

EMICO HOLDINGS BERHAD
Registration No. 199101020015 (230326-D)
(Incorporated in Malaysia)

MINUTES OF GENERAL MEETING

MINUTES OF THE 31ST ANNUAL GENERAL MEETING (“**AGM**”) OF EMICO HOLDINGS BERHAD (“**EMICO**” OR “**THE COMPANY**”) HELD AT THE CONFERENCE ROOM OF EMICO HOLDINGS BERHAD, 18 LEBUHRAYA KAMPUNG JAWA, 11900 BAYAN LEPAS, PENANG ON THURSDAY, 14 SEPTEMBER 2023 AT 11.00 A.M.

Present : Directors
Mr. Lim Teck Chye (Chairman)
Ms. Lim Lay Khim
Dato’ Jimmy Ong Chin Keng
Mr. Ng Hong Kiat @ Ng Han Kiat
Mr. Kee Chei Hen

Members/Proxy Holders/Corporate Representatives

Total number of members participated: 20

Total number of proxy holders participated: 9

Total number of corporate representatives participated: 1

By Invitation

: Mr. Tan Chee Hean (External Auditors, BDO PLT)
Ms. Tan Zhi Han (External Auditors, BDO PLT)
Cik Ros Sakila Binti Bahari (Share Registrar, Tricor Investor & Issuing House Sdn Bhd)
Mr. Teoh Ming Liang (Independent Scrutineer, Former Founder Chairman of Messrs. Teoh, Yap & Co)

In Attendance : Ms. Riko P’ng (Company Secretary)

1. LETTER FROM MINORITY SHAREHOLDERS WATCH GROUP

On behalf of the Board of Directors of EMICO, Mr. Lim Teck Chye, the Executive Chairman of the Company welcomed all members, proxies and invited guests to the Company’s 31st AGM.

Before the Chairman proceeded with the morning’s agenda, he informed members and proxies present that the Company had received a letter from Minority Shareholders Watch Group (**MSWG**) dated 17 August 2023.

The Chairman then addressed the questions received from MSWG prior to the AGM. A summary of the questions together with the Management’s responses was annexed hereto as Appendix I.

2. COMMENCEMENT

Without further ado, Mr. Lim Teck Chye, the Executive Chairman welcomed again all members, proxies and invited guests to the Company’s 31st AGM.

He then called upon the Company Secretary to confirm the number of proxy forms received and the presence of a quorum for the Company’s AGM.

The Company Secretary, Ms. Riko P'ng confirmed that 41 proxy forms were received within the prescribed period, and the said forms were available for members' inspection at the Registration Desk.

The Company Secretary then informed the Chairman that in accordance with Article 78 of the Company's Constitution, 2 members present in person or by proxy would constitute a quorum at a general meeting; and was pleased to confirm the presence of the requisite quorum as at the commencement of the meeting.

The requisite quorum being present, the Chairman called the Company's 31st AGM to order at 11.10 am.

3. NOTICE OF MEETING

The Chairman informed members and proxies present that the notice convening the Company's 31st AGM had been sent to all members, Bursa Malaysia Securities Berhad, the Stock Exchange and Messrs. BDO PLT, the External Auditors of the Company in accordance with the Company's Constitution.

The Chairman then proposed that the notice convening the 31st AGM be taken as read.

As there were no objections, the Chairman declared the notice of the 31st AGM as read.

4. POLL VOTING AND SCRUTINEERS

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Company's Constitution, all the Resolutions set out in the notice of the 31st AGM had to be voted upon by poll.

To this, the Chairman declared a poll to be carried out on all the Resolutions set out in the Notice of the 31st AGM.

The Chairman then invited the Company Secretary to conduct the 31st meeting.

The Company Secretary briefed members and proxies present (hereinafter collectively referred to as "**members**") on the proceedings of the AGM.

She also notified members that the Company had appointed the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. as the polling agent to conduct the poll and Mr. Teoh Ming Liang, a former Founder Chairman of Messrs. Teoh, Yap & Co, as the Independent Scrutineer to verify the poll results.

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The first item on the morning's agenda was to receive the Audited Financial Statements for the financial year ended 31 March 2023 together with the Reports of the Directors and Auditors thereon (**AFS 2023**).

The Company Secretary informed members that the AFS 2023 was for discussion only as it does not require members' approval under Section 340(1)(a) of the Companies Act 2016. Hence, this agenda would not be put forward for voting.

She then asked members whether they have any questions on the said accounts.

