

**FIBON BERHAD**  
**Registration No. 200801009722 (811010-H)**  
Incorporated in Malaysia

**MINUTES OF THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE COMPANY  
CONDUCTED ENTIRELY ON A VIRTUAL BASIS THROUGH LIVE STREAMING VIA  
REMOTE PARTICIPATION AND VOTING FACILITIES (“RPV”) USING VOTE2U AT  
HTTPS://WEB.VOTE2U.MY (DOMAIN REGISTRATION NO. WITH MYNIC-D6A471702)  
ON TUESDAY, 29 OCTOBER 2024 AT 10:00 A.M.**

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- DIRECTORS** : Datuk Seri Pang Chee Khiong (*Executive Chairman*)  
Datuk Pang Fok Seng, Eddie (*Managing Director*)  
Datin Lim Wai Kiew (*Executive Director*)  
Datin Pang Nyuk Yin (*Executive Director*)  
Mr. Lee Kok Kah (*Independent Non-Executive Director*)  
Mr. Chong Chee Siong, Gavin (*Independent Non-Executive  
Director*)  
Mr. Mazlan Bin Awang (*Independent Non-Executive Director*)
- IN ATTENDANCE** : Ms. Yee Sek Ling (Company Secretary)  
Mr. Tan Yu Qing (Assisting Company Secretary)
- SHAREHOLDERS AND  
PROXIES** : As per attendance list
- BY INVITATION** : As per attendance list

**1. CHAIRMAN**

Datuk Seri Pang Chee Khiong (“**Datuk Seri Chairman**”) was in the Chair. Datuk Seri Chairman welcomed all present to the Meeting and thanked them for attending the Seventeenth Annual General Meeting (“**17<sup>th</sup> AGM**”) of the Company. Datuk Seri Chairman then called the Meeting to order at 10:00 a.m.

Datuk Seri Chairman then proceeded to introduce the Board of Directors, Company Secretary, External Auditors of the Company to the shareholders who joined from their respective locations.

**2. QUORUM**

The requisite quorum being present pursuant to Clause 96 of the Company's Constitution, Datuk Seri Chairman declared the Meeting duly convened.

**3. NOTICE OF MEETING**

The Notice convening the Meeting having been circulated within the prescribed period was, with the permission of the Meeting, taken as read.

#### 4. **POLL VOTING**

Datuk Seri Chairman informed all present that Bursa Malaysia Securities Berhad (“**Bursa Securities**”) had made it mandatory for poll voting for any resolution set out in the notice of general meeting. Hence, all the resolutions as set out in the Notice of the 17<sup>th</sup> AGM would be voted by poll.

The Meeting was informed that Agmo Digital Solutions Sdn. Bhd. was appointed as the Poll Administrator and Aegis Communication Sdn. Bhd. was appointed as the Independent Scrutineer to verify the results of the poll voting. The poll voting process for all resolutions set out in the Notice of the Meeting would be carried out after the discussions of all Agenda items of the Meeting.

Datuk Seri Chairman further informed that he would take the Meeting through each item on the agenda, followed by a question and answer (“**Q&A**”) session. Shareholders and proxies may rely on real time submission of typed texts to exercise the rights to speak or communicate in a virtual meeting.

The Meeting noted that the Company had received questions from the Minority Shareholders Watch Group (“**MSWG**”) via its letter dated 22 October 2024. Shareholders and proxies were informed that the questions received from the MSWG will be addressed after all the resolutions set out in the Notice of 17<sup>th</sup> AGM had been tabled.

The Meeting was informed that the Company endeavours to respond to all questions relevant to the Agenda items during the Meeting and any unattended questions or remarks submitted by shareholders or proxies would be responded to via email after the conclusion of the Meeting.

The Meeting noted on the voting procedure as explained by the step-by-step guide together with a short audio clip on the online voting module.

#### 5. **AGENDA 1** **AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31** **MAY 2024 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND THE** **AUDITORS THEREON**

Datuk Seri Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 May 2024 together with the Reports of the Directors and the Auditors thereon (“**AFS 2024**”).

Datuk Seri Chairman declared the AFS 2024, be received.

