

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

MINUTES OF GENERAL MEETING

MINUTES OF THE 29TH ANNUAL GENERAL MEETING (“AGM”) OF EMICO HOLDINGS BERHAD (“THE COMPANY”) HELD FULLY VIRTUAL THROUGH LIVE STREAMING AND ONLINE PARTICIPATION AND VOTING USING REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES VIA THE ONLINE MEETING PLATFORM OF TIIH ONLINE WEBSITE AT <HTTPS://TIIH.ONLINE> PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD (DOMAIN REGISTRATION NO. WITH MYNIC: D1A282781) IN MALAYSIA ON FRIDAY, 24 SEPTEMBER 2021 AT 11.00 A.M.

Present : Directors
Mr. Lim Teck Chye (Chairman)
Dato’ Jimmy Ong Chin Keng
Mr. Ng Chee Kong
Mr. Wong Thai Sun
Mr. Wong Sew Yun
Mr. Ng Hong Kiat @ Ng Han Kiat

Senior Management
Mr. Tan Teong Yu
Mr. Sam Tan Chee Yik

By Invitation
Mr. Koay Theam Hock (External Auditors, BDO PLT)
Cik Ros Sakila Binti Bahari (Poll Administrator, Tricor Investor & Issuing House Sdn Bhd)
Encik Mohammad Khairudin Bin Tajudin (Poll Administrator, Tricor Investor & Issuing House Sdn Bhd)
Encik Mohammad Amirul Iskandar Bin Azizan (Poll Administrator, Tricor Investor & Issuing House Sdn Bhd)
Ms. Karen Yong (Independent Scrutineers, Asia Securities Sdn Bhd)

Members/Proxy Holders/Corporate Representatives
Total number of members participated: 20
Total number of proxy holders participated: 8
Total number of corporate representatives participated: 1

In Attendance : Mr. Lee Peng Loon (Company Secretary)

1. COMMENCEMENT

Mr. Lim Teck Chye, the Executive Chairman of the Company welcomed all members, proxies and invited guests to the Company’s fully virtual 29th AGM.

In view that the AGM was conducted fully virtual and as a contingency, the Chairman informed that Dato’ Jimmy Ong Chin Keng, the Executive Director would take over the chair should his internet connection became unstable.

He then reminded all present that any visual or audio recording of the 29th AGM was strictly prohibited unless with prior written consent from Emico was obtained.

Without further ado, the Chairman introduced his fellow Board members, the Company Secretary and the External Auditors, Messrs. BDO PLT who had participated in the AGM virtually from their respective location.

The Chairman then called upon the Company Secretary to confirm the number of proxy forms received and the presence of a quorum for the Company's 29th AGM.

The Company Secretary, Mr. Lee Peng Loon, confirmed that 60 proxy forms were received within the prescribed period.

The Company Secretary also confirmed the presence of the requisite quorum as at the commencement of this meeting.

The requisite quorum being present, the Chairman called the Company's 29th AGM to order at 11.00 a.m.

2. NOTICE OF MEETING

The notice convening the Company's 29th AGM which was sent to all members (hereinafter referred to as "**shareholders**"), Bursa Malaysia Securities Berhad, the Stock Exchange and Messrs. BDO PLT, the External Auditors of the Company in accordance with the Company's Constitution was taken as read.

3. DEMAND FOR POLL

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 29th AGM had to be voted upon by poll electronically.

The Chairman declared a poll to be carried out on all the Resolutions set out in the Notice of the 29th AGM.

4. PROCEEDINGS OF FULLY VIRTUAL MEETING

The Chairman invited the Company Secretary to brief shareholders on the proceedings of a fully virtual AGM.

The Company Secretary informed that he would first go through all the agendas set out in the Notice of the 29th AGM. Next, he explained on how questions may be raised during the meeting as well as the online voting procedures.

The Company Secretary also informed that the Company had appointed Tricor Investor & Issuing House Sdn Bhd as the Poll Administrator and Asia Securities Sdn Bhd as the Independent Scrutineers to verify the poll results.

4. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

The first agenda was to receive the Audited Financial Statements for the financial year ended 31 March 2021 together with the Reports of the Directors and Auditors thereon ("AFS 2021").

The Company Secretary informed that the AFS 2021 was for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require shareholders' approval.

It was recorded that the AFS 2021 together with the Reports of Directors and Auditors thereon had been duly tabled and received by shareholders of the Company.

5. RESOLUTION NO. 1 – RE-ELECTION OF MR. WONG THAI SUN AS A DIRECTOR

The Resolution No. 1 was to re-elect Mr. Wong Thai Sun, 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. 1 was proposed by Dato' Jimmy Ong Chin Keng and seconded by Mr. Wong Sew Yun.

6. RESOLUTION NO. 2 – RE-ELECTION OF MR. NG HONG KIAT @ NG HAN KIAT AS A DIRECTOR

The Resolution No. 2 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 who, being eligible, offers himself for re-election.

Resolution No. 2 was proposed by Dato' Jimmy Ong Chin Keng and seconded by Mr. Wong Sew Yun.

7. RESOLUTION NO. 3 – PAYMENT OF DIRECTORS' FEES

The Resolution No. 3 was to approve the payment of Directors' fees amounting to RM144,000.00 for the financial year ending 31 March 2022.

Resolution No. 3 was proposed by Dato' Jimmy Ong Chin Keng and seconded by Mr. Wong Sew Yun.

8. RESOLUTION NO. 4 - PAYMENT OF DIRECTORS' BENEFITS

The Resolution No. 4 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 29th AGM until the conclusion of the next AGM of the Company.

Resolution No. 4 was proposed by Dato' Jimmy Ong Chin Keng and seconded by Mr. Wong Sew Yun.

9. RESOLUTION NO. 5 – RE-APPOINTMENT OF AUDITORS

The Resolution No. 5 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 authorise the Directors to fix their remuneration.

The Company Secretary informed that Company's auditors, Messrs. BDO PLT had indicated their willingness to continue office until the next AGM of the Company.

Resolution No. 5 was proposed by Dato' Jimmy Ong Chin Keng and seconded by Mr. Wong Sew Yun.

10. RESOLUTION NO. 6 – AUTHORITY TO ALLOT AND ISSUE NEW SHARES (SPECIAL BUSINESS)

The Resolution No. 6 under Special Business was related to the general mandate for Directors to allot and issue new ordinary shares pursuant to Sections 75 and 76 of the Companies Act 2016.

The Company Secretary informed that the full text of the proposed Resolution No. 6 was set out in the Notice of the 29th AGM.

Resolution No. 6 was proposed by Dato' Jimmy Ong Chin Keng and seconded by Mr. Wong Sew Yun.

11. RESOLUTION NO. 7 – PROPOSED CONTINUATION OF MR. WONG THAI SUN IN OFFICE AS INDEPENDENT DIRECTOR OF THE COMPANY (SPECIAL BUSINESS)

The Resolution No. 7 under Special Business was to seek shareholders' approval through a two tier voting process to retain Mr. Wong Thai Sun who had served for a cumulative term limit more than 12 years as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company.

The Company Secretary informed that the profile of Mr. Wong Thai Sun was set out on Page 7 of the Annual Report.

Resolution No. 7 was proposed by Dato' Jimmy Ong Chin Keng and seconded by Mr. Wong Sew Yun.

12. RESOLUTION NO. 8 – PROPOSED CONTINUATION OF MR. WONG SEW YUN IN OFFICE AS INDEPENDENT DIRECTOR OF THE COMPANY – (SPECIAL BUSINESS)

The Resolution No. 8 under Special Business was to seek shareholders' approval through a two tier voting process to retain Mr. Wong Sew Yun who had served for a cumulative term limit more than 12 years as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company.

The Company Secretary informed that the profile of Mr. Wong Thai Sun was set out on Page 6 of the Annual Report.

Resolution No. 8 was proposed by Dato' Jimmy Ong Chin Keng and seconded Mr. Tan Teong Yu.

