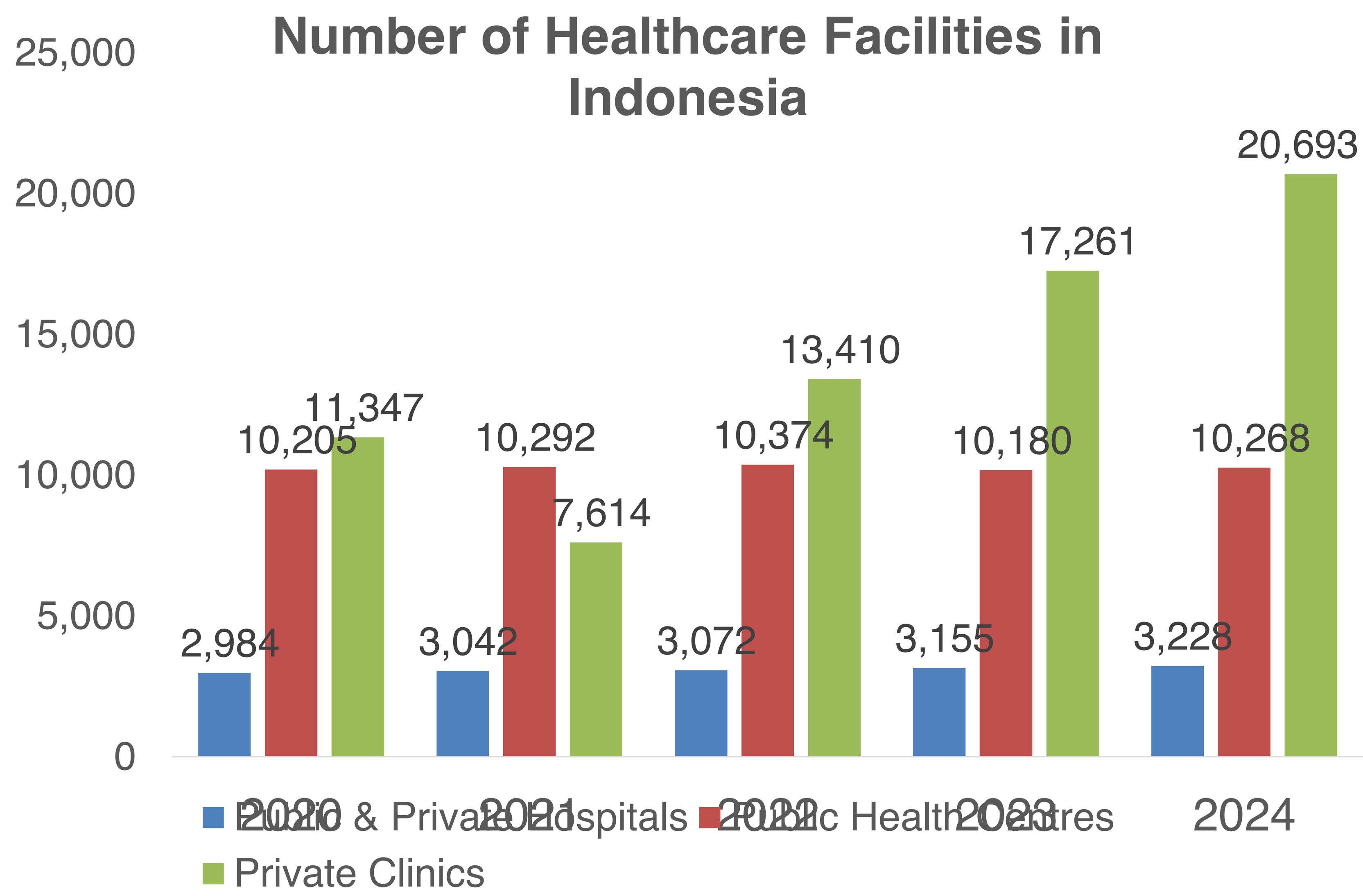
Malaysia's ageing population and high prevalence of noncommunicable diseases underpin growing utilisation of medical devices for chronic disease management and early detection. The population aged 65 and above grew at a 5.0% CAGR between 2023 and 2025 and the country officially entered ageing-nation status in 2021, with projections to become an aged nation by 2048. Concurrently, large NCD incidence is evident, approximately 500,000 adults with four NCDs and some 2.3mn with three in 2023, while an estimated 8.5mn adults have metabolic syndrome. Trends that raise demand for cardiovascular, neurological and metabolic diagnostic and monitoring equipment over the coming decades.