**6. RESOLUTION 1**  
**APPROVAL OF PAYMENT OF A SINGLE-TIER FINAL DIVIDEND OF 1.10 SEN PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 31 MAY 2024**

Datuk Seri Chairman informed that the next item on the Agenda was to approve the payment of a Single-Tier Final Dividend of 1.10 sen per Ordinary Share for the financial year ended 31 May 2024. The said dividend if approved by the shareholders, it would be paid on 27 December 2024.

**7. RESOLUTION 2**  
**RE-ELECTION OF DATUK SERI PANG CHEE KHIONG IN ACCORDANCE WITH CLAUSE 119 OF THE COMPANY'S CONSTITUTION**

Datuk Seri Chairman passed the chair to Datin Lim Wai Kiew (“**Datin Kelly**”) for this segment of the Meeting as this agenda was related to Datuk Seri Chairman’s re-election as Director of the Company.

Datin Kelly took over the chair and informed that the next item on the Agenda was to re-elect Datuk Seri Pang Chee Khiong, who retired pursuant to Clause 119 of the Company’s Constitution and being eligible, had offered himself for re-election.

**8. RESOLUTION 3**  
**RE-ELECTION OF DATIN PANG NYUK YIN IN ACCORDANCE WITH CLAUSE 119 OF THE COMPANY'S CONSTITUTION**

Datuk Seri Chairman informed that the next item on the Agenda was to re-elect Datin Pang Nyuk Yin, who retired pursuant to Clause 119 of the Company’s Constitution and being eligible, had offered herself for re-election.

**9. RESOLUTION 4**  
**RE-ELECTION OF MR. CHONG CHEE SIONG IN ACCORDANCE WITH CLAUSE 119 OF THE COMPANY'S CONSTITUTION**

Datuk Seri Chairman informed that the next item on the Agenda was to re-elect Mr. Chong Chee Siong, who retired pursuant to Clause 119 of the Company’s Constitution and being eligible, had offered himself for re-election.

**10. RESOLUTION 5**  
**RE-APPOINTMENT OF MESSRS. BDO PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

Datuk Seri Chairman informed that the next item on the Agenda was to re-appoint Messrs. BDO PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

The Meeting was informed that Messrs. BDO PLT have indicated their willingness to continue in office as Auditors of the Company.

**11. RESOLUTION 6**  
**APPROVAL OF PAYMENT OF DIRECTORS' FEES UP TO AN AMOUNT OF RM363,600.00 FOR THE PERIOD FROM 30 OCTOBER 2024 UNTIL THE NEXT AGM OF THE COMPANY IN YEAR 2025**

Datuk Seri Chairman informed that the next item on the Agenda was to approve the payment of Directors' fees up to an amount of RM363,600.00 for the period from 30 October 2024 until the next AGM of the Company to be held in year 2025.

**12. RESOLUTION 7**  
**APPROVAL OF PAYMENT OF DIRECTORS' BENEFITS PAYABLE UP TO AN AMOUNT OF RM34,000.00 FOR THE PERIOD FROM 30 OCTOBER 2024 UNTIL THE NEXT AGM OF THE COMPANY IN YEAR 2025**

Datuk Seri Chairman informed that the next Agenda was to approve the payment of Directors' benefits payable up to an amount of RM34,000.00 for the period from 30 October 2024 until the next AGM of the Company to be held in year 2025.

**13. RESOLUTION 8**  
**AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

Datuk Seri Chairman informed that the next item on the Agenda was a Special Business to consider and if thought fit, pass an Ordinary Resolution to authorise the Directors to issue an aggregate number of shares not exceeding ten per centum (10%) of the total number of issued shares of the Company pursuant to the Companies Act 2016.

The Meeting was informed that this general mandate would provide flexibility to the Board of Directors to issue and allot shares of up to ten per centum (10%) of the share capital of the Company at any time, without convening a general meeting for any possible fund-raising activities and placement of shares and that the existing shareholders of the Company waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 14 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016. If approved, this authority would be valid, unless earlier revoked or varied by the shareholders of the Company in a general meeting, until the next AGM.

**14. RESOLUTION 9**  
**PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**

Datuk Seri Chairman informed that the next item on the Agenda was a Special Business was to seek Shareholders' approval on the proposed renewal of Share Buy-Back authority.

The proposed resolution, if passed, will renew the authority given to the Company to purchase its own shares up to 10% of the total number of issued ordinary shares of the Company at any time within the time period stipulated in the Listing Requirements of Bursa Malaysia Securities Berhad. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.