13. RESOLUTION NO. 9 – PROPOSED CONTINUATION OF MR. NG CHEE KONG IN OFFICE AS INDEPENDENT DIRECTOR OF THE COMPANY– (SPECIAL BUSINESS)

The Resolution No. 9 under Special Business was to seek shareholders' approval through a two tier voting process to retain Mr. Ng Chee Kong who had served for a cumulative term limit more than 12 years as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company.

The Company Secretary informed that the profile of Mr. Ng Chee Kong was set out on Page 6 of the Annual Report.

Resolution No. 9 was proposed by Dato' Jimmy Ong Chin Keng and seconded Mr. Wong Sew Yun.

14. RESOLUTION NO. 10 – PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE – (SPECIAL BUSINESS)

The Resolution No. 10 under special business was related to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature.

The Company Secretary informed that the Resolution 10 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.

He also reminded the interested parties namely, Mr. Lim Teik Hian, Mr. Lim Teck Chye, Madam Lim Poh Leng, Madam Lim Poh Hoon and Madam Chan Lay Li, and persons connected to them having interest, direct, or indirect in the Proposed Renewal of Shareholders' Mandate together with their proxies or representatives to abstain from voting.

Resolution No. 10 was proposed by Dato' Jimmy Ong Chin Keng and seconded Mr. Wong Sew Yun.

15. ANY OTHER BUSINESS

The Company Secretary confirmed that the Company did not receive any notice to transact any other business at today's AGM.

16. QUESTIONS AND ANSWERS SESSION

The Chairman addressed the questions from shareholders and MWSG received prior to the AGM including the live questions received via the online query box during the AGM. The questions received were moderated to avoid repetition and also summarised for reasons of brevity.

A summary of questions together with the responses by the Company was annexed hereto as Appendix I.

17. ONLINE POLL VOTING

Given the online voting was made accessible at the commencement of the meeting for members and proxies to cast and submit their votes in order to facilitate the polling process, shareholders and proxies were then allowed another 5 minutes to cast and submit their votes online.

A video clip of the online voting process was then shared to shareholders.

After all shareholders and proxies had completed their voting during the stipulated time, the Chairman declared the voting closed.

The Chairman then informed that the Independent Scrutineers would proceed to verify the poll results and that the said results would be announced soonest possible.

The meeting was adjourned at 11.30 a.m. for counting and verification of votes.

18. RESULTS OF THE VOTES

The Company's 29th AGM resumed at 11.50 a.m.

The results of votes as confirmed and certified by the Independent Scrutineers, Asia Securities Sdn Bhd were as follows:-

Ordinary Resolutions	No. of shares and % voted	
	For	Against
Resolution No. 1 – Re-election of Mr. Wong Thai Sun as a Director	50,867,267 (99.9999)	7 (0.0001)
Resolution No. 2 – Re-election of Mr. Ng Hong Kiat @ Ng Han Kiat as a Director	50,867,267 (99.9999)	7 (0.0001)

Ordinary Resolutions	No. of shares and % voted	
	For	Against
Resolution No. 3 – Payment of Directors’ Fees	50,857,267 (99.9803)	10,007 (0.0197)
Resolution No. 4 – Payment of Directors’ Benefits	50,849,167 (99.9644)	18,107 (0.0356)
Resolution No. 5 – Re-appointment of Auditors	50,859,267 (99.9843)	8,007 (0.0157)
Resolution No. 6 – Authority for Directors to allot and issue new shares in the Company.	50,859,267 (99.9843)	8,007 (0.0157)
Resolution No. 7 – Proposed continuation of Wong Thai Sun in office as Independent Director	Tier 1: 27,910,959 (100)	0 (0)
	Tier 2: 22,956,208 (99.9995)	107 (0.0005)
Resolution No. 8 - Proposed continuation of Mr. Wong Sew Yun in office as Independent Director	Tier 1: 27,910,959 (100)	0 (0)
	Tier 2: 22,956,208 (99.9995)	107 (0.0005)
Resolution No. 9 - Proposed continuation of Mr. Ng Chee Kong in office as Independent Director	Tier 1: 27,910,959 (100)	0 (0)
	Tier 2: 22,956,208 (99.9995)	107 (0.0005)
Resolution No. 10 – Proposed renewal of shareholders’ mandate for recurrent related party transactions of revenue and trading nature	21,554,449 (99.9721)	6,007 (0.0279)

