

AYS VENTURES BERHAD
Registration No. 201001041243 (925171-T)
(Incorporated in Malaysia)

MINUTES OF THE ELEVENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON A FULLY VIRTUAL BASIS THROUGH ONLINE MEETING PLATFORM OF TIIH ONLINE PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD IN MALAYSIA VIA ITS WEBSITE [HTTPS://TIIH.ONLINE](https://tiih.online) ON TUESDAY, 19 JULY 2022 AT 9.30 A.M.

Present: **Directors**
Tuan Haji Mohd Sharif Bin Haji Yusof
Mr Oh Chiew Ho
Ms Oh Pooi Foon
Mr Oh Yung Sim
Ms Seow Nyoke Yoong
En Mohamad Fazlin Bin Mohamad
Dato' Wan Hashim Bin Wan Jusoh

Shareholders
As per participant list

In Attendance: Ms Leong Oi Wah (Company Secretary)

By Invitation: Ms Tay Yew Thiam (Chief Financial Officer)
Ms Tan Veer Leen (Grant Thornton Malaysia PLT)

AGM11/1 PRELIMINARY

Tuan Haji Mohd Sharif Bin Haji Yusof, the Chairman of the Company welcomed all present to the Meeting.

AGM11/2 QUORUM

The requisite quorum of two (2) members being present pursuant to Article 69 of the Company's Constitution, the Chairman declared the Meeting duly convened at 9.30 a.m.

AGM11/3 NOTICE OF MEETING

The Notice of Meeting, having been previously circulated to all Members and duly advertised in New Straits Times newspaper on 20 June 2022 was taken as read.

AGM11/4 INTRODUCTION TO REMOTE PARTICIPATION AND ELECTRONIC VOTING

The Chairman informed that the Company had appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator and Asia Securities Sdn Bhd as Independent Scrutineer of the Meeting to verify the poll results of the Meeting.

The Poll Administrator was then invited to brief the Members on the administrative matters on how to raise questions and voting by poll over the virtual platform.

AGM11/5 PRESENTATION BY COMPANY AND QUESTIONS FROM THE MINORITY SHAREHOLDERS WATCH GROUP

Ms Oh Pooi Foon briefed the Members on the Group's performance for financial year ended 31 March 2021 and the outlook of the Group. She also informed that the Minority Shareholders Watch Group (MSWG) had sent in some questions to the Board and she presented the questions raised by MSWG with the Company's responses which are listed out in the Appendix A attached to this minutes.

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AGM11/6 AUDITED FINANCIAL STATEMENTS AND REPORTS OF THE DIRECTORS AND AUDITORS

The Audited Financial Statements for the financial year ended 31 March 2022 together with the Reports of the Directors and Auditors thereon, which had been previously circulated to Members within the prescribed period were tabled for discussion.

The Chairman informed that the Board would endeavour to address any questions posted on the audited financial statements including relevant matters related to the Meeting after all the 11 resolutions in the agenda for the 11th AGM were duly tabled.

AGM11/7 FINAL DIVIDEND

The Chairman informed the Members that the Board of Directors had recommended the payment of a final dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 March 2022.

The Chairman then tabled the motion "THAT the payment of a final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 March 2022 be approved".

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM11/8 RE-ELECTION OF DIRECTOR - MR OH CHIEW HO

The Chairman informed the Meeting that the next agenda was to re-elect the retiring Directors namely Mr Oh Chiew Ho and Mr Oh Yung Sim who were retiring pursuant to Article 112 of the Company's Constitution.

The Chairman proposed the motion "THAT Mr Oh Chiew Ho, retiring in accordance with Article 112 of the Company's Constitution, be and is hereby re-elected as a director of the Company."

The Chairman informed the Meeting that a shareholder present had seconded the motion and he put the motion to vote by poll.

