

PCCS GROUP BERHAD

[Registration No. 199301026191 (280929-K)]

(Incorporated in Malaysia)

MINUTES OF THE THIRTIETH ANNUAL GENERAL MEETING (“30TH AGM” OR “THE MEETING”) OF PCCS GROUP BERHAD (“THE COMPANY” OR “PCCS”) HELD AT PCCS’ CORPORATE OFFICE, LOT 1376, GM127, MUKIM SIMPANG KANAN, JALAN KLUANG, 83000 BATU PAHAT, JOHOR DARUL TAKZIM ON MONDAY, 26 AUGUST 2024 AT 10:00 A.M.

DIRECTORS PRESENT : Mr. Piong Yew Peng (Chairman)
Mr. Chan Wee Kiang
Mr. Chan Wee Boon
Mr. Chan Chow Tek
Dato’ Chan Chor Ngiak
Mr. Chan Chor Ang
Ms. Joyce Wong Ai May (*via tele-conference*)
Ms. Goh Wen Ling

MEMBERS PRESENT : As per Attendance List

PROXYHOLDERS PRESENT : As per Attendance List

BY INVITATION : As per Attendance List

IN ATTENDANCE : Mr. Lim Lih Chau (*Representing the Company Secretary*)

CHAIRMAN

Mr. Piong Yew Peng (“**the Chairman**”) was in the Chair. The Chairman welcomed all present to the 30th AGM of the Company and called the Meeting to order at 10:00 a.m.

The Chairman then proceeded to introduce the Directors, the representative of the Company Secretary and invitee to the shareholders.

QUORUM

The requisite quorum being present pursuant to Clause 94 of the Company's Constitution, the Chairman declared the Meeting duly convened.

PROCEEDINGS

The Chairman informed all present that only members whose names appeared in the Record of Depositors on 19 August 2024 were eligible to attend the Meeting.

The Chairman informed that the Main Market Listing Requirements of Bursa Malaysia Securities Berhad has mandated poll voting for the resolutions set out in the notice of the Meeting.

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The Chairman thereafter exercised his rights as the Chairman of the Meeting pursuant to Section 330 of the Companies Act 2016, demanded for poll be conducted for the resolution which were put forth for voting at the Meeting to demonstrate shareholder democracy of one-share one-vote.

Mr. Lim Lih Chau ("**Mr. Lim**"), the representative of the Company Secretary briefed all present on the proceedings of the Meeting. The voting process for all the resolutions set out in the Notice of the Meeting would be carried out after the discussion of all agenda items of the Meeting.

The Meeting noted that the Share Registrar of the Company, Securities Services (Holdings) Sdn. Bhd. was appointed as the Poll Administrator and Commercial Quest Sdn. Bhd. was appointed as the Independent Scrutineer to verify the results of the poll voting.

NOTICE

The Notice convening the Meeting dated 26 July 2024, having been circulated within the prescribed period, was with the permission of the Meeting, taken as read.

LETTER RECEIVED FROM MINORITY SHAREHOLDERS WATCH GROUP ("MSWG")

The Chairman informed that the Company had received the questions from MSWG via its letter dated 19 August 2024, seeking clarification or information on several issues raised pertaining to the operational, financial and corporate governance matters of the Company and its subsidiaries ("**the Group**").

Dr. Tang Lai Huat ("**Dr. Tang**"), the *Corporate Controller*, presented the questions received from MSWG as well as the Company's responses to MSWG and the Meeting noted the same as tabled. The questions from MSWG and corresponding replies from the Company to MSWG were annexed hereto as **Annexure "A"** respectively.

The Chairman thanked MSWG for the questions raised and invited questions from the floor in respect of the MSWG's questions.

Cik Nur Amirah Binti Amirudin ("**Cik Nur Amirah**"), the corporate representative of MSWG enquired the following: -

(a) *Is there any new international market penetration for the year?*

Mr. Chan Wee Kiang ("**Mr. David**"), the *Group Managing Director*, informed that the investment in Hong Kong was made in 2019, before the COVID-19 pandemic. During the pandemic, the Shandong factory was not operating at its desired capacity and was used to capture the local China market. However, due to the China-United States trade war, the local market in China became increasingly competitive.

(b) *What is the current market share for PCCS in Malaysia?*

Mr. David informed that the Company has factories in both China and Cambodia. The factory in Cambodia primarily supplies the United States and European countries, with 10% of its production serving other international markets, including Malaysia. Mr. David added that the factory in China mainly focuses on the local market and

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exports to Europe, particularly for technical sportswear that cannot be produced elsewhere.

