

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

Minutes of the Twenty-Sixth (26th) Annual General Meeting (AGM or Meeting) of **JOE HOLDING BERHAD** (the Company) held at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on **Wednesday, 27 August 2025 at 10.30 a.m.**

DIRECTORS' PRESENT	: Mr. Koo Kien Yoon (Mr. Koo) – Meeting Chairman Mr. Yee Yit Yang (Mr. Yee) Datuk Salmah Hayati binti Ghazali Encik Ahmad Nasirruddin bin Harun (Encik Ahmad)
ABSENT WITH APOLOGIES	: Dato' Nik Ismail bin Dato' Nik Yusoff (Dato' Nik)
MEMBERS PRESENT	: As per attendance list
BY INVITATION	: Guests as per attendance list
IN ATTENDANCE	: Ms. Adeline Tang Koon Ling – Company Secretary

NOTICE

Mr. Koo informed that the Board of Directors (Board) unanimously agreed that he took the Chair of the Meeting as the Meeting Chairman of the Company and called the Meeting to order at 10.30 a.m. The Meeting Chairman welcomed the shareholders, proxies and Corporate Representatives to the AGM of the Company and then proceeded to introduce the Board, the Company Secretary, the External Auditors to the Meeting.

Based on the registration data as of 27 August 2025, there were 11 members or proxies or corporate representatives had participated in the AGM. As informed by the Company Secretary that there being a quorum present, Meeting Chairman declared the Meeting duly convened.

The Meeting Chairman informed that the AGM was held physically at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The Meeting Chairman notified that the notice convening the AGM (Notice) had been dispatched to all the shareholders of the Company and the said Notice was advertised in the New Straits Times on 31 July 2025 in accordance with the Company's Constitution be taken as read.

The Meeting Chairman then guided through the procedures of the Meeting. He informed that voting on the resolution set out in the Notice would be conducted by way of poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. For this purpose, Meeting Chairman had exercised his right as the Chairman of the Meeting to demand for a poll in accordance with Clause 82 of the Company's Constitution in respect of the resolution which would be put to vote at the AGM.

The polling would be conducted electronically and shareholders were advised to use their own personal device to vote by scanning the QR code shown on the projector at the Meeting venue and voting session had commenced from 10.30 a.m. until the announcement of the end of the voting session by the Meeting Chairman.

In this respect, the Share Registrar, Prosec Share Registration Sdn. Bhd., had been appointed as the Poll Administrator to conduct the polling process and SharePolls Sdn. Bhd. as Scrutineer to verify the poll results.

The Meeting Chairman informed that the Board would deal with the shareholders' questions after the deliberation of the agenda.

The Meeting Chairman informed that the Minority Shareholders Watch Group (MSWG) had vide its letter dated 18 August 2025 addressed to the Board sought information and clarification on the Operational and Financial Matters, and Sustainability Matters. On behalf of the Board, the Meeting Chairman read out the MSWG's questions and the responses from the Management.

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

In Financial Year End 31 March 2025 (FYE 2025), JOE's total liabilities dropped from RM79.15 million in 2024 to RM75.59 million, showing a reduction of about RM3.56 million or 4.5%. This was mainly driven by a decrease in current liabilities, which fell from RM68.69 million to RM65.44 million. The main factor behind this was a drop in borrowings primarily due to foreign exchange effects, as reflected in the cash flow statement. Non-current liabilities remained nearly unchanged, decreasing slightly from RM10.46 million to RM10.15 million. This reduction in liabilities aligns with the Company's efforts to manage its debt amid ongoing losses. The financial statements also highlight continued losses RM11.31 million for 2025, but the lower liabilities suggest tighter cost and debt control, possibly as a strategy to stabilize the business during a challenging period. (Source: Page 11 of AR 2025).

- (a) What cost control initiatives were undertaken that led to the RM3.56 million reduction in total liabilities for FYE2025? Will these initiatives be sustained and continue contributing to liability reduction in the next financial year?
- (b) With non-current liabilities remaining stable, how does the Group plan to handle its long-term debt obligations?
- (c) The Group reported a loss of RM11.31 million despite a reduction in liabilities. What measures are being implemented by the Group to address the factors contributing to the losses?