The Chairman declared the following Resolutions No. 1 to No. 10 tabled at the 29th AGM were carried:-

RESOLUTION NO. 1 –

To re-elect Mr. Wong Thai Sun, 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 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. 3 –

To approve the payment of Directors' Fees amounting to RM144,000.00 for the financial year ending 31 March 2022.

RESOLUTION NO. 4 –

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 29th AGM until the conclusion of the next AGM of the Company.

RESOLUTION NO. 5 –

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. 6 –

AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE SHARES

“THAT, subject to the approvals of the regulatory authorities, the Board of Directors of the Company be hereby authorised pursuant to Sections 75 and 76 of the Companies Act 2016, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Board of Directors of the Company may deem fit, provided that the aggregate number of shares to be issued does not exceed 20% of the total number of issued shares of the Company.

AND THAT any Executive Director and/or Secretary of the Company be hereby authorised to obtain the approval from Bursa Securities for the listing and quotation of the additional shares to be 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. 7 –

PROPOSED CONTINUATION OF MR. WONG THAI SUN IN OFFICE AS INDEPENDENT DIRECTOR

“THAT authority be and is hereby given to Mr. Wong Thai Sun who had served as an Independent Director of the Company for a cumulative term of more than 12 years to continue to act as an Independent Director of the Company and to hold office until the conclusion of the next AGM of the Company.”

RESOLUTION NO. 8 –

PROPOSED CONTINUATION OF MR. WONG SEW YUN IN OFFICE AS INDEPENDENT DIRECTOR

“THAT authority be and is hereby given to Mr. Wong Sew Yun who had served as an Independent Director of the Company for a cumulative term of more than 12 years to continue to act as an Independent Director of the Company and to hold office until the conclusion of the next AGM of the Company.”

RESOLUTION NO. 9 –

PROPOSED CONTINUATION OF MR. NG CHEE KONG IN OFFICE AS INDEPENDENT DIRECTOR

“THAT authority be and is hereby given to Mr. Ng Chee Kong who had served as an Independent Director of the Company for a cumulative term of more than 12 years to continue to act as an Independent Director of the Company and to hold office until the conclusion of the next AGM of the Company.”

RESOLUTION NO. 10 –

PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

“THAT, subject to the Companies Act 2016 (the “Act”) the Company’s Constitution, the Main Market Listing Requirements 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.”

19. TERMINATION

The meeting was declared closed at 12.05 p.m. with a vote of thanks to the Chair.

CONFIRMED CORRECT,

LIM TECK CHYE
Chairman



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

SUMMARY OF KEY MATTERS DISCUSSED

SUMMARY OF KEY MATTERS DISCUSSED AT THE 29TH ANNUAL GENERAL MEETING OF EMICO HOLDING BERHAD (“**EMICO**” OR “**THE COMPANY**”) CONDUCTED FULLY VIRTUAL THROUGH LIVE STREAMING AND ONLINE PARTICIPATION AND VOTING USING REMOTE PARTICIPATION AND VOTING (“**RPV**”) FACILITIES VIA THE ONLINE MEETING PLATFORM OF TIIH ONLINE WEBSITE AT [HTTPS://TIIH.ONLINE](https://tiih.online) PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD (DOMAIN REGISTRATION NO. WITH MYNIC: D1A282781) IN MALAYSIA ON FRIDAY, 24 SEPTEMBER 2021 AT 11.00 A.M.

Key matters discussed at the 29th AGM are summarised as follows:-

1) How is Emico keeping up with IR4.0?

