

**POH HUAT RESOURCES HOLDINGS BERHAD**  
**REGISTRATION NO.: 199701027671 (443169-X)**  
(Incorporated in Malaysia)

Minutes of Twenty-Sixth Annual General Meeting (“Meeting”) of the Company held at Function Room 3, Holiday Inn Melaka in Jalan Syed Abdul Aziz, 75000 Melaka on Thursday, 25 April 2024 at 11.00 a.m.

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Present : The attendance below was as per Attendance List of Directors and Company Secretary in “Annexure 1”.

Tun Md Raus Bin Sharif (Independent Non-Executive Chairman)  
(or “Tun Chairman”)  
Mr. Tay Kim Huat (Group Chief Executive Officer)  
Mr. Tay Kim Hau (Executive Director)  
Mr. Toh Kim Chong (Executive Director)  
Dato’ Chan Seong Gnoh (Independent Non-Executive Director)  
Mr. Lee Ah Too (Independent Non-Executive Director)  
Mr. Tay Khim Seng (Non-Independent Non-Executive Director)  
Mr. Boo Chin Liong (Non-Independent Non-Executive Director) (“Mr. Boo”)  
Mr. Lim Pei Tiam @ Liam Ahat Kiat (Non-Independent Non-Executive Director)

In Attendance : Ms. Pang Kah Man (Company Secretary)

The attendance of shareholders/proxies and others was as per summary of Attendance List in “Annexure 2”.

1. **CHAIRMAN OF THE MEETING**

Tun Raus Sharif was elected as Chairman of the Meeting.

2. **QUORUM**

The quorum for the Meeting was confirmed as present.

3. **NOTICE OF THE MEETING**

The Notice convening this Meeting (“Notice”) had been sent to all shareholders within the prescribed time.

4. **PRELIMINARY OF THE MEETING**

4.1 Before the Meeting dealt with the business on hand, Tun Chairman briefed the shareholders and proxies that pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), a listed corporation must among others, ensure that any resolution set out in the notice of any general meeting is voted by poll. For this purpose, the Company had engaged Boardroom Share Registrars Sdn. Bhd. as the Poll Administrator and Mustapha, Khoo & Co. as the Independent Scrutineer.

4.2 Tun Chairman further briefed the shareholders and proxies of their right to speak and vote on the resolutions set out in the Notice. Thereafter, Tun Chairman proceeded with the business on hand.

5. **AGENDA 1  
TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR  
ENDED 31 OCTOBER 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND  
THE AUDITORS THEREON**

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Noted : The motion was put for discussion as the provision of Section 340(1)(a) of the Companies Act 2016 (or “the Act”) and the Constitution of the Company (or “Constitution”) did not require a formal approval of the shareholders.

Resolved : THAT the Audited Financial Statements of the Company for the financial year ended 31 October 2023 together with the Reports of the Directors and Auditors thereon be hereby received.

6. **Q&A SESSION**

6.1 Following that, Tun Chairman announced the commencement of the Q&A session and informed that to adopt the practices of good governance, the Board would endeavour to answer as many questions posed which were related to the business of the AGM as well as the operational and financial matters of the Group (“Enquiries”).

6.2 Tun Chairman then passed the Chair to the Non-Independent Non-Executive Director, Mr. Boo to first take the shareholders through the enquiries from the Minority Shareholder Watch Group via its letter dated 16 April 2024 (“MSWG letter”) and the reply from the Board, as annexed herewith as “Annexure 3”. The MSWG letter and reply from the Board thereto as well as to the Enquiries would be uploaded to the Company’s website within 30 business day from the date of the Meeting.

6.3 Thereafter, Mr. Boo passed the chair to the Non-Independent Non-Executive Director, Mr. Tay Khim Seng; the Executive Director, Mr. Tay Kim Hau; and the key management personnel to address the questions from the floor. The questions and the reply from the Board were set out in “Annexures 4”.

6.4 With no more question from the floor, Mr. Boo passed the Chair back to Tun Chairman to proceed with the other business on hand.