AGM11/9 RE-ELECTION OF DIRECTOR - MR OH YUNG SIM

The Chairman informed the Meeting that Mr Oh Yung Sim would also be retiring in accordance to Article 112 of the Company's Constitution. He then proposed the motion "THAT Mr Oh Yung Sim, retiring in accordance with Article 112 of the Company's Constitution, be and is hereby re-elected as a director of the Company."

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM11/10 DIRECTORS' FEES

The Chairman then tabled the motion for the payment of Directors' Fees not exceeding RM600,000.00 for the period from August 2022 till July 2023. He informed the Members that the fees are only paid after the Director has served his or her term.

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The Chairman proposed the motion "THAT the payment of Directors' Fees not exceeding RM600,000.00 for the period from August 2022 to July 2023 be approved."

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM11/11 MEETING ATTENDANCE ALLOWANCES

The next agenda was to seek Members' approval on the payment of meeting attendance allowances of RM1,000.00 per meeting day for each Independent Director for the period from August 2022 to July 2023.

The Chairman proposed the motion "THAT the payment of meeting attendance allowances of RM1,000.00 per meeting day for each Independent Director for the period from August 2022 to July 2023 be approved."

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM11/12 RE-APPOINTMENT OF AUDITORS

The Chairman informed that the next agenda was to re-appoint Grant Thornton Malaysia PLT as Auditors of the Company for the ensuing year.

The Chairman proposed the motion "THAT Grant Thornton Malaysia PLT be re-appointed as Auditors of the Company for the ensuing year and the Board of Directors be authorised to fix their remuneration."

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM11/13 SPECIAL BUSINESS CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR - HAJI MOHD SHARIF BIN HAJI YUSOF

The Chairman informed the Meeting that he was interested in the next resolution and invited Ms Oh Pooi Foon to chair the proceedings.

Ms Oh Pooi Foon took over the chair and informed the Meeting that Tuan Haji Mohd Sharif Bin Haji Yusof, Ms Seow Nyoke Yoong and En Mohamad Fazlin Bin Mohamad had served as Independent Directors for more than 9 years. She said that in application of the best practices of the Malaysian Code on Corporate Governance, the Board wishes to seek the Members' approval for their continuation in office. Ms Oh Pooi Foon highlighted that if Resolutions No. 7, 8 and 9 were not carried Tuan Haji Mohd Sharif Bin Haji Yusof, Ms Seow Nyoke Yoong and En Mohamad Fazlin Bin Mohamad would be re-designated as Non-Independent Directors.

Ms Oh Pooi Foon proposed the motion "THAT approval be and is hereby given to Tuan Haji Mohd Sharif Bin Haji Yusof who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

The motion being seconded, Ms Oh Pooi Foon put the motion to be voted on by poll.

Ms Oh Pooi Foon then handed the chair back to the Chairman.

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AGM11/14 SPECIAL BUSINESS
CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR
- SEOW NYOKE YOONG

The Chairman proposed the motion "THAT approval be and is hereby given to Ms Seow Nyoke Yoong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM11/15 SPECIAL BUSINESS
CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR
- MOHAMAD FAZLIN BIN MOHAMAD

The Chairman proposed the motion "THAT approval be and is hereby given to En Mohamad Fazlin Bin Mohamad who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM11/16 AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE
COMPANIES ACT 2016

The Chairman informed that the next item on the agenda was to approve the ordinary resolution in respect of the authority for the Directors to allot new shares pursuant to Sections 75 and 76 of the Companies Act 2016.

The Chairman proposed for the Resolution 10 as set out in the Notice of Meeting be put to vote.

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM11/17 PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES
OF UP TO 10% OF THE ISSUED AND PAID-UP SHARES CAPITAL ("PROPOSED
SHARES BUY-BACK")

The Chairman informed the Shareholders that the final item on the agenda was in relation to the approval on the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital.

The Chairman proposed for the Resolution 11 as set out in the Notice of Meeting be put to vote.

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM11/18 QUESTION & ANSWER (Q&A) SESSION

The Chairman informed that the Board will try and answer all the questions and where similar questions are raised by different Members, the Company would combine them. He added that the Q&A would also be published in the Company's website for the Members' information.

