

**JOE HOLDING BERHAD**  
**Registration No. 199901018997 (493897-V)**  
(Incorporated in Malaysia)

Minutes of the 24th Annual General Meeting (AGM or Meeting) of **JOE HOLDING BERHAD** (the Company) conducted virtually from the Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor, Malaysia on Tuesday, 29 August 2023 at 11.00 a.m.

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- DIRECTORS' PRESENT** : Mr. Koo Kien Yoon – Meeting Chairman  
Mr. Tang Boon Koon  
Mr. Yee Yit Yang  
Datuk Salmah Hayati binti Ghazali
- MEMBERS PRESENT** : As per attendance list
- BY INVITATION** : Guests as per attendance list
- IN ATTENDANCE** : Ms. Wong Yuet Chyn – Company Secretary

**NOTICE**

Mr. Koo Kien Yoon (Mr. Koo) took the Chair and welcomed the shareholders to the AGM of the Company. He called the Meeting to order at 11.00 a.m., and then introduced the Board members and Company Secretary to the shareholders.

The Meeting Chairman informed that as at 27 August 2023, there were 29 members/proxies registered to attend the AGM and there were 12 members/proxies joined the AGM on 29 August 2023 at 11.00 a.m. As informed by the Company Secretary that there being a quorum present, the Meeting Chairman declared the Meeting duly convened.

The Meeting Chairman notified that the Notice convening the AGM had been sent to all the shareholders and the said Notice was advertised on 31 July 2023 in accordance with the Company's Constitution. He proposed that the Notice be taken as read.

The Meeting Chairman informed that voting at the AGM would be conducted via a poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Securities). For this purpose, the Meeting Chairman has exercised his right as the Chairman of the Meeting to demand for a poll in accordance with the Company's Constitution in respect of all resolutions which would be put for voting at the Meeting. The polling will be conducted electronically via the remote participation and voting facility provided by InsHub Sdn. Bhd. and voting session will commence from 11.00 a.m. until the announcement of the end of voting session by the Meeting Chairman. In this respect, the Share Registrar, Workshire Share Registration Sdn. Bhd. (Workshire) had been appointed the Poll Administrator and SharePolls Sdn. Bhd. was appointed as the Scrutineer for the poll voting exercise.

The Meeting Chairman informed that the Board of Directors (Board) will deal with the shareholders' questions after the deliberations of all the agenda. The Board will try their best to address all the questions by email as earliest as possible after the Meeting if the Board was unable to address all the questions from shareholders and/or proxies during the Meeting.

The Meeting Chairman informed that the Minority Shareholder Watch Group (MSWG) had vide its letter dated 18 August 2023 addressed to the Board sought information and clarification on the Operational & Financial and Corporate Governance Matters. Meeting Chairman thanked MSWG for giving the Company notice of their questions to enable the Board to reply officially to their letter.

For the information of the members present, the following questions from and the corresponding replies to MSWG were read out:

### **Operational & Financial Matters**

#### **Question 1**

The Group continued to be loss-making for the past 5 years and reported a higher loss after tax of RM38.9 million (FYE2022: LAT RM32.8 million) even though the Group's revenue increased by 12.1% to RM21.1 million (FYE 2022: RM18.8 million) (page 3 of AR2023).

While diversifying to include the Glove Business, the Group also intends to turnaround its existing core business of trading automotive batteries, related components, and automotive lubricants (page 10 of AR2023).

Are there new strategies to turnaround the business?

#### **Answer 1**

The group is in view that as automotive sales are increasing worldwide, so is demand for automotive battery. It is an essential component for the running of automobiles, various batteries are adopted in automobiles for long lasting performance which include lead-acid, lithium ion and others. The group will continue to do things that are generally good for the business such as secure important customers, communicate and reconnect with important customers to serve them better. Besides that, the group target to revamping sales and marketing to provide new, clear proposition, new price strategy to customers. The group is trying to negotiate with a few dealerships at other states to promote the use of the car battery to have a niche market and prevent competition with big player in the field. We should also refocus on the teams to form a powerful coalition.