Answer 1

- (a) The reduction in total liabilities (from RM79.15 million to RM75.59 million) was mainly due to a fall in current liabilities, particularly borrowings. The Annual Report highlights that this was influenced by foreign exchange effects and tighter debt management. At the operational level, the Group also implemented process optimizaton, vendor management and energy efficiency initiatives, such as:
 - Continuous improvement of processes by adopting lean management principles can help eliminate waste and streamline workflows.
 - Phased conversion to energy-efficient LED lighting across offices and corridors.
 - Awareness programmes encouraging employees to switch off non-essential lighting, air-conditioning, and computers when not in use.

- Procurement focus on fair and transparent supplier relationships to manage costs and working capital. By consolidating purchases or renegotiating terms, a company can achieve better pricing and payment conditions.

These measures reflect an effort to manage operating expenses and reduce financing pressures. The Group indicates that sustainability and cost-efficiency programmes are ongoing, suggesting that such initiatives will continue into the next financial year.

- (b) Non-current liabilities remained relatively stable (RM10.46 million to RM10.15 million). The report notes that the Group maintains a sound risk management and internal control framework, overseen by the Audit and Risk Management Committee. This includes:

- Regular review of credit facilities and debt structure.
- Focus on sustainable financial performance to meet long-term commitments.
- Strategic restructuring and operational streamlining aimed at enhancing liquidity.

In essence, the Group plans to manage long-term debt through prudent governance, maintaining stable borrowing levels, and focusing on generating sustainable cash flows.

- (c) Despite lower liabilities, the Group posted continued losses. The Annual Report outlines several measures being taken to address this:

1. Business Rationalisation – focusing on core segments such as real estate & warehouse services, industrial plastics, and GP-branded automotive products.
2. Operational Efficiency – minimising production defects, warranty claims, and scraps while improving productivity and customer satisfaction.
3. Waste & Energy Management – adopting the 3Rs (Reduce, Reuse, Recycle) and efficiency programmes to cut operating costs.
4. Talent & Workforce Management – succession planning, employee engagement, and skill development to support stronger execution.
5. Governance & Risk Controls – embedding anti-corruption, sustainability practices, and stricter oversight of financial performance.
6. Fiscal Responsibility: Management is focused on maintaining liquidity and funding operational readiness instead of declaring dividends. The report notes that the reduction in liabilities, despite continued losses, suggests tighter cost and debt control.

These measures aim to improve cost efficiency, strengthen governance, and align operations with sustainable business strategies, ultimately to mitigate recurring losses.

Question 2

The Group reported a net decrease in cash and cash equivalents of RM8.88 million in FYE 2025. This was mainly due to acquisition of investment properties amounting to RM4.5 million, placement of fixed deposits totalling RM8.32 million, and loan repayments of RM0.86 million. These outflows were partially offset by net cash generated from operating activities of RM5.02 million and interest income of RM1.31 million. (Source: Page 11 of AR 2025).

- (a) What was the Group justification for proceeding with the RM4.5 million property investment despite the Group recording a negative cash flow position?
- (b) Given the net cash outflow of RM8.88 million, has the Group implemented contingency plans to maintain adequate liquidity in the event of a decline in operating cash flow?
- (c) How sustainable is the net cash generated from operating activities amounting to RM5.02 million, given the operational conditions? Are there any planned capital expenditure projects that could impact future cash flows?

Answer 2

- (a) The target timeline for commencement of operations was stated as below:

The Group proceeded with the RM4.5 million acquisition of investment properties as part of its long-term strategy to diversify assets and strengthen recurring income streams. Despite the overall net cash outflow, the property investment is seen as a strategic allocation of capital into income-generating assets that are expected to enhance the Group's future financial resilience. The decision reflects management's view that building a stronger asset base will provide capital appreciation and stable rental returns, offsetting short-term cash pressures.

- (b) To mitigate the risk of reduced operating cash inflows, the Group has adopted several liquidity management measures, including:
 - Maintaining fixed deposits (RM8.32 million placed), which can be mobilised if required to support cash needs.
 - Tightening cost controls and procurement practices to manage working capital more efficiently.
 - Continuous review of borrowing structures and credit facilities to ensure access to financing when necessary.
 - Ongoing monitoring under the risk management framework, overseen by the Audit and Risk Management Committee, to identify early liquidity risks and act pre-emptively.

