

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

MINUTES OF THE TWENTY-SEVENTH (27TH) ANNUAL GENERAL MEETING OF AJIYA BERHAD CONDUCTED FULLY VIRTUAL THROUGH LIVE STREAMING AND ONLINE REMOTE VOTING USING REMOTE PARTICIPATION AND ELECTRONIC VOTING FACILITIES VIA THE ONLINE MEETING PLATFORM AT [HTTPS://WEB.VOTE2U.MY](https://web.vote2u.my) (DOMAIN REGISTRATION NO. WITH MYNIC: D6A471702) ON THURSDAY, 27 APRIL 2023 AT 11.30 A.M.

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

ABSENT WITH APOLOGY : Datuk Seri Chiau Beng Teik, JP
Mr Yeo Ann Seck

IN ATTENDANCE : Ms. Chong Wui Koon (Company Secretary)
Ms. Santhi A/P Saminathan (Company Secretary representing Boardroom Corporate Services Sdn Bhd)
Ms. Nurul Amira Binti Kamarudin (Assistant Secretary representing Boardroom Corporate Services Sdn Bhd)

BY INVITATION : Dato' Chan Wah Kiang (Chief Executive Officer)
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 (“Ms. Er”) the Independent Non-Executive Director of the Company being appointed as Chairperson of this annual general meeting welcomed all members to the 27th Annual General Meeting of the Company (“27th 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 informed the members that the 27th AGM was the Company’s third 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 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 informed that the Company has received four (4) proxy forms and a corporate representative from member totalling 63,067,997 ordinary shares representing 21.69% 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 28 March 2023, be taken as read.

ADMINISTRATIVE AND VOTING PROCEDURES

Ms Er 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 also informed the members of their right to participate at this Meeting via real time submission of typed texts in the query box.

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 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 presented the Company's response to the questions raised by Minority Shareholders Watch Group ("MSWG") in its letter dated 7 April 2023 (as attached in Appendix I).

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022 TOGETHER WITH THE REPORTS OF DIRECTORS AND AUDITORS

Ms. Er explained that the Audited Financial Statements for the year ended 30 November 2022, which was included in the Annual Report, is tabled before the Meeting for discussion only.

Ms. Er 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 2022 do not require formal approval of the shareholders and hence is not put forward for voting.

Ms. Er declared that the Audited Financial Statements for the financial year ended 30 November 2022 together with the Reports of the Directors and Auditors thereon be received.

ORDINARY BUSINESS

ORDINARY RESOLUTION 1 - APPROVAL OF DIRECTORS' FEES AMOUNTING TO RM324,000 FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

Ms. Er proceeded to the next item of the Agenda, to seek shareholders' approval on the payment of the Directors' fees amounting to RM324,000 for the financial year ended 30 November 2022.

ORDINARY RESOLUTION 2 - APPROVAL OF DIRECTORS' MEETING ALLOWANCE UP TO AN AMOUNT OF RM68,500 FROM 27 APRIL 2023 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 27 April 2023 until the next Annual General Meeting of the Company. Ms Er tabled the said motion to approve the payment of Directors' meeting allowances for shareholders' consideration and approval.

ORDINARY RESOLUTION 3 – APPROVAL OF DIRECTORS' GRATUITY PAYMENT AMOUNTING TO RM140,000

The third item of the Agenda was to approve the directors' gratuity payment amounting to RM140,000 to the former directors. Ms Er tabled the said motion to approve the directors' gratuity payment amounting to RM140,000 for shareholders' consideration and approval.

ORDINARY RESOLUTION 4 TO 9 - 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) Datuk Seri Chiau Beng Teik, JP – Resolution 4
- b) Mr. Chiau Haw Choon – Resolution 5
- c) Mr. Teh Boon Beng – Resolution 6
- d) Ms. Er Kian Hong – Resolution 7
- e) Datuk Hj Mohd Yusri Bin MD Yusof – Resolution 8
- f) Dato' Boey Chin Gan – Resolution 9

Ms. Er tabled the motion to re-elect Datuk Seri Chiau Beng Teik, JP, Mr. Chiau Haw Choon and Mr. Teh Boon Beng under Resolutions 4, 5 and 6 respectively for shareholders' consideration and approval.

As Ms. Er is one of the Director seeking for re-election, she passed the Chair to Dato' Boey Chin Gan to conduct this meeting on her agenda, Resolution 7. Dato' Boey Chin Gan took the Chair and tabled the motion to re-elect Ms Er Kian Hong as per Resolution 7 and pass back the Chair to Ms Er to continue with the rest of the agenda.