The details of the proposal are set out in the Statement accompanying Notice of AGM of the Annual Report 2024.

**15. ANY OTHER BUSINESS**

The Meeting was advised that there was no other business to be transacted at this Meeting of which due notice had been given.

**16. QUESTIONS AND ANSWERS SESSION**

Datuk Seri Chairman then invited Mr. Lim Teck Cheong, the Regional Business Development Manager of the Company, to give a brief presentation on the questions raised by MSWG and questions submitted by Shareholders/Proxies via text box during the AGM together with the replies from the Company.

Mr. Lim Teck Cheong presented the list of questions raised and the Company's response, as attached herewith and marked "**Appendix I**".

**17. CONDUCT OF POLL**

Having dealt with all the items on the agenda, Datuk Seri Chairman then announced that the Meeting to proceed with voting. The Meeting then proceeded with the casting of votes and verification of votes results by the independent scrutineers, Aegis Communication Sdn. Bhd.

Upon completion of the counting of votes by the Poll Administrator and verification of the results by the Independent Scrutineer, the Chairman resumed the meeting for the declaration of the results of the poll.

**18. ANNOUNCEMENT OF POLL RESULTS**

The results of the poll which had been verified by the Scrutineer was projected on the screen for the members' information (Please refer to Appendix A attached).

Based on the results of the poll attached, Chairman declared that the Resolutions 1 to 9 were carried as follows:-

<b>Resolution 1</b>					
To approve the payment of a Single-Tier Final Dividend of 1.10 sen per ordinary share for the financial year ended 31 May 2024.					
<b>Votes in favour</b>			<b>Votes against</b>		
No. of Shareholders	No. of Share	%	No. of Shareholders	No. of Share	%
38	57,468,714	100.0000	0	0	0.0000

Datuk Seri Chairman declared that the Ordinary Resolution 1 was carried. Accordingly, it was:-

*“RESOLVED THAT the payment of a Single-Tier Final Dividend of 1.10 sen per ordinary share for the financial year ended 31 May 2024 be hereby approved.”*

<b>Resolution 2</b>					
To re-elect Datuk Seri Pang Chee Khiong, who retires in accordance with Clause 119 of the Company’s Constitution and being eligible, has offered himself for re-election.					
<b>Votes in favour</b>			<b>Votes against</b>		
No. of Shareholders	No. of Share	%	No. of Shareholders	No. of Share	%
37	35,908,162	100.0000	0	0	0.0000

Datuk Seri Chairman declared that the Ordinary Resolution 2 was carried. Accordingly, it was:-

*“RESOLVED THAT Datuk Seri Pang Chee Khiong, who retired in accordance with Clause 119 of the Company’s Constitution, be hereby re-elected as Director of the Company.”*

<b>Resolution 3</b>					
To re-elect Datin Pang Nyuk Yin, who retires in accordance with Clause 119 of the Company’s Constitution and being eligible, has offered herself for re-election.					
<b>Votes in favour</b>			<b>Votes against</b>		
No. of Shareholders	No. of Share	%	No. of Shareholders	No. of Share	%
37	54,328,714	100.0000	0	0	0.0000

Datuk Seri Chairman declared that the Ordinary Resolution 3 was carried. Accordingly, it was:-

*“RESOLVED THAT Datin Pang Nyuk Yin, who retired in accordance with Clause 119 of the Company’s Constitution, be hereby re-elected as Director of the Company.”*

<b>Resolution 4</b>					
To re-elect Mr. Chong Chee Siong, who retires in accordance with Clause 119 of the Company’s Constitution and being eligible, has offered himself for re-election.					
<b>Votes in favour</b>			<b>Votes against</b>		
No. of Shareholders	No. of Share	%	No. of Shareholders	No. of Share	%
38	57,468,714	100.0000	0	0	0.0000

Datuk Seri Chairman declared that the Ordinary Resolution 4 was carried. Accordingly, it was:-

*“RESOLVED THAT Mr. Chong Chee Siong, who retired in accordance with Clause 119 of the Company’s Constitution, be hereby re-elected as Director of the Company.”*

<b>Resolution 5</b>					
To re-appoint Messrs. BDO PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.					
<b>Votes in favour</b>			<b>Votes against</b>		
No. of Shareholders	No. of Share	%	No. of Shareholders	No. of Share	%
38	57,468,714	100.0000	0	0	0.0000