#### **Question 2(a), (b) & (c)**

The Group's acquisition of investment properties amounting to RM9.5 million (FYE 2022: Nil) (page 57 of AR2023).

- (a) What were the reasons for the Board to approve the acquisition of investment properties, given that it is not the Group's core business?
- (b) How many investment properties did the Group purchase? Are these investment properties currently tenanted?
- (b) Please provide brief details in relation to the investment properties purchased.

#### **Answer 2(a)**

The acquisition of investment properties was to provide additional rental income for the group.

**Answer 2(b)**

Two investment properties were purchased as at 31 March 2023 and part of the properties are currently tenanted.

**Answer 2(c)**

These two investment properties are 4-storey shop lot located at Desa Sri Hartamas with the acquisition amount of RM 4.75 million of each property.

**Question 3(a), (b) & (c)**

The Group's other investments amounting to RM44.9 million (FYE 2022: Nil) (page 51 of AR2023) is in relation to cash deposit account opened with a financial services firm in Australia for investment purposes. The interest rate of the cash deposit account during the financial year is 2.45% (FYE2022: Nil) per annum (Note 8, pages 84&85 of AR2023).

- (a) What is the name of the financial services firm in Australia?
- (b) Given that the Group's existing core business is trading automotive batteries, related components, and automotive lubricants, while diversifying to include the Glove Business, what is the rationale for placing RM44.9 million in a foreign account for investment purposes rather than utilising the cash for the Group's core businesses?
- (c) Why did the Board approve the placement of RM44.9 million cash with a financial services firm in Australia rather than our local banks?

**Answer 3(a)**

Finexia Securities Limited

**Answer 3(b)**

While pending the utilisation of proceeds for its earmark's purposes, the group placed the unutilised proceeds into interest bearing account to earn interest.

**Answer 3(c)**

The cash deposit placement with a financial services firm in Australia was to earn interest as the interest rate is relatively higher than the average Fixed deposit rate in Malaysia and an opportunity to realize forex gain in light with our management perceived weakness in Malaysia currency.

**Question 4**

Administrative expenses increased significantly to RM15.2 million (FYE2022: 5.2 million) almost 3 times of last year (page 53 of AR2023).

What are the reasons for the huge increase in administrative expenses? What comprises the administrative expenses?

#### **Answer 4**

The significant increase in administrative expenses was due to impairment of property, plant and equipment, legal and professional fee and unrealised forex loss incurred in this financial year. Kindly refer to below breakdown below:

<b>No.</b>	<b>Item</b>	<b>Increase of administrative expenses (RM'000)</b>
1.	Legal and professional fee	1,045
2.	Impairment Loss of PPE	7,647
3.	Unrealised Forex Loss	1,779
		10,471

#### **Question 5**

There was no mention in the Management Discussion and Analysis for FYE2023 about the updates on the Group's venture in the glove business. Based on JOE's reply letter dated 13 September 2022 to MSWG's question 7 raised in the previous AGM, the two glove production lines has yet to commence operations and the Group is still waiting for TNB to supply electric.

Please briefly update shareholders on the status of the Group's glove business, e.g. commencement of operations, revenue contribution for FYE 2023 and to-date, number of months of outstanding orders etc.

#### **Answer 5**

As of to date four NBR/NR powder free double former dipping lines have been installed in the factory in Chepor, Ipoh. TNB have done the cabling works and are currently pending for meter installation. The group have successfully applied ISO 13485 and in the progress to apply the MDA registration and license. The Group expects to commission in the third quarter of the financial year end 2024 once the relevant approvals from the authorities are obtained.

<b>Description</b>	<b>Remarks</b>
Dipping machine installation	Completed
QMS Certification - ISO 13485: 2016 & ISO 9001:2015	Completed
Regulatory requirement - MDA registration & license - UK MHRA - FDA	In progress
Product certification	Progress starts once stage 2 completed

#### **Question 6**

Based on JOE's reply letter dated 13 September 2022 to MSWG's question 6 raised in the previous AGM, has the Group received the balance of RM5.08 million refundable deposit monies from Company A?

