



**HO WAH GENTING BERHAD** (272923-H)  
(Incorporated in Malaysia)

**SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTY SIXTH ANNUAL GENERAL MEETING HELD AT MANDARIN A, MANDARIN COURT HOTEL, KUALA LUMPUR, NO. 55, JALAN MAHARAJALELA, 50150 KUALA LUMPUR ON THURSDAY, 30 MAY 2019 AT 09:30 A.M.**

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<b>Present</b>	: Datuk William Teo Tiew	- <i>Executive Chairman</i>
	: Dato' Lim Ooi Hong	- <i>Managing Director/CEO</i>
	: Mr. Lim Wee Kiat	- <i>Executive Director</i>
	: Ms. Elaine Tan Ai Lin	- <i>Senior Independent Non-Executive Director</i>
	: Mr. Kenny Yeoh Khi Khen	- <i>Independent Non-Executive Director</i>
<b>In attendance</b>	: Ms. Coral Hong Kim Heong	- <i>Company Secretary</i>
<b>By Invitation</b>	: Symphony Share Registrars Sdn Bhd	- <i>Share Registrars and Poll Administrator</i>
	Malaysian Issuing House Sdn Bhd	- <i>Scrutineers</i>
	Russel Bedford LC & Co	- <i>Auditors</i>
<b>Shareholders</b>	: 20 members present in person and 6 members present by proxies.	

*No.        Items*

**AGM 26/1 PRELIMINARY**

Datuk William Teo presided as Chairman of the Meeting and he extended a warm welcome to everyone present at the Meeting.

**AGM 26/2 QUORUM**

The requisite quorum being present in accordance with Article 67 of the Company's Articles of Association, the Chairman declared the Meeting duly convened.

**AGM 26/3 NOTICE**

The Notice convening the Meeting having been previously circulated to all shareholders and advertised in *New Straits Times* on 30 April 2019 within the prescribed period was taken as read.

*No. Items*

## **MEETING PROCEDURES**

Prior to proceeding to the agenda of the meeting, the Chairman briefed shareholders on the procedures of the meeting including voting, Chairman's entitlement for casting vote and the rights of shareholders and proxies to vote and speak.

In addition, the Chairman informed that pursuant to requirement in Paragraph 8.29A of Bursa Malaysia Listing Requirements, voting was by Poll. The poll would be conducted electronically on Resolutions 1 to 8 as set out in the Notice of Meeting dated 30 April 2019, and would be taken after tabling all the agendas.

The shareholders were also informed that the Share Registrar of the Company was the Poll administrator to conduct the polling process and Messrs Malaysian Issuing House Sdn Bhd was appointed as Scrutineer to verify the vote cast and compilation of results.

## **AGM 26/4 AUDITED FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND AUDITORS**

The Chairman informed that the Audited Financial Statements for the financial year ended 31 December 2018 were duly audited by the Auditors and approved by the Board of Directors. This agenda was meant for discussion only and does not require shareholders' vote. The Chairman briefed the shareholders on the Group's business operations in the financial year ended 31 December 2018 as follows:

### **Financial Performance and Review of Operations**

The Group recorded a higher revenue of RM159.71 million (2017: RM156.56 million) for the financial year ended 31 December 2018 due to higher sales of USD3.27 million from the moulded power supply cord sets division in Indonesia.

The Group recorded a lower loss before taxation of RM0.78 million (2017: RM22.86 million) for the financial year ended 31 December 2018 due to higher profit before taxation of RM7.51 million (2017: RM5.30 million) generated from the moulded power supply cord sets division and lower loss before taxation of RM0.22 million (2017: RM1.67 million) in the wires and cables division. The preceding year's loss before taxation of RM22.86 million included provision for impairment losses of RM16.69 million by the tin mining division for the mine properties, plant and machinery and fixtures and equipment. The Group completed the disposal of the tin mining division on 6 December 2018.

**No.**

**Items**

The Group's core business, the manufacturing of wires and cables and moulded power supply cord sets and cable assemblies for electrical and electronics devices and equipment, contributed approximately 97% of the Group's total revenue for the financial year ended 31 December 2018, with the US, being the biggest market, which contributed approximately 89% of the Group's total revenue.

