

JASA KITA BERHAD

(Company No. 239256-M) (Incorporated in Malaysia)

Minutes of the 31st Annual General Meeting of the Company conducted fully virtual through live streaming at the Broadcast Venue at the Conference Room, 29th Floor, Menara JKG, No. 282, Jalan Raja Laut, 50350 Kuala Lumpur on Wednesday, 6 September 2023 at 10.30 a.m.

Board members present	: <u>Board of Directors</u> Tan Sri Dato' Tan Hua Choon Mr Boon Shi Hou Dato' Ismail bin Hamzah Datin Tan Ching Ching En Minhat Bin Mion Mr Woo Hin Weng	<i>(Executive Chairman)</i> <i>(Executive Director)</i> <i>(Independent Non-Executive Director)</i> <i>(Executive Director)</i> <i>(Independent Non-Executive Director)</i> <i>(Non-Independent Non-Executive Director)</i>	} Present at Broadcast Venue } Attended via video conferencing
Absent with apologies	: Dato' Sri Tan Han Chuan		
By Invitation	: Dato' Thor Poh Seng Ms Lu Sew Woi Ms Ng Chew Pei Mr Tony Teow Thong Ying Ms Lee Siew Li	<i>(Advisor, Corporate & Strategic Planning)</i> <i>(Group Accountant)</i> <i>(Messrs PKF PLT)</i> <i>(Tricor Investor & Issuing House Services Sdn Bhd)</i>	} Present at Broadcast Venue } Attended via video conferencing
Members and Proxies present	: As per attendance lists		} Attended via video conferencing
In Attendance	: Ms Chong Siew Duan	<i>(Company Secretary)</i>	

CHAIRMAN OF MEETING

The Meeting began with welcome address from Mr Boon Shi Hou ("Mr Boon") to all who were present at the Broadcast Venue and who joined the Meeting through live streaming, via the Remote Participation and Voting Facilities ("RPV"). Mr Boon explained that as a continuing precautionary measure in relation to the COVID-19 situation, the Board had decided to convene the 31st Annual General Meeting ("31st AGM") in a fully virtual manner at the Broadcast Venue, the registered office of the Company.

Mr Boon informed the members and proxies present that he was requested by Tan Sri Dato' Tan Hua Choon, Chairman of the Board, to chair the Meeting on his behalf. Mr Boon also extended apologies on behalf of Dato' Sri Tan Han Chuan for not being able to attend the meeting due to other official engagement.

The attendance of the 31st AGM was restricted to members, proxies and authorised representatives of corporate shareholders who have registered to join the meeting remotely.

QUORUM

Upon confirmation with the Secretary that a quorum was present, the Chairman declared that the meeting could proceed to business.

NOTICE OF MEETING

On the proposal of the Chairman and with the permission of the members present, the notice convening the meeting having been despatched to the members on 28 July 2023 was taken as read.

VOTING PROCEDURE

At the outset, the Chairman informed the members and proxies present that in accordance with the Bursa Malaysia's Listing Requirements, any resolution set out in the notice of any general meeting was required to be voted by poll. He then briefed the members and proxies present regarding the flow of the Meeting and procedures for poll voting via RPV. To facilitate the polling process, the Company had appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator, and Mr Eng Boon Kiat, a qualified member of Certified Practising Accountant (CPA) Australia as the Independent Scrutineer to scrutinise the polling process and to validate votes cast at the Meeting.

Prior to commencing the agenda item of the Meeting, the representative from Tricor was invited to explain the voting procedures and ways to raise question through RPV application.

ITEM 1 OF AGENDA

- AUDITED FINANCIAL STATEMENTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

Members and proxies present at the Meeting were informed that in accordance with Sections 248(2) and 340(1)(a) of the Companies Act 2016, the Directors of the Company were required to lay before the members of the Company at the Meeting the Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2023, together with the Reports of the Directors and Auditors thereon. As the provision for the said Sections did not require an approval of the members for the Audited Financial Statements, the first item of the Agenda was for discussion and clarification only and not put forward to the members for voting.