## **Answer 6**

Currently the group have capitalised the balance of RM5.08 million deposit to engage company A to remodification, calibration four NBR/NR powder free double former dipping lines that were installed in the factory in Chepor, Ipoh to ensure the machinery lines run smoothly once we have the electricity supply.

## **Corporate Governance Matters**

### **Question 7(a) & (b)**

Ordinary Resolution 3 – To approve the payment of Directors’ fees amounting to RM792,000 to the Directors of the Company from the date of 24th AGM up to the conclusion of the 25th AGM (page 129 of AR2023).

- (a) Given the state of the Company, the Group’s continuously increasing losses and the Board only consisting of four (4) directors (FYE2022: 6 directors) which is a smaller board size as compared to FYE 2022, how have the four (4) directors contributed to justify the director fees of RM792,000 as proposed for this AGM?
- (b) What is the estimated breakdown for the proposed payment of director fees?

### **Answer 7(a)**

The director fees of RM792,000 as proposed for this AGM was due to the group budgeted the director fee to appoint chairman and independent director to fill the board member position and increase board diversity.

### **Answer 7(b)**

The estimated breakdown for the proposed payment of director fees as below:

<b>Directors</b>	<b>Estimated fees</b>	<b>Total</b>
Chairman	RM30,000	RM360,000
Independent Director	RM4,000	RM48,000
Datuk Salmah Hayati Binti Ghazali	RM4,000	RM48,000
Yee Yit Yang	RM4,000	RM48,000
Tang Boon Koon	RM4,000	RM48,000
Koo Kien Yoon	RM20,000	RM240,000
<b>Total</b>		<b>RM792,000</b>

The Meeting Chairman then proceeded to the agendas of the Meeting.

## **1. AUDITED FINANCIAL STATEMENTS (AFS) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Meeting Chairman informed that as provided for in Section 340(1)(a) of the Companies Act 2016 (CA 2016), it is not required that the AFS be formally approved and therefore the first item of the agenda is meant for discussion only and is not put forward for voting.

**2. RE-ELECTION OF MR. TANG BOON KOON AS DIRECTOR WHO RETIRES PURSUANT TO CLAUSE 98 OF THE COMPANY'S CONSTITUTION**

**Ordinary Resolution 1** on the proposed re-election of Mr. Tang Boon Koon as Director of the Company who retires pursuant to Clause 98 of the Company's Constitution and who being eligible, has offered himself for re-election.

The Meeting Chairman then proceed to next agenda of the Meeting.

**3. RE-ELECTION OF DATUK SALMAH HAYATI BINTI GHAZALI AS DIRECTOR WHO RETIRES PURSUANT TO CLAUSE 105 OF THE COMPANY'S CONSTITUTION**

**Ordinary Resolution 2** on the proposed re-election of Datuk Salmah Hayati Binti Ghazali as Director of the Company who retires pursuant to Clause 105 of the Company's Constitution and who being eligible, has offered herself for re-election.

The Meeting Chairman then proceed to next agenda of the Meeting.

**4. PAYMENT OF DIRECTORS' FEES AMOUNTING TO RM792,000 TO THE DIRECTORS OF THE COMPANY FROM THE DATE OF 24TH AGM UP TO THE CONCLUSION OF THE 25TH AGM**

**Ordinary Resolution 3** on the proposed payment of Directors' Fees amounting to RM792,000 to the Directors of the Company from the date of 24th AGM up to the conclusion of the 25th AGM.

The Meeting Chairman then proceed to next agenda of the Meeting.

**5. PAYMENT OF DIRECTORS' BENEFITS TO THE DIRECTORS OF THE COMPANY UP TO AN AMOUNT OF RM72,000 FROM THE DATE OF 24TH AGM UP TO THE CONCLUSION OF THE 25TH AGM**

**Ordinary Resolution 4** on the proposed payment of Directors' Benefits to the Directors of the Company up to an amount of RM72,000 from the date of 24th AGM up to the conclusion of the 25th AGM.

The Meeting Chairman then proceed to next agenda of the Meeting.