- (c) *What is the utilisation rate for each of the facilities? Does it meet the healthy utilisation rate for each of the facilities?*

Mr. David mentioned that the utilisation rate for the Shandong factory is currently below 50%. However, PCCS is optimistic that the factory can achieve its optimal utilisation rate with the right products, suitable customers, and sufficient manpower.

- (d) *What is the breakdown of Mr. Chan Chow Tek's salaries and other emoluments?*

Dr. Tang informed that the breakdown of Mr. Chan Chow Tek's salary and other emoluments will be provided via email in due course.

1.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 ("AFS 2024") TOGETHER WITH THE REPORTS OF THE DIRECTORS AND THE AUDITORS THEREON

The Chairman informed that the first item on the agenda was to receive the AFS 2024 together with the Reports of the Directors and the Auditors thereon.

The Meeting noted that this agenda was meant for discussion only pursuant to Section 340(1)(a) of the Companies Act 2016, the AFS 2024 did not require formal approval by the shareholders. Hence, it was not put forward for voting.

There being no question from the floor, the Chairman declared that the AFS 2024 together with the Reports of the Directors and the Auditors thereon, be received.

2.0 RE-ELECTION OF THE FOLLOWING DIRECTORS, WHO RETIRE PURSUANT TO CLAUSE 117 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAD OFFERED THEMSELVES FOR RE-ELECTION: -
(A) MR. CHAN WEE KIANG;
(B) MR. CHAN WEE BOON; AND
(C) MS. JOYCE WONG AI MAY

The Chairman informed that the second item on the agenda was to re-elect Mr. Chan Wee Kiang, Mr. Chan Wee Boon and Ms. Joyce Wong Ai May, who were retiring at the Meeting pursuant to Clause 117 of the Company's Constitution and being eligible, had offered themselves for re-election. The Meeting noted that each re-election would be voted on individually.

- (a) Re-election of Mr. Chan Wee Kiang pursuant to Clause 117 of the Company's Constitution

There being no question from the floor, the Chairman proceeded to next item on the agenda.

- (b) Re-election of Mr. Chan Wee Boon pursuant to Clause 117 of the Company's Constitution

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There being no question from the floor, the Chairman proceeded to next item on the agenda.

- (c) Re-election of Ms. Joyce Wong Ai May pursuant to Clause 117 of the Company's Constitution

There being no question from the floor, the Chairman proceeded to next item on the agenda.

3.0 APPROVAL OF THE PAYMENT OF DIRECTORS' FEES AMOUNTING TO RM516,670/- FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

The Chairman informed that the next item on the agenda was to approve the payment of Directors' fees amounting to RM516,670/- (Ringgit Malaysia: Five Hundred Sixteen Thousand and Six Hundred and Seventy only) for the financial year ended 31 March 2024.

There being no question from the floor, the Chairman proceeded to next item on the agenda.

4.0 APPROVAL OF THE BENEFITS PAYABLE TO THE INDEPENDENT NON-EXECUTIVE DIRECTORS UP TO RM30,000/- FOR THE PERIOD FROM 28 AUGUST 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO SECTION 230(1)(b) OF THE COMPANIES ACT 2016

The Chairman informed that the next item on the agenda was to approve the benefits payable to the Independent Non-Executive Directors up to RM30,000/- (Ringgit Malaysia: Thirty Thousand only) for the period from 26 August 2024 until the next Annual General Meeting of the Company pursuant to Section 230(1)(b) of the Companies Act 2016.

There being no question from the floor, the Chairman proceeded to next item on the agenda.

5.0 RE-APPOINTMENT OF BAKER TILLY MONTEIRO HENG PLT AS AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF NEXT ANNUAL GENERAL MEETING AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Chairman informed that the next item on the agenda was to re-appoint Baker Tilly Monteiro Heng PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration.

The Meeting noted that Messrs. Baker Tilly Monteiro Heng PLT had indicated their willingness to continue in office as Auditors of the Company.

There being no question from the floor, the Chairman proceeded to the next item on agenda.

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6.0 SPECIAL BUSINESS

ORDINARY RESOLUTION

- AUTHORITY TO ISSUE SHARES PURSUANT THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS

The Chairman informed that the next item on the Agenda was a special business to approve the Ordinary Resolution in respect of the authority to issue shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights.

