

**MYTECH GROUP BERHAD**  
[Registration No. 198401001418 (113939-U)]  
(Incorporated in Malaysia)

Minutes of the Thirty-Ninth (“**39th**”) 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, 29 August 2023 at 12.00 noon.

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BOARD OF DIRECTORS : Datuk Dr. Ng Bee Ken (Chairman of the Meeting)  
Mr. Choo Weng Wah (“Mr Ivan Choo”)  
Mr. Chen Keng Sam  
Mr. Lim Sze Yean  
Ms. Elisa Tan Mun-E

ABSENCE WITH APOLOGY : Y Bhg Dato’ Lim Kim Huat  
Y Bhg Tan Sri Dato’ Cheng Joo Teik  
Dato’ Douglas Cheng Heng Lee

IN ATTENDANCE : Mr. Kevin Tang Chi Hoe (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**

On behalf of the Board, the Company Secretary, Mr Kevin Tang welcomed the members, proxy holders and invited guests to the 39<sup>th</sup> AGM of the Company. He informed that Dato’ Lim Kim Huat, Tan Sri Dato’ Cheng Joo Teik and Dato’ Douglas Cheng Heng Lee had extended their apologies for their absence. The Board has cordially invited Datuk Dr. Ng Bee Ken (“Chairman of the Meeting”) to chair the Meeting.

The Chairman of the Meeting took the chair and welcomed the members to the 39th AGM of the Company.

**QUORUM**

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

**NOTICE**

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

The Chairman of the Meeting informed that pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), all resolutions shall be voted by way of poll. Cygnus Technologies Sdn Bhd has been appointed as independent scrutineer for the poll votings.

The Share Registrar confirmed that each and every eligible shareholder/proxy has been given the wrist band with QR code upon their registration of attendance, the shareholders/proxies were required to scan their QR code for voting after deliberation and tabling all proposed motions as stipulated in the agenda.

**1. REPORTS AND FINANCIAL STATEMENTS**

The Chairman of the Meeting 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 2023 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.

The Chairman of the Meeting informed that the Company has received written questions from the Minority Shareholders Watch Group (“MSWG”) pertaining to operational & financial, manufacturing segment, hotel segment 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).

The Chairman of the Meeting invited members and proxy holders present if they have any questions for clarification on the Audited Financial Statements. Please refer to Annexure II.

There being no further question, the Chairman of the Meeting declared the Audited Financial Statements for the financial year ended 31 March 2023 together with the Directors’ and Auditors’ Reports thereon duly received.

The Chairman of the Meeting informed that all the proposed 6 motions as stipulated in the Notice of 39<sup>th</sup> AGM were duly proposed by Ms Elisa Tan Mun-E 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 Fortieth AGM.

The Chairman of the Meeting 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 DATUK DR NG BEE KEN – ORDINARY RESOLUTION 2**

The proposed resolution 2 was on the re-election of Director, Datuk Dr Ng Bee Ken, 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 MR CHEN KENG SAM – ORDINARY RESOLUTION 3**

The proposed resolution 3 was on the re-election of Director, Mr Chen Keng Sam, retiring in accordance with the Article 86 of the Company’s Constitution and being eligible, offered himself for re-election.

**3.3 RE-ELECTION OF MS ELISA TAN MUN-E – ORDINARY RESOLUTION 4**

The proposed resolution 4 was on the re-election of Director, Ms Elisa Tan Mun-E, retiring in accordance with the Article 92 of the Company’s Constitution and being eligible, offered herself for re-election.

**4. RE-APPOINTMENT OF AUDITORS - ORDINARY RESOLUTION 5**

The proposed resolution 5 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 6**

The proposed resolution 6 was to authorise the Directors to issue shares up to 10% pursuant to Section 75 and 76 of the Companies Act 2016:-

“THAT pursuant to Section 75 and 76 of the Companies Act 2016 (“Act”), 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 ten per centum (10%) 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.

AND THAT pursuant to Section 85 of the Act to be read together with the Company’s Constitution, approval be and is hereby given for the Company to waive the statutory pre-emptive rights of the shareholders and empowered the Directors of the Company to issue and allot new ordinary shares pursuant to Sections 75 and 76 of the Act without offering them to the existing shareholders to maintain their relative voting and distribution right and such new ordinary shares shall rank pari passu in all respects with the existing ordinary shares.”