As there were no questions from the floor, it was recorded that the AFS 2023 together with the Reports of Directors and Auditors thereon was duly tabled and received by members of the Company.

6. RESOLUTION NO. 1 – RE-ELECTION OF MR. NG HONG KIAT AND NG HAN KIAT AS A DIRECTOR

Resolution No. 1 was to re-elect Mr. Ng Hong Kiat @ Ng Han Kiat, a Director who retires by rotation in accordance with Article 103 of the Company's Constitution and being eligible, had offered himself for re-election.

The profile of Mr. Ng Hong Kiat @ Ng Han Kiat was set out on Page 15 of the Company's Annual Report.

The Company Secretary welcomed questions from the floor and there was none.

Ms. Chye Pei Gee proposed and Ms. Julia Ong Lye Lye seconded the proposal that the Resolution No. 1 be approved.

7. RESOLUTION NO. 2 - RE-ELECTION OF MS. LIM LAY KHIM AS A DIRECTOR

Resolution No. 2 was to re-elect Ms. Lim Lay Khim, a Director who retires pursuant to Article 110 of the Company's Constitution and being eligible, had offered herself for re-election.

The profile of Ms. Lim Lay Khim was set out on Page 14 of the Company's Annual Report.

The Company Secretary then welcomed questions from the floor.

Question 1 : Please confirm whether Ms. Lim Lay Khim is a family member of the substantial shareholders of the Company.

Responses : Ms. Lim Lay Khim confirmed that she does not have any family relationship with any Director or substantial shareholders of the Company.

As there were no further questions, Mr. Kong Teik Kiat proposed and Ms. Jenny Soo seconded the proposal that the Resolution No. 2 be approved.

8. RESOLUTION NO. 3 – PAYMENT OF DIRECTORS’ FEES (EXECUTIVE DIRECTORS)

Resolution No. 3 was to approve the payment of the Directors’ Fees of not exceeding RM100,000.00 to the Executive Directors of the Company for the financial year ending 31 March 2024.

The proposed resolution, if passed, would enable the Company to pay Directors’ fees to the Executive Directors of the Company for the financial year ending 31 March 2024 in accordance with Section 230(1) of the Companies Act 2016.

The Company Secretary then welcomed questions from the floor.

Questions from members and the responses by the Directors were as follows:-

Question 1 : Are there any allocation of shares to the Executive Directors of the Company pursuant to the Employees Share Option Schemes (**ESOS**) and what the quantum is.

Responses : The Chairman responded that all the Executive Directors and eligible employees are entitled to the ESOS (up to 15% of the total number of issued shares of EMICO) which was approved by members at the Extraordinary General Meeting held in 2019.

According to the ESOS By-Laws, at any one time during the ESOS Period, not more than 50% of the total number of shares to be issued under the ESOS could be allocated, in aggregate, to the Executive Directors and senior management of the Emico Group.

Question 2 : The Board should consider the shareholders’ interests alongside with the employees’ benefits before any ESOS allocation as this could lead to share dilution. The Board had to inform the shareholders in advance prior to any ESOS allocations in future.

Responses : Dato’ Jimmy Ong responded that the allocation of ESOS options to Executive Directors was approved by shareholders in 2019 whereby not more than 10% of the total number of shares to be issued under the ESOS shall be allocated to such Executive Director, if he/she either singly or collectively through persons connected with him, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any).

Dato’ Jimmy Ong also informed that the Company is also exploring other avenue to reward existing shareholders while potentially enhancing the Company’s capital base.

As there were no further questions, Mr. Tan Chee Yik proposed and Ms. Lily Ooi Lee Lee seconded the proposal that the Resolution No. 3 be approved.

9. RESOLUTION NO. 4 – PAYMENT OF DIRECTORS’ FEES (NON-EXECUTIVE DIRECTORS)

Resolution No. 4 was to approve the payment of the Directors’ Fees of not exceeding RM150,000.00 to the Non-Executive Directors of the Company for the financial year ending 31 March 2024.

The proposed resolution, if passed, would enable the Company to pay Directors’ fees to the Non-Executive Directors of the Company for the financial year ending 31 March 2024 in accordance with Section 230(1) of the Companies Act 2016.

The Company Secretary then welcomed questions from the floor and there was none.

Ms. Julia Ong Lye Lye proposed and Mr. Tan Chee Khai seconded the proposal that the Resolution No. 4 be approved.