The Meeting further noted that the proposed adoption of this Ordinary Resolution was primarily to give flexibility to the Board of Directors to issue and allot shares at any time to such persons in their absolute discretion, for the purpose of funding future investment projects, working capital and acquisition without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. Additionally, approval is sought to waive the statutory pre-emptive rights of the shareholders of the Company for the offering of new shares, which would rank equally with the existing issued shares arising from any new share issuance. The authority unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting of the Company.

There being no question from the floor, the Chairman proceeded to next item on the agenda.

7.0 SPECIAL BUSINESS

ORDINARY RESOLUTION

- RETENTION OF MR. PIONG YEW PENG AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

At this juncture, the Chairman declared his interest with regards to this agenda item and on his proposal, Mr. David took over as the chairman for this segment of the agenda.

Mr. David informed that the next item on the agenda which was to seek the approval of the Meeting to retain Mr. Piong Yew Peng, who has served for a cumulative term of more than 9 years, to continue in office as an Independent Non-Executive Director of the Company as recommended by the Malaysian Code on Corporate Governance ("MCCG").

The Board of Directors had through the Nomination Committee conducted an annual assessment of the independence of Mr. Piong Yew Peng and recommended him to continue in office as an Independent Non-Executive Director of the Company subject to a two-tier voting process pursuant to Practice 5.3 of the MCCG.

The justifications and recommendations of the Board of Directors for the retention of Mr. Piong Yew Peng as an Independent Non-Executive Director of the Company were set out in the Notice of the Meeting.

There being no question from the floor, Mr. David hereafter handed back the chair to the Chairman. The Chairman thanked Mr. David for chairing this segment of the agenda.

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8.0 SPECIAL BUSINESS

ORDINARY RESOLUTION

- PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Chairman informed that the next item on the agenda was a special business to approve the Ordinary Resolution in respect of the proposed renewal of share buy-back authority.

The Meeting was informed that the proposed adoption of this Ordinary Resolution was to renew the share buy-back authority granted by the shareholders of the Company at the Twenty-Eighth Annual General Meeting held on 28 August 2023.

The Meeting further noted that the proposed renewal of share buy-back authority would empower the Board of Directors of the Company to purchase the Company's ordinary shares up to 10% of the total number of issued shares of the Company at any time within the period stipulated in Bursa Malaysia Securities Berhad Main Market Listing Requirements.

There being no question from the floor, the Chairman proceeded to next item on the agenda.

9.0 ANY OTHER BUSINESS

The Meeting noted that no notice had been received to transact any other ordinary business.

POLLING PROCESS

The Chairman declared that the registration for attendance at the Meeting be closed at 10:45 a.m. to facilitate the conduct of a poll. The Meeting was briefed on the procedure on the conduct of a poll and all shareholders, proxies and corporate representatives were requested to cast their votes.

After all votes have been cast, the Meeting was adjourned at 10:48 a.m. to facilitate the tabulation of votes and verification for the declaration of poll results.

ANNOUNCEMENT OF POLL RESULTS

The Meeting resumed at 11:08 a.m. and the Chairman invited Mr. Lim to announce the results of the poll voting which had been verified by the Independent Scrutineer, Commercial Quest Sdn. Bhd.

Based on the report from Independent Scrutineer, Mr. Lim announced the results of the poll voting as follows: -

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Resolutions	Voted for		Voted against	
	No. of shares	%	No. of shares	%
<u>Resolution 1</u> To re-elect Mr. Chan Wee Kiang as Director (Clause 117)	137,525,596	100.00	0	0.00
<u>Resolution 2</u> To re-elect Mr. Chan Wee Boon as Director (Clause 117)	137,525,596	100.00	0	0.00
<u>Resolution 3</u> To re-elect Ms. Joyce Wong Ai May as Director (Clause 117)	137,525,596	100.00	0	0.00
<u>Resolution 4</u> To approve the payment of Directors' fees for the financial year ended 31 March 2024	137,525,596	100.00	0	0.00
<u>Resolution 5</u> To approve the benefits payable to the Independent Non-Executive Directors pursuant to Section 230(1)(b) of the Companies Act 2016	137,525,596	100.00	0	0.00
<u>Resolution 6</u> To re-appoint Baker Tilly Monteiro Heng PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration	137,525,596	100.00	0	0.00
<u>Resolution 7</u> Authority to Issue Shares pursuant to the Companies Act 2016 and Waiver of Pre-emptive Rights	137,525,596	100.00	0	0.00
<u>Resolution 8</u> Retention of Mr. Piong Yew Peng as an Independent Non-Executive Director	Tier 1			
	90,734,228	100.00	0	0.00
	Tier 2			
	46,541,268	99.9998	100	0.0002