**6. RE-APPOINTMENT OF MESSRS UHY (UHY) AS AUDITORS**

**Ordinary Resolution 5** on the proposed re-appointment of UHY as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company.

The Auditors introduced themselves to the Meeting before the Meeting Chairman proceeded to next agenda of the Meeting.

**7. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE CA 2016**

The Meeting Chairman informed that the following motion was tabled for consideration as **Ordinary Resolution 6**.

“**THAT** subject always to Sections 75 and 76 of the CA 2016, the Constitution, the MMLR and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time 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 to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue in force until the conclusion of the 25th AGM or when it is required by law to be held, whichever is earlier, **AND THAT** the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

**THAT** the existing shareholders of the Company hereby 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 CA 2016 read together with Clause 15 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the CA 2016.

**AND THAT** the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

## **8. ANY OTHER BUSINESS**

The Company Secretary confirmed that the Company had not received any notice for transaction of any other business for today’s Meeting.

Meeting Chairman then proceeded with the Question and Answer (Q&A) session for the Board and Management of the Company (Management) to deal with the questions from the shareholders.

The following questions was raised by shareholders and the responses made by the Board and Management:

### **QUESTIONS & ANSWERS (Q&A)**

#### **Question 1**

**Yueh Weng Ho**

How long more will the Company continue to remain in losses?

#### **Response to Question 1**

Meeting Chairman

Please refer the Company explanation in Management Discussion and Analysis in respect of financial performance of the Group from the Annual Report 2023.

#### **Question 2**

**Teh Peng Tin**

How much does the Company spend on this virtual AGM?

**Response to Question 2**

Meeting Chairman

It was cost about RM8,000 to RM10,000.

**Question 3**

**Lee Suan Bee**

What are the outlook prospects for the Company?

**Response to Question 3**

Meeting Chairman

Please refer the Company explanation in Management Discussion and Analysis in respect of future prospects from the Annual Report 2023.

After dealt with the questions from the members/proxies, Meeting Chairman urged the shareholders and/or proxies who have yet to submit their votes, the Meeting allocated another 5 minutes for them to complete casting their votes.

Meeting Chairman then adjourned the Meeting for 15 minutes to 30 minutes for the poll votes to be counted by the Poll Administrator in the presence of the appointed Scrutineer.

The Meeting resumed, Meeting Chairman mentioned that the Scrutineer have completed the verification of poll results and the results are shown on the screen as follow:

**RESULT OF THE POLL VOTES ON RESOLUTIONS TABLED AT THE 24TH AGM ON 29 AUGUST 2023:**

Resolution	Voted For			Voted Against		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
<b>Ordinary Resolution 1</b> To re-elect Mr. Tang Boon Koon as Director who retires pursuant to Clause 98 of the Company's Constitution	20	512,770,053	99.8863	7	583,601	0.1137
<b>Ordinary Resolution 2</b> To re-elect Datuk Salmah Hayati Binti Ghazali as Director who retires pursuant to Clause 105 of the Company's Constitution	20	512,770,053	99.8863	7	583,601	0.1137
<b>Ordinary Resolution 3</b> To approve the payment of Directors' fees amounting to RM792,000 to the Directors of the Company from the date of 24th AGM up to the conclusion of the 25th AGM	11	512,513,453	99.8363	16	840,201	0.1637

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<b>Ordinary Resolution 4</b> To approve the payment of Directors' benefits to the Directors of the Company up to an amount of RM72,000 from the date of 24th AGM up to the conclusion of the 25th AGM	12	512,513,553	99.8364	15	840,101	0.1636
<b>Ordinary Resolution 5</b> To re-appoint Messrs UHY as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company	24	513,242,153	99.9783	3	111,501	0.0217
<b>Ordinary Resolution 6</b> Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the CA 2016	18	513,139,553	99.9583	9	214,101	0.0417

The Meeting Chairman then declared that all the ordinary resolutions tabled in the Meeting were carried.

**TERMINATION**

There being no other business the Meeting terminated at 12.01 p.m. with a vote of thanks to the Chair.

**C O N F I R M E D**

**KOO KIEN YOON**  
Chairman of the Meeting

Date: 29 August 2023