ORDINARY RESOLUTION 1

- PAYMENT OF DIRECTORS' FEES FROM 1 OCTOBER 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY

The members and proxies noted that the total fees payable to the Non-Executive Directors ("NEDs") for their services rendered to the Company for the 12-month period from 1 October 2023 until the next AGM of the Company was RM36,000.00. The proposed resolution was to facilitate the payment of Directors' fees after each month of completed service of the NEDs for the period commencing from 1 October 2023 until the next AGM of the Company, assuming that all the NEDs would hold office until the next AGM to be held latest by September 2024.

The Chairman then put the following motion to the Meeting for consideration:-

"THAT the payment of Directors' fees of up to RM36,000 from 1 October 2023 until the next AGM of the Company be approved."

ORDINARY RESOLUTION 2
- RE-ELECTION OF DATIN TAN CHING CHING

The Chairman put the following motion to the Meeting for consideration:-

“THAT Datin Tan Ching Ching, retiring in accordance with Article 98 of the Company’s Constitution, be re-elected as a Director of the Company.”

ORDINARY RESOLUTION 3
- RE-ELECTION OF MR WOO HIN WENG

The following motion was put to the Meeting for consideration :-

“THAT Mr Woo Hin Weng, retiring in accordance with Article 98 of the Company’s Constitution, be re-elected as a Director of the Company.”

ORDINARY RESOLUTION 4
- RE-APPOINTMENT OF MESSRS PKF PLT AS AUDITORS OF THE COMPANY

The members and proxies were informed that Messrs PKF PLT had indicated their willingness to accept re-appointment as auditors of the Company and to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors.

The following motion was then put to the Meeting for consideration by the Chairman:-

“THAT Messrs PKF PLT be hereby re-appointed as auditors of the Company to hold office until the conclusion of the next Annual General Meeting AND THAT the Directors be authorised to fix their remuneration.”

SPECIAL BUSINESS

ORDINARY RESOLUTION 5
- PROPOSED RETENTION OF EN MINHAT BIN MION AS INDEPENDENT NON-EXECUTIVE DIRECTOR

The members and proxies were briefed that in line with the Malaysian Code on Corporate Governance (“the Code”), the Nomination Committee of the Company had assessed the independence of En Minhat bin Mion (“En Minhat”), who had served as an Independent Non-Executive Director of the Company for a tenure of service exceeding a cumulative term of more than 9 years, and the Board concurred with the Nomination Committee to retain En Minhat as an Independent Non-Executive Director of the Company and for the resolution to be voted through a two-tier voting process at the Company’s 31st AGM as required under the Code.

The Chairman explained to the members and proxies present that justifications for the proposed retention of En Minhat as an Independent Non-Executive Director of the Company were given on pages 24 and 25 of the Company’s 2023 Annual Report.

The following motion was then put to the meeting for vote by poll through a two-tier voting process :-

“THAT En Minhat bin Mion be retained as an Independent Non-Executive Director of the Company.”

OTHER ORDINARY BUSINESS

The Chairman informed the members and proxies that the Company had not received any notice of other business. The Chairman then proceeded to the Questions & Answers session.

QUESTIONS & ANSWERS (“Q&A”) SESSION

The Chairman informed that the Company had on 21 August 2023 received a letter from the Minority Shareholders Watch Group (MSWG) who raised some questions on Operational and Financial Matters. The Chairman then presented to the members the responses from the Board to the questions raised by MSWG, which were also projected on the screen for the benefit of the participants. The MSWG Q&A are given herewith as Appendix A.

The Chairman and Directors present proceeded to address the questions posed by members and proxies, which Q&A were summarized as follows :-

The following questions from Mr Teh Kian Lang, a member, were duly answered by the Chairman :-

- a) Drawing reference from the Review of Performance disclosure in the recent quarterly results of the Group, on whether the compliance issue faced by a major customer could be resolved, and whether it would lead to losses for the Group, the Chairman replied that the major customer had since resolved its compliance issue, and the goods ordered were being delivered to the said customer on staggered basis.
- b) On business outlook of the Group for the next 6 months and impact of inflation to the Group’s business, the Chairman replied that despite the challenging and uncertain economic outlook of the country for the current financial year, he opined the domestic business market sentiment could improve. The Group would consistently implement and improvise competitive marketing programmes, and aggressively promote its in-house brands to increase market share. The Group would also continue to focus on its business strategy of cautiously expanding its core business where feasible, constantly reviewing its operations to manage and mitigate the risks, and ride on positive domestic market developments, to improve the Group’s overall financial performance in the coming quarters.