Health tourism and private sector expansion offer additional revenue channels for device suppliers

Health tourism and private healthcare expansion provide incremental demand beyond public procurement cycles. The health tourism industry generated RM2.7bn in revenue in 2024 and is projected at RM2.9bn in 2025, with the Malaysia Year of Medical Tourism 2026 expected to further boost private sector activity. Private hospital and clinic growth, alongside elective and specialised services aimed at international patients, increases adoption of premium diagnostic and treatment technologies and associated consumables, creating higher-margin channels for device manufacturers and distributors.



Source: TNB Annual Report & 1Q FY25 Analyst Briefing, Tradeview Research



Source: Digital Nasional Bhd.

Regional market scale and growth present sizable spillovers, with Indonesia a strategic adjacent market

Indonesia's healthcare market offers material scale and rising demand that can absorb additional regional supply. Although government health allocations declined on average between 2022 and 2024 due to pandemic base effects, funding rebounded to IDR187.5tn in 2024 and is budgeted at IDR218.5tn for 2025, while the human health and social work GDP grew at an 8.5% CAGR to IDR278.2tn from 2022 to 2024 and rose 6.9% in H1 2025. Indonesia's network comprising 2,710 general hospitals, 518 specialised hospitals, 10,268 public health centres and over 20,600 private clinics, together with a 7.6% share of population aged 65+ in 2025, indicates a large and expanding addressable market for diagnostic imaging, laboratory reagents and point-of-care technologies originating from regional suppliers.

Valuation

Recommending a **Subscribe** rating and a target price of RM0.94 based on FY26F PE of 13.9x, in line with UMediC Group Berhad's forward PE. This implies a 21.0% discount to the simple average forward PE of its domestic medical equipment distributor peers of 17.6x and a 27.2% discount to its foreign medical equipment distributor peers of 19.1x. The discount is justified by LAC's trading-focused business model, which we expect to trade closer to UMediC Group Berhad's valuation level of around 13.9x forward PE.

We like LAC for its sole distributorship for Philips and Samsung, which contributed 56.7%-69.6% and 20.3%-36.9% of total revenue respectively over FY22-FY24, expanding brand portfolio, and regional expansion into Indonesia. Key growth drivers include (i) expanding brands portfolio that underpin consumables and aftermarket revenue, (ii) EaaS model and SaaS software roll out that convert one off sales into recurring revenue, and (iii) Indonesia expansion that adds geographic diversification and scale.