7. **AGENDA 2 (ORDINARY RESOLUTION NO. 1)  
TO APPROVE THE PAYMENT OF DIRECTORS’ FEES AND ALLOWANCE UP TO  
RM900,000 FROM 1 NOVEMBER 2023 UNTIL THE DATE OF NEXT ANNUAL GENERAL  
MEETING**

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Noted : The proposed Ordinary Resolution 1 is to facilitate payment of Directors’ fees and allowances from 1 November 2023 until the date of next Annual General Meeting (“the said period”).

The Directors’ fees and allowances proposed were determined based on the number of scheduled Board and Committee Meetings for the said period and assuming that all Directors would hold office until the conclusion of the next Annual General Meeting.

In the event the Directors’ fees proposed were insufficient (e.g., due to more meetings), approval would be sought at the next Annual General Meeting for additional fees to meet the shortfall.

Proposer and  
Seconder : The motion was proposed by Ms. Toh Siew Cheng, a shareholder, and seconded by Ms. Sim Sheau Yun, a shareholder and Mr. James Hugh Alexander Hay, a proxy representing the shareholder, Pangolin Asia Fund.

**8. AGENDA 3 (ORDINARY RESOLUTIONS NO. 2)  
TO DECLARE A FINAL DIVIDEND OF 2 SEN PER SHARE IN RESPECT OF THE FINANCIAL  
YEAR ENDED 31 OCTOBER 2023**

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Proposer and : The motion was proposed by Ms. Sim Sheau Yun, a shareholder and  
Seconder seconded by Ms. Teo Hui Hoon, a shareholder.

**9. AGENDA 4 (ORDINARY RESOLUTIONS NO. 3, 4 & 5)  
RE-ELECTION OF MR. TAY KIM HAU, MR. LIM PEI TIAM @ LIAM AHAT KIAT AND TUN  
MD RAUS BIN SHARIF AS DIRECTORS, RETIRING PURSUANT TO CLAUSE 90 OF THE  
CONSTITUTION**

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Noted : The Chairman highlighted that the 3 items of the Agenda were related  
to the re-election of Mr. Tay Kim Hau, Mr. Lim Pei Tiam @ Liam Ahat  
Kiat and Tun Chairman, the Directors retiring at the Meeting pursuant  
to Clause 90 of the Constitution. The retiring Directors, being eligible  
pursuant to the Constitution, had offered themselves for re-election.

**9.1 ORDINARY RESOLUTION NO. 3  
RE-ELECTION OF MR. TAY KIM HAU AS DIRECTOR, RETIRING PURSUANT TO  
CLAUSE 90 OF THE CONSTITUTION**

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Proposer and : The motion was proposed by Ms. Sim Sheau Yun, a shareholder and  
Seconder seconded by Mr. James Hugh Alexander Hay, a proxy representing the  
shareholder, Pangolin Asia Fund.

**9.2 ORDINARY RESOLUTION NO. 4  
RE-ELECTION OF MR. LIM PEI TIAM @ LIAM AHAT KIAT AS DIRECTOR, RETIRING  
PURSUANT TO CLAUSE 90 OF THE CONSTITUTION**

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Proposer and : The motion was proposed by Mr. James Hugh Alexander Hay, a proxy  
Seconder representing the shareholder, Pangolin Asia Fund and seconded by Ms  
Toh Siew Cheng, a shareholder.

**9.3 ORDINARY RESOLUTION NO. 5  
RE-ELECTION OF TUN MD RAUS BIN SHARIF AS DIRECTOR, RETIRING PURSUANT TO  
CLAUSE 90 OF THE CONSTITUTION**

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Proposer and : The motion was proposed by Ms. Toh Siew Cheng, a shareholder and  
Seconder seconded by Ms. Tay Li Chin, a shareholder.

**10. AGENDA 5 (ORDINARY RESOLUTION NO. 6)  
RE-APPOINTMENT OF CROWE MALAYSIA PLT AS AUDITORS OF THE COMPANY AND  
TO AUTHORISE THE DIRECTORS TO DETERMINE THEIR REMUNERATION**

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Noted : Based on the Audit Committee's review of the performance of Crowe  
Malaysia PLT and having assessed their independence in the  
performance of their obligations as External Auditors for the financial  
year ended 31 October 2023, the Board unanimously recommended  
their re-appointment for the financial year 2024. The retiring Auditors,  
Crowe Malaysia PLT had earlier indicated their willingness to continue  
in office.