As the country was currently experiencing inflationary pressures, it was to be expected that it would affect purchasing power and hence sales performance in the longer term.

- c) On business strategy of the Group for the next 6 months, the Chairman replied that similar question was raised by the MSWG, which response had been read out to the floor earlier.
- d) On the Company’s cash management and any plan for merger & acquisition (“M&A”), the Chairman replied that the Group’s current cash reserves would be used for working capital for its existing business and any future new business. The relevant announcement would be made should there be any M&A.
- e) On any impairments of slow-moving inventories for the next 3 to 6 months, the Chairman replied that the necessary impairments of slow-moving stocks had been provided for in accordance with the Group provision policy, so as to reflect the actual realisable value of inventories in the financial statements.
- f) On whether these had been revaluation of the Group’s properties, the Chairman informed that revaluation had been carried out for the properties located at Setapak and Gombak in 2018. Future revaluation exercise would be carried out for the rest of the Group’s properties as at when required.

- g) On usage of properties located at Jalan Genting, Setapak and Gombak, the Chairman replied that the property located at Setapak was rented out, while the property located at Gombak was used by the Trading and Distribution Division as warehouse for trading products.
- h) With regard to the status of the Group's agency for Makita brand of products, the Chairman clarified that the Company was currently still selling Makita products. The brand owner had however appointed additional distributors/dealers for the Malaysian market. The loss of business in the Power Tools division was largely due to oversupply as there was a high number of new brands available in the market, in particular power tools from China which were priced very cheap.

Questions raised by Mr Ho Yueh Weng, a member, were duly answered by the Chairman as follows :-

- a) On ways to improve the Group's profitability; new business initiative going forward to ensure sustainable growth in view of declining revenue and earnings of the Group over the last few years and losses suffered by the Group for the recent quarters. The Chairman replied that similar question was raised by the MSWG, which response had been read out to the floor earlier.
- b) On online sales (via Lazada or Shopee) for the Company's products, the Chairman replied that the Company had implemented online sales since 2017. To another question on ways to deal with any imitation or passing off of the Company's products, the Chairman replied that products imitation seldom occur in the type of products sold by the Group. However, should there be any, the necessary action would be taken to resolve the issue.
- c) With regard to the Group's sales of bathroom products to its related companies which were involved in property development projects, the Chairman replied that those sales were currently not significant.

To the questions from Mr Teh Peng Tin, a member, on cost incurred for conducting the AGM in virtual manner, and on request for a printed copy of the Company's annual report, the Chairman replied that the cost incurred for convening the 31st AGM of the Company virtually was approximately RM10,000. On the request for a printed copy of the Company's annual report, the Chairman replied that members can refer to the Notification to the Shareholders ("the Notification") which was despatched to all members on 28 July 2023, wherein stated that members could log on to <https://tjih.online> and select "Request for Annual Report/Circular" under the "Investor Services". Members could also contact the Poll Administrator, Tricor Investor & Issuing House Services Sdn Bhd via telephone at 03-2783 9299 or via electronic mail : is.enquiry@my.tricorglobal.com for clarification.

In response to the question from Ms Teoh Hui Peng, a member, on any possible diversification into other business or acquisition of other companies, the Chairman replied that similar question was raised by the MSWG, which response had been read out to the floor earlier.

In response to the question from Ms Choo Yi Ling, the corporate representative of MSWG, on Dato' Sri Tan Han Chuan's attendance at this AGM, the Chairman replied that Dato' Sri Tan Han Chuan had sent his apologies to all present at the meeting for being unable to attend the AGM as he was currently travelling for per-arranged business meetings.