Peer Comparison

Name	Last price	Market Cap	FYE	Earnings Growth			PE (x)		Div. Yield	ROE
		(RMmn)		1-yr Fwd	2-yr Fwd	Hist.	1-yr Fwd	2-yr Fwd	1-yr Fwd	Hist.
Domestic Medical Equipment Distributor Peers	**LCY**									
UMEDIC GROUP BHD	0.35	130.9	07/2025	11.2	3.6	16.1	13.9	13.4	0.0	10.7
BCM ALLIANCE BHD	0.01	20.3	12/2024	N/A	N/A	N/A	N/A	N/A	N/A	-4.6
APEX HEALTHCARE BHD	2.55	1,840.5	12/2024	9.1	8.3	26.8	21.3	19.6	2.3	8.4
Simple Avg				**10.1**	**6.0**	**21.4**	**17.6**	**16.5**	**1.1**	**4.8**
Foreign Medical Equipment Distributor Peers										
Australia	**AUD**									
EBOS GROUP LTD	25.25	13,867.6	06/2025	-1.6	27.7	23.1	21.4	16.8	4.3	8.3
Taiwan	**TWD**									
CHC HEALTHCARE GROUP	38.45	991.8	12/2024	62.1	N/A	43.2	19.9	N/A	N/A	2.3
India	**INR**									
ENTERO HEALTHCARE SOLUTIONS LTD	1062.10	2,140.6	03/2025	63.7	23.3	48.7	23.0	18.6	N/A	5.6
Japan	**JPY**									
JAPAN MEDICAL DYNAMIC MARKETTING INC	481.00	337.6	03/2025	117.1	29.7	N/A	17.4	13.4	3.8	-3.6
SHIP HEALTHCARE HOLDINGS INC	2,562.00	6,408.3	03/2025	22.2	8.6	16.0	13.9	12.8	2.5	10.5
Simple Avg				**52.7**	**22.3**	**32.8**	**19.1**	**15.4**	**3.6**	**4.6**
LAC MED BHD	0.75	300.0	12/2024	15.1	13.4	14.5	12.6	11.1	1.8	42.6

As 11st November 2025

SWOT Analysis

Strengths
- Long-standing sole-distributorships with top global medical brands
- Diversified portfolio across imaging, consumables and software
- Nationwide technical servicing capability enhances customer retention.

Weakness
- High dependency on principal brands for product innovation pipeline
- Limited control over pricing when principals adjust global strategy.
- Dependence on hospital capex cycles may cause revenue lumpiness.

Opportunities
- Hospital upgrading cycles support multi-year equipment replacement demand.
- Government healthcare expansion and new hospitals drive procurement needs.
- New brand partnerships broaden product range and revenue streams.

Threat
- Ringgit volatility may inflate equipment import costs and compress margins.
- Slower hospital capex cycles during economic downturns.
- Potential loss of exclusive distributorships if principals restructure regional partnerships.

Investment Risk

1. Distributorship and supplier dependency risk. LAC depends heavily on its distributorship agreements with Philips and Samsung, which contributed most of its revenue during the review period. These agreements are subject to renewal at the brand owners' discretion and include performance expectations. Any non-renewal, termination or disintermediation could lead to less favourable sourcing terms or loss of access to key brands, which may materially impact operations and financial performance.

2. Healthcare industry demand risk. LAC's sales are directly influenced by public and private healthcare spending, regulatory direction and investment cycles across hospitals and clinics. Any downturn in healthcare spending could reduce procurement of medical equipment and dampen LAC's revenue outlook.

3. Competition and brand integrity risk. LAC faces competition from existing distributors and new entrants that may secure licences, build technical teams or expand product portfolios over time. LAC also faces risks of brand misuse or unauthorised sales by third parties, which may involve counterfeit or misrepresented products. Such incidents could erode customer trust, damage brand integrity and weaken LAC's competitive position in both public and private healthcare markets.

Financial Overview

Financial review

LAC's revenue recorded a 31.1% CAGR from FY22 to FY24, driven by a broadening customer base, repeat customers, and wider product and software offerings. In FY24, revenue rose 21.9%, supported by 42.3% YoY growth in the supply and integration of medical devices segment due to the delivery of various projects for private hospitals after completing pre-installation works. The supply of related products and services segment also surged 40.7% YoY, mainly driven from higher sales of medical consumables and accessories after securing the Stryker distributorship. Earnings in FY24 decreased -1.7% YoY as the supply of related products and services segment's gross margin fell from 42.4% in FY23 to 34.1% in FY24 due to a higher sales proportion of lower-margin medical consumables and accessories, coupled with a normalized effective tax rate of 24.6% in FY24 versus an abnormal 19.3% in FY23 due to deferred tax asset recognition.