These contingency steps are aimed at preserving liquidity buffers while balancing investment commitments.

- (c) The RM5.02 million net cash generated from operating activities demonstrates that the Group's core operations are cash-positive, despite reporting an accounting loss of RM11.31 million. This reflects effective working capital management, cost reduction measures, and disciplined credit control. However, the sustainability of this inflow is dependent on stabilising revenue streams and maintaining cost efficiency.

Looking ahead, the Group has indicated ongoing commitments to:

- Sustainability initiatives (e.g., energy efficiency, waste reduction) to lower operating expenses.
- Targeted capital expenditure projects, such as investments in real estate and operational assets, which could temporarily increase outflows but are intended to enhance long-term revenue generation.

- Continued emphasis on operational rationalisation to focus on profitable business lines (real estate & warehouse services, industrial plastics, and GP-branded products).

Thus, while operating cash flow remains positive, future capital expenditure will need to be carefully aligned with the Group's liquidity management strategy to avoid renewed cash flow strain.

Question 3

Based on JOE's reply letter dated 26 August 2024 to MSWG's question raised in the previous AGM regarding the target timeline for commencement of glove manufacturing activities, please update shareholders on the status and progress since last year. Is the commencement of operational testing for the glove manufacturing on track or the Group foresees any further delay?

Answer 3

Progress has been made in both infrastructure and licensing aspects, and the project continues to move forward in phases. However, the overall timeline remains dependent on sequential completion of each stage as well as regulatory approvals. While management is committed to advancing the project as planned, it is premature at this juncture to set a firm operational testing or completion date. The Group will continue to closely monitor developments and provide shareholders with timely updates should there be any material changes to the schedule.

Question 4

GP Autobat Sdn. Bhd. ("GPA"), a subsidiary of the Group, is involved in ongoing litigation with Battery Solutions Sdn. Bhd. ("BSSB") over an alleged breach of contract valued at RM1.21 million. Although the High Court initially ruled against GPA in 2016, the Court of Appeal overturned the decision in 2018. BSSB later obtained leave to appeal to the Federal Court, which in 2021 allowed the appeal and referred the matter back to the High Court for damage assessment. BSSB is claiming RM1.96 million in damages, while GPA's expert estimates the liability at RM99,713. The final decision by the High Court remains pending. (Source: Page 146 of AR2025).

- (a) Was the contract breach caused by internal problems or a change in business strategy?
- (b) To what extent has the lengthy legal dispute affected the Group's audit process and financial disclosures?
- (c) Given the uncertainty of the High Court's decision, has the Group assessed how each possible legal outcome (RM99,713, RM1.96 million, or any other sum) could impact its balance sheet and cash flow?

Answer 4

- (a) The alleged breach arose from contractual disagreements between GPA and BSSB. Based on available records, the matter is not attributable to a change in Group business strategy but instead relates to the interpretation and performance of contractual terms under dispute. Internal management continues to assert that GPA had fulfilled its obligations in accordance with the agreed terms, supported by the expert's independent assessment of damages.

- (b) The prolonged legal proceedings have required enhanced disclosures and audit review, particularly in the areas of contingent liabilities and provisions. In line with MFRS 137 (Provisions, Contingent Liabilities and Contingent Assets), the Group has continued to disclose the case as a contingent liability, with updates provided annually in the notes to financial statements. The external auditors have reviewed the case status, legal opinions, and management's assessment to ensure that disclosures are transparent and that no material misstatement arises. Importantly, the dispute has not materially hindered the completion of audits but has required additional scrutiny and disclosure for stakeholder transparency.
- (c) The Group has assessed the potential financial implications of different outcomes:
- If the Court accepts GPA's expert estimate (RM99,713): The financial impact will be minimal and can be absorbed through existing resources without material effect on the Group's balance sheet or cash flows.
 - If the Court rules in favour of BSSB's claim (RM1.96 million): While higher, this amount remains manageable relative to Group resources and liabilities. Adequate liquidity planning and risk management measures are in place to mitigate the impact.
 - If the Court rules any other sum: The Group will comply accordingly, with provisions to address the financial exposure as required by accounting standards.

