

# MARCO HOLDINGS BERHAD

(Company No. 8985-P) (Incorporated in Malaysia)

Minutes of the 52<sup>nd</sup> Annual General Meeting of the shareholders of the Company conducted in a fully virtual manner through live streaming from Broadcast Venue at 29<sup>th</sup> Floor, Menara JKG, No. 282, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia on Wednesday, 15 June 2022 at 10.30 a.m.

Present at Broadcast Venue	: <u>Board of Directors of Marco Group</u> Tan Sri Dato' Tan Hua Choon Mr Siau Hock Cheng Dato' Ismail Bin Hamzah Mr Ong Sim Jeng Ms Siew Cheau Sheang Dato' Thor Poh Seng	<i>(Chairman, Non-independent Non-Executive Director)</i> <i>(Executive Deputy Chairman)</i> <i>(Independent Non-Executive Director)</i> <i>(Executive Director)</i> <i>(Finance Director)</i>
Attended via video conferencing	: Mr Woo Hin Weng Haji Azizzuddin Bin Haji Hussein En Minhat Bin Mion	<i>(Non-Independent Non-Executive Director)</i> <i>(Independent Non-Executive Director)</i> <i>(Independent Non-Executive Director)</i>
	<u>Auditors</u> Ms Tan Li Lee Mr Kuan Jeng Pong	<i>(Messrs PCCO)</i> <i>(Messrs PCCO)</i>
	<u>Representatives of Poll Administrator</u> Ms Lee Siew Li Mr Cheng Kang Shaun	<i>(Tricor Investor &amp; Issuing House Sdn Bhd)</i>
	<u>Representatives of Secretary</u> Ms Lim Lai Sam Ms Tan Shien Yin	
Absent with apology	: Dato' Wong Hok Yim	<i>(Executive Director)</i>

Shareholders/proxies attended remotely using the Remote Participation and Voting Facilities via TIIH online meeting platform.

## CHAIRMAN OF MEETING

Tan Sri Dato' Tan Hua Choon, Chairman of the Board, requested Mr. Siau Hock Cheng to chair the 52<sup>nd</sup> Annual General Meeting ("the Meeting") of the Company.

The Meeting began with a welcome address from Mr. Siau Hock Cheng who also extended apology on behalf of Dato' Wong Hok Yim for not being able to attend the meeting due to other prior official engagements.

The shareholders/proxies were informed that as a continuing precautionary measure to contain the spread of the COVID-19 pandemic and to ensure safety of the Shareholders of the Company as well as to facilitate the easy participation of shareholders from different locations, the Board had decided that the 52<sup>nd</sup> AGM of the shareholders of the Company be conducted in a fully virtual manner through live streaming from the Broadcast Venue at 29<sup>th</sup> Floor, Menara JKG, No. 282, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia using Remote Participation Voting facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd.

The attendance of the 52<sup>nd</sup> AGM was restricted to shareholders, proxies and authorised representatives of corporate shareholders who have registered to join the meeting remotely.

## QUORUM

Having confirmed the sufficient of quorum, the Chairman proceeded to call the Meeting to order.

## **NOTICE OF MEETING**

Noted that the notice convening the Meeting which had been despatched to all shareholders and published in the newspaper on 29 April 2022 was taken as read.

## **VOTING**

The shareholders/proxies were informed that in accordance with the Main Market Listing Requirements of Bursa Malaysia, any resolution set out in the notice of any general meeting was required to be voted by poll. For that, the Company had appointed Tricor Investor & Issuing House Sdn Bhd (“Tricor”) as the Poll Administrator whilst, Mr. Eng Boon Kiat, a member of the Malaysian Institute of Accountants, was the Independent Scrutineer to scrutinise the polling process and to validate votes cast at the 52<sup>nd</sup> Annual General Meeting.