The recovery in the US economy pushes the demand for housing market higher, improved the employment rate and leads to higher consumers spending. All these factors may have a favourable effect to the sale of moulded power supply cord sets as the sales in US accounts for majority of the Group's revenue.

However, the Management is of the opinion that business operations in wires and cables and moulded power supply cord sets remain challenging in view of the intense competition in the US market, rising inflationary cost in Indonesia, especially the compulsory annual increment of wages and salaries, high volatility of copper price and working capital requirement.

To counter these unfavourable conditions, the wires and cables and moulded power supply cord sets division will continue to focus on lean manufacturing process for better operational productivity, improve efficiencies, and product quality in order to be more competitive and attract more customers.

The Group's 49% owned associate company, Dufry HWG Shopping Sdn Bhd ("Dufry HWG Shopping") had since commenced business in February 2018 under the name of "PLAZA" at SkyAvenue Mall, Genting Highlands Resort, a popular tourist destination.

For the first financial period from 27 September 2017 (date of incorporation) to 31 December 2018, Dufry HWG Shopping recorded a revenue of RM7.73 million and loss before taxation of RM4.76 million. The losses incurred were mainly due to low revenue generated as it took longer time to set up the outlet to its full operation scale in its first year of operations and profit recorded was insufficient to cover the expenses.

The Group's share of losses in Dufry HWG Shopping for the financial year ended 31 December 2018 was RM0.86 million and the total losses was capped at RM0.98 million, being the equivalent cost of the investment in the associate.

The Chairman invited questions from the floor and there was no question raised by shareholders present.

As there was no question raised, the Chairman declared that the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon be and were hereby received.

<i>No.</i>	<i>Items</i>
<b>AGM 26/5</b>	<b>DIRECTORS' FEES AND MEETING ALLOWANCE (2019) – Resolution 1</b>
	Resolution 1 was to approve the payment of Directors' fees of RM30,000 per annum and meeting allowance of RM500 per day per non-executive director for the financial year ending 31 December 2019. The resolution was duly proposed and seconded by shareholders/proxies from the floor. No question was raised by the shareholders.
<b>AGM 26/6</b>	<b>RE-ELECTION OF DIRECTORS - Resolution 2 – Re-election of Ms. Elaine Tan Ai Lin</b>
	Ms. Elaine Tan Ai Lin was retiring pursuant to Article 99 of the Company's Articles of Association and being eligible for re-election, had offered herself to be re-elected to the Board. The resolution was duly proposed and seconded by shareholders/proxies from the floor. No question was raised by the shareholders.
<b>AGM 26/7</b>	<b>RE-ELECTION OF DIRECTORS - Resolution 3 – Re-election of Dato' Lim Ooi Hong</b>
	Pursuant to Article 139 of the Company's Articles of Association, the Managing Director is to retire once in every 3 years. At this meeting, the Managing Director, Dato' Lim Ooi Hong was retiring pursuant to Article 139 of the Company's Articles of Association and being eligible for re-election, had offered himself to be re-elected to the Board. The resolution was duly proposed and seconded by shareholders/proxies from the floor. No question was raised by the shareholders.
<b>AGM 26/8</b>	<b>RE-ELECTION OF DIRECTORS - Resolution 4 – Re-election of Mr. Kenny Yeoh Khi Khen</b>
	Mr. Kenny Yeoh Khi Khen was retiring pursuant to Article 106 of the Company's Articles of Association and being eligible for re-election, had offered himself to be re-elected to the Board. The resolution was duly proposed and seconded by shareholders/proxies from the floor. No question was raised by the shareholders.
<b>AGM 26/9</b>	<b>RE-APPOINTMENT OF AUDITORS - Resolution 5</b>
	Resolution 5 was to re-appoint the retiring auditors, Messrs Russell Bedford LC & Company who had indicated their willingness to continue in office. The resolution was duly proposed and seconded by shareholders/proxies from the floor. No question was raised by the shareholders.

