

**MYTECH GROUP BERHAD**  
**(formerly known as Widetech (Malaysia) Berhad)**  
[Registration No. 198401001418 (113939-U)]  
(Incorporated in Malaysia)

Minutes of the Thirty-Eighth (“**38th**”) Annual General Meeting (“**AGM**”) of the Company held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 30 August 2022 at 12.00 noon.

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**BOARD OF DIRECTORS** : Y Bhg Dato’ Lim Kim Huat (Dato’ Chairman)  
Y Bhg Tan Sri Dato’ Cheng Joo Teik  
Dato’ Douglas Cheng Heng Lee  
Mr. Choo Weng Wah (“**Mr Ivan Choo**”)  
Datuk Dr. Ng Bee Ken  
Mr. Chen Keng Sam  
Mr. Lim Sze Yean

**IN ATTENDANCE** : Mr. Kevin Tang (Company Secretary)  
Ms. See Thoo Pao Yuk

**SHAREHOLDERS** : As per attendance list

**PROXY HOLDERS** : As per attendance list

**BY INVITATION** : As per attendance list

**CHAIRMAN**

Dato’ Chairman, Y Bhg Dato’ Lim Kim Huat welcomed the members to the 38th AGM of the Company.

**QUORUM**

As the requisite quorum was present, Dato’ Chairman called the Meeting to order.

**NOTICE**

Notice convening the Meeting having been circulated to all members was taken as read.

Dato’ Chairman informed that pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), all resolutions shall be voted by way of poll. Mega Business Consultancy Division has been appointed as independent scrutineer for the poll votings.

**1. REPORTS AND FINANCIAL STATEMENTS**

Dato’ Chairman informed that the first item on the Agenda i.e. “To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2022 together with the Directors’ and Auditors’ Reports thereon” was meant for discussion only as the provision in the Company’s Constitution do not require a formal approval of the shareholders and hence, would not be put forward for voting.

Dato’ Chairman informed that the Company has received written questions from the Minority Shareholders Watch Group (“**MSWG**”) pertaining to operational & financial and corporate governance matters.

The Executive Director, Mr. Ivan Choo read out MSWG’s questions and the Company’s reply (please refer to Annexure I).

Dato' Chairman invited members and proxy holders present if they have any questions on the Audited Financial Statements. Please refer to Annexure I.

There being no further question, Dato' Chairman declared the Audited Financial Statements for the financial year ended 31 March 2022 together with the Directors' and Auditors' Reports thereon duly received.

Thereafter, Dato' Chairman informed that all the proposed 5 motions as stipulated in the Notice of 38<sup>th</sup> AGM were duly proposed by Dato' Douglas Cheng Heng Lee and seconded by Mr. Ivan Choo, who are both Directors and shareholders.

The meeting shall therefore, dispense with proposer and seconder from the floor.

## **2. DIRECTORS' ALLOWANCES AND BENEFITS – ORDINARY RESOLUTION 1**

The proposed resolution 1 is to approve the payment of Directors' allowances and benefits up to RM70,000.00 from this AGM until the Thirty-Ninth AGM.

Dato' Chairman highlighted that for good corporate governance, interested Directors who are shareholders shall abstain from voting to approve their allowances and benefits.

## **3. RE-ELECTION OF DIRECTORS - ORDINARY RESOLUTIONS 2 TO 3**

### **3.1 RE-ELECTION OF DATO' LIM KIM HUAT – ORDINARY RESOLUTION 2**

The proposed resolution 2 was on the re-election of Director, Dato' Lim Kim Huat, retiring in accordance with the Article 86 of the Company's Constitution and being eligible, offered himself for re-election.

### **3.2 RE-ELECTION OF TAN SRI DATO' CHENG JOO TEIK – ORDINARY RESOLUTION 3**

The proposed resolution 3 was on the re-election of Director, Tan Sri Dato' Cheng Joo Teik, retiring in accordance with the Article 86 of the Company's Constitution and being eligible, offered himself for re-election.

## **4. RE-APPOINTMENT OF AUDITORS - ORDINARY RESOLUTION 4**

The proposed resolution 4 was on the re-appointment of Messrs Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Board of Directors to fix their remuneration.

