

**AJIYA BERHAD**  
**Registration No. 199601005281 (377627-W)**  
(Incorporated in Malaysia)

**MINUTES OF THE TWENTY-EIGHTH (28<sup>TH</sup>) ANNUAL GENERAL MEETING OF AJIYA BERHAD CONDUCTED FULLY VIRTUAL THROUGH LIVE STREAMING USING REMOTE PARTICIPATION AND ELECTRONIC VOTING FACILITIES VIA ONLINE MEETING PLATFORM AT [HTTPS://WEB.VOTE2U.MY](https://web.vote2u.my) (DOMAIN REGISTRATION NO. WITH MYNIC: D6A471702) ON MONDAY, 29 APRIL 2024 AT 11.30 A.M.**

**PRESENT VIA VIDEO CONFERENCING (Directors)** : Ms. Er Kian Hong – Chairperson of the Meeting  
Mr. Chiau Haw Choon  
Mr. Yeo Ann Seck  
Mr. Teh Boon Beng  
Datuk Hj Mohd Yusri Bin Md Yusof  
Dato' Boey Chin Gan

**ABSENT WITH APOLOGY** : Datuk Seri Chiau Beng Teik, JP

**IN ATTENDANCE** : Ms. Chong Wui Koon (Company Secretary)  
Ms. Santhi A/P Saminathan (Company Secretary representing Boardroom Corporate Services Sdn Bhd)  
Ms. Tan Hui Yin (Assistant Secretary representing Boardroom Corporate Services Sdn Bhd)

**BY INVITATION** : Mr. Ng Wai Luen (Key Senior Management)  
Ms. Lau Mei Ho (Key Senior Management)  
Ms. Tan Siew Hoon (Financial Controller)  
Mr. Hong Thuan Boon (Representative of ChengCo PLT)  
Representative of Agmo Studio Sdn Bhd (Poll Administrator)  
Representative of Aegis Communication Sdn Bhd (Scrutineer)

**CHAIRMAN**

Ms. Er Kian Hong Kian Hong, the Independent Non-Executive Director of the Company being appointed as Chairperson of this annual general meeting, welcomed all members to the 28<sup>th</sup> Annual General Meeting of the Company (“28<sup>th</sup> AGM” or “Meeting”). She conveyed the Chairman’s apology for not being able to attend the AGM. Thereafter, she introduced the members of the Board of Directors who were in attendance.

Ms. Er Kian Hong informed the members that the 28<sup>th</sup> AGM was the Company’s fourth fully virtual AGM conducted via live streaming and online remote meeting using the Remote Participation and Voting Facilities (RPV) which is in compliance with Section 327 of the Companies Act 2016.

**QUORUM**

Ms. Er Kian Hong informed that the Constitution of the Company required the presence of at least 2 members or proxies or corporate representatives to form a quorum. For a virtual meeting, the quorum shall be determined by the number of members who logged-in at the commencement of the Meeting. The requisite quorum being present, the Chairman of the Meeting declared the Meeting duly convened.

## **CORPORATE REPRESENTATIVE/PROXIES**

Ms. Er Kian Hong informed that the Company has received seventy-six (76) proxy forms and a corporate representative from members totalling 202,668,942 ordinary shares representing 68.71% of the total number of issued shares of the Company within the prescribed period.

## **NOTICE**

The notice convening the meeting, having been circulated to the shareholders and advertised in the newspaper on 29 March 2024, be taken as read.

## **ADMINISTRATIVE AND VOTING PROCEDURES**

Ms. Er Kian Hong informed the members that all the resolutions tabled at the Meeting would require poll voting by members pursuant to Para 8.29A of Bursa Malaysia Securities Berhad's Main Market Listing Requirements.

The poll would be conducted after all items on the agenda have been deliberated. Ms. Er Kian Hong also informed the members of their right to participate at this Meeting via real time submission of typed texts in the query box. Questions posed by shareholders will be made visible to all participants during the meeting.

Agmo Digital Solutions Sdn Bhd ("AGMO") was appointed as the Poll Administrator to conduct the electronic polling process and Aegis Communication Sdn Bhd as the Scrutineer to validate the votes cast at the meeting. Thereafter, Ms. Er Kian Hong invited the representatives of Poll Administrator to brief on the live voting procedure. The Poll Administrator presented the video on the live voting procedure.

## **RESPONSE TO QUESTIONS FROM MINORITY SHAREHOLDERS WATCH GROUP**

Ms. Er Kian Hong presented the Company's response to the questions raised by Minority Shareholders Watch Group ("MSWG") in its letter dated 17 April 2024 (as attached in Appendix I).