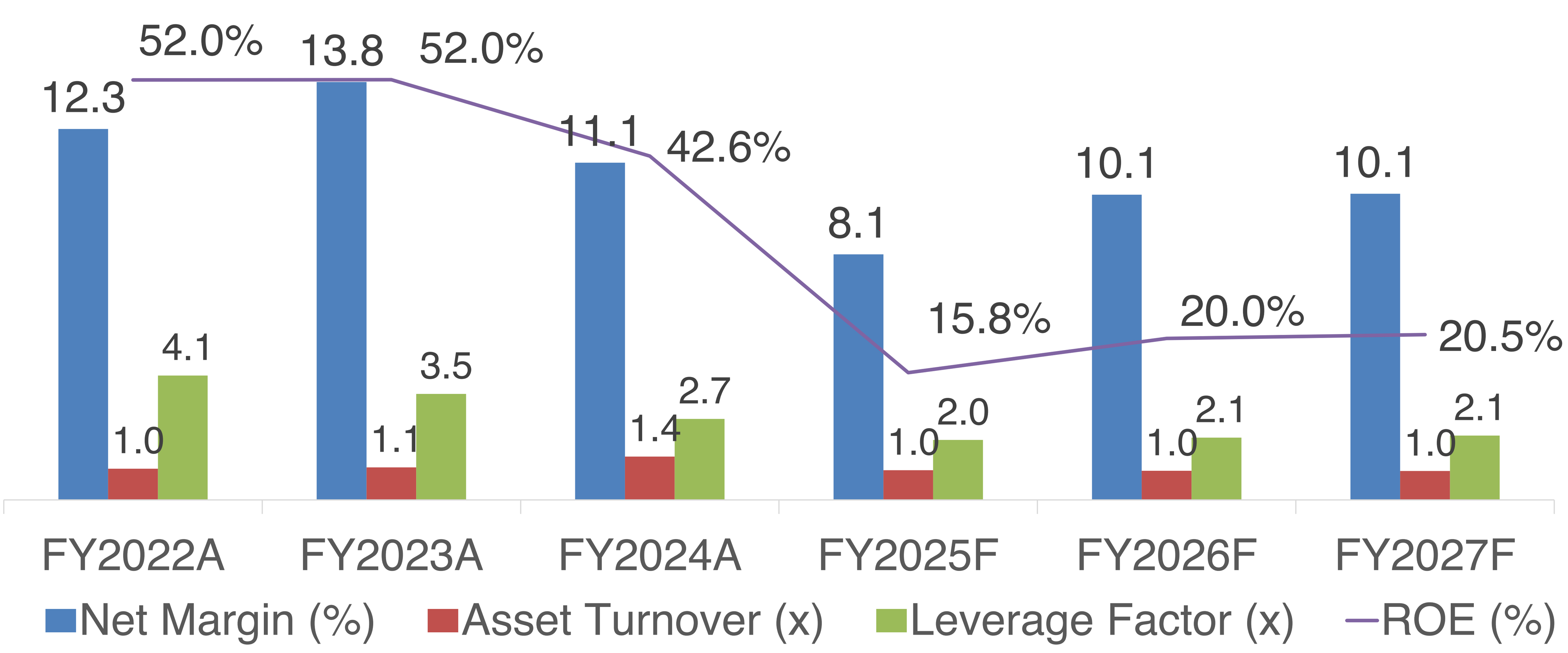
Financial forecast

We're projecting LAC's core earnings to be RM23.8mn in FY25F and RM27.0mn in FY26F, driven by (i) recurring income from sole distributorships and the ramp-up of consumables and aftermarket income, (ii) the introduction of its EaaS and SaaS subscription venture, and (iii) initial contributions from Indonesia and an expanding brand portfolio.