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The questions raised were addressed by Ms Oh Pooi Foon and the Company Secretary which are listed out in the Appendix B attached to this minutes.

AGM11/19 REMOTE ELECTRONIC VOTING

There being no further questions, the Chairman moved to the voting session. He informed that he had been appointed to act as proxy for a number of shareholders and he would vote in accordance with the instruction given. The Members were asked to cast their votes online if they had not done so earlier.

The Chairman then announced that the Meeting would be adjourned at 10.35 a.m. for the counting of votes and would resume once the counting of the votes were completed.

AGM11/20 RESULTS OF POLL

The Chairman reconvened the Meeting at 10.51 a.m. He informed that the Independent Scrutineers had advised him of the results of the poll and the same was shown on the screen for the Members' information. The results announced were as follows:

Ordinary Resolution	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
Resolution 1	265,794,021	99.9999	5	0
Resolution 2	265,782,018	99.9954	12,008	0.0045
Resolution 3	265,781,730	99.9953	12,296	0.0046
Resolution 4	1,021,558	99.9698	54,108	5.0301
Resolution 5	265,770,918	99.9954	12,108	0.0045
Resolution 6	265,792,018	99.9999	8	0
Resolution 7	265,772,918	99.9954	12,108	0.0045
Resolution 8	265,770,918	99.9954	12,108	0.0045
Resolution 9	265,772,918	99.9954	12,108	0.0045
Resolution 10	265,693,018	99.9627	99,008	0.0372
Resolution 11	265,783,021	99.9966	9,005	0.0033

The Chairman then declared that Ordinary Resolutions 1 to 11 were carried and **RESOLVED:-**

- Resolution 1** *"THAT the payment of a final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 March 2022 be approved."*
- Resolution 2** *"THAT Ms Oh Chiew Ho, retiring in accordance with Article 112 of the Company's Constitution, be and is hereby re-elected as a director of the Company."*
- Resolution 3** *"THAT Mr Oh Yung Sim, retiring in accordance with Article 112 of the Company's Constitution, be and is hereby re-elected as a director of the Company."*
- Resolution 4** *"THAT the payment of Directors' Fees not exceeding RM600,000.00 for the period from August 2022 to July 2023 be approved."*
- Resolution 5** *"THAT the payment of meeting attendance allowances of RM1,000.00 per meeting day for each Independent Director for the period from August 2022 to July 2023 be approved."*
- Resolution 6** *"THAT Grant Thornton Malaysia PLT be re-appointed as Auditors of the Company for the ensuing year and the Directors be authorised to fix their remuneration."*

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- Resolution 7* *"THAT approval be and is hereby given to Tuan Haji Mohd Sharif Bin Haji Yusof who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."*
- Resolution 8* *"THAT approval be and is hereby given to Ms Seow Nyoke Yoong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."*
- Resolution 9* *"THAT approval be and is hereby given to En Mohamad Fazlin Bin Mohamad who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."*
- Resolution 10* *"THAT pursuant to Section 75 and 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Capital of the Company from time to time upon and such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the issued share capital of the Company for the time being 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 the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."*
- Resolution 11* *"THAT the Company be and is hereby authorized to purchase such amount of ordinary shares in the Company ("AYS Shares") as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of AYS Shares purchased pursuant to this resolution or held as treasury shares does not exceed ten percent (10%) of the total issued and paid-up shares capital of the Company at the time of purchase.*

THAT the maximum amount of funds to be utilized for the purpose of the Proposed Share Buy-Back shall not exceed the Company's aggregate retained profits and/or share premium account;

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion, as may be permitted and prescribed by prevailing laws, rules, regulations, orders and guideline and requirements issued by any relevant authorities for the time being in force to deal with any AYS Shares so prescribed by the Company in the following manner:-

- (i) to cancel the AYS Shares so purchased; or*
- (ii) to retain the AYS Shares so purchased as treasury shares for distribution as share dividends to the shareholders of AYS and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently; or*
- (iii) combination of (i) and (ii) above ;*

THAT the authority conferred by this resolution will be effective immediately from the passing of this Ordinary Resolution until:-

- (i) the conclusion of the Company's next AGM following the general meeting at which such resolution was passed at which time the authority would be lapse unless renewed by ordinary resolution;*
- (ii) the passing of the date on which the Company's next AGM is required by law to be held; or*

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(iii) the authority is revoked or varied by ordinary resolution that the shareholders pass in general meeting;

whichever occurs first.