Datuk Seri Chairman declared that the Ordinary Resolution 5 was carried. Accordingly, it was:-

*“RESOLVED THAT Messrs. BDO PLT be hereby re-appointed as Auditors of the Company for the financial year ending 31 May 2025 and the Directors be hereby authorised to fix their remuneration.”*

<b>Resolution 6</b>					
To approve the payment of Directors’ fees up to an amount of RM363,600.00 for the period from 30 October 2024 until the next Annual General Meeting of the Company in year 2025.					
<b>Votes in favour</b>			<b>Votes against</b>		
No. of Shareholders	No. of Share	%	No. of Shareholders	No. of Share	%
37	57,468,713	100.0000	1	1	0.0000

Datuk Seri Chairman declared that the Ordinary Resolution 6 was carried. Accordingly, it was:-

*“RESOLVED THAT the payment of Directors’ fees up to an amount of RM363,600.00 for the period from 30 October 2024 until the next Annual General Meeting of the Company in year 2025, be hereby approved.”*

<b><u>Resolution 7</u></b>					
To approve the payment of Directors’ benefits payable up to an amount of RM34,000.00 for the period from 30 October 2024 until the next Annual General Meeting of the Company in year 2025.					
<b>Votes in favour</b>			<b>Votes against</b>		
No. of Shareholders	No. of Share	%	No. of Shareholders	No. of Share	%
36	57,468,712	100.0000	2	2	0.0000

Datuk Seri Chairman declared that the Ordinary Resolution 7 was carried. Accordingly, it was:-

*“RESOLVED THAT the payment of Directors’ benefits payable up to an amount of RM34,000.00 for the period from 30 October 2024 until the next Annual General Meeting of the Company in year 2025, be hereby approved.”*

<b><u>Resolution 8</u></b>					
Authority to issue shares pursuant to the Companies Act 2016.					
<b>Votes in favour</b>			<b>Votes against</b>		
No. of Shareholders	No. of Share	%	No. of Shareholders	No. of Share	%
36	57,468,613	99.9998	2	101	0.0002

Datuk Seri Chairman declared that the Ordinary Resolution 8 was carried. Accordingly, it was:-

*“RESOLVED THAT subject always to the Companies Act 2016 (“**the Act**”), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any other relevant governmental and/or regulatory authorities, the Directors of the Company be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company, at any time, at such price, to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being;*

*THAT in connection with the above, pursuant to Section 85(1) of the Act read together with Clause 14 of the Company’s Constitution, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, such new shares when issued, to rank pari passu with the existing shares in the Company.*

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

AND FURTHER 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.”

<b>Resolution 9</b>					
Proposed renewal of authority for Share Buy-Back.					
<b>Votes in favour</b>			<b>Votes against</b>		
No. of Shareholders	No. of Share	%	No. of Shareholders	No. of Share	%
37	57,468,713	100.0000	1	1	0.0000

Datuk Seri Chairman declared that the Ordinary Resolution 9 was carried. Accordingly, it was:-

“RESOLVED THAT, subject to Section 127 of the Act, the Constitution of the Company, Main Market Listing Requirements of Bursa Securities and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company, provided that:-

- i. the maximum aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase(s); and
- ii. the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements of the Company (where applicable) available at the time of the purchase.

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the Company shares purchased in their absolute discretion in the following manner: -

- i. cancel all the shares so purchased; or
- ii. retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; or
- iii. retain part thereof as treasury shares and cancel the remainder; or

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

*THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until: -*

- a) the conclusion of the next AGM of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or*
- b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or*
- c) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;*

*whichever occurs first.*

*AND THAT the Directors of the Company be authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Authority for Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”*

## **19. CONCLUSION**

Datuk Seri Chairman concluded the Meeting at 11.05 a.m. and thanked all present for their attendance.

A vote of thanks was accorded to the Chair.

**FIBON BERHAD**  
**Registration No. 200801009722 (811010-H)**  
Incorporated in Malaysia  
(“Fibon” or the “Company”)

**Seventeenth Annual General Meeting (“17th AGM”) of the Company held on 29 October 2024**

Brief presentation on the questions raised by MSWG and questions submitted by Shareholders/Proxies via text box during the 17th AGM together with the replies from the Company.