## **5. AUTHORITY TO ISSUE SHARE - ORDINARY RESOLUTION 5**

The proposed resolution 5 was to authorise the Directors to issue shares up to 20% pursuant to Section 75 and 76 of the Companies Act 2016:-

“THAT pursuant to Section 75 and 76 of the Companies Act 2016, the Directors be and are hereby empowered to issue shares in the Company, at any time until the conclusion of the next Annual General Meeting 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 does not exceed twenty per centum (20%) of the total number of issued shares of the Company at the time of submission to the authority 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 Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

As there was no further business, Dato’ Chairman requested members and proxy holders to cast their votes in the ballot papers which were distributed to them earlier.

## **6. MEETING ADJOURNED FOR POLLING AND VERIFICATION PROCESS**

The meeting was adjourned for poll voting and verification of the poll result.

## **7. ANNOUNCEMENT OF VOTING RESULTS**

The meeting resumed upon receipt of the results of the poll from the Scrutineer. Dato’ Chairman read out the voting results as follows:-

NO .	ORDINARY RESOLUTIONS	VOTE FOR		VOTE AGAINST		RESULTS
		NO OF SHARES	%	NO OF SHARES	%	
1.	Payment of Directors’ allowances and benefits up to RM70,000 from this AGM until the Thirty-Ninth AGM.	147,120,525	99.9927	10,750	0.0073	CARRIED
2.	Re-election of Dato’ Lim Kim Huat	147,131,275	100.0000	0	0.0000	CARRIED
3.	Re-election of Tan Sri Dato’ Cheng Joo Teik	147,131,275	100.0000	0	0.0000	CARRIED
4.	Re-appointment of Messrs Grant Thornton Malaysia PLT	147,131,275	100.0000	0	0.0000	CARRIED
5.	Authority to issue shares	147,120,525	99.9927	10,750	0.0073	CARRIED

Based on the aforesaid results, Dato’ Chairman declared all Ordinary Resolutions 1 to 5 CARRIED.

## **8. CONCLUSION**

Dato’ Chairman declared the Meeting closed at 1.07 p.m. and thanked all present for their attendance and support.

## **CONFIRMED TRUE RECORD**

SIGNED

**DATO’ LIM KIM HUAT**  
**CHAIRMAN**

## ANNEXURE I

- Q1) In financial year ended 31 March 2022 (“FY2022”), the Group achieved a pre-tax profit of RM1.84 million (financial year ended 31 March 2021 (FY2021): pre-tax loss of RM1.21 million), with the manufacturing segment recording a higher pre-tax profit of RM2.76 million (FY2021: RM2.47 million). However, the hotel segment recorded a higher pre-tax loss of RM0.41 million (FY2021: RM0.34 million) (Pages 6, 7, 97,98 of the Annual Report 2022).**

**What is the financial performance prospect for the Group's business segments in financial year ended 31 March 2023 (“FY2023”), especially the Hotel segment, which recorded a higher pre-tax loss in the FY2021?**

- A1)** The Group will continue its efforts to identity and diversify its business segments in FY2023 amid recovery from covid pandemic during 2021 – 2022, whilst improving its costs and operational efficiencies for business sustainability.

The manufacturing segment is expected to post a lower pre-tax profit in FY2023 mainly due to lower demand for machinery parts related to Covid protection products as most countries gradually entered endemic phase. This segment will strive to maintain its products' quality and at the same time explore new opportunities to increase its market shares. The solar panel system which was installed in FY2022 will benefit this segment in terms of utility cost saving and income tax relief.

On 15 August 2022, Asia Pacific Winning Limited signed a sale and purchase agreement to dispose its entire 75% equity shares in Lao-Malaysia Investments Group, which operates Hotel Riviera in Laos, for USD600,000. The disposal will prevent further potential losses and enable MyTech to focus its resources on viable and profitable business and ventures and thus, improving the earnings of the Group. The expected loss on disposal of the Hotel is approximately RM0.546 million as at 31 March 2022.