Overall, management is confident that the litigation does not pose a significant threat to the Group's going concern position. The Group continues to monitor the case closely and will update shareholders in the event of any material developments.

Sustainability Matter

Question 5

Internally, the Group has implemented proactive initiatives to reduce overall energy consumption, particularly in relation to lighting. A phased conversion to energy-efficient LED lighting has commenced across office premises and corridors, aimed at improving energy efficiency and reducing carbon footprint. In addition, awareness initiatives have been introduced to encourage employees to switch off lighting, air-conditioning systems, and computers when not in use.

During the financial year, total electricity consumption amounted to 515,097 megawatt (MW). (Source: Page 25 of AR2025).

- (a) Given the efforts to reduce energy use through LED conversions and awareness, what factors led to the rise in total energy consumption from 501.37 MW to 515.10MW?
- (b) What percentage of the Group's facilities has completed the LED lighting conversion to date? Has the Group set a target date for completing the conversion across all locations?

Answer 5

- (a) Despite ongoing efficiency initiatives, the rise in energy usage was mainly due to:
- Higher operational activity levels across certain subsidiaries compared to the previous year, resulting in increased energy demand.

- Additional equipment and extended working hours in some facilities to support business operations.
- The phased nature of LED conversion, where not all sites had transitioned to energy-efficient systems within the reporting year.

These factors outweighed the early savings from the LED conversion and awareness programmes, leading to a modest increase in overall consumption.

- (b) To date, the LED conversion has been implemented across a portion of the Group's facilities, including selected office premises and corridors. The exercise is being rolled out in phases to balance capital expenditure with operational requirements. While a full percentage of completion is not disclosed in the report, management confirms that the programme is ongoing. A Group-wide target timeline for completion has been set internally, with priority given to high-usage facilities, and progress updates will continue to be provided in subsequent reports once milestones are reached.

The Meeting Chairman had concluded the questions from and the corresponding replies to MSWG and then proceeded to the agendas of the Meeting.

1. AUDITED FINANCIAL STATEMENTS (AFS) FOR THE FYE 2025 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.

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

2. RE-ELECTION OF MR. YEE YIT YANG AS DIRECTOR WHO RETIRES PURSUANT TO CLAUSE 98 OF THE COMPANY'S CONSTITUTION

Ordinary Resolution 1 on the proposed re-election of Mr. Yee 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 ENCIK AHMAD NASIRRUDDIN BIN HARUN AS DIRECTOR WHO RETIRES PURSUANT TO CLAUSE 105 OF THE COMPANY'S CONSTITUTION

Ordinary Resolution 2 on the proposed re-election of Encik Ahmad as Director of the Company who retires pursuant to Clause 105 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

4. RE-ELECTION OF DATO' NIK ISMAIL BIN DATO' NIK YUSOFF AS DIRECTOR WHO RETIRES PURSUANT TO CLAUSE 105 OF THE COMPANY'S CONSTITUTION

Ordinary Resolution 3 on the proposed re-election of Dato' Nik as Director of the Company who retires pursuant to Clause 105 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

5. PAYMENT OF DIRECTORS' FEES AMOUNTING TO RM600,000 TO THE DIRECTORS OF THE COMPANY FROM THE DATE OF 26TH AGM UP TO THE CONCLUSION OF THE 27TH AGM

Ordinary Resolution 4 on the proposed payment of Directors' Fees amounting to RM600,000 to the Directors of the Company from the date of 26th AGM up to the conclusion of the 27th AGM.

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

6. PAYMENT OF DIRECTORS' BENEFITS TO THE DIRECTORS OF THE COMPANY UP TO AN AMOUNT OF RM80,000 FROM THE DATE OF 26TH AGM UP TO THE CONCLUSION OF THE 27TH AGM

Ordinary Resolution 5 on the proposed payment of Directors' benefits to the Directors of the Company up to an amount of RM80,000 from the date of 26th AGM up to the conclusion of the 27th AGM.