Answer 1 - Since 2018, we have initiated several projects to modernize and upgrade our warehouse and manufacturing facilities. Such as, implementation of robotic and conveyor systems in our Plastic Injection Moulding department, revamp our warehouse, assembly and production floor.

Last year, Emico has adopted a new ERP system with aims to integrate all processes from costing, sales, supply chain, manufacturing, warehousing and accounting. This allows us to cut down and streamline on all the unnecessary manual and administrative works. Once the system is fully integrated, we will be able to optimize our production planning more efficiently using the real time data available from the system integration.

In addition, we have also embarked several projects with automation solutions to replace processes that are repetitive to increase the production output, improving quality and further cut down on manual labour.

As IR4.0 is an ongoing improvement project, we are committed to continue to pursue in the direction towards IR4.0.

2) What is the company future outlook for property development division?

Answer 2 - We were supposed to launch our landed property project in our Bandar Mutiara township last year but it has been postponed due to the pandemic. Our team is currently reviewing the project and relook into the right timing and strategy to launch the project, tentatively during Q3/Q4 of next year.

3) May I know, what is the company's future outlook?

Answer 3 - To refer our responses to MSWG questions

4) How much was the impact of the company due to MCO?

Answer 4 - To refer our responses to MSWG questions

5) How much was the cost saving of this virtual AGM as compared to the physical one?

Answer 5 - Not much savings as the Company also need to incur costs for virtual AGM.

6) Will the Board consider giving door gifts, such as e-voucher or e-wallet for those that have participated in this AGM?

Answer 6 - No door gifts for this AGM, we will consider the door gifts in coming AGM if the Company is able to conduct the physical AGM

SUMMARY OF KEY MATTERS DISCUSSED

Questions from Minority Shareholders Watch Group (MSWG) and the Company's responses during the AGM are as follows:

No.	Questions	Company's Responses
1.	<p><u>Strategy & Financial Matters</u></p> <p>The Company sank into its first loss before tax position of RM2.98 million in the last financial years for FYE2021 mainly due to the lethargic business conditions brought about by the pandemic. (Page 4 of AR 2021)</p> <p>What are the Company's plans to turn around its loss- making position in FYE 2022?</p>	<p>The loss incurred in FY2021 was due to very low demand of trophy products as a result of the pandemic.</p> <p>We are now seeing the rebound of trophy business as European and American customers are returning strongly to request for new products and replenish their stock as many developed countries have opened up. School, sports and commercial activities are starting to operate as usual. The company is expected to improve the bottom line for FY2022.</p>
2.	<p>The Company's Medical Rehabilitation Products Unit recorded higher sales during FYE 2021 due to stronger demand. (Page 10 of AR 2021)</p> <p>a) What was the revenue derived from this Unit in FYE 2021?</p> <p>b) What are the measures taken by the Company to grow this Unit's business since demand is on the rise?</p>	<p>For contract manufacturing division, the group has generated a revenue of RM18.99 million for FY2021.</p> <p>We are collaborating closely with our existing customers for more projects, while also extending our reach to other medical related distributors and manufacturers.</p>
3.	<p>During FYE 2021, the Company launched its online trophy platform (e-RTG) for the domestic markets and there are plans to expand this platform to the ASEAN market. (Page 10 of AR 2021)</p> <p>a) What was the revenue derived from this platform in FYE 2021?</p>	<p>In 2021, e-RTG played a significant role in marketing and promotion of our trophy products as our retailers were able to promote the products online via their own online storefront during lockdown. The sales revenue generated from e-RTG currently is direct to Emico trophy division as our local retailers are using this platform as their online marketing tools to promote trophy products to the end users.</p>