As there was no further business, the Chairman of the Meeting requested members and proxy holders to cast their votes by e-polling.

The Company Secretary was invited to brief the meeting on the electronic voting.

**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. The Chairman of the Meeting 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 Fortieth AGM.	137,553,185	99.9995	750	0.0005	CARRIED
2.	Re-election of Datuk Dr Ng Bee Ken	137,593,185	99.9995	750	0.0005	CARRIED

<b>3.</b>	<b>Re-election of Mr Chen Keng Sam</b>	<b>137,593,185</b>	<b>99.9995</b>	<b>750</b>	<b>0.0005</b>	<b>CARRIED</b>
<b>4.</b>	<b>Re-election of Ms Elisa Tan Mun-E</b>	<b>137,489,185</b>	<b>99.9995</b>	<b>750</b>	<b>0.0005</b>	<b>CARRIED</b>
<b>5.</b>	<b>Re-appointment of Messrs Grant Thornton Malaysia PLT</b>	<b>137,593,185</b>	<b>99.9995</b>	<b>750</b>	<b>0.0005</b>	<b>CARRIED</b>
<b>6.</b>	<b>Authority to issue shares and exemption of Section 85</b>	<b>137,581,680</b>	<b>99.9911</b>	<b>12,255</b>	<b>0.0089</b>	<b>CARRIED</b>

Based on the aforesaid results, the Chairman of the Meeting declared all Ordinary Resolutions 1 to 6 CARRIED.

## **8. CONCLUSION**

The Chairman of the Meeting declared the Meeting closed at 12.55 p.m. and thanked all present for their attendance and support.

## **CONFIRMED TRUE RECORD**

**DATUK DR. NG BEE KEN**  
**CHAIRMAN OF THE MEETING**

## ANNEXURE I

### Operational & Financial Matters

**Q1** In financial year ended (“FY”) 31 March 2023 (“FY2023”), MyTech recorded an operating profit of RM2,016,722 compared to an operating profit of RM1,919,447 recorded in FY2022, representing a year-on-year increase in the operating profit of RM97,275 or 5.1%.

However, the increased operating profit was supported by a significantly increased other operating income of RM1,328,988 (FY2022: RM369,168). Without the financing incentive fees of RM413,575 and waiver of non-trade creditors of RM346,136 (items in other operating income), the Group would have recorded an operating profit of only RM1,257,011 in FY2023, which is lower compared to the previous year’s operating profit (Page 48 and Page 94 of the Annual Report 2023) (“AR2023”).

From the operation perspective, will MyTech be able to increase its operating profit without a significant increase in the non-core business income, going forward?

**Response** The Group will continue its efforts in optimizing the cost efficiencies and focus on improving its performance for continued growth.

The Group will also continue to cautiously explore new growth opportunities and potential investments to further grow and enhance shareholders value.

### Manufacturing Segment / Division

**Q2** During the year, this division experienced reduced orders from some major customers due to lower demand of their goods, in addition to overstocking from past orders (Page 6 of AR2023).

The segment recorded a revenue of RM8,227,455 (FY2022: RM10,011,492), and a profit of RM889,340 (FY2022: RM1,755,583). These represent a year-on-year decline in the segment revenue and profit (Pages 99-100 of AR2023).

The Group’s key focus area for the manufacturing segment will be to invest in new machineries with latest technologies to further strengthen its market share to various customers’ designs and maintain quality excellence of its products (Page 7 of AR2023).

**Q2(a)** How does the Board plan to address the financial performance of this segment?

**Response** The manufacturing segment recorded a revenue of RM8.2 million (FY2022: RM10.0 million), and pre-tax profit of RM1.624 million (FY2022: RM2.763 million) (Page 6 of AR2023).

WMS will plan to invest in new machineries with the objective of improving the efficiencies and productivity in the near future. It will also continue its efforts to increase its sales by working closely with the existing customers to meet their requirements on developing the new products.

Q2(b) **Is the abovementioned reduced orders' issue expected to remain in FY2024? If so, what are the Board's strategies to manage this problem?**

Response We will continue to closely monitor the inventories level and ensure that it is always maintained at an acceptable level.