In response to the requests from other members and proxies for e-door gifts/e-voucher/Touch n Go e-wallet/food vouchers, the Chairman said he would refer the requests to the Board for consideration, for future general meetings.

After addressing all the questions posed by members and proxies via the query box, the Chairman announced that the members and proxies were given another one minute to pose their questions if any. As there were no further questions, the Chairman declared the Q&A session closed.

VOTING SESSION

After dealing with all items on the Agenda, all the five (5) Ordinary Resolutions were then put to vote by poll. The Chairman reminded members/ proxies to vote via the RVP as the voting session would be closed after 5 minutes.

Video on the remote voting instructions was played on the live streaming screen until the end of the voting session.

At 11.20 a.m., the Chairman announced that the voting session for the 31st AGM of the Company had ended. He informed that members and proxies' votes would be counted by the poll administrator and verified by the Independent Scrutineer.

The Chairman announced a break of 20 minutes to wait for the poll results.

DECLARATION OF RESULTS

At 11.40 a.m., the Chairman called the Meeting to order for the declaration of results. The results of the votes for all five (5) Ordinary Resolutions were projected on the screen, wherein the results read as follows:-

Resolutions	Vote "For"		Vote "Against"	
	No. of shares	%	No. of shares	%
Ordinary Resolution 1	221,034,886	99.9817	40,482	0.0183
Ordinary Resolution 2	221,050,986	99.9890	24,382	0.0110
Ordinary Resolution 3	221,000,986	99.9664	74,382	0.0336
Ordinary Resolution 4	221,050,986	99.9890	24,382	0.0110
Ordinary Resolution 5				
- Tier 1	181,306,580	100.0000	0	0.0000
- Tier 2	39,741,706	99.9319	27,082	0.0681

Based on the poll results, the Chairman declared that all the Ordinary Resolutions tabled at the meeting were carried.

CONCLUSION

The Chairman thanked all the members and proxies present for their support and participation. There being no further business, the meeting ended at 12.05 p.m. with a vote of thanks to the Chair.

CONFIRMED AS TRUE AND
CORRECT RECORD



BOON SHI HOU
Chairman

Kuala Lumpur
Date: 3 October 2023

JASA KITA BERHAD

Registration No. 199201007753 (239256-M)

31st ANNUAL GENERAL MEETING HELD ON 6 SEPTEMBER 2023

MINORITY SHAREHOLDERS WATCH GROUP (“MSWG”)

QUESTIONS AND ANSWERS

Operational & Financial Matters

MSWG Q1 : For the last 3 financial years, the Group revenue has been hovering around RM21 million and for FY 2023, the Group recorded a mere RM1,000 in profit after tax attributable to Owners of the Company. (See page 11 of AR 2023)

What plans does the Management have to generate higher revenue to register higher profit? What measures have been taken to-date?

Reply : At present, the Management is adopting the organic growth strategy in expanding our Hand Tools Division by adding motorcycle repair equipment products, besides focusing on the traditional Hand Tools products range. As such, we are also exploring to expand our business distribution channel from the traditional hardware shops to the Motorcycle Service Centers, by working with the manufacturer and our dealers. By doing so, we expect to see some growth in the group’s revenue.

MSWG Q2 : The Management had worked very hard and undertook various efforts to mitigate the effects of the continuing uncertainties in the global economy, arising from impacts of the Covid-19 pandemic, geopolitical conflict in Europe, rising material costs, inflationary pressure, declining purchasing power, weaker Ringgit, and higher labour costs. (See page 12 of AR 2023)

What are the greatest challenges faced by the Group and what mitigating measures have been adopted to address them? In the case of rising material costs and higher labour costs, how does the Group plan to manage these costs? Can the Group pass on these costs to customers?

Reply : The main challenges are the current weak market sentiment and poor demand both domestically and globally across various industries, the weak Ringgit and continued volatility of the foreign exchange rate which have increased our cost as all of our products are imported. These mentioned challenges are all macro economy related and beyond our control. However, we have mitigated the potential impact by increasing our customers base coverage and frequency of sales visits. The weak Ringgit and the increase in raw materials costs have increased our cost of goods, and we have gradually passed down these costs to our customers by increasing our products selling price. In the case of high labour cost, we have been mitigating its impact by keeping our organization lean.

