

JOHAN HOLDINGS BERHAD

Registration No. 192001000038 (314-K)

MINUTES of the Ninety-Eighth Annual General Meeting of Johan Holdings Berhad (“Johan” or “the Company”) conducted virtually on Thursday, 18 January 2024 at 11:00 a.m. from the Broadcast Venue at Boardroom of Johan Holdings Berhad, 11th Floor, Wisma E&C, No. 2 Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur and via our Share Registrar’s online meeting platform at www.johanmanagement.com.my

AT THE BROADCAST VENUE

Chairman of the Board:

Tan Sri Dato' Tan Kay Hock

Company Secretary:

Mr Teh Yong Fah

Poll Administrator – Propoll Solutions Sdn Bhd:

Mr Lai Chi Kang

Mr Danny Yap Kee Kong

Independent Scrutineer – Symphony Corporate Services Sdn Bhd:

Mr Eric Tan Kai Meng

VIA VIDEO CONFERENCE

Board of Directors:

Puan Sri Datin Tan Swee Bee (“Puan Sri Datin Tan”)

Dato’ Ahmad Khairummuzammil Bin Mohd Yusoff (“Dato’ Ahmad K.”)

Mr Tan Poh Meng (“Mr PM Tan”)

Mr. Mahathir Bin Mahzan (“Mr Mahathir”)

Management Staff:

Mr Sia Chin Yap

- General Manager, Operations

Mr Lee Teck Siong

- Senior Manager – Finance

Mr Choo Chin Yoon

- Senior Manager – Group Accountant
& Treasurer

Mr Tio Yit Ching

- Director of Dynacare Sdn Bhd

Auditors – Baker Tilly Monteiro Heng PLT:

Mr Ng Zu Wei

Mr Ho Lee Sien

Mr Nicholas Gan

Ms Yew Ai Chen

Assistant Company Secretary:

Ms Gan Lee Mei

The attendance of shareholders, corporate representatives and proxies via the online meeting platform at www.johanmanagement.com.my using Remote Participation and Voting (“RPV”) facilities was as per the attendance list.

1. **CHAIRMAN**

Tan Sri Dato' Tan Kay Hock presided as Chairman of the Ninety-Eighth Annual General Meeting ("98th AGM" or "the Meeting") of Johan Holdings Berhad ("Johan" or "the Company").

The Chairman, on behalf of the Board of Directors ("the Board"), welcomed the shareholders and proxies present to the 98th AGM of the Company ("Members"). The Chairman informed the Members that all the other Board members, representatives from the External Auditors and the key management personnel were also in attendance via video conference.

2. **QUORUM AND NOTICE OF MEETING**

The requisite quorum being present, the Chairman called the meeting to order. The Chairman informed that the notice convening the 98th AGM of the Company was disseminated electronically on 30 November 2023 and available on the Company's website. The notice of the 98th AGM was also advertised in The Star newspaper on 30 November 2023. With the permission from the Members, the notice convening the 98th AGM was taken as read.

3. **POLL VOTING AND MEETING PROCEDURES**

The Chairman informed the Members that all the Resolutions as set out in the Notice of 98th AGM would be voted by poll in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The polling would be conducted electronically via the RPV facility provided by Propoll Solutions Sdn Bhd, the Poll Administrator. Symphony Corporate Services Sdn Bhd was the appointed Scrutineers to verify the poll results.

The Chairman reported that the Company had received eight (8) proxy forms from shareholders, out of which six (6) proxy forms were from shareholders holding a total of 608,676,584 ordinary shares, representing 52.11% of the total issued shares of the Company, appointed the Chairman of the Meeting to vote in favour of all the six (6) Ordinary Resolutions to be considered at this Meeting. One (1) shareholder holding 100,000,000 shares has appointed Puan Sri Datin Tan as proxy to vote in favour of all the six (6) Ordinary Resolutions to be considered at this Meeting.

A short video to explain the electronic polling process and how the Members can access the online voting platform to cast their votes was presented during the Meeting.