AND THAT the Directors be and are hereby authorised to take all steps as are necessary and/or such acts and things as the Directors deem fit and expedient in the interest of the Company to give full effect to the aforesaid Proposed Share Buy-Back with full powers to assent to any condition, modification, variation and/or amendment (if any) as may be imposed by the relevant authorities."

AGM11/21

CONCLUSION

There being no further business, the Chairman thanked the members present for their attendance and declared the Meeting closed at 10.52 a.m.

CHAIRMAN

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APPENDIX A**RESPONSES TO QUESTIONS FROM MINORITY SHAREHOLDERS WATCH GROUP**

No.	Questions	Response
1.	<p>In FY2022, AYS recorded a profit after tax (PAT) of RM116,524,000 (FY2021: PAT of RM24,572,000), with all business segments reporting profitable results (Page 96 & Page 156 of the Annual Report 2022).</p> <p>(a) Is the good performance sustainable in FY2023?</p> <p>(b) What is the outlook for the financial performance of the Group's business segments in FY2023?</p>	<p>(a) FY 2022 has been an exceptional year for AYS. We have achieved a remarkable profit compared to FY 2021 primarily driven by rising global steel prices throughout 2021 resulting from many factors such as supply chain disruptions and supply constrictions, inflated shipping and logistics costs, rising cost of raw materials and energy costs as well as the impact from geopolitical factors such as Russia-Ukraine war. For the FY 2023, the Board is of the view that economic conditions remain challenging and competitive, thus we may not be able to achieve the same performance result as per FY2022.</p> <p>(b) The outlook for the financial performance of AYS in the FY 2023 remains challenging and it depends on the performance of global and domestic economies, volatility in the markets, government's policies and initiatives and how quickly businesses can recover. Nevertheless, we cautiously optimistic that our performance in the FY 2023 will remain positive.</p>
2.	<p>There is an impairment loss on trade receivables of RM3,912,000 in FY2022 (FY2021: RM1,260,000) (Page 99 of the Annual Report 2022).</p> <p>(a) Is the amount recoverable? If so, what are the measures taken to recover the receivables?</p> <p>(b) What is the expected amount to be recovered in FY2023?</p>	<p>We have taken proper actions to provide doubtful debts and recognised allowance for expected credit loss on trade receivables using a provision matrix with reference to historical credit loss experience. We expect the amount will be recoverable but we are unable to forecast the amount at this point of time.</p> <p>AYS has credit control policy and credit control teams in place to properly control and assess our credit risk on an ongoing basis.</p> <p>The measures taken to recover the allowance for expected credit loss are as follow:</p> <p>(i) Initiate discussions and offer possible solutions for repayment; and</p> <p>(ii) Legal proceeding to recover the debts, if any.</p>