JASA KITA BERHAD Registration No. 199201007753 (239256-M)

31st ANNUAL GENERAL MEETING HELD ON 6 SEPTEMBER 2023

• MSWG’S QUESTIONS AND ANSWERS [cont’d]

MSWG Q3 : In line with the dynamic operating and ever challenging business environment, the Group is continuously aligning its business strategies through continued pursuit of business and operational efficiency and remaining competitive to better meet the challenges. (See page 12 of AR 2023)

MSWG Q3 (a) : What are the Group’s achievements in terms of business and operational efficiency?

Reply : The Group has stabilized its financial performance by turning around from a loss-making position to marginally profitable position for two consecutive years in FY2023 and FY2022. Excluding the conversion premium and development charges paid, which have been expensed out, to convert the category of a piece of land from industrial to commercial, our financial performance in FY2023 would have been better than FY2022. The improvement was due to our series of efforts to make the Group lean and efficient, such as divesting the non-profitable businesses, prudent stock replenishment strategy, prudent debts collection and credit control, and organization restructuring throughout these periods.

MSWG Q3 (b) : Apart from business and operating efficiency, does the Group plan to expand its business regionally or diversify its business?

Reply : At present there is no plan to expand its existing business regionally. The Group is always open to any opportunity to invest in new business which in our view has good potential.

MSWG Q4 : Among the Group’s 3 business divisions namely Electric Power Tools and Hand Tools Division, Bathroom Products Division and Electric Motors Division, which Division contributes the highest margin? Which Division does the Management plan to grow significantly and why?

Reply : The Power Tools and Hand Tools Division contributed the highest gross profit margin among the 3 business divisions. The management has always allocated sufficient resources to continue growing these 3 business divisions since there are still room to grow in their respective markets. However, in this new financial year, the management is putting more effort to grow the Hand Tools Division targeting the automotive industry, as the management is exploring to introduce new tools for the said industry.

JASA KITA BERHAD Registration No. 199201007753 (239256-M)

31st ANNUAL GENERAL MEETING HELD ON 6 SEPTEMBER 2023

• MSWG’S QUESTIONS AND ANSWERS [cont’d]

MSWG Q5 : Bathroom Products Division contributed RM8.83 million (equivalent to 39%) to the Group’s revenue as compared to RM5.20 million reported in 2022, representing a growth of 69.8%. With the existing outstanding RM8.8 million worth of orders on hand, this Division will continue to contribute positively to the growth of the Group. (See page 13 of AR 2023)

MSWG Q5 (a) : What are the key factors that contributed to the high growth in Bathroom Products Division’s revenue? Is the high revenue growth sustainable in FY 2024?

Reply The key factor which contributed to high growth in the Bathroom Products Division in FY2023 was mainly due to the rescheduled projects deliveries during the previous year’s pandemic period, which deliveries were subsequently fulfilled in FY 2023. For FY2024, we have projected revenue contribution of RM8.1 million, which is close to that of FY 2023, based on outstanding orders with confirmed purchase orders in hand.

MSWG Q5(b) : Is there any outstanding tender submitted by the Group? What is the total value of tender submissions and success rate probability?

Reply We have submitted tenders with value totaling approximately RM22.0 million so far, currently about RM11.0 million are high chance projects which we will follow up closely with our customers.

MSWG Q6 : In line with the Group’s strategic and competitive competencies, the Group will continue navigating into new distribution channels to reach out to a wider base of customers and end-users, and will explore for suitable new products that provide industrial solutions to fulfill users’ needs. (See page 13 of AR 2023)

During the year under review, has the Group managed to venture into new distribution channels and explore suitable new products ?

Reply : As per our reply to Question 1 above, we are exploring the possibility of creating a new distribution channel via the Motorcycle Service Centers, by introducing up to date motorcycle service equipment as one of our products expansion plan. The plan is under ongoing discussions.