4. CHAIRMAN ADDRESS

The Chairman reported that during the financial year under review, Johan Group operated under very challenging environment, especially the adverse market conditions faced by the gloves manufacturing business under Dynacare Sdn Bhd. The average selling prices (“ASPs”) of gloves continued to be soft due to weak market demand as a result of the over-supply situation, while at the same time the sector faced higher energy and labour costs.

The Chairman reported that Johan Group recorded total revenue of RM21.042 million, compared with RM22.306 million for the previous financial year. It recorded a loss before tax of RM61.37 million, compared with loss before tax of RM16.91 million for the previous financial year. The bulk of this loss was attributed to Dynacare which recorded a loss before tax of RM 54.534 million; of which RM18.94 million was actual operating loss and the balance of RM35.594 million being net impairment loss on Plant, Machinery and Building.

The Chairman reported that Dynacare operated two lines during the financial under review. The ASPs of gloves remained to be extremely low. Sales revenue cannot cover the operating costs. The plan is to increase production when there is improvement in ASPs going forward.

The Chairman reported that the outlook for Johan Group in respect of financial year ending 31 July 2024 will continue to remain challenging, especially for the gloves business. The business landscape will continue to be challenging and competitive due to elevated costs as a result of cut back in production volume, subdued ASPs, huge over capacity, leading to suppressed industry utilisation rate. Johan Group shall be focussed on securing new orders to improve utilisation of the gloves production lines and to emphasise on costs management to remain competitive. Despite the very challenging environment, Johan Group remains optimistic of the longer term prospects of the gloves industry.

The Chairman then proceeded to deal with the business of the Meeting. The Chairman informed the Members that they could raise their questions on the matters related to the Agenda of the Meeting via the Question-and-Answer column. The Board and the Management would endeavour to address all the relevant questions at the Meeting. The Chairman announced that the voting session was opened for Members to cast their votes.

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 AND THE REPORTS OF THE DIRECTORS AND AUDITORS

The audited financial statements of the Company for the financial year ended 31 July 2023 and the Reports of the Directors and Auditors thereon as incorporated in the Annual Report were tabled. No voting by Members is required for this Agenda item.

It was recorded that the audited financial statements of the Company for the financial year ended 31 July 2023 and the Report of Directors and Auditors thereon had been duly tabled and received by the Shareholders.

The Chairman proceeded to deal with the next item on the Agenda.

6. RE-ELECTION OF DIRECTORS

- (i) Under Agenda 2(i)(a), the Chairman tabled Ordinary Resolution 1 to the vote by poll:

“That Mr PM Tan, who retires pursuant to Clause 97 of the Constitution of the Company and being eligible, be re-elected as Director of the Company”

- (ii) Under Agenda 2(i)(b), the Chairman tabled Ordinary Resolution 2 to the vote by poll:

“That Mr Mahathir, who retires pursuant to Clause 97 of the Constitution of the Company and being eligible, be re-elected as Director of the Company”.

- (iii) Under Agenda 2(ii), the Chairman tabled Ordinary Resolution 3 to the vote by poll:

“That Puan Sri Datin Tan, who retires by rotation pursuant to Clause 90 of the Constitution of the Company and being eligible, be re-elected as Director of the Company”.

7. DIRECTORS' FEES AND BENEFITS FOR THE FINANCIAL YEAR ENDING 31 MARCH 2024

Under Agenda 3, the Chairman tabled Ordinary Resolution 4 to the vote by poll:

“To approve the payment of Directors' fees and benefits of up to RM169,000 to Non-Executive Directors for the financial year ending 31 July 2024.”

8. RE-APPOINTMENT OF AUDITORS

Under Agenda 4, the Chairman tabled Ordinary Resolution 5 to the vote by poll:

“To re-appoint Baker Tilly Monteiro Heng PLT as external Auditors of the Company for the financial year ending 31 July 2024 and to authorise the Directors to fix their remuneration.”

Baker Tilly Monteiro Heng PLT, the retiring auditors, have expressed their willingness to continue in office.

9. AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

As Special Business under Agenda 5, Ordinary Resolution 6 as set out in the Notice of 98th AGM is to authorise the Directors under a general mandate to allot and issue additional shares in the Company pursuant to Sections 75 and 76 of the Companies Act, 2016.