10. RESOLUTION NO. 5 – PAYMENT OF DIRECTORS’ BENEFITS

Resolution No. 5 was to approve the payment of Directors’ benefits up to an amount not exceeding RM100,000.00 payable to Non-Executive Directors of the Company from the conclusion of the 31st AGM until the conclusion of the next AGM of the Company.

The proposed resolution, if passed, would enable the Company to pay benefits to Non-Executive Directors of the Company in accordance with Section 230(1) of the Companies Act 2016. The total amount of Directors’ benefits payable was estimated based on number of scheduled meetings of the Board and Board Committees as well as the number of Non-Executive Directors involved; and these benefits may comprise of meeting allowances, trainings, accommodations, insurance and other emoluments and benefits-in-kinds.

The Company Secretary then welcomed questions from the floor and there was none.

Ms. Jenny Soo proposed and Ms. Adriana Chuah Phui Yee seconded the proposal that the Resolution No. 5 be approved.

11. RESOLUTION NO. 6 – RE-APPOINTMENT OF BDO PLT AS AUDITORS

Resolution No. 6 was to re-appoint Messrs. BDO PLT as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorize the Directors to fix their remuneration.

The Company Secretary informed shareholders that the current auditors, Messrs. BDO PLT was retiring as Auditors of the Company at the AGM, and they had indicated their willingness to accept re-appointment to hold office until the conclusion of the next AGM of the Company.

She then welcomed questions from the floor and there was none.

Ms. Lily Ooi Lee Lee proposed and Mr. Kong Teik Kiat seconded the proposal that the Resolution No. 6 be approved.

12. SPECIAL BUSINESS
RESOLUTION NO. 7 – AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW SHARES PURSUANT TO SECTIONS 75 & 76 OF THE COMPANIES ACT 2016

The next resolution proposed under special business was to consider and if thought fit, to pass with or without modifications, the Resolution No. 7 on the authority for Directors to allot and issue new ordinary shares pursuant to Sections 75 and 76 of the Companies Act 2016.

The Company Secretary informed members that the Resolution No. 7 was to seek a renewal of the general mandate for the Directors of the Company to allot and issue new shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being, such purposes as the Directors consider to be the best interests of the Company. This authority, unless revoked or varied by the shareholders of the Company in a general meeting would expire at the conclusion of the next AGM.

She also informed that the proposed renewal of general mandate for issuance of shares would provide flexibility to the Company for any possible fund-raising activity, including but not limited to placing of shares for the purpose of funding future investment, working capital and/or acquisition. The Directors however as at to-date, had not issued any shares pursuant to the general mandate granted at the last AGM of the Company.

The Company Secretary then welcomed questions from the floor and there was none.

Ms. Adriana Chuah Phui Yee proposed and Mr. Tan Chee Yik seconded the proposal that the Resolution No. 7 be approved.

13. SPECIAL BUSINESS
RESOLUTION NO. 8 - PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND TRADING NATURE

The final resolution on this morning's agenda under special business was to consider and if thought fit, to pass with or without modifications, Resolution No. 8 on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and Trading Nature (**Proposal**).

The Company Secretary informed members that the Resolution No. 8, if passed, would enable the Company and its subsidiaries to enter into recurrent transactions involving the interests of related parties which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of minority shareholders of the Company.

The Company Secretary also informed that the interested parties namely, Mr. Lim Teik Hian, Mr. Lim Teck Chye, Madam Lim Poh Hoon and Madam Chan Lay Li, and persons connected to them having interest, direct, or indirect in the Proposal together with their proxies or representatives should abstain from voting.

She then welcomed questions from the floor.

Questions from members and the responses by the Directors were as follows:-

Question 1 : Please explain the transactions with related parties and the rationale for not sourcing from independent or third parties.

Responses : The Chairman referred to Section 2.1 of the Circular to Shareholders dated 31 July 2023, and explained that Emico Penang Sdn Bhd had rented a factory in Bayan Lepas, Penang, with a net usable area of 60,178 square feet from a related party for manufacturing purposes at a monthly rental of RM50,000, which is approximately RM0.83 per square feet. This rate is in comparison to the average market rate of RM2.00 to RM3.00 per square feet in the Bayan Lepas area. Additionally, other proposed transactions are related to trading, wherein certain souvenir products are sourced from Ms. Chan Lay Li, the sister-in-law of the Executive Chairman. He confirmed that both of these transactions were conducted on normal commercial terms and were not more favorable to the related party than those extended to third parties or the public. Moreover, the amount is not material.

Mr. Ng Hong Kiat @ Ng Han Kiat, Chairman of the Company's Audit Committee duly noted the members' concern. He then highlighted to members that the recurrent related party transactions had been significantly reduced versus previous years.