Proposer and  
Second : The motion was proposed by Ms. Teo Hui Hoon, a shareholder and seconded by Ms. Tay Li Chin, a shareholder.

11. **AGENDA 6 (ORDINARY RESOLUTION NO. 7 - SPECIAL BUSINESS)  
PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE**

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Noted : The proposed ordinary resolution, if passed, would empower the Directors of the Company to purchase Shares in the Company up to an amount not exceeding ten percentum (10%) of the total issued shares of the Company (excluding treasury shares) as they consider would be in the interest of the Company. Further details on the Proposed Renewal of Share Buy-Back Mandate were provided in the Statement to Shareholders dated 27 February 2024.

Proposer and  
Second : The motion was proposed by Ms. Sim Sheau Yun, a shareholder and seconded by Ms. Toh Siew Cheng, a shareholder.

12. **OTHER BUSINESS**

12.1 Tun Chairman sought confirmation from the Company Secretary that the Company had not received any notice for transaction of any other business which had been given in accordance with the Act and the Constitution.

12.2 Tun Chairman informed that the poll voting session would commence soon. The Poll Administrator was invited to brief the Meeting on the procedures for the conduct of poll and time required for counting and validation of votes. Tun Chairman declared the voting session closed after ten (10) minutes.

13. **POLL VOTING SESSION**

13.1 Tun Chairman notified the shareholders and proxies on commencement of the poll voting session. He further invited the Poll Administrator to brief the shareholders and proxies the procedures and process on poll voting. Thereafter, the shareholders and proxies were reminded to deposit the ballot papers in the balloting box accordingly.

14. **CLOSURE OF POLL VOTING SESSION**

14.1 With that, Tun Chairman notified the shareholders on the closure of the poll voting session and the Meeting was adjourned accordingly.

15. **ANNOUNCEMENT OF POLL RESULTS**

After the votes had been counted and verified by the Independent Scrutineer, Tun Chairman called the Meeting to order at 12.50 p.m. The poll results as shown on screen, were read out as follows:

15.1 Ordinary Resolution 1

	<b>No. and Percentage of Shares</b>
<b>For</b>	166,632,897 (100%)
<b>Against</b>	0 (0%)
<b>Total</b>	166,632,897 (100%)
	<b>No. of Shares</b>
<b>Abstained</b>	0
<b>Spoilt</b>	0

In view thereof, Tun Chairman declared that Ordinary Resolution 1 was carried as follows:

Resolved : “THAT the payment of Directors’ fees and allowance up to RM900,000 from 1 November 2023 until the date of next Annual General Meeting of the Company be hereby approved.”

15.2 Ordinary Resolution 2

	<b>No. and Percentage of Shares</b>
<b>For</b>	150,267,297 (90.18%)
<b>Against</b>	16,365,600 (9.82%)
<b>Total</b>	166,632,897 (100%)
	<b>No. of Shares</b>
<b>Abstained</b>	0
<b>Spoilt</b>	0

In view thereof, Tun Chairman declared that Ordinary Resolution 2 was carried as follows:

Resolved : “THAT declaration of a final dividend of 2 sen per share in respect of the financial year ended 31 October 2023 be hereby approved.”

15.3 Ordinary Resolution 3

	<b>No. and Percentage of Shares</b>
<b>For</b>	166,632,897 (100%)
<b>Against</b>	0 (0%)
<b>Total</b>	166,632,897 (100%)
	<b>No. of Shares</b>
<b>Abstained</b>	0
<b>Spoilt</b>	0

In view thereof, Tun Chairman declared that Ordinary Resolution 3 was carried as follows:

Resolved : “THAT Mr. Tay Kim Hau retiring pursuant to Clause 90 of the Company’s Constitution, be hereby re-elected as a Director of the Company.”

15.4 Ordinary Resolution 4

	<b>No. and Percentage of Shares</b>
<b>For</b>	166,632,897 (100%)
<b>Against</b>	0 (0%)
<b>Total</b>	166,632,897 (100%)
	<b>No. of Shares</b>
<b>Abstained</b>	0
<b>Spoilt</b>	0

In view thereof, Tun Chairman declared that Ordinary Resolution 4 was carried as follows:

Resolved : “THAT Mr. Lim Pei Tiam @ Liam Ahat Kiat retiring pursuant to Clause 90 of the Company’s Constitution, be hereby re-elected as a Director of the Company.”