The clarifications from the Company in response to the enquiries raised by the MSWG are summarised as follows:-

**Operational and Financial Matters**

**Q1 In the Company’s reply to MSWG dated 27 October 2023, it was mentioned that the Company spent approximately RM10,000.00 on training for directors and employees.**

**“Investing in human capital development and organisation capabilities to overcome the current challenging time was one of the focus for Fibon.” (Page 7 of Annual Reports 2023 and 2024).**

**a(i) How much was spent on training for FYE 2024?**

Reply: Approximately RM30,000.00

**a(ii) How much was allocated to directors and employees, respectively?**

Reply: Directors: Approximately RM10,000.00  
Employees: Approximately RM20,000.00

**b) In view of the amounts spent on training for FYE 2023 and FYE 2024, what is the Board’s view on the overall effectiveness of these trainings in achieving the goal of investing in human capital development to overcome the current challenging times?**

Reply: The training programs have played a pivotal role in fostering a culture of continuous learning and adaptability among our employees.

This has prepared them to be more aware of regulatory compliance and best practices and equipped them to navigate current challenges more effectively. Moreover, it will reduce operational risks, preparing our workforce for the opportunities ahead as the economy recovers.

**c) Which training is most effective in achieving such goal?**

Reply: Generally, all the training programs selected are equally important and valuable. They play different roles in the company’s overall success as they are targeted in different areas or departments that are essential for growth, efficiency, and resilience.

**Q2** “Overall, operational costs, including labour, materials, distribution, and utility, continue to increase due to global inflation, affecting business resilience and narrowing operating profit margins” (Page 8 of Annual Report 2024)

**Please quantify how the higher operational costs have impacted the Company’s margins.**

Reply: The increase in operational cost is not substantial against the Company’s margin.

**Q3** “Currency fluctuations may affect the price of goods and the company's overall profitability. To mitigate and offset the risk of fluctuations in currency exchange rates, the Group maintains a portion of cash and cash equivalents in foreign currency accounts to procure raw materials from overseas suppliers”

**“Currency exchange rates are closely monitored, and foreign currencies were realised only when they were favourable” (Page 8 of Annual Report 2024)**

**(a)** **Given the recent strengthening of Malaysian Ringgit, how will the Group adjust its foreign exchange strategy?**

Reply: Generally, the company will realise foreign currencies when the exchange rate is higher than the pre-set internal rate and whenever we need to use the reserved for the business.

**(b)** **How will the strengthening of Malaysian Ringgit impact the Group’s pricing strategy for its products?**

Reply: The overseas market contributes more than 50% of revenue. Hence, if the strengthening of Ringgit persists and impacts our company’s income, the company may increase the selling prices.

**Q4** “The Group understands that our focus on financial sustainability is critical. Nevertheless, we aim to maximise returns for long-term profitability, creating sustainable shareholder value. The Group will continuously look for potential and possible opportunities to expand business in all segments, locally and abroad, as well as the strategic investments, and acquisitions. Hence, Fibon is committed to maintaining a sustainable business and contributing to Malaysia's economic growth.” (Page 36 of Annual Report 2024)

**Please outline the timelines and expected contributions of these initiatives to the Company’s revenue growth.**

Reply: Carefully searching for investment opportunities without a fixed timeline can be beneficial and allow for more strategic, less risk-taking, and potentially profitable choices.

**Corporate Governance Matters**

**Q5 Practice 5.2 of the Malaysian Code on Corporate Governance (“MCCG”) stipulates that at least half of the board should comprise independent directors. For Large Companies, the board comprises a majority of independent directors.**

**Currently, the Board comprises four (4) Executive Directors and three (3) Independent Directors.**

Fibon’s response:

All decisions of the Board are based on the decision of the majority of the Board Members and matters are deliberated with active participation of the three (3) Independent Non-Executive Directors. Therefore, no single director dominates the decision-making process unless duly authorised by the Board.

The Company is able to facilitate checks and balances during boardroom deliberations and decision-making.

The Board will continuously look for suitable candidates as Independent Director to increase diversity of the Board and at least half of the board comprises Independent Directors.