- Q2(a) What is the previous, current, and expected capacity utilisation rate for the Segment's factory in FY2023?**

- A2(a)** FY2021 : around 80%.  
 FY2022 : around 80%  
 FY2023 : between 75% - 80%

- Q2(b) In the wake of rising production costs coupled with higher raw material costs, the Segment will continue to optimise its supply chain to remain vigilant in cost and identify new ways of working to enhance operational efficiencies improvement to deliver satisfactory operational performance (Page 6 of the Annual Report 2022).**

- Q2(b)(i) To what extent will the abovementioned higher costs impact the Segment's business operation adversely?**

- A2(b) & A2(b)(i)** Higher costs will definitely erode the profit margin.  
 Thus, regular costing review will be carried out when necessary to adjust our selling price as a last resort to counter the rising production costs.

- Q2(b)(ii) What is the Segment's progress in optimising its supply chain?**

- A2(b)(ii)** a) Maintaining a good relationship with existing suppliers to ensure minimal price increase, if any.  
 b) Simultaneously sourcing for new suppliers with quality materials at competitive

price.

**Q2(b)(iii) What improvements have been achieved by the Segment in terms of operational efficiencies?**

**What are the targeted improvements for FY2023?**

A2(b) The manufacturing segment's solar panel system was fully operational in the 2nd half of FY2022 and thus, resulting in increased usage of green renewable energy and reduction in CO2 emission in FY2023.

This segment targets to upgrade its machinery with latest technology to enhance its production efficiency and versatility and hence, its market share, with an aim to be recognised as a market leader in the spring industry.

**Q3 The Segment via Lao-Malaysia Investments Group will strive to achieve a better performance in the next financial year by stepping up efforts to undertake various marketing and promotion activities to remain competitive (Page 7 of the Annual Report 2022).**

**Q3(a) What is the budget requirement for the various marketing and promotion activities in FY2023?**

A3(a) As the hotel near-term outlook remains uncertain, a prudent budget of USD 2,000 has been allocated, mainly for essential upgrading and capital spending in enhancing its international food variety. Besides that, we also plan to do email blasting to corporate clients / travel agents on our promotion for minimum stay length and minimum pax for functions to qualify for special rates. The pandemic had a profound impact on the tourism industry where consumer sentiment remained low and affordability was stretched.

**Q3(b) How have these activities increased the occupancy rate and competitiveness level of the Hotel Segment, to-date?**

A3(b) The average occupancy rate pre-Covid-19 and during the pandemic is 50% and 11%-20% respectively.  
 These activities have improved the hotel's occupancy rate from 30% in April 2022 to 57% to-date as longer stays and repeated customers are more frequent.

**Q3(c) What is the current and the targeted occupancy rate in FY2023?**

A3(c) Present average occupancy rate is around 58% and the hotel targeted for an average occupancy rate of at least 60%.

**Q4**

- a) **Given that the annual internal audit fee of RM16,000 is small (approximately RM1,300 per month), how does the audit committee assure itself that there would be adequate coverage and an effective audit function?**
- b) **What are the areas covered by the internal audit function?**
- c) **How many internal audit reports were issued in FY2022?**

A4

- a) Internal audit is only performed on Wire Master Spring Sdn Bhd, the main profit contributor of the Group. The audit work coverage review period is for 12 months from January - December 2021.
- b) The internal auditors mainly cover high risk areas, such as inventory management, production process and wastages, costing and sales & credit control.
- c) Given the size of Wire Master Spring Sdn Bhd, internal audit is presently performed

once a year. However, the Audit Committee will increase the number of internal audits when necessary.

**Q5            What is the contribution from the new major shareholder in terms of the Company's growth and potential profitability? Which of the Company's business is to be disposed, retain and potential sectors to invest in?**

A5            The Board has identified a few sectors but is not conclusive, hence, could not be disclosed at the moment. Nevertheless, the Company will make the announcement when the timing is right. For information, the new major shareholder only invested in the Company recently.

**Q6            Which sector is the Board looking into?**

A6            Generally, related to financial services, renewable energy and expansion of the existing manufacturing segment.

**Q7            Suggest to do a corporate presentation in future annual general meeting to update on the Group's performance and business activities.**

A7            Noted.

**Q8            Hope the Board is careful in their investment decision as there are companies incurring losses during the pandemic period due to bad investment decision.**

A8            The Board is adopting a cautious approach in considering business opportunities and would only venture into a business where the Board is confident that it would be viable and profitable.