15.5 Ordinary Resolution 5

	<b>No. and Percentage of Shares</b>
<b>For</b>	165,681,871 (99.43%)
<b>Against</b>	951,026 (0.57%)
<b>Total</b>	166,632,897 (100%)
	<b>No. of Shares</b>
<b>Abstained</b>	0
<b>Spoilt</b>	0

In view thereof, Tun Chairman declared that Ordinary Resolution 5 was carried as follows:

Resolved : "THAT Tun Md Raus Bin Sharif retiring pursuant to Clause 90 of the Company's Constitution, be hereby re-elected as a Director of the Company."

15.7 Ordinary Resolution 6

	<b>No. and Percentage of Shares</b>
<b>For</b>	150,731,097 (90.46%)
<b>Against</b>	15,901,800 (9.54%)
<b>Total</b>	166,632,897 (100%)
	<b>No. of Shares</b>
<b>Abstained</b>	0
<b>Spoilt</b>	0

In view thereof, Tun Chairman declared that Ordinary Resolution 6 was carried as follows:

Resolved : "THAT Crowe Malaysia PLT be hereby re-appointed as Auditors of the Company and the Directors be hereby authorised to determine their remuneration."

15.8 Ordinary Resolution 7

	<b>No. and Percentage of Shares</b>
<b>For</b>	150,732,497 (90.46%)
<b>Against</b>	15,900,400 (9.54%)
<b>Total</b>	166,632,897 (100%)
	<b>No. of Shares</b>
<b>Abstained</b>	0
<b>Spoilt</b>	0

In view thereof, Tun Chairman declared that Ordinary Resolution 7 was carried as follows:

Resolved : "THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, regulations and guidelines, the Directors of the Company be hereby given full authority, to allocate an amount not exceeding the total available retained profits of the Company based on its latest audited financial statements available up to the date of the transaction for the purpose of and to purchase such amount of ordinary shares in the Company ("Shares") as may be determined by the Directors from time to time through the Bursa Securities as the Directors may deem fit and in the best interest of the Company provided that the aggregate number of Shares to be purchased and/or held as treasury shares pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) at any point in time;

THAT upon the purchase by the Company of its own Shares, the Directors of the Company be hereby authorised to retain such Shares so purchased as treasury shares and cancel the remainder.

THAT the Directors of the Company be hereby authorised to distribute the treasury shares as dividends to the shareholders of the Company and/or resell the treasury shares on Bursa Securities in accordance with the relevant rules of Bursa Securities or subsequently cancel the treasury shares or any combination thereof;

AND THAT such approval and authorisation shall be effective immediately upon the passing of this resolution and continue to be in force until: -

- a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- b) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities;

FURTHER THAT the Directors of the Company be hereby authorised to do all such acts and things (including, without limitation executing all such documents as may be required) as they may consider expedient or necessary to give effect to this mandate.”

16. **CONCLUSION OF MEETING**

There being no further business, the Meeting ended at 12.55 p.m. with a vote of thanks to the Chair.

Tun Chairman thanked the shareholders and proxies for their presence and continuous support.

Confirmed as correct records:

- SIGNED -

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TUN RAUS SHARIF  
Chairman of the Meeting and the Board

Dated this 11 June 2024

**POH HUAT RESOURCES HOLDINGS BHD.**

**ANNEXURE 4: SUMMARY OF QUESTIONS RECEIVED FROM SHAREHOLDERS AND PROXIES DURING THE ANNUAL GENERAL MEETING ON 25 APRIL 2024 AND THE COMPANY'S RESPONSES THERETO**

**Questions:**

- 1. First of all, I thank the Board of Directors (the "Board") for holding the AGM physically to support a meaningful engagement between the Board, senior management and shareholders and also congratulate to the Board for the commendable performance registered for the financial year ended 31 October (FY) 2023 amidst challenging operating conditions during the year.**

**I would like to know how long have the existing internal auditors been engaged to undertake reviews of the systems of internal control within the Group's operating units? (James Hugh Alexander Hay (or "James Hay"))**

Responses from the Board/Management:

All the internal audit ("IA") activities have been outsourced to firms of independent licensed auditors to assist the Board in evaluating the adequacy and effectiveness of key controls within the Group's operating units. Due to resources constraint, the previous internal auditors, Brenda Hoh & Associates relinquished upon completion of the approved IA plan for the financial year ended 31 October ("FYE") 2022. Tricor Axcelasia Sdn Bhd. was then shortlisted and engaged to undertake IA function for FYE 2023.