**(a) Considering that four (4) Executive Directors could form a majority in any voting matter and these four (4) Executive Directors are family members, did the Executive Directors abstain from voting on the management proposal? Additionally, please provide an example of how the Company has effectively facilitated checks and balances during boardroom deliberations and decision making.**

Reply: Three independent directors form the Audit Committee, Nomination Committee, and Remuneration Committee. These Committee members rely on professionals, including accountants, secretaries, internal auditors and external auditors, to verify, review, and advise for most management reports and proposals. Upon the final and uninterrupted decision made by the committee, the Committee Chairman shall deliberate, report and/or propose to seek approval from the company board of directors. The board of directors is always aware that if any related party transaction occurs, the involved party(ies) should have abstained from the voting.

The members of the board of directors are legally selected and responsible for their own duties. They should be deemed individual professionals serving the company, as every employee is bound by regulations and laws regardless of their relationship in the business environment.

**(b) What is the timeframe for the Company to adopt Practice 5.2?**

Reply: We did not set a timeline to adopt Practice 5.2.

- (c) **How many candidates for the position of independent directors have been interviewed to date? What prohibits the companies from appointing the candidates identified?**

Reply: The selection was conducted by the Nomination Committee, and made a recommendation to the Board should the suitable candidate fit the company's requirements. The company is looking to appoint one female independent non-executive director in order to meet practice 5.2 as well as practice 5.9 to have at least 30% female directors.

- Q6 The table below sets forth the details of Executive Directors' remuneration for the FYE 2023 and FYE 2024:**

The Group	Total remuneration (RM)		Increase	
	FYE 2023	FYE 2024	RM	%
Datuk Seri Pang Chee Khiong	1,015,424.80	1,162,759	147,334.2	14.51
Datuk Pang Fok Seng	1,329,768.88	1,476,211	146,442.1	11.01
Datin Lim Wai Kiew	696,584.73	781,222	84,637.3	12.15
Datin Pang Nyuk Yin	817,679.30	925,444	107,764.7	13.18

- (a) **The Company recorded a revenue of RM18.29 million for the FYE 2024, representing a decrease of RM1.17 million or 6.02% compared to its revenue in the previous financial year.**

**Please explain the rationale behind this remuneration increase in view of the Company's financial performance? How does the remuneration structure align with shareholder interests?**

Reply: The revenue for FYE 2023 was higher than FYE 2022, and the bonuses for FY 2023 were realised in FY 2024. The company's basic salary cost increased in FY 2024 as compared to FY 2023.

The remuneration increment ensures that our company's emoluments remain competitive in the industry. Appropriate wage or incentive increments are necessary to attract or retain talent to manage challenging business activities.

- (b) **The total Executive Directors' remuneration for FYE 2024 amounts to 23.76% of the Company's total revenue. Could the Board explain how this level of remuneration is justified, particularly in comparison to the Company's financial performance and the relatively modest profit of RM4.42 million? Does the Board have a remuneration policy that ties executive pay to key performance indicators (KPIs) such as revenue growth and profitability?**

Reply: Every employee contributes to a company's revenue in various ways, even if not directly. Revenue can vary significantly over time due to seasonal changes, market demand, or economic factors, which do not typically impact individual salaries and incentives in the same way. Basic salaries and incentives on revenue growth and profitability could lead to instability for employees, and it is not our company's practice.

All company employees, including the directors, were paid for their expertise, responsibilities, and the valuable skills, experience, and industry knowledge they provided. The salaries fairly compensated for their performance and time Commitment, not on the company's total revenue.

### **Sustainability Matters**

- Q7 Please elaborate on the Company's long-term sustainability strategy, particularly in view of growing environmental, social, and governance (ESG) concerns? What specific goals have been set to enhance sustainability performance over the next five years?**

Reply: The company is preparing for an Environmental, Social, and Governance (ESG) programme within the Group. Our commitment to sustainability, transparency, and responsible business practices is a vital part of our vision, and we recognise the importance of ESG in meeting our clients' and stakeholders' expectations.

As part of this initiative, we are assessing our current operations, identifying areas for improvement, and setting targets to reduce our environmental impact, enhance social responsibility, and ensure ethical governance. These steps will allow us to contribute positively to our communities while upholding our dedication to delivering high-quality products and services.

The clarifications from the Company in response to the enquiries raised by the Shareholders/Proxies are summarised as follows:-

- Q1 Is our company considered among the top players in Malaysia in formulating advance polymer matrix fibre composites for the manufacturing of high - amperage insulators which have been approved and used by various large multinational corporations?**