The shareholders/proxies had also been briefed on the flow of the meeting whereat the Chairman would first go through all the eight (8) ordinary resolutions in the Notice of 52<sup>nd</sup> AGM followed by Question and Answer session and subsequently, putting all the Resolutions for voting remotely via the Remote Participation Voting (“RPV”) facilities.

Prior to commencing the Agenda item of the Meeting, the Chairman invited the representative from Tricor to explain the voting procedures and the way as to how to raise questions through the RPV application.

## **DIRECTORS’ REPORT AND THE AUDITED FINANCIAL STATEMENTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER, 2021 AND THE AUDITORS’ REPORT THEREON**

The Chairman informed the shareholders/proxies that the Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2021, together with the Reports of the Directors and Auditors thereon were tabled for discussion and shareholders’ clarification only and would not be put forward to the shareholders/proxies for voting as the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. As such, item 1 of the Agenda would not be put forward to the shareholders/proxies for voting.

Shareholders/proxies who joined the meeting were informed that they could raise their questions by typing them in the query box and the Board would address them during the Q&A session.

The Chairman then declared that the Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and the Auditors thereon be received.

## **ORDINARY RESOLUTION 1** **- FIRST AND FINAL SINGLE-TIER DIVIDEND OF 0.5 SEN PER ORDINARY SHARE**

The Chairman informed that, the Board had proposed for a first and final single-tier dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 December 2021 for the shareholders’ approval. The proposed dividend if approved by the shareholders, would be paid on 15 July 2022 to depositors registered in the Record of Depositors of the Company as at 30 June 2022 (“the Proposed Dividend”).

The following motion was put to the meeting for consideration:

“**THAT** a first and final single-tier dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 December, 2021 be hereby approved for payment.”

Shareholders/proxies who attended the meeting were given the opportunity to raise questions by typing in the query box.

**ORDINARY RESOLUTION 2**

**- PAYMENT OF DIRECTORS' FEES OF UP TO RM102,000 FROM 1 JULY 2022 UNTIL THE NEXT ANNUAL GENERAL MEETING**

The Chairman informed that the proposed Ordinary Resolution 2 was to approve the payment of Directors' fees of up to RM102,000 for the Non-Executive Directors of the Company for a 12-month period commencing from 1 July 2022 until the next Annual General Meeting ("AGM") of the Company, to facilitate the payment of Directors' fees to the Non-Executive Directors after each month of their completed service from July 2022 until the next AGM of the Company, assuming that the Non-Executive Directors will hold office until the next AGM expected to be held latest in June 2023.

The motion on the payment of Directors' Fees of up to RM102,000 from 1 July 2022 until the next AGM of the Company was put to the meeting for consideration.

Shareholders/proxies who attended the meeting were given the opportunity to seek clarifications by typing their questions in the query box.

**ORDINARY RESOLUTION 3 (a)**

**- RE-ELECTION OF DATO' WONG HOK YIM**

The Chairman informed that the proposed Ordinary Resolution 3(a) was for the re-election of Dato' Wong Hok Yim as Director of the Company. He then put to the meeting for consideration, the following motion:

**"THAT** Dato' Wong Hok Yim, retiring pursuant to Article 98 of the Company's Constitution, be re-elected as a Director of the Company"

Shareholders/proxies who attended the meeting were informed that they could raise their questions by typing them in the query box.

**ORDINARY RESOLUTION 3 (b)**

**- RE-ELECTION OF MR WOO HIN WENG**

The following motion was put to the meeting for consideration:

**"THAT** Mr Woo Hin Weng retiring pursuant to Article 98 of the Company's Constitution, be re-elected as a Director of the Company"

Shareholders/proxies who attended the meeting were given the opportunity to raise their questions by typing them in the query box.

**ORDINARY RESOLUTION 3 (c)**

**- RE-ELECTION OF EN MINHAT BIN MION**

The following motion was put to the meeting for consideration:

**"THAT** En Minhat Bin Mion retiring pursuant to Article 98 of the Company's Constitution, be re-elected as a Director of the Company"

Shareholders/proxies who attended the meeting were given the opportunity to raise their questions by typing them in the query box.