SUMMARY OF KEY MATTERS DISCUSSED

No.	Questions	Company's Responses
	<p>b) It had been indicated that the sales from this platform was encouraging. What are the Company's plans to grow this platform?</p> <p>c) What was the investment incurred by the Company to develop this platform?</p>	<p>We received positive feedback from our e-RTG members and they understand the importance for our business to go online and foresee a potential growth.</p> <p>The Company is planning to increase its memberships by educating more of our distributors and customers through live webinars, periodic e-training materials and e-newsletters. In addition, the Company will continue to improve its content quality, user's experience and features.</p> <p>We have invested approximately RM150,000 in the platform, system, marketing content and people.</p>
4.	<p>During FYE 2021, the Company launched Bayan Greentech which was involved in urban farming. The Company foresees that this business would be contributing positively to the Company's profitability in the future. (Page 11 of AR 2021)</p> <p>a) What was the cost of investment for this business?</p> <p>b) What is the projected contribution of this business to the Company's profitability in FYE 2022?</p>	<p>We have invested approximately RM500,000 for the initial setup, product research and development.</p> <p>We expect the BGT to contribute marginally during the FY2022 due to the initial investment in product R&D and promotional activities. We expect the Bayan Greentech will contribute positively both revenue and profit to the company in the near future.</p>
5.	<p>Impairment losses on receivables increased significantly in FYE 2021 to RM391,430 from RM5,462 in FYE 2020. (Page 61 of AR 2021)</p> <p>a) What was the reason for the substantial increase in impairments?</p>	<p>Due to the pandemic, the overdue payments from customers have been extended to more than 120 days. Therefore, the impairment for the trade receivables have also increased accordingly.</p>

SUMMARY OF KEY MATTERS DISCUSSED

No.	Questions	Company's Responses
	<p>b) How much of these impairments have been recovered to-date?</p> <p>c) What percentage of these impairments are expected to be non-recoverable?</p> <p>d) Are impairments expected to increase, going forward?</p>	<p>The impairment of the Trade Receivables was mentioned on Page 91 in the Annual Report.</p> <p>As at 31 March 2021, the total Trade Receivables was RM7.17 million.</p> <p>As at 16 September 2021, the group has reduced the total Trade Receivables to RM3.16 million.</p> <p>We expected approximately 5-10% of these overdue debts are non-recoverable.</p> <p>We are confident that the impairment would not be higher going forward as we are currently looking at gradual economy recovery and we expect our customers to be able to improve their financial position and its ability to make payment on time.</p> <p>In addition, the Company has strengthened its credit control policy to reduce the risk of possible impairment.</p>
1.	<p><u>Corporate Governance Matters</u></p> <p>The total fee for the internal audit function of the Company during FYE 2021 was RM 21,000. (Page 30 of AR 2021)</p> <p>a) Given that the fee is rather small (approximately RM1,750 per month) how does the audit committee assure itself that there would be adequate coverage and an effective audit function?</p> <p>b) What are the areas covered by the internal auditors during FYE 2021?</p>	<p>The Audit Committee reviews and approves the annual internal audit plan. It will also review the effectiveness of the audit process, resources requirement and overall performance of the Internal Auditor. The reports on findings and recommendations presented by the Internal Auditor will be reviewed by the Audit Committee to rectify any weaknesses and to recommend for further improvements. The Audit Committee is of the view that the level of work done by the Internal Auditor commensurate with the annual audit fees paid.</p> <p>The areas covered by the Internal Auditors for FYE 2021 are as follows:-</p> <ul style="list-style-type: none"> i. Q1 - Local sales and merchandising ii. Q2 - General safety and environment iii. Q3 - Anti-corruption management

SUMMARY OF KEY MATTERS DISCUSSED

No.	Questions	Company's Responses
	c) How many internal audit reports were issued during FYE 2021?	3 Audit reports were issued during FYE2021 and presented to the Audit Committee during the quarterly Audit and Risk Management Committee meetings.
2.	Para 9.21(2)(b) of the MMLR requires a public listed company to publish a summary of the key matters discussed at the AGM on its website. As of 16 September 2021, the company has yet to publish the key matters discussed at its 28th AGM held on 21 September 2020. Please take note.	On 20 September 2021, we have published on our official website regarding the key matters discussed at the 28 th AGM, held on 21 September 2020. Moving forward, all the key matters discussed will be published on our Official Website on a timely manner.