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Resolutions	Voted for		Voted against	
	No. of shares	%	No. of shares	%
Resolution 9 Proposed Renewal of Share Buy-Back Authority	137,525,596	100.00	0	0.00

Based on the results of the poll voting, the Chairman declared the following resolutions be **CARRIED:-**

RESOLUTION 1

"That Mr. Chan Wee Kiang, being eligible for re-election, be re-elected as a Director of the Company."

RESOLUTION 2

"That Mr. Chan Wee Boon, being eligible for re-election, be re-elected as a Director of the Company."

RESOLUTION 3

"That Ms. Joyce Wong Ai May, being eligible for re-election, be re-elected as a Director of the Company."

RESOLUTION 4

"That the Directors' Fees amounting to RM516,670/- (Ringgit Malaysia: Five Hundred Sixteen Thousand and Six Hundred and Seventy only) for the financial year ended 31 March 2024, be and is hereby approved."

RESOLUTION 5

"That the benefits payable to the Independent Non-Executive Directors of up to RM30,000/- (Ringgit Malaysia: Thirty Thousand only) for the period from 26 August 2024 until the next Annual General Meeting of the Company pursuant to Section 230(1)(b) of the Companies Act 2016, be and is hereby approved."

RESOLUTION 6

"That Baker Tilly Monteiro Heng PLT be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that authority be and is hereby given to the Directors to fix their remuneration."

RESOLUTION 7

ORDINARY RESOLUTION

- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS

"THAT pursuant to the Companies Act 2016 and the Constitution of the Company and subject to the approvals of the relevant governmental/regulatory authorities, the Directors

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be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding Treasury Shares, if any) for the time being as stipulated under Paragraph 6.03(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

AND THAT the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

AND THAT pursuant to Section 85 of the Companies Act 2016 to read together with Clause 14 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to the Companies Act 2016;

AND FURTHER THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

RESOLUTION 8

ORDINARY RESOLUTION

- RETENTION OF MR. PIONG YEW PENG AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT approval be and is hereby given to Mr. Piong Yew Peng, who has served as an Independent Non-Executive Director for a cumulative term of more than 9 years, to retain as an Independent Non-Executive Director of the Company."

RESOLUTION 9

ORDINARY RESOLUTION

- PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

*"THAT subject to the provisions of the Companies Act 2016, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all other relevant authority, approval be and is hereby given for the Company, to purchase such number of ordinary shares in the Company 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 of the Company may in their absolute discretion deem fit and expedient in the interest of the Company ("**Share Buy-Back Mandate**"), provided that:-*

- (i) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company at any point of time pursuant to the Share Buy-Back Mandate shall not exceed ten per centum (10%) of the total number of issued ordinary shares of the Company for the time being;*
- (ii) the maximum amount of funds to be allocated by the Company for the purpose of purchasing its own ordinary shares shall not exceed the Company's retained profits at the time of purchase(s);*
- (iii) the authority conferred by this resolution will be effective immediately upon the passing of this ordinary resolution and will continue to be in force until:-*

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- (a) *the conclusion of the next Annual General Meeting of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at the general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;*
- (b) *the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or*
- (c) *revoked or varied by an ordinary resolution passed by the shareholders in general meeting, whichever is the earlier;*
- (iv) *the shares so purchased by the Company pursuant to the Share Buy-Back Mandate be retained as treasury shares which may be distributed as dividends and/or resold on Bursa Malaysia Securities Berhad and/or cancelled and/or transfer for the purposes of or under an employees' share scheme and/or be dealt with by the Directors of the Company in the manners allowed by the Companies Act 2016;*

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary to implement, finalise and give full effect to the aforesaid with full powers to assent to any condition, modification, variation and/or amendment, if any, as may be imposed by the relevant authorities and to do all such acts and things as the Directors of the Company may deem fit and expedient in the interests of the Company.

CONCLUSION

The Chairman concluded the Meeting and thanked all present for their attendance.

The Meeting was concluded at 11:11 a.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

- signed -

PIONG YEW PENG
CHAIRMAN

Dated: 26 August 2024