

COMPANY PROFILE

LMS Compliance Ltd. (the “Company” or “LMS Compliance”, and together with its subsidiaries, the “Group”) is a laboratory group with established track record and strong market reputation. The Group has 3 accredited laboratories and 1 sales office across Malaysia, providing quality testing and certification services for customers across a gamut of industries, ranging from food, feed, fertilizer, pharmaceutical, medical devices, healthcare, industrial and greentech.



Laboratory testing and assessment services

Covers over 1,100 accredited tests and over 10,200 non-accredited tests as of 16 September 2022:

- | | |
|--------------------|--------------------|
| i. Food | v. Medical Devices |
| ii. Feed | vi. Healthcare |
| iii. Fertiliser | vii. Industrial |
| iv. Pharmaceutical | viii. Greentech |



Certification services

Provides audit and certification of management systems such as ISO 9001-2015, ISO 22000-2018, ISO 45001-2018, and MS1480-2019.



The Group’s testing and assessment services include:

E			
	Scheduled Waste Analysis	Environmental Pollutant Monitoring	Waste Characteristics Analysis
	S		
Microbiological testing		Swab & Air Testing	Nutrition Facts Testing
I			
	Calibration & Maintenance	Failure Analysis	Safety Testing

E: Environment S: Food product and safety and quality I: Industry Compliance



Distribution of Conformity Assessment Technology

Markets and distributes the Group’s in-house developed online cloud-based applications, which include:

- **AikinZ-LIMS:** A digital laboratory information management system that helps to streamline and digitalise laboratory operations.
- **AizenZ:** A one-stop ISO certification platform that enhances the efficiency of certification processes for businesses.
- **Aisinz:** Provides global real-time surveillance and access to data (such as safety and hygiene information about products or premises) through QR code.

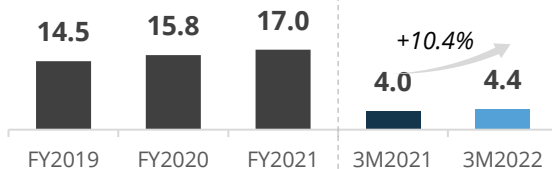


Trading

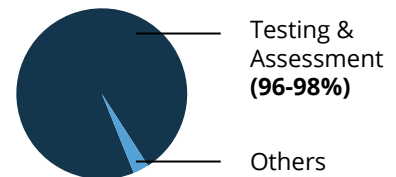
Trades and distributes chemicals, testing equipment, laboratory consumable items, and other products.

KEY FINANCIAL HIGHLIGHTS

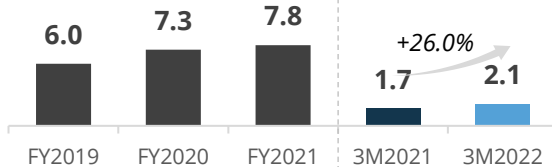
Revenue (RM million)



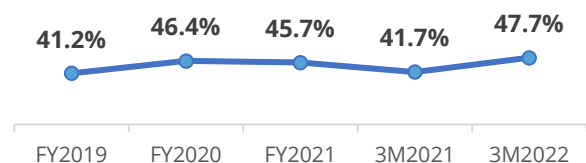
Revenue Breakdown by Segment (FY2019-3M2022)



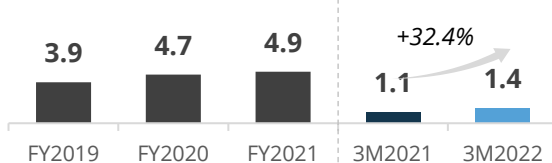
EBITDA (RM million)



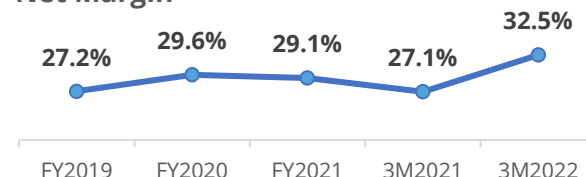
EBITDA Margin



Net Profit (RM million)



Net Margin



COMPETITIVE STRENGTHS



Established track record and strong market reputation

The Group has more than 15 years of experience in laboratory testing and/or certification services. As a result, the Group has cultivated lasting relationships with many of its customers – from FY2019 to FY2021, more than 80% of the Group's revenue from its testing and assessment segment was derived from repeat customers.

In Malaysia, the Group has won the Enterprise 50 (Top 10) Award thrice – in 2013, 2016 & 2019 – in recognition of the contributions and achievements of various subsidiaries of the Group. Most recently in 2022, one of the Group's subsidiaries was honored with the prestigious SME100 Awards, which recognizes fast-growing and resilient SMEs, and the Group also won the Golden Bull Award 2022 – Outstanding SME Award which recognizes top performing SMEs.



Experienced and competent management team

The founders of the Group, CEO, Dr. Ooi, and Chief Development Officer, Ms. Chong, have over 13 years and 22 years of experience respectively in the testing and/or certification industry. The Group's Chairman of the Board, Datuk Fadilah Baharin, served as Director-General of the Department of Standards Malaysia from 2006 to 2020 and was a member of the ISO Council from 2017 to 2019. The Group is well-positioned to leverage on the experience and knowledge of its management team and the business relationships that they have built with suppliers and customers for the continued growth of the Group.



Diverse range of services and locations caters to the wide-ranging needs of its customers

While the Group started out primarily as a provider of laboratory testing services, over the years, it has diversified into providing certification services, as well as the trading of laboratory equipment and chemicals. Diversification has allowed the Group to expand its client base. For example, the Group's certification services allow it to assist companies with their own in-house laboratories to ensure they comply with applicable regulations and standards.

The Group has laboratories across 4 regions in Malaysia, which allows it to effectively and conveniently service customers located in different parts of Malaysia.



Strong technical expertise gives the Group a market advantage

The Group's laboratories for its testing services are accredited as ISO/IEC 17025: 2017 by the Department of Standards Malaysia and recognised by the International Laboratory Accreditation Cooperation. As at 16 September 2022, the Group has the capability to conduct over 1,100 accredited tests and over 10,200 non-accredited tests.



Constant innovation and digitalisation of the Group's work processes and systems

The Group has invested in the development of its proprietary laboratory information management system, aikinz-LIMS, which allows the Group to improve information security, simplify workflows, increase accuracy and boost turnaround time.

In 2020, the Group began licensing aikinz-LIMS to third-party laboratories and also launched its cloud-based automated workflow ISO certification platform, aizenz, which seeks to streamline ISO certification processes and improve audit readiness for such certification processes.

Dividends

The Directors intend to recommend and distribute dividends of a minimum of **20%** of the Group's profit attributable to owners of the Company in respect of FY2022, FY2023 and FY2024.

Business Strategies and Future Plans



Boosting the Group's certification services segment and conformity assessment technology distribution segment



Expanding the scale of the Group's testing and assessment services



Growing through acquisitions, joint ventures and strategic alliances