The general mandate sought for issuance of up to 10% of the total number of issued shares of the Company is a renewal to the general mandate which was approved by shareholders at the AGM held last year. The Company has not issued any new shares under this general mandate which will lapse at the conclusion of the 98th AGM. The general mandate is to provide flexibility to the Company for any possible fund raising exercises including but not limited to placement of shares for purposes of funding future investment, working capital and/or acquisitions.

With the permission from the Members, the Ordinary Resolution 6, the full text of which was set out in the Notice of 98th AGM was taken as read. The Chairman tabled Ordinary Resolution 6 to the vote by poll.

10. OTHER ORDINARY BUSINESS

The Chairman informed the Members that the Secretary has confirmed that no notice of resolution has been received to transact any other ordinary business of the Company.

11. QUESTIONS AND ANSWERS (“Q&A”)

The Chairman proceeded to the Q & A session. The following question received from a shareholder, prior to the AGM and the reply was displayed as follows:-

Question:

Why Johan had been more than 90 years old and never pay any dividend, not even a token of appreciation like e-Wallet or e-Vouchers? Continuous loss why was not queried by Bursa /Securities Commission?

Reply:

The Chairman replied that when he bought the controlling interest in Johan in 1981, the Company was already a suspended listed issuer. Johan resumed paying Dividend No. 58 at 7.5 sen per share on 25 July 1983 and a further eight (8) Dividends until Dividend No. 66 at 1.25 sen per share on 30 September 1998. Since then due to losses incurred by the Group, Johan was not able to pay further dividends to shareholders.

Another questions received and replied via email during the course of the AGM proceedings dealt with the Company's future outlook which was addressed on Pg. 6 of the Chairman's Management Discussion & Analysis in the Annual Report. Other questions on door gifts, e-vouchers or e-wallets for AGM online participants were dealt with the reply that it is not the Company's policy to give any form of door gifts for AGM attendees.

12. POLL VOTING

There were no further questions raised, the Chairman proceeded with the voting session. The Members who have not casted their votes, were allocated another five (5) minutes time to submit their votes.

The Chairman announced the closure of the voting session and declared that the Meeting be immediately adjourned to enable the poll administrator and independent scrutineers to count the votes and verify the poll results.

13. DECLARATION OF POLL RESULTS

The Chairman called the Meeting to order for the declaration of results.

The Chairman informed the Members that the poll result had been validated by the independent scrutineers. The poll result were as follows:-

	FOR			AGAINST		
	No. Shareholders	No. of shares	%	No. Shareholders	No. of shares	%
<u>Ordinary Resolution 1</u> Re-election of Mr Tan Poh Meng as a Director	16	708,694,119	100	0	0	0
<u>Ordinary Resolution 2</u> Re-election of Mr Mahathir Bin Mahzan as a Director	16	708,694,119	100	0	0	0
<u>Ordinary Resolution 3</u> Re-election of Puan Sri Datin Tan Swee Bee as a Director	16	708,694,119	100.0000	0	0	0
<u>Ordinary Resolution 4</u> Approval of payment of Directors' fees and benefits to Non-Executive Directors for the financial year ending 31 July 2024	9	708,684,919	99.9987	7	9,200	0.0013
<u>Ordinary Resolution 5</u> Re-appointment of Baker Tilly Monteiro Heng PLT as the Company's External Auditors for the financial year ending 31 July 2024 and to authorise the Board of Directors to fix their remuneration	14	708,693,119	99.9999	2	1,000	0.0001

	FOR			AGAINST		
	No. Shareholders	No. of shares	%	No. Shareholders	No. of shares	%
<u>Ordinary Resolution 6</u> Authority to Allot and Issue Shares Pursuant to the Companies Act, 2016	12	708,689,119	99.9993	4	5,000	0.0007

The Chairman declared that all the six (6) Ordinary Resolutions as tabled and voted at the Meeting as duly carried.

14. CLOSURE OF MEETING

There being no other business to transact, the Chairman thanked the Members for their participation at the Meeting and declared the meeting closed at 11.38 a.m.

Confirmed as the correct record
of proceedings thereat,

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CHAIRMAN

Dated : 18 January 2024