FYE 31 Dec	FY2023A	FY2024A	FY2025F #	FY2026F	FY2027F
Revenue (RMmn)	150.3	183.2	226.2	268.3	319.6
EBITDA (RMmn)	27.1	27.9	26.6	44.0	55.7
Pretax profit (RMmn)	25.7	27.0	24.1	35.6	42.5
Net profit (RMmn)	20.7	20.4	18.3	27.0	32.3
EPS (sen)	5.2	5.1	4.6	6.8	8.1
PER (x)	16.1	14.5	12.6	11.1	9.3
Core net profit (RMmn)	18.6	20.7	23.8	27.0	32.3
Core EPS (sen)	4.7	5.2	6.0	6.8	8.1
Core EPS growth (%)	27.5	11.2	15.1	13.4	19.5
Core PER (x)	16.1	14.5	12.6	11.1	9.3
Net DPS (sen)	1.0	4.6	1.4	2.0	2.4
Dividend Yield (%)	1.3	6.2	1.8	2.7	3.2
ROE (%)	52.0	52.0	42.6	15.8	20.0
P/BV (x)	7.5	6.3	2.6	2.2	1.9

EPS and DPS are divided by the enlarged issued shares of 400,000,000 upon listing

DuPont Analysis



We project healthy ROE from FY25F to FY27F, as the company continues to generate good profits. The dip in FY25F is mainly attributed to an increase in shareholders' equity following the IPO exercise and a temporarily lower net margin due to an one-off listing expenses.

Key Assumptions

Revenue growth	FY2025F	FY2026F	FY2027F
Supply and Integration of Medical Devices Segment Growth	22.7%	11.5%	17.1%
Supply of Medical Equipment Segment Growth	24.5%	25.0%	19.2%
Supply of Related Products and Services Segment Growth	22.7%	23.4%	29.6%

Sensitivity Analysis

Case 1 : Changes in Supply and Integration of Medical Devices Segment Growth Rate against Supply of medical equipment Segment Growth Rate to derive core earnings

Supply and Integration of Medical Devices Segment Growth Rate in FY26F: 11.5%

Supply of medical equipment Segment Growth Rate in FY26F: 25.0%

Supply and Integration of Medical Devices Segment Growth Rate (%) / Supply of medical equipment Segment Growth Rate (%)	5.5	8.5	11.5	14.5	17.5	20.5
10.0	24.6	25.0	25.3	25.7	26.0	26.4
15.0	25.2	25.5	25.9	26.3	26.6	27.0
20.0	25.8	26.1	26.5	26.8	27.2	27.5
25.0	26.3	26.7	27.0	27.4	27.7	28.1
30.0	26.9	27.2	27.6	28.0	28.3	28.7
35.0	27.5	27.8	28.2	28.5	28.9	29.2

Case 2 : Changes in net profit against PE to derive target price

Core Net Profit in FY26F: RM27.0mn

Net profit (RM mn) / PE (x)	21.0	24.0	27.0	30.0	33.0	36.0
10.9	0.57	0.65	0.74	0.82	0.90	0.98
11.9	0.62	0.71	0.80	0.89	0.98	1.07
12.9	0.68	0.77	0.87	0.97	1.06	1.16
13.9	0.73	0.83	0.94	1.04	1.15	1.25
14.9	0.78	0.89	1.01	1.12	1.23	1.34
15.9	0.83	0.95	1.07	1.19	1.31	1.43

Financial Exhibits

Income Statement

FYE 31 Dec (RM mn)	FY2022A	FY2023A	FY2024A	FY2025F	FY2026F	FY2027F
Revenue	106.6	150.3	183.2	226.2	268.3	319.6
Operating expenses	(88.3)	(123.3)	(155.3)	(199.6)	(224.3)	(264.0)
EBITDA	**18.4**	**27.1**	**27.9**	**26.6**	**44.0**	**55.7**
Depreciation & amortisation	0.2	0.3	0.4	1.1	6.3	10.2
EBIT	**18.2**	**26.8**	**27.5**	**25.6**	**37.7**	**45.5**
Net int income/(expense)	(0.6)	(0.8)	0.1	0.0	0.0	0.0
Exceptional gains / (losses)	(1.5)	2.1	(0.3)	(5.5)	0.0	0.0
Associates' contribution	0.0	0.0	0.0	0.0	0.0	0.0
Pretax profit	**17.2**	**25.7**	**27.0**	**24.1**	**35.6**	**42.5**
Tax	(4.1)	(5.0)	(6.6)	(5.8)	(8.5)	(10.2)
Minority interest	0.0	0.0	(0.0)	(0.0)	(0.0)	(0.0)
Net profit	**13.1**	**20.7**	**20.4**	**18.3**	**27.0**	**32.3**
Core net profit	**14.6**	**18.6**	**20.7**	**23.8**	**27.0**	**32.3**