**ORDINARY RESOLUTION 4**  
**RE-ELECTION OF DATO' ISMAIL BIN HAMZAH**

The proposed Ordinary Resolution 4 below was put to the meeting for consideration:

“**THAT** Dato' Ismail Bin Hamzah retiring pursuant to Article 105 of the Company's Constitution, be re-elected as a Director of the Company”

Shareholders/proxies who attended the meeting were given the opportunity to raise their questions by typing them in the query box.

**ORDINARY RESOLUTION 5**  
**- RE-APPOINTMENT OF MESSRS PCCO PLT AS AUDITORS OF THE COMPANY**

The shareholders/proxies were informed that Messrs PCCO PLT had expressed their willingness to seek re-appointment as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors.

The following motion was put to the meeting for voting by poll:

“**THAT** Messrs. PCCO PLT be re-appointed as Auditors of the Company until the conclusion of the next Annual General Meeting and the Directors be authorized to fix their remuneration.”

Shareholders/proxies who attended the meeting were informed that they could raise their questions by typing in the query box.

**SPECIAL BUSINESS**  
**ORDINARY RESOLUTION 6**  
**RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR**

The shareholders/proxies were informed that the Independent Non-Executive Director who had served the Board of Directors of the Company for a cumulative term of more than 9 years was Tuan Haji Azizzuddin Bin Haji Hussein and that the explanations and justifications for the proposed retention of Tuan Haji Azizzuddin as Independent Non-Executive Director were given on page 28 of the Company's 2021 Annual Report.

The proposed Ordinary Resolution 6 below was put forward to the meeting for voting by poll:-

“**THAT** Tuan Haji Azizzuddin Bin Haji Hussein be and is hereby retained as Independent Non-Executive Director of the Company.”

Shareholders/proxies who attended the meeting were informed that they could raise their questions in the query box.

**QUESTIONS AND ANSWERS SESSION**

The following questions were raised by the shareholders/proxies who participated at the meeting and which were responded to by the Chairman as below:

Mr. Teh Peng Tin raised the question on the expenses incurred for holding the virtual AGM to which, the Chairman informed that it was RM10,000.

In response to the request for e-wallet/e-voucher/discount voucher from Mr. Teh and a few of other attendees of the AGM, the Chairman informed that the Company agreed to provide electronic cash vouchers for Marco's online store products to the shareholders/proxies who logged in the meeting platform to participate the AGM, as a token of appreciation for their support and participation at the AGM.

To the attendees who requested for printed copies of the Company's Annual Report, they were informed to contact Tricor or log on their TIIH Online website at <https://tiih.online> .

Mr. Lee Eng Shan posed the following questions which were responded to by Chairman as below:

Question : Please share with the shareholders what would be the key driver for Marco Group's growth in the coming 18-month period.

Response : The Group recognized the importance of operating business online and had been putting its emphasis on e-commerce business model which had delivered positive results to the Group. The increasing consumer demand of the retail market post pandemic which saw encouraging consumer spending environment bode well for the Group's e-commerce business growth going forward. As such, the Board believes the e-commerce business would be part of the driving force for the growth of the Group's business going forward.

The Management was also studying and considering launching suitable new product(s) at the suitable time, for the Group's continuous growth.

Question : Despite the seemingly popular Casio branded products and its underlying robust demand, why Marco still had not breakthrough the revenue range of RM150 million - RM160 million (or Profit After Tax of ~RM15 million) ?

Answer : In 2021, retail businesses nationwide almost came to a standstill due to the implementation of various levels of movement control orders by the Government. Such interruptions had retarded the Group's revenue during the year.

Currently, the Group is actively promoting its e-commerce business, which is expected to contribute positively to the Group's revenue.

Question : How many analyst / fund-managers are covering Marco currently? How many live participants in the AGM today?

