

AIMFLEX BERHAD
Registration No. 201801011135 (1273151-K)
(Incorporated in Malaysia)

MINUTES OF THE FIFTH ANNUAL GENERAL MEETING (“MEETING” OR “AGM”) OF AIMFLEX BERHAD (“AIMFLEX” OR “COMPANY”) HELD ON A FULLY VIRTUAL BASIS THROUGH ONLINE MEETING PLATFORM VIA TIIH ONLINE WEBSITE AT [HTTPS://TIIH.ONLINE](https://tiih.online) OR [HTTPS://TIIH.COM.MY](https://tiih.com.my) (DOMAIN REGISTRATION NUMBER WITH MYNIC: D1A282781) PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD. IN MALAYSIA ON THURSDAY, 22 JUNE 2023 AT 10.00 A.M.

Present : **Attendance via video conferencing**

Dato’ (Dr.) Ts. Awang Daud Bin Awang Putera (Non-Independent Non-Executive Chairman)
Mr. Chuah Chong Ewe (Managing Director)
Mr. Chuah Chong San (Executive Director)
Professor Dr. Ruzairi Bin Hj Abdul Rahim (Independent Non-Executive Director)
Ms. Law Lee Yen (Independent Non-Executive Director)

All members and proxies entered in the Attendance List

Absent with apology : Pn. Siti Zaleha Binti Sulaiman (Independent Non-Executive Director)

By Invitation : All guests entered in the Attendance List

In Attendance : Mr. Soo Choon Siong (Chief Financial Officer)
Ms. Wong Mee Kiat (Company Secretary)
Mr. Victor Cheong, Representative of RSM Malaysia PLT (External Auditors of the Company)

WELCOMING ADDRESS

Dato’ (Dr.) Ts. Awang Daud Bin Awang Putera (“the Chairman”), on behalf of the Board of Directors, welcomed the shareholders, proxy holders and invited guests to the Company’s fully virtual 5th AGM, which was conducted through online meeting platform via TIIH Online website at <https://tiih.online> provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia. Dato’ Chairman thanked all participants for joining the meeting remotely via video conferencing.

Dato’ Chairman introduced the following Board members, Chief Financial Officer, Company Secretary and representatives from the External Auditors to all present:-

1. Mr. Chuah Chong Ewe, Managing Director;
2. Mr. Chuah Chong San, Executive Director;
3. Professor Dr. Ruzairi bin Abdul Rahim, Independent Non-Executive Director;
4. Ms. Law Lee Yen, Independent Non-Executive Director;
5. Mr. Soo Choon Siong, Chief Financial Officer;
6. Ms. Wong Mee Kiat, Company Secretary;

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7. Mr. Victor Cheong, Representative of RSM Malaysia PLT (External Auditors of the Company)

QUORUM

The Company Secretary confirmed that the requisite quorum was present as at the commencement of the meeting and therefore, the Chairman called the meeting to order and proceed with the agenda.

NOTICE OF MEETING

The notice convening the meeting, having been circulated earlier to all the shareholders of the Company within the prescribed period, was taken as read.

POLLING PROCEDURES

Dato' Chairman informed that as required by Rule 8.29 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions as set out in the notice calling the meeting were to be voted on by poll, and an independent scrutineer was to be appointed to validate the votes cast. For this purpose, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") had been appointed as the poll administrator, and Quantegic Services Sdn Berhad as the independent scrutineer to verify and confirm the poll results.

Affirmative votes of more than half of the members/proxies who participated and voted remotely at the meeting would be required to pass all the resolutions. Shareholders and proxies would be allowed to cast their votes remotely during the meeting until online voting was declared closed after presentation of all resolutions. Dato' Chairman would announce the start and end of the online voting session.

A video presentation was made by Tricor, the poll administrator which guided the shareholders who have attended the AGM through live streaming on the electronic voting. After Tricor's presentation, Dato' Chairman announced that online voting was opened.

BRIEFING ON THE COMPANY'S PERFORMANCE FOR 2022

Mr. Soo Choon Siong, Chief Financial Officer, was invited to brief the shareholders on the performance of the Group for the year 2022. He presented financial highlights, business snapshots and operational updates of the Group.

ORDINARY BUSINESSSES

RECEIPT OF AUDITED FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 DECEMBER 2022 TOGETHER WITH REPORTS OF DIRECTORS AND AUDITORS

Dato' Chairman informed that the audited financial statements did not require shareholders' approval and hence would not be put for voting.