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

7. RE-APPOINT MESSRS SBY PARTNERS PLT (SBY) 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

Ordinary Resolution 6 on the proposed re-appointment of SBY 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 before the Chairman proceeded to next agenda of the Meeting.

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

8. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (CA 2016) (PROPOSED GENERAL MANDATE)

The Meeting Chairman informed that the following motion was tabled for consideration as **Ordinary Resolution 7**.

"THAT subject always to Sections 75 and 76 of the CA 2016, the Constitution, the MMLR of Bursa Securities 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 27th 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.”

9. 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

The Shareholder asked referring to the Company’s Annual Report page 3, even though the losses were going down, the Company was still making losses. Last year, the Company mentioned it would monitor the situation, but nothing had improved. The Corporate Exercise of Rights Issue and Share Capital Reduction had already been done, but the Company’s performance still no improvement.

What was the Company going to do about this? The Company had been around since 1999, and it should not have fallen into PN17. The Directors could have done better. The share price on 4 September 2020 was RM1.94, but by today it was only RM0.05. This was terrible, and hopefully things could have been better.

Response to Question 1

Meeting Chairman

First of all, the share price was not under the Directors’ control, as it is depended on market sentiment. The Board had tightened all controls, and while the improvement was not very significant yet, progress was being made.

The Meeting Chairman informed that they were the new Board of the Company and they remained fully committed. The Meeting Chairman informed that the assets had increased, and the liabilities were slowly decreasing.

Question 2

The Shareholder asked could the Board explain how the upcoming plans are expected to impact the Group's cost structure and operational performance?

Response to Question 2**Meeting Chairman**

The Group had been exploring some suitable technologies and continuously assessing opportunities to enhance cost efficiency and strengthen cost control measures. These initiatives were still under review and had yet to be finalised. The Meeting Chairman stated that further updates would be provided once a clear direction had been determined.

After dealt with the questions from the members/proxies, the 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.

The Meeting Chairman then adjourned the Meeting for 15 minutes to 20 minutes for the poll votes to be counted by the Poll Administrator in the presence of the appointed Scrutineer.

The Meeting resumed and the representative of the Scrutineer submitted the report of the results to the Meeting Chairman. Scrutineer was invited to read out the result of the Meeting.

RESULT OF THE POLL VOTES ON RESOLUTIONS TABLED AT THE 26TH AGM ON 27 AUGUST 2025

The result of the poll which was as follows:

Resolutions	Voted For			Voted Against		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
Ordinary Resolution 1 To re-elect Mr. Yee Yit Yang as Director who retires pursuant to Clause 98 of the Company's Constitution and who being eligible, has offered himself for re-election.	7	76,204,277	100%	0	0	0
Ordinary Resolution 2 To re-elect Encik Ahmad Nasirruddin Bin Harun as Director who retires pursuant to Clause 105 of the Company's Constitution and who being eligible, has offered himself for re-election.	7	76,204,277	100%	0	0	0
Ordinary Resolution 3 To re-elect Dato' Nik Ismail Bin Dato' Nik Yusoff as Director who retires pursuant to Clause 105 of the Company's Constitution and who being eligible, has offered himself for re-election.	7	76,204,277	100%	0	0	0

JOE HOLDING BERHAD**Registration No. 199901018997 (493897-V)***Minutes of the 26th Annual General Meeting held on 27 August 2025**Page 11/-*

Resolutions	Voted For			Voted Against		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
Ordinary Resolution 4 To approve the payment of Directors' fees amounting to RM600,000 to the Directors of the Company from the date of 26th AGM up to the conclusion of the 27th AGM.	6	76,194,237	99.9999	2	40	0.0001
Ordinary Resolution 5 To approve the payment of Directors' benefits to the Directors of the Company up to an amount of RM80,000 from the date of 26th AGM up to the conclusion of the 27th AGM.	6	76,194,237	99.9999	2	40	0.0001
Ordinary Resolution 6 To re-appoint Messrs. SBY Partners PLT 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.	7	76,204,277	100%	0	0	0
Ordinary Resolution 7 Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016.	7	76,204,277	100%	0	0	0

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 11.45 a.m. with a vote of thanks to the Chair.

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

KOO KIEN YOON
Chairman of the Meeting

Date: 27 August 2025