Balance Sheet Statement

FYE 31 Dec (RM mn)	FY2022A	FY2023A	FY2024A	FY2025F	FY2026F	FY2027F
Fixed assets	0.6	1.4	1.5	23.1	45.4	57.7
Other long term assets	1.6	2.1	2.7	2.7	2.7	2.7
Total non-current assets	**2.2**	**3.5**	**4.1**	**25.8**	**48.1**	**60.4**
Cash and equivalents	23.8	30.5	15.8	60.8	66.2	86.0
Inventories	10.8	21.6	20.8	26.6	31.6	37.6
Receivables	57.0	72.7	54.1	83.7	99.3	118.3
Other current assets	9.3	11.3	33.3	33.3	33.3	33.3
Total current assets	**101.0**	**136.1**	**124.0**	**204.4**	**230.3**	**275.2**
Payables	24.7	48.9	43.7	61.4	72.9	86.7
Short term borrowings	32.0	23.2	18.9	18.9	18.9	18.9
Other current liabilities	18.3	25.3	16.2	16.2	16.2	16.2
Total current liabilities	**75.0**	**97.5**	**78.8**	**96.5**	**108.0**	**121.8**
Long term borrowings	2.9	2.1	1.3	17.2	35.0	55.8
Other long term liabilities	0.2	0.2	0.1	0.1	0.1	0.1
Total long term liab.	**3.1**	**2.3**	**1.4**	**17.3**	**35.1**	**55.9**
Shareholders' Funds	**25.1**	**39.9**	**47.9**	**116.4**	**135.3**	**157.9**
Minority Interest	**0.0**	**0.0**	**0.1**	**0.1**	**0.1**	**0.1**

Cash Flow Statement

FYE 31 Dec (RM mn)	FY2022A	FY2023A	FY2024A	FY2025F	FY2026F	FY2027F
Pretax Profit	17.2	25.7	27.0	24.1	35.6	42.5
Depreciation & amortisation	0.2	0.3	0.4	1.1	6.3	10.2
Working capital changes	(15.2)	(2.1)	5.8	(17.8)	(9.0)	(11.2)
Cash tax paid	(4.6)	(5.8)	(6.9)	(5.8)	(8.5)	(10.2)
Others	5.3	4.5	4.4	0.0	0.0	0.0
C/F from operation	**2.9**	**22.6**	**30.7**	**1.6**	**24.3**	**31.3**
Capex	(0.2)	(0.9)	(0.5)	(6.8)	(10.8)	(1.7)
Others	0.5	(0.4)	(8.3)	0.0	0.0	0.0
C/F from investing	**0.3**	**(1.2)**	**(8.8)**	**(6.8)**	**(10.8)**	**(1.7)**
Debt raised/(repaid)	(45.5)	(68.1)	(62.4)	0.0	0.0	0.0
Dividends paid	(3.4)	(4.0)	(18.5)	(5.5)	(8.1)	(9.7)
Others	57.7	57.4	56.7	55.6	0.0	0.0
C/F from financing	**8.8**	**(14.7)**	**(24.2)**	**50.1**	**(8.1)**	**(9.7)**
Net change in cash flow	**11.9**	**6.6**	**(2.3)**	**44.9**	**5.4**	**19.9**
Free Cash Flow	**2.6**	**21.7**	**30.2**	**(5.2)**	**13.5**	**29.6**

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TRADING BUY: Total stock return expected to exceed +10% over 6-month period

TRADING SELL: Total stock return expected to below -10% over a 6-month period

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SUBSCRIBE: Total stock return expected to exceed +15% over 12-month period

NEUTRAL: Total stock return expected to below +15% over 12-month period