OTHERS Medical Device Authority ("MDA") of Malaysia's Approval For Supply Of Vials To be Used With COVID-19 Test Kits

K-ONE TECHNOLOGY BERHAD

Type	Announcement
Subject	OTHERS
Description	Medical Device Authority ("MDA") of Malaysia's Approval For Supply Of Vials To be Used With COVID-19 Test Kits

The Board of Directors of K-One Technology Berhad (“K-One Tech” or ‘Company” or “K-One Group”) wishes to announce that the K-One Group’s wholly owned subsidiary, K-One MediTech Sdn. Bhd. (fka K-One Resources Sdn Bhd) has on 29 December 2020 received approval from the Medical Device Authority ("MDA") of Malaysia to distribute and supply vials which are used to store clinical specimen such as DNA/RNA of nasal fluid or saliva for use in COVID-19 testing or for other applications. The K-One Group will sell the vials as an authorised representative of Axil Scientific Pte Ltd based in Singapore with the vials approved under K-One MediTech Sdn. Bhd. by MDA.

The vials containing Dulbecco’s phosphate buffered saline is a universal transport medium for nasal or oral specimens which are subsequently used in the laboratories for PCR (polymerase chain reaction) testing of COVID-19. The K-One Group intends to distribute the said vials in Malaysia singly or bundle it together with its nasal or oral swab as specimen collection kit dependent on customer requirements. With the K-One Group’s wide range of MDA approved nasal swabs which have the option of being able to be bundled with its MDA approved vials to form a complete specimen collection kit, it is able to meet the varying requirements of both the public and private hospitals/testing laboratories respectively. Therefore, the sales opportunity is expected to be enhanced. The approval of the vials is timely as the Malaysian government has made it mandatory for all foreign workers to be COVID-19 tested commencing 1 January 2021. The Ministry of Health, Malaysia has also stepped up efforts to do mass screening in targeted hotspots in an attempt to curb COVID-19 infections. The demand for vials and nasal swabs are expected to increase in tandem with the rise in COVID-19 testing and the K-One Group is prepared to meet the surge in uptake for both of these medical devices.

Save for the normal business risks, the Board is not aware of any other risk factors which may result in the distribution of the vials. The distribution and supply of the vials will not have any material impact on the issued share capital and net assets of the K-One Group but is expected to contribute positively to its earnings for the financial year ending 31 December 2021.

This said distribution and supply of vials is conducted as its normal course of business, hence, does not require the approval of shareholders. The Board is of the opinion that the distribution and supply of vials in Malaysia is in the best interest of the K-One Group after considering its business potential in the prevailing COVID-19 test escalation landscape and the expected financial contribution to its earnings.

This announcement is dated 4 January 2021.

Announcement Info

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