As there were no further questions, Mr. Tan Chee Khai proposed and Ms. Chye Pei Gee seconded the proposal that the Resolution No. 8 be approved.

14. ANY OTHER BUSINESS

The Company Secretary confirmed that the Company did not receive any notices to transact of any other business at the AGM.

15. POLL VOTING

The Company Secretary briefed members on the polling procedures.

After members and proxies present completed the voting for all the 8 Resolutions, the Chairman declared the voting closed and adjourned the meeting for half an hour to enable the Independent Scrutineer to tabulate the votes.

The AGM was adjourned at 11.43 am.

16. RESULTS OF THE VOTES

The Company's 31st AGM resumed at 12.21 noon.

The results of votes as confirmed and certified by the Independent Scrutineer, Mr. Teoh Ming Liang were as follows:-

Resolutions	No. of shares and % voted		Abstain
	For	Against	
Resolution 1 – To re-elect Mr. Ng Hong Kiat @ Ng Han Kiat as a Director of the Company	63,700,406 (100)	0	0
Resolution 2 – To re-elect Ms. Lim Lay Khim as a Director of the Company	57,851,106 (90.8175)	5,849,300 (9.1825)	0
Resolution 3 – To approve the payment of Directors' Fees to Executive Directors	63,700,406 (100)	0	0
Resolution 4 – To approve the payment of Directors' Fees to Non-Executive Directors	63,700,406 (100)	0	0
Resolution 5- To approve the payment of Directors' Benefits to Non-Executive Directors	63,700,406 (100)	0	0
Resolution 6 – To re-appoint BDO PLT as auditors of the Company	63,700,406 (100)	0	0
Resolution 7 – To authorise the directors to allot and issue new shares in the Company.	63,700,406 (100)	0	0
Resolution 8 – To obtain a renewal and new shareholders' mandate for recurrent related party transactions	30,051,459 (83.7070)	5,849,300 (16.2930)	27,799,647

The Chairman declared the following Resolutions No. 1 to 8 tabled at the 31st AGM were duly carried:-

RESOLUTION NO. 1 –

To re-elect Mr. Ng Hong Kiat @ Ng Han Kiat, a Director who retires by rotation in accordance with Article 103 of the Company's Constitution and who, being eligible, offers himself for re-election.

RESOLUTION NO. 2 –

To re-elect Ms. Lim Lay Khim, a Director who retires pursuant with Article 110 of the Company's Constitution and who, being eligible, offers herself for re-election.

RESOLUTION NO. 3 –

To approve the payment of Directors' fees of not exceeding RM100,000 to the Executive Directors of the Company for the financial year ending 31 March 2024.

RESOLUTION NO. 4 –

To approve the payment of Directors' fees of not exceeding RM150,000 to the Non-Executive Directors of the Company for the financial year ending 31 March 2024.

RESOLUTION NO. 5 –

To approve the payment of Directors' benefits up to an amount not exceeding RM100,000.00 payable to the Non-Executive Directors of the Company from the conclusion of the 31st AGM until the conclusion of the next AGM of the Company.

RESOLUTION NO. 6 –

To re-appoint Messrs. BDO PLT as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.

RESOLUTION NO. 7 –

AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

"THAT, pursuant to Sections 75 and 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be hereby authorised to allot and issue new shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company.

THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Article 64 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016.

THAT any one of the Executive Directors and/or Secretary of the Company be hereby empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so

issued and to do all such acts and things necessary to give full effect to such transactions as authorised by this resolution.

AND THAT, such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company.”

**RESOLUTION NO. 8 –
PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

“THAT, subject to the Companies Act 2016 (“CA 2016”), the Company’s Constitution, the Main LR of Bursa Securities and all other applicable laws, guidelines, rules and regulations, the authority be hereby given for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature (“Proposed Renewal of Shareholders’ Mandate”) as set out in the Circular to Shareholders in relation to the Proposed Renewal of Shareholders’ Mandate provided that such transactions are in the ordinary course of business which are necessary for the day-to-day operations on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders and that such authority shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the AGM at which the Proposed Renewal of Shareholders’ Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at the AGM, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

And that, the Executive Directors of the Company be hereby authorised to complete and do all such acts including executing any documents as may be required to give full effect to such transactions authorised by this resolution.”

17. TERMINATION

The meeting was declared closed at 12.22 noon with a vote of thanks to the Chair.

CONFIRMED CORRECT,

LIM TECK CHYE
Chairman