## **AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2023 TOGETHER WITH THE REPORTS OF DIRECTORS AND AUDITORS**

Ms. Er Kian Hong explained that the Audited Financial Statements for the year ended 30 November 2023, which was included in the Annual Report, is tabled before the Meeting for discussion only.

Ms. Er Kian Hong also informed that in accordance with the provision of Section 340(1)(a) of the Companies Act 2016, the Audited Financial Statements for the year ended 30 November 2023 do not require formal approval of the shareholders and hence is not put forward for voting.

Ms. Er Kian Hong declared that the Audited Financial Statements for the financial year ended 30 November 2023 together with the Reports of the Directors and Auditors thereon be received.

## **ORDINARY BUSINESS**

### **ORDINARY RESOLUTION 1 - APPROVAL OF DIRECTORS' FEES AMOUNTING TO RM294,000 FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023**

Ms. Er Kian Hong proceeded to the next item of the Agenda, to seek shareholders' approval on the payment of the Directors' fees amounting to RM294,000 for the financial year ended 30 November 2023. Ms. Er Kian Hong tabled the said motion to approve the payment of Directors' meeting allowances for shareholders' approval.

### **ORDINARY RESOLUTION 2 - APPROVAL OF DIRECTORS' MEETING ALLOWANCE UP TO AN AMOUNT OF RM68,500 FROM THE CONCLUSION OF THE 28<sup>TH</sup> AGM UNTIL THE NEXT ANNUAL GENERAL MEETING**

The second item of the Agenda was to approve the payment of the Directors' meeting allowance up to an amount of RM68,500 from the conclusion of the 28<sup>th</sup> AGM until the next AGM of the Company. Ms. Er Kian Hong tabled the said motion to approve the payment of Directors' meeting allowances for shareholders' approval.

### **ORDINARY RESOLUTION 3 TO 4 - RE-ELECTION OF DIRECTORS**

The next item on the agenda is to re-elect the directors retiring at this Meeting. In accordance with the Company's Constitution, the following Directors shall retired from the Board at this Meeting and being eligible, have offered themselves for re-election to the Board:-

- a) Mr Yeo Ann Seck – Resolution 3
- b) Mr. Chiau Haw Choon – Resolution 4

Ms. Er Kian Hong tabled the motion to re-elect Mr Yeo Ann Seck and Mr. Chiau Haw Choon respectively for shareholders' consideration and approval.

### **ORDINARY RESOLUTION 5 - RE-APPOINTMENT OF AUDITORS**

The next item on the Agenda was in respect of the re-appointment of Messrs ChengCo PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

Ms. Er Kian Hong tabled the motion on re-appointment of auditors to the Meeting for shareholders' consideration and approval.

## **SPECIAL BUSINESS**

### **ORDINARY RESOLUTION 6 - AUTHORITY TO ALLOT SHARES**

Ms. Er Kian Hong proceeded to Resolution 6 on authority to the Directors to allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016 and the waiver of pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 subject to the Constitution of the Company and approvals of relevant authorities.

Ms. Er Kian Hong tabled the said motion for shareholders' consideration and approval.

**ORDINARY RESOLUTION 7 - APPROVAL FOR PROPOSED RENEWAL OF AUTHORITY FOR AJIYA BERHAD TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES AT ANY POINT OF TIME**

Ms. Er Kian Hong proceeded to Resolution 7 in respect of proposed renewal of authority for Ajiya Berhad to purchase its own shares of up to 10% of the total number of issued shares at any point of time and tabled the said motion for shareholders' consideration and approval.

**ORDINARY RESOLUTION 8 - PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

Ms. Er Kian Hong proceeded to Resolution 8 in respect of renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("Proposed Renewal of Shareholders' Mandate") and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("Proposed New of Shareholders' Mandate")

The Interested Parties, Datuk Seri Chiau Beng Teik, JP, Mr. Chiau Haw Choon, Mr. Yeo Ann Seck, Datuk Hj Mohd Yusri bin MD Yusof, Er Kian Hong and Mr. Teh Boon Beng, and persons connected to them were abstained from deliberations and voting on the Resolution.

Ms. Er Kian Hong tabled the motion for shareholders' consideration and approval.

**ANY OTHER BUSINESS**

Ms. Er Kian Hong informed that no notice of any other business for transacting at the meeting has been received by the Company.