Ms. Er took the Chair and tabled the motion to re-elect Datuk Hj Mohd Yusri Bin MD Yusof and Dato' Boey Chin Gan to the Board as per Resolution 8 and 9 respectively for shareholders' consideration and approval.

ORDINARY RESOLUTION 10 - 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 tabled the motion on re-appointment of auditors to the Meeting for shareholders' consideration and approval.

SPECIAL BUSINESS

ORDINARY RESOLUTION 11 - AUTHORITY TO ALLOT SHARES

Ms. Er proceeded to Resolution 11 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 tabled the said motion for shareholders' consideration and approval.

ORDINARY RESOLUTION 12 - 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 proceeded to Resolution 12 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 13 - 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 proceeded to Resolution 13 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, and Mr. Chiau Haw Choon and Mr. Yeo Ann Seck and persons connected to them were abstained from deliberations and voting on the Resolution.

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

ANY OTHER BUSINESS

The Chairman 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 before and during the AGM. It was answered during Dato' Chan Wah Kiang ("Dato' Chan"), the Company's Chief Executive Officers' presentation on the Group's performance.

	Questions	Answers
1.	Teh Kian Lang enquired whether the new challenges would make 2023 a better or worse year than 2022. He also enquired about the Company's strategy for the next six months.	Higher product selling prices, effective cost management, and gains from additional investments would contribute to the earnings growth in 2022 and 2023.
2.	Lau Chuan Hooi enquired about the Company's outlook.	The Ajiya Group would continue its effort in business integrations with Chin Hin Group to create more values moving forward. Future growth of the Group is anticipated.
3.	Lim Cian Yai enquired whether there will be any presentation on business performance.	The CEO is presenting the performance of the Company at the Meeting.

Regarding the inquiries for 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 given to shareholders who attended the Company's AGM.

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

POLL SESSION

Having dealt with all the items on the Agenda, the Meeting proceeded to voting session. Ms Er informed all shareholders to cast their votes. Upon completion of voting process, Ms. Er adjourned the meeting at 12 noon for scrutineer to verify the votes.

POLL RESULTS

Ms. Er 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 declared that all the Resolutions as set out in the Notice of 27th AGM of the Company were duly carried.

Ms Er invited Dato' Chan of the Company to brief the Board on the Performance of the Group,

PRESENTATION BY CHIEF EXECUTIVE OFFICER

Dato' Chan presented to the shareholders on the qualitative and quantitative performance of the Group. This included the market outlook for the construction sector for 2022 and 2023, 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 declared the Meeting was closed at 12.30 p.m. and she thanked all shareholders for attending and participating in the AGM.

APPENDIX I

AJIYA BERHAD
Registration No. 199601005281 (377627-W)
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APPENDIX I TO THE MINUTES OF THE TWENTY-SEVENTH ANNUAL GENERAL MEETING OF AJIYA BERHAD CONDUCTED FULLY VIRTUAL THROUGH LIVE STREAMING AND ONLINE REMOTE VOTING USING REMOTE PARTICIPATION AND ELECTRONIC VOTING FACILITIES VIA THE ONLINE MEETING PLATFORM AT [HTTPS://WEB.VOTE2U.MY](https://web.vote2u.my) (DOMAIN REGISTRATION NO. WITH MYNIC: D6A471702) ON THURSDAY, 27 APRIL 2023 AT 11.30 A.M.

RESPONSES TO MINORITY SHAREHOLDERS WATCH GROUP

Operational & Financial Matters

- 1) The Metal division recorded a profit before tax (PBT) of RM15.3 million in FY2022, a decline from RM22.63 million in FY2021 despite a higher revenue of RM221.0 million recorded in FY2022 (FY2021: RM208 million), delivering a PBT margin of 6.92% (PBT Margin 2021: 10.88%).

The lower PBT margin was mainly due to the rising cost of materials, shortages of labour and supply chain disruptions that have led to an increase in overall costs (Page 35 of the Annual Report 2022).

How does the division plan to address the decline in the PBT margin? To what extent will the abovementioned factors impact the Metal division's PBT margin in FY2023, adversely?

Response

The aforementioned factors are not expected to have a significant adverse impact on the Metal division's PBT margin in FY2023. This is because the Group is proactively focusing on premium high-margin products, cost-saving initiatives, and research and development to deliver innovative and high-quality offerings.

Moreover, as the domestic economy recovers and international borders reopen, strong market demand is anticipated, which should further support the division's financial performance. Consequently, the Metal division's PBT margin in FY2023 is expected to remain stable and resilient despite these external factors.