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No.	Questions	Response
3.	<p>Capacity utilisation rate</p> <p>(a) What is the previous and current capacity utilisation rate for the Group's plant?</p> <p>(b) What is the targeted capacity utilisation rate that AYS expects for its plant in FY2023?</p>	<p>The optimum capacity of purlin plant and service centre are at 66.67% and 83.3% respectively of the designed production capacity.</p> <p>The planned utilization rate for the purlin plant will be around the optimum capacity and the Service Centre plant will be around 20% - 30% of the optimum capacity.</p>
4.	<p>Moving into FY2023, the Board remains committed to transition to more effective and sustainable solutions to optimise AYS's businesses (Page 21 of the Annual Report 2022).</p> <p>(a) Please elaborate further on the commitment to transition to more effective and sustainable solutions to optimise AYS's businesses.</p> <p>(b) What specific initiatives have been taken and what is the current progress?</p>	<p>(a) As Covid-19 hit the nation and the world in 2020, majority of the businesses forced to halt their business operation, especially those labour intensified sectors. AYS has not been spared as well. Hence, AYS has committed to invest more on digitalisation, to enable us to continue connecting with our employees, suppliers, customers, financiers and regulators so that we could reflect their views and values into our decision making.</p> <p>Besides that, AYS strongly believes in knowledge development, where we try to encourage our employees to enroll to some trainings or courses so that they are well equipped with latest technology and knowledge.</p> <p>Furthermore, AYS has acquired a piece of vacant land measuring 23.51 acres in Bukit Kerayong, Klang to allow AYS to expand its warehouse capacity and consolidate all our warehousing operations ("Warehouse Rationalisation Programme" in one single location. With this Warehouse Rationalisation Programme, we are emphasising on green building concept and improvement on operational efficiency to be more environmentally friendly.</p> <p>(b) We have set aside a budget to invest and enhance the digital platforms and infrastructures. As for training and development, we have established a team to plan an effective and efficient training schedules to adapt the new normal working environment.</p> <p>The new warehouse construction (Phase 1) is currently in-progress and is expected to be completed by March 2024.</p>

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No.	Questions	Response
5.	<p data-bbox="268 304 821 454">AYS has a holistic approach and takes courage and commitment to adhere to the Economic, Social, and Governance ("ESG") principles (Page 1 of the Annual Report 2022).</p> <p data-bbox="268 488 821 577">What are the ESG commitments that AYS has decided to meet in the next two financial years?</p>	<p data-bbox="853 304 1380 465">Sustainability has been a pillar of AYS' culture that we strike to achieve continuous growth and creating long-term values with stakeholders without compromising the needs of future generations.</p> <p data-bbox="853 499 1380 696">We are still in the midst of discussing our ESG or Sustainability target(s) for next two financial years. However, we ensure that our target(s) will be all-rounder, which covers majority of stakeholders to create a sustainable future for all.</p> <p data-bbox="853 730 1380 898">In July 2022, we have completed our renewable energy project of 125kWp Solar Panel system for sustainable environment which will increase the usage of renewable energy.</p>

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APPENDIX B**RESPONSES TO LIVE QUESTIONS FROM SHAREHOLDERS**

No.	Questions	Response
1.	<p>(a) What is the Company's future outlook?</p> <p>(b) Will the Board consider giving door gift such as e-voucher or e-wallet for AGM participants?</p>	<p>(a) The outlook for the financial performance of AYS remains challenging and there are uncertainties in the current business environment. We are cautiously optimistic about our Company's performance in the new financial year. However, the management are always in touch with the market and always have adaptive strategies to manage the business. With this adaptive and swift strategies, the Company is able to response to the market challenges in a swift manner.</p> <p>Despite all the challenges. we are still seeing positive sight, whereby there are still projects in the market, especially from foreign direct investment.</p> <p>Besides, in Singapore, the construction activities have resumed and remained robust after Singapore has entered into endemic phase.</p> <p>(b) In regards to the E-Vouchers or E-wallet, as per previous practice, the Company does not give door gift. Instead, this year, we will be giving a final dividend of 1 sen per ordinary shares.</p>
2.	<p>Would high inventory loss due to reduced prices recently occur?</p>	<p>The management is still uncertain about how long will the steel prices fall. We will be encountering costs pressure in term of the selling price against our cost of inventories.</p> <p>We will continue to monitor the situation as we are always in touch with the market trends and movement.</p> <p>With the strong support from our suppliers and loyal customers, we have always optimise our inventory management in order to achieve competitive cost.</p> <p>We believe that the Company is still able to deliver and maintain a positive performance in the near term.</p>