Answer : To the best knowledge of the Board, they do not know of any analyst/fund manager that oversee the portfolio of Marco. As to the number of participants at the virtual AGM, based on the Poll Administrator's record, a total of 87 shareholders/proxies logged on to the meeting platform.

Question : Please share the breakdown of revenue based on product category.

Answer : The revenue breakdown were as below :

Timepieces : RM126 million  
Calculators : RM 23 million  
Electronic Musical Instruments : RM6 million

Question : Would management be sharing the meeting minutes, including the Q&As, at the Company's website?

Answer : The minutes of the AGM, which include the questions raised and answers given, would be uploaded on the Company's website later.

The Chairman thanked shareholder, En Moh Khalil Bin MD Dom for his well wishing message and compliment to the Board of Directors and key management of the Marco Group on the achievement of the Group's good results.

The following questions raised by Mr. Ooi Cheng Kooi were responded by the Chairman as below:

Question : I hope the Board can report the payment of fees to each of the Non-Executive Directors in writing and, each of the Directors' contributions (ideas and suggestions) to Marco in the financial year.

Answer : The breakdown of the Directors' fee for the financial year ended 31 December 2021 is given on page 31 of the Company's Annual Report.

The Company always values the contribution of the Board as a whole and does not specifically attribute the performance of the Company to any individual Director, as conclusion and decision from deliberations of the Audit Committee/Board are made on a collective basis.

Mr. Chan Fung Han posed the following question which was responded by the Chairman as below:

Question : Why is there a significant reduction in inventories balance compared to prior year?

Answer : During the financial year, the Group carried out some promotional sales activities which attracted positive response. The exercise helped to bring down the balance of stocks as at the end of the financial year compared to previous year.

Having addressed all the questions posed by the shareholders/proxies, the Chairman announced the close of Question and Answer session.

### **VOTING SESSION**

There was no notice of other business received by the Secretary, all the eight (8) Ordinary Resolutions were put for voting by the members/proxies by poll via Remote Participation and Voting facilities.

After the close of voting session, the meeting was then recessed at about 11.20 a.m. for the counting of votes to take place.

## **POLL RESULTS**

The Meeting resumed at about 11.40 a.m. and the results of the votes for all the six ordinary resolutions, duly verified by the Independent Scrutineer, were projected on the screen for the shareholders' notation as below:

<b>Resolution</b>	<b>Vote "For"</b>		<b>Vote "Against"</b>		<b>Total Votes</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
<b>Ordinary Resolution 1</b>	505,827,147	99.99	4,680	0.0009	505,831,827	100.00
<b>Ordinary Resolution 2</b>	368,389,781	99.98	87,786	0.0238	368,477,567	100.00
<b>Ordinary Resolution 3(a)</b>	368,509,887	99.98	67,680	0.0184	368,577,567	100.00
<b>Ordinary Resolution 3(b)</b>	505,714,147	99.98	117,680	0.0233	505,831,827	100.00
<b>Ordinary Resolution 3(c)</b>	505,764,147	99.99	67,680	0.0134	505,831,827	100.00
<b>Ordinary Resolution 4</b>	505,699,147	99.97	132,680	0.0262	505,831,827	100.00
<b>Ordinary Resolution 5</b>	505,824,447	99.99	7,380	0.0015	505,831,827	100.00
<b>Special Business</b>						
<b>Ordinary Resolution 6</b>						
<b>Tier 1</b>	270,294,260	100.00	0	0.0000	270,294,260	100.00
<b>Tier 2</b>	235,419,887	99.95	117,680	0.0500	235,537,567	100.00

Based on the poll results, the Chairman declared that all the resolutions tabled at 52<sup>nd</sup> AGM were carried.

## **CONCLUSION**

The Chairman thanked all the shareholders/proxies for their participation and ended the meeting at 11.42 a.m.

CONFIRMED AS TRUE AND  
CORRECT RECORD

SIAU HOCK CHENG  
Chairman

26 July 2022