- 2) With agricultural land held for future property development about RM19.5 million, what is the Board's plan moving forward? How is the progress of development for the commercial project embarked under the joint venture (JV) agreement? (James Hay)**

Responses from the Board/Management:

The Group will from time to time, assess the needs and identify opportunities arisen for the unutilized land held which may add value and benefits to the stakeholders and shareholders, either for future expansion or to prepare for the trend reversal.

The progress of property development under the JV agreement entered since 2022 was promising with applications for approval was on track. In alignment with the project's timeline, an official launch is planned by the for the second quarter of 2024.

- 3) With the regulatory requirements have been enacted or amended to hasten sustainability governance in the agenda of Environmental, Social & Governance ("ESG");**
  - a) are the Group's hostel buildings for the foreign workers in compliance with the applicable laws and regulations?**
  - b) are the foreign workers accessible to their passports?**

**(James Hay)**



Responses from the Board/Management:

- a) The Board is cognisant of the growing prominence of ESG perspectives. With a significant number of our employees in Malaysian operations, are foreign workers, we provide accommodation to most of these employees in accordance with applicable laws and regulations.

Rest assured that the minimum Standards of Housing, Accommodation & Employee Facilities Act 1990, also known as Act 446, to address on foreign workers' hostel living conditions have been duly adopted by the Group to ensure our workers are accorded decent accommodation without jeopardising their health & rest.

Management is mindful of the importance for the Group's workforce to stay healthy and, as such, has been conducting regular health checks & providing on-going safety trainings for all its employees.

- b) As for custodian of the passports, the respective foreign workers were advised to keep their passports in their own numbered lockers at their respective hostels or alternatively, to have their team leaders keeping on their behalf of which they may request for their passports anytime.

**4) Who is the fund manager for the short-term investment made by the Group? Who advised the timing and amount of investment made? (James Hay)**

Responses from the Board/Management:

The unit trust fund, Amal-Amin Fund of approximately RM50.12 million is currently managed by AmBank Berhad ("AmBank"). The investment(s) was/were made having considered the recommendations made by AmBank and various aspects thereof (such as rate of return, risk appetites and strategic plan of the Group).

**5) In furtherance of our (Pangolin Asia Fund (or "Pangolin")) letter dated 25 April 2024, we reckon' cash should be no more than working capital requirements plus a rainy-day fund. With cash reserve as high as RM291 million, we advocate the Board should formalize a capital retention policy instead of dividend policy like the multinationals and many regional companies, including Bermaz AutoBerhad and Wellcall Holdings Berhad which are also of our holdings. (James Hay)**

Responses from the Board/Management:

This question has been recurring in nature, and the Board's point of view has always been consistent. Having considered the business model and volatility of business environment, we reckon the surplus cash inflow from operations is crucial as to sustain our operations and meet financial commitments should the situation deteriorate further as well as to take care the wellbeing of the employees of the Group as a whole.

In addition, as a manufacturer, we will have to prioritise investments in manufacturing capabilities, including digital automation which are expected to be costly, to improve productivity and increase

flexibility to meet market requirements. Hence, the idea of implementing a capital retention policy is becoming less justifiable.

- 6) Having noted the justifications made by the Board in maintaining cash reserves, we reckon the Board should re-assess the dividend policy to demonstrate commitment to shareholders' value and distribute a higher dividend payout to strengthen investor confidence in the Company's long-term prospects. Does not any of the Board members (other than Tay brothers) agree and share same view with us in rewarding the shareholders? (James Hay)**

Responses from the Board/Management:

The Board acknowledges the points and suggestion made by Pangolin and will assess from time to time, the feasibility of implementing a dividend policy while keeping in mind the need to be balanced against investment opportunities in its core business and other shareholders' value proposals.

In terms of dividends distribution, there are always robust and deeper discussions by the Board on the timing and quantum distributed as to ensure value and benefit of the shareholders, in particular the minority shareholders, are being safeguarded without compromising the ability of the Group to meet its operational and capital investments.