<i>No.</i>	<i>Items</i>
<b>AGM 26/10</b>	<b>ORDINARY RESOLUTION – Resolution 6</b> <ul style="list-style-type: none"><li>• <b>Authority To Allot Shares Pursuant To Sections 75 and 76 Of The Companies Act, 2016 (“The Act”)</b></li></ul> <p>Resolution 6 was to approve an Ordinary Resolution to authorize the Directors to issue new shares pursuant to Section 76 of the Companies Act, 2016. This authority, unless revoked or varied at a general meeting, would expire at the next Annual General Meeting of the Company. The resolution was duly proposed and seconded by shareholders/proxies from the floor. No question was raised by the shareholders.</p>
<b>AGM 26/11</b>	<b>ORDINARY RESOLUTION – Resolution 7</b> <ul style="list-style-type: none"><li>• <b>Proposed Renewal of and New Shareholders’ Mandate for The Recurrent Related Party Transactions (“RRPT”) of a Revenue or Trading Nature</b></li></ul> <p>Resolution 7 was to obtain mandate from the shareholders for the Company and its subsidiaries to enter into recurrent related party transaction in the normal course of business of the Group with specified related parties which are transacted from time to time, provided that the transaction is carried out on normal commercial terms and are not prejudicial to the shareholders on terms not more favourable to the related parties than those generally available to the public and is not detrimental to the minority shareholders of the Company. A circular on the aforesaid recurrent related party transactions was sent to shareholders on 30 April 2018.</p> <p>Details of the estimated transactions are in page 4 of the said Circular to shareholders dated 30 April 2019. The Chairman invited questions from the floor, but there were no questions raised by the shareholders. The resolution was duly proposed and seconded by shareholders/proxies from the floor.</p>
<b>AGM 26/12</b>	<b>SPECIAL RESOLUTION – Resolution 8</b> <ul style="list-style-type: none"><li>• <b>Proposed Adoption of new Constitution of the Company to replace the existing Memorandum and Articles of Association</b></li></ul> <p>Resolution 8 was to obtain approval from the shareholders for the Company to adopt a new Constitution to replace the existing Memorandum and Articles of Association in its entirety. A circular containing the new Constitution was sent to shareholders on 30 April 2019. The Chairman invited questions from the floor, but there were no questions raised by the shareholders. The resolution was duly proposed and seconded by shareholders/proxies from the floor.</p>

**No. Items**  
**COMMENCEMENT OF POLLING**

The Chairman then explained to the shareholders the procedures for the electronic polling process and the polling began with Scrutineers present monitoring the process.

Upon completion of the voting, the Share Registrar and the Scrutineers proceeded with the counting and verification of votes casted.

**ANNOUNCEMENT OF POLLING RESULTS**

At 10:02 a.m. the Chairman called the Meeting to order for declaration of the poll results. The results verified by the Scrutineers was announced by the Chairman as follows:

<b>No.</b>	<b>Items</b>	<b>FOR</b>		<b>AGAINST</b>		<b>TOTAL</b>			<b>ABSTAIN</b>	<b>Results</b>
		No. of Shares	%	No. of Shares	%	Received	No. of Shares	%	No. of Shares	
1		98,060,900	99.999745	250	0.000255	17	98,061,150	100	0	Carried
2		98,060,900	99.999745	250	0.000255	17	98,061,150	100	0	Carried
3		98,060,900	99.999745	250	0.000255	17	98,061,150	100	0	Carried
4		98,061,150	100	0	0	17	98,061,150	100	0	Carried
5		98,061,150	100	0	0	17	98,061,150	100	0	Carried
6		98,060,900	99.999745	250	0.000255	17	98,061,150	100	0	Carried
7		198,975	99.874514	250	0.125486	12	199,225	100	97,861,925	Carried
8		98,061,150	100	0	0	17	98,061,150	100	0	Carried

*A copy of the above results was displayed on the screen in the meeting room.*

Based on the poll results verified by the Scrutineers, the Chairman declared that Resolutions number 1 to 8 were carried.

**AGM 26/13 TERMINATION**

There being no further business, the meeting terminated at 10:10 a.m. with a vote of thanks to the Chair.