**QUESTIONS AND ANSWER SESSION**

The Meeting proceeded to address the questions received from shareholders during the AGM. Mr. Ng Wai Luen, the Key Senior Management, responded to the questions related to company's performance during his presentation session, "The Group's Performance Presentation".

The questions responded by the Board and Management were summarised below:

	Shareholder/Proxy/ Corporate Representative	Questions	Answers
1.	Lau Chuan Hooi	May I know what is the company's future outlook?	Anticipating a recovery in the construction and building material sectors, effective cost management, and leveraging business synergy with Chin Hin Group Berhad to unlock new opportunities, we foresee a further improvement in the Group's earnings for 2024. We also anticipate sustained growth for the Group in the future.
2.	Teh Kian Lang	Will 2024 be a better year than 2023 or will be worse due to new challenges?	
3.	Encik Norhisam Bin Sidek	Did all the Board members attend this AGM? If not, why did the director not attend?	All Directors attended the 28th AGM, except for Datuk Seri Chiau Beng Teik, JP, who had an unforeseen urgent matter to attend to.

Regarding the inquiries about e-voucher and e-wallet from shareholders who participated in the virtual AGM, it was stated in the Administrative Guide to Shareholders that no door gifts or vouchers would be provided to shareholders who attended the Company's AGM.

As there were no other questions raised by shareholders, Ms. Er Kian Hong proceeded to poll session.

## **POLL SESSION**

Having dealt with all the items on the Agenda, the Meeting proceeded to voting session. Ms. Er Kian Hong informed all shareholders to cast their votes. Upon completion of voting process, Ms. Er Kian Hong adjourned the meeting at 12.00 noon for scrutineer to verify the votes.

## **POLL RESULTS**

Ms. Er Kian Hong called the Meeting to order at 12.20 p.m. for the announcement of poll results and called upon the Scrutineer to announce the poll results. Details of the results are attached as per Appendix II.

Based on the poll results, Ms. Er Kian Hong declared that all the Resolutions as set out in the Notice of 28<sup>th</sup> AGM of the Company were duly carried.

Ms. Er Kian Hong invited Mr Ng Wai Luen, the Key Senior Management of the Company to brief the Board on the performance of the Group.

## **THE GROUP'S PERFORMANCE PRESENTATION**

Mr. Ng Wai Luen, the Key Senior Management, presented to the shareholders on the qualitative and quantitative performance of the Group. This included the market outlook for the construction sector for 2024, the Group's financial highlights over the previous five years as well as the Group's continued efforts to create more values in future. The performance of the Group is expected to improve moving forward.

## **CLOSE OF MEETING**

There being no further questions raised by the shareholders, Ms. Er Kian Hong declared the Meeting was closed at 12.30 p.m. and she thanked all shareholders for attending and participating in the AGM.

## **CONFIRMED AS CORRECT RECORD,**

Chairperson of the Meeting  
**ER KIAN HONG**

## APPENDIX I

**AJIYA BERHAD**  
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**APPENDIX I TO THE MINUTES OF THE TWENTY-EIGHTH (28<sup>th</sup>) ANNUAL GENERAL MEETING OF AJIYA BERHAD CONDUCTED VIA FULLY VIRTUAL MEETING THROUGH LIVE STREAMING USING REMOTE PARTICIPATION AND ELECTRONIC VOTING FACILITIES VIA ONLINE MEETING PLATFORM AT [HTTPS://WEB.VOTE2U.MY](https://web.vote2u.my) (DOMAIN REGISTRATION NO. WITH MYNIC: D6A471702) ON MONDAY, 29 APRIL 2024 AT 11.30 A.M.**

### **RESPONSES TO MINORITY SHAREHOLDERS WATCH GROUP**

#### **Operational & Financial Matters**

- 1) The Group revenue increased to RM304.8 million in FY2023 (FY2022: RM294.0 million), a 3.67% year-on-year increase. However, its gross profit margin (GPM) decreased to 16.67% in FY2023 from 19.33% in FY2022, representing a 2.66% decrease (Page 94 of the Annual Report 2023/AR2023).
  - a) What factors led to the decrease in GPM level in FY2023?
  - b) What is the Group's plan to mitigate the impact from the increased input costs to protect its GPM in the coming year?