- 7) Having comparing the revenue generated and performance with others, I am concurred with the view of Pangolin on having excess and/or idle cash reserves. As for the revenue contribution, why there was a declining trend from the Canadian market? Any plan for the Company to venture into the European, Japanese and Mexican markets as to diversify revenue base? (Ee Yin Chin)**

Responses from the Board/Management:

The revenue contribution from the Canadian market has always been in down trend as compared to US market. Amidst weaker spending on home furnishings amongst American, the spending power of the American is still stronger than the Canadian.

Due to stringent safety requirements and/or specification as well as compliance cost on shipping and logistics, the Company has no immediate plan to penetrate into the European and Japanese markets. As for the Mexican market, it is somehow not feasible to transact business in view of its political instability, economic and regulatory conditions.

- 8) What are the prospects of Vietnam given it is one of the Group's manufacturing bases? Is the increasing competition for skilled workers created challenges for workforce planning? How much were the direct labour costs incurred during the pandemic period? (Phua Pao Aun)**

Responses from the Board/Management:

The Vietnamese operations enjoy skilled labour availability and cost advantages with manufacturing clusters, competitive infrastructure and logistics capabilities. As such, the wood-based home and home-office furniture for the US market which entails more elaborate, manual driven fabrication and finishing processes, are manufactured in Vietnam.

In line with its reduced orders received, the headcounts in Vietnam and direct labor costs were reduced (due to reduction in overtime cost) during the financial year under review. During the pandemic period, the monthly direct labour costs incurred were about RM2-3 million.

- 9) **As seen in the Statement of Cash Flows on page 65 of the Annual Report 2023, the Group recorded a capital gain of RM1.8 million after net off the proceeds of RM3.2 million from disposal of land held for property development with cost of investment of approximately RM1.4 million during FYE 2023. What is the future plan of the Company for the remaining parcels of land held for property development worth approximately RM19.5 million? Will the Board utilize the proceeds for any land acquisition? (Ee Yin Chin)**

Responses from the Board/Management:

The Board has no definite plan to utilize the proceeds arising from the disposal for further land acquisition. With the remaining duration of the 4 years under the JV agreement, the Board has been actively exploring with the JV Developer for another commercial project in developing a total of 3 plots of adjoining land.

- 10) **To promote and encourage shareholder activism, the Board should consider to convene general meetings in hybrid mode. (Foo Cui Khing)**

Responses from the Board/Management:

Thank you for the suggestion. The Board will take note and explore the feasibility of either virtual or hybrid AGM from time to time to encourage shareholder activism.

- 11) **Any plan to sell outright the commercial lands with warehouse cum office-showroom erected thereon in Victoria, Australia in anticipation of the strengthening of Australian Dollar? (James Hay)**

Responses from the Board/Management:

The prevailing rental yield for the Australian properties has been attractive since then. During the financial year under review, the Group had registered rental income of RM2.57 million arising from the investment properties, mainly from Australia.

As mentioned, the Board has been considering the feasibility of options, either outright sale of the Australian properties for capital gain or utilization of Australian properties for future expansion and penetration into Australian furniture market. As of to-date, no definite plan has been drawn up.

- 12) **With such low P/E ratio (3 times) and strong cash reserves, why the Company is still seeking mandate from the shareholders for the Share Buyback? Who advised the Board to pursue this exercise? (James Hay)**

Responses from the Board/Management:

The primary purpose of the Share Buyback's is to stabilise the supply and demand of the Company's shares traded on Bursa Malaysia Securities Berhad during the fluctuation in share prices and thereby supports its fundamental value.

The Board as a whole, has deliberated, assessed and determined on whether to utilize the Share Buyback's mandate, subject to compliance with Section 127 of the Companies Act 2016 and all other applicable and prevailing laws, rules, regulations, orders, guidelines and requirements.

The shares bought back previously are currently kept as treasury shares. The Board will have an option to whether sell the Shares so purchased at a higher price and therefore make an exceptional gain for the Company, or to distribute to shareholders as dividends and serve as a reward to the shareholders of the Company.

Premised on the prevailing market conditions and sentiments of the stock market, the Board has yet to exercise any decision on the Share Buy-Back.

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