- 2) The Metal division registered an average utilisation rate of about 30.5% in FY2022, a slight improvement from the 30% utilisation rate in FY2021 (Page 35 of the Annual Report 2022).

For the Safety Glass division, it has maintained its average utilisation rate of about 30% in FY2022 (Page 37 of the Annual Report 2022).

What is the current average utilisation rate for each division, and targeted utilisation rate for each division in FY2023?

Response

The average utilization rate of the Group's metal division currently stands at 36.6%, compared to the 45% target set for FY2023. This demonstrates market recovery and our effective management of resources and production capacity, despite the challenges faced by the industry over the past three years.

Concurrently, the glass division's average utilization rate is at 27%, slightly below the desired target of 30% for FY2023. This lower utilization rate is attributed to ongoing supply chain disruptions and adjustments in market demand for glass products.

- 3) Ajiya will launch its 7P's Proactive strategy action plans focusing on "Product, Price, Place, Promotion, Process, Performer and People". This will be interesting as the Group is laser-focused on its goal to drive enhancement in its operation through Industrial 4.0 and Smart Manufacturing (Page 37 of the Annual Report 2022). Please elaborate on how the abovementioned 7P's Proactive strategy action plans will benefit the Group in the long term.

Response

The Metal Division has outlined a 7P strategy centered on its mission plans, which emphasizes several key aspects. These include enhancing product diversity, boosting procurement effectiveness, and expanding factory operations to a larger scale. Furthermore, the strategy involves strengthening promotional campaigns and persisting in digital transformation endeavors to increase operational efficiency. This includes incorporating various business software applications and social media platforms. Additionally, the division aims to implement enticing incentive programs for high achievers, recruit additional sales force members, and broaden market reach.

Corporate Governance

- 4) Mr. Chiau Haw Choon is the Managing Director (MD) of Ajiya Berhad. He is also the Group Managing Director (GMD) of Chin Hin Group Berhad (Page 17 of the Annual Report 2022). Given that he holds two managing director positions in two PLCs, how does the Board ensure that there would be adequate time commitment from him as the MD of Ajiya Berhad? Does his position as the GMD of Chin Hin Group Berhad affect his time commitment as the MD of Ajiya Berhad?

Response

The Managing Director, Mr. Chiau Haw Choon is committed to his MD roles in the Company, as evidenced by among others, his attendance of all board meetings since his appointment. Assisted by the respective CEO's, who is responsible for leading the day to day operation of the Group's business, Mr. Chiau devotes his time mainly to provide strategic advice and guidance to the Senior Management of both Ajiya Berhad and Chin Hin Group Berhad. He is also committed to the Chair and members of the Board, to keep them aware of developments within the building material industry where both Ajiya Berhad and Chin Hin Group Berhad operate, and ensure that the appropriate policies are developed to meet the Company's mission and objectives.

APPENDIX II

AJIYA BERHAD
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APPENDIX II TO THE MINUTES OF THE TWENTY-SEVENTH ANNUAL GENERAL MEETING OF AJIYA BERHAD CONDUCTED FULLY VIRTUAL THROUGH LIVE STREAMING AND ONLINE REMOTE VOTING USING REMOTE PARTICIPATION AND ELECTRONIC VOTING FACILITIES VIA THE ONLINE MEETING PLATFORM AT [HTTPS://WEB.VOTE2U.MY](https://web.vote2u.my) (DOMAIN REGISTRATION NO. WITH MYNIC: D6A471702) ON THURSDAY, 27 APRIL 2023 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	63,250,868	99.98419	26	25	10002	0.01581	2	2	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 2	63,250,844	99.98415	25	24	10026	0.01585	3	3	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 3	63,250,744	99.98399	24	23	10126	0.01601	4	4	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 4	63,260,870	100	28	27	0	0	0	0	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 5	63,260,870	100	28	27	0	0	0	0	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 6	63,260,870	100	28	27	0	0	0	0	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 7	63,260,870	100	28	27	0	0	0	0	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 8	63,260,868	100	27	26	2	0	1	1	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 9	63,260,870	100	28	27	0	0	0	0	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 10	63,260,870	100	28	27	0	0	0	0	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 11	63,094,844	99.73755	23	22	166026	0.26245	5	5	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 12	63,260,868	100	27	26	2	0	1	1	63260870	100	28	27	CARRIED
ORDINARY	Ordinary Resolution 13	6,460,868	99.99997	24	24	2	0.00003	1	1	6460870	100	25	25	CARRIED