#### **Response**

- a) The decrease in GPM in FY2023 stemmed from several factors, including the challenges faced by Glass Division in achieving economies of scale, resulting in lower sales revenue. Additionally, heightened material costs and competitive pricing for certain project sales further contributed to the decline in GPM.
- b) To counteract the impact of increased input costs, the Group has devised a range of initiatives. These include prioritizing operational streamlining efforts and resources utilization, while also invest in technology to optimize production processes and enhance efficiency. Strategic partnerships will be explored to maintain market presence and expand the customer base. Negotiating more favorable pricing terms with suppliers and diversifying the supplier base to mitigate the risk of price fluctuations are key strategies. Implementing a lean manufacturing approach to minimize waste and optimize material usage is also part of the plan. Continuous analysis of market trends will enable the Group to adjust pricing strategies accordingly and ensure competitiveness.

Finally, the Group will continue to introduce new product differentiations to create unique value propositions that justify higher prices, thus safeguarding the GPM in the coming year.

### **Operating Cash Flow Ratio (Operating Cash Flow/Current Liabilities)**

- 2) Despite recording a positive cash flow in FY2023, the Group's operating cash flow ratio (RM8,919,880/RM62,624,783) (Page 101 and Page 95 of AR2023) is less than one (1). This indicates that the Group needs to generate more cash from its business operation to cover its current liabilities.

How does the Group intend to manage this ratio moving forward?

#### **Response**

The Group recognizes the importance of improving its operating cash flow ratio, especially considering it was below one (1) in FY2023. To address this, the Group has outlined several strategies:

- Optimizing inventory and receivables to streamline cash inflows and outflows more efficiently.
- Enhancing sales and marketing efforts to increase revenue generation and cash flow.
- Focusing on cost reduction and operational efficiency measures, with regular performance monitoring to optimize cash utilization.
- Exploring product diversification and opportunities to tap into new markets and revenue streams, thereby bolstering cash flow.

These initiatives aim to strengthen the Group's financial position and ensure it generates sufficient cash from its business operations to cover its current liabilities moving forward.

- 3) Metal Division

The Division's average utilisation rate improved to 36.1% in FY2023 from 30.5% recorded in FY2022 based on 24-hour operation (Page 32 of AR2023).

- a) What is the current average utilisation rate?
- b) With a push for innovation in its product offerings (Page 32 of AR2023), does the Division expect the utilisation rate to increase further? If so, what is the expected average utilisation rate in the next two financial years?

#### **Response**

- a) The average utilization rate of the Group's Metal Division currently stands at 36.6%. This demonstrates market recovery and our effective management of resources and production capacity, despite the challenges faced by the industry over the past years.
- b) The Metal Division anticipates a further increase in the utilization rate. The Division expected a target of 37.85% for FY2024, underscoring its emphasis on innovation and market dynamics. Moreover, the Division projects an additional 3% increase for FY2025 compared to FY2024, contingent upon favorable market conditions and unforeseen circumstances. The Division is optimistic about the continued recovery of the construction sector in Malaysia, expecting some acceleration of projects in 2024 and beyond that will benefit the Group.

4) Safety Glass Division

The Division set its sights on penetrating new market territories, specifically the wholesale sector in Peninsular and East Malaysia. By capitalising on its well-earned reputation for high-quality products, The Division aimed to expand its customer base and create new avenues for revenue growth (Page 33 of AR2023).

- a) What are the updates on penetrating the new market territories for the wholesale sector and the Division's aim to expand its customer base and create an avenue for revenue growth?
- b) What has been achieved and to be achieved, and are any targets set for FY2024? If so, what are those targets?

**Response**

a) Given the scarcity of high-quality product demand in buildings and the pending enforcement of low-carbon policies in the building sector, the growth of the segment requiring high-performance glass is expected to be slow in the near term. Meanwhile, Malaysia Sheet Glass (MSG) has announced the cessation of its architectural raw glass production in Malaysia, resulting in a short supply situation. Recognizing this opportunity, we have swiftly decided to venture into the wholesale business. Initially, our market focus is on Peninsular Malaysia, targeting glass dealers, processors, and contractors, with plans to gradually expand to East Malaysia by next year.

b) As of today, just two months into operation, we have received a substantial number of inquiries and are steadily building a growing order book. Our initial target for FY2024 is to secure orders totaling no less than RM5 million, and we are confident in our ability to sustain and further increase this volume as we progress.

**Sustainability Matters**

5) The Group organised an in-house sustainability training conducted by an external consultant in November 2023, which the Group's directors and management attended. The training aimed to enhance the understanding of sustainability matters, practices, challenges, and regulatory requirements. The focus included prioritising and managing sustainable issues (Page 41 of AR2023).