Q2(c) **How much funds have been set aside for the investment in new machineries with latest technologies? What is the budget requirement for this investment in the next two financial years?**

Response On average, the budget for investment in new machineries is approximately RM500,000 per year.

Q2(d) **What is the current and expected capacity utilisation rate for the Segment's factory in FY2024?**

Response FY23: approximately 70%-75%  
FY24: approximately 70%-75%

Q3 **Operating expenses reduced significantly to RM2,528,942 in FY2023 from RM7,028,744 in FY2022 (Page 48 of AR2023).**

**What are the main reasons for the significant reduction in operating expenses in FY2023? Are these expenses expected to remain at the same level in FY2024?**

Response The higher operating expenses in FY2022 was mainly attributable to the bad debts written off of RM5.003 million during the year.

The Group will continue its efforts in improving the cost efficiencies in FY2024.

#### **Corporate Governance Matters**

Q4 **The Group has departed from applying Practice 5.2 of the Malaysian Code on Corporate Governance ("MCCG") (Page 19 of CG Report).**

**Practice 5.2 of MCCG states that at least half of the board comprises Independent Directors. For Large Companies, the board comprises a majority of Independent Directors.**

**This practice explains that Board composition should support objective and independent deliberation, review and decision-making. A Board comprising a majority of Independent Directors allows for more effective oversight of management (Guidance/G5.2 of MCCG).**

**Please take note.**

Response Noted.

**Q5                    On Page 37 of the CG Report (Practice 9.2 of MCCG), the Company states that the Audit Committee (“AC”)’s Terms of Reference has been revised to be in line with the cooling-off period for the appointment of a former audit partner as an AC member from two years to three years.**

**We commend the Company/ AC for its awareness of good CG practices, in this case, it revised the cooling-off period for the appointment of a former audit partner as an AC member from two years to three years.**

**Response        Noted.**

## **ANNEXURE II**

The salient Questions (“Q”) and Answers (“A”) are inter alia summarized as follows:-

- Q6                    What is the reasons for the Directors absence in this AGM?**
- A6                    The two Senior Directors, Dato’ Lim Kim Huat and Tan Sri Dato’ Cheng Joo Teik have health concern whereas, Dato’ Douglas Cheng Heng Lee has to attend to some urgent business matter.
- Q7                    Why there are many Directors in the Company? Their fees and salaries have taken up a big portion of the already low revenue and profit?**
- A7                    The composition of the Board is not overloaded as there are Main Market Listing Requirements to be complied with particularly on the ratio of independent directors to executive directors. The fees paid to the Directors are very nominal for it is cognisant of the Company’s financial performance.
- Q8                    With the new major shareholders on board, what is the new business direction? What is the potential of the existing business? Please give a general perspective on the new initiatives after the discard of the previous business in hotel and gaming. Will the promotional of electric vehicle for long term?**
- A8                    Currently there are 2 main segments under the subsidiaries, i.e. manufacturing and financial services. As a pioneer and also a leading precision springs manufacturer, Management is looking into enhancing the growth with additional machineries to capture new markets. It is a niche market. Meanwhile, the electric vehicles are only at the exploration stage.
- Q9                    Although the manufacturing segment is currently profitable, Management has to look into new areas as back up in case the existing manufacturing business fizzle out.**
- A9                    Noted. To give more time to the new major shareholder to explore other prospective business.
- Q10                   Why is the substantial increase in current borrowings and decrease in long term borrowings.**
- A10                   The borrowings is classified as current liability as it is required to be repayable within the next 12 months. The term loans were taken 15 years ago.
- Q11                   There was no impairment for the financial year 2023 as compared to huge impairment in previous years. What has changed?**
- A11                   The only changes within the group was the disposal of hotel in Laos. Moving forward, there will not be any further impairment. Management will only keep those profitable subsidiaries.
- Q12                   Last time the Board was confident with their overseas investment in gaming sector in Cambodia and Laos. However, the Company has now disposed of its overseas investment and focus locally. Why?**



- A12            The Group owns and operate the hotel only and not the gaming business in Laos. The gaming operation in Cambodia ceased after the expiry of the agreement with the casino owner.
- Q13            **Given that the Group has no more overseas investment and focusing in Malaysia, please give some general indication the sector which the Board is looking into.**
- A13            The new major shareholder is still exploring opportunities, looking for return to their investment like all other shareholders of the company.