- a) To what extent does this sustainability training enhance the understanding of directors and management in sustainability matters?
- b) Regarding prioritising and managing sustainable issues, are there any specific commitments or initiatives to be implemented by Ajiya in FY2024? If yes, what are the planned commitments or initiatives?

**Response**

a) The Directors and management are made aware of the sustainability issues, concept, governance structure, sustainability frameworks, sustainability reporting standards and guidelines, and thus able to prioritize what issues that are material.

b) Climate reporting according to international standard is the key focus going forward. The Board plans to engage the services of external greenhouse gas (“GHG”) consultant in FY 2024 to conduct a baseline assessment of our GHG performance. This initiative aims to ensure that we are adequately prepared for the implementation of IFRS S1 and S2 standards in the foreseeable future.

- 6) In September 2022, Bursa Malaysia Securities Berhad (Bursa Malaysia) unveiled an enhanced sustainability reporting framework to elevate the sustainability practices and disclosures of listed issuers. Main Market and ACE Market listed issuers will gradually adopt the changes, commencing from the financial year ended 31 December 2023 onwards.

The Advisory Committee on Sustainability Reporting (ASCR), chaired by the Securities Commission Malaysia, recently issued a Public Consultation Paper on the Proposed National Sustainability Reporting Framework. This paper sought the feedback on the adoption and application of International Financial Reporting Standards (“IFRS”) S1 – General Requirements for Disclosure of Sustainability-related Financial Information (“IFRS S1”) and IFRS S2 - Climate-related Disclosures (“IFRS S2”). The adoption of the ISSB standards will require the Main Market listed issuers to apply the Standards mandatorily in the foreseeable future.

- a) Does the Group have the relevant resources to achieve its sustainability related goals? If not, how does the Group plan to obtain/allocate the resources required?
- b) During FY2023, one of the seven directors attended the Mandatory Accreditation Programme Part II: Leading for Impact. When will the other directors attend the new mandatory programme on sustainability, as required by Bursa Malaysia?

**Response**

- a) The Group has set its sustainability goals and targets based on the current available resources. As for the adoption of IFRS S1 and S2, the Group currently lacks the relevant resources but remain committed to engaging with external expertise or attending trainings towards the adoption and implementation of these proposed sustainability disclosure standards adoption.
- b) Currently, two Directors have attended the MAP Part II: Leading for Impact. The remaining Directors will complete the MAP II before the deadline of 1 August 2025.

**APPENDIX II**

**AJIYA BERHAD**  
**Registration No. 199601005281 (377627-W)**  
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**APPENDIX II TO THE MINUTES OF THE TWENTY-EIGHTH (28<sup>th</sup>) ANNUAL GENERAL MEETING OF AJIYA BERHAD CONDUCTED VIA FULLY VIRTUAL MEETING THROUGH LIVE STREAMING USING REMOTE PARTICIPATION AND ELECTRONIC VOTING FACILITIES VIA ONLINE MEETING PLATFORM AT [HTTPS://WEB.VOTE2U.MY](https://web.vote2u.my) (DOMAIN REGISTRATION NO. WITH MYNIC: D6A471702) ON MONDAY, 29 APRIL 2024 AT 11.30 A.M.**

Resolutions	Title	Voted For				Voted Against				Total				Result
		No of Units	%	No of Records	No of Shareholders	No of Units	%	No of Records	No of Shareholders	No of Units	%	No of Records	No of Shareholders	
ORDINARY	Ordinary Resolution 1	202,983,213	99.9999	102	50	2	0.0001	1	1	202983215	100	103	51	CARRIED
ORDINARY	Ordinary Resolution 2	202,983,189	99.9999	101	49	26	0.0001	2	2	202983215	100	103	51	CARRIED
ORDINARY	Ordinary Resolution 3	202,983,215	100	103	51	0	0	0	0	202983215	100	103	51	CARRIED
ORDINARY	Ordinary Resolution 4	202,983,215	100	103	51	0	0	0	0	202983215	100	103	51	CARRIED
ORDINARY	Ordinary Resolution 5	202,983,215	100	103	51	0	0	0	0	202983215	100	103	51	CARRIED
ORDINARY	Ordinary Resolution 6	202,827,189	99.92313	99	47	156026	0.07687	4	4	202983215	100	103	51	CARRIED
ORDINARY	Ordinary Resolution 7	202,983,213	99.9999	102	50	2	0.0001	1	1	202983215	100	103	51	CARRIED
ORDINARY	Ordinary Resolution 8	38,235,066	99.9999	95	46	2	0.0001	1	1	38235068	100	96	47	CARRIED