The audited financial statements for the financial year ended 31 December 2022 were duly received by the meeting.

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RESOLUTIONS 1 & 2 – RE-ELECTION OF DIRECTORS

Dato' Chairman informed that Resolutions 1 & 2 were to approve the re-election of Puan Siti Zaleha Binti Sulaiman and himself, who were retiring pursuant to Article 131 of the Company's Constitution.

He further informed that Puan Siti Zaleha Binti Sulaiman and himself have given notice that they do not wish to seek for re-election as Directors of the Company. As such, Puan Siti Zaleha Binti Sulaiman and himself retired as Directors of the Company immediately at the conclusion of the 5th AGM. In view thereof, Resolutions 1 & 2 in relation to their re-election were withdrawn.

RESOLUTIONS 3 – DIRECTORS' FEES AND BENEFITS

Dato' Chairman informed that Resolution 3 was to seek shareholders' approval to pay the Directors' fees of up to RM300,000.00 and benefits of up to RM20,000.00 from 2023 Annual General Meeting until the next Annual General Meeting of the Company.

RESOLUTION 4 – RE-APPOINTMENT OF AUDITORS OF THE COMPANY AND AUTHORISATION FOR DIRECTORS TO FIX REMUNERATION OF AUDITORS

Dato' Chairman informed that Resolution 4 was for the re-appointment of RSM Malaysia PLT as the Company's auditors for the ensuing financial year end at a remuneration to be fixed by the Directors.

SPECIAL BUSINESS

RESOLUTION 5 – AUTHORITY TO ISSUE SHARES

Dato' Chairman informed that Resolution 5 was for the approval for issuance of new ordinary shares pursuant to Section 75 and Section 76 of Companies Act 2016. The approval of the issuance and allotment of the new shares under Section 75 and Section 76 shall have the effect of the shareholders having agreed to waive their statutory pre-emptive rights pursuant to Section 85 of the Act and Article 76 of the Company's Constitution, which will result in a dilution to their shareholding percentage in the Company. The text of the resolution for consideration is set out on the notice of the Fifth Annual General Meeting dated 28 April 2023. He further explained that the passing of this Resolution will empower the Directors to issue shares in the Company provided that the aggregate number of shares to be issued does not exceed more than ten percent centum of the total number of issued shares of the Company for the time being as stipulated under Rule 6.04(1) of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad to be utilised before the conclusion of the next AGM of the Company.

RESOLUTION 6 – PROPOSED NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Dato’ Chairman informed that Resolution 6 was for the approval for the Company and its subsidiaries (“Group”) to enter into and give effect to the Recurrent Related Party Transactions (“RRPT”) pursuant to Rule 10.09 of the Ace Market Listing Requirement of Bursa Malaysia Securities Berhad. The interested parties, being Mr. Chuah Chong Ewe, Mr. Chuah Chong San, Mr. Queh Yong Jin, and Mr. Chin Yeow Ming undertake to ensure that themselves and persons connected to them, if any, will abstain from all deliberations and voting on the resolution in respect of the proposed New Shareholders’ Mandate. The information pertaining to the Proposed New Shareholders’ Mandate for RRPT is set out in the Circular to Shareholders dated 28 April 2023.

ANY OTHER BUSINESS

Dato’ Chairman confirmed that the Company had not received any notice to transact any other business.

Q&A SESSION

The Chairman of the Meeting gone through the questions submitted via TIIH online and posed in the Query box during the meeting. He passed the Q&A Session to Mr. Soo Choon Siong, the Chief Financial Officer.

The questions and the Company’s response are attached as Appendix I. He then handed the meeting back to Dato’ Chairman.

POLL RESULTS

After announcing the close of the online voting, Dato’ Chairman informed that results of the poll would be declared after counting of votes by the poll administrator and validation of the poll results by the scrutineer, which would take about 20 minutes, during which a short break ensued.

The poll results as set out below were handed to Dato’ Chairman and shown on the screen:

Resolution	Vote For		Vote Against	
	No. of Units	%	No. of Units	%
Resolution 3	432,574,659	99.5967	1,751,802	0.4033
Resolution 4	434,258,859	99.8904	476,402	0.1096
Resolution 5	432,388,259	99.5306	2,039,002	0.4694
Resolution 6	89,859,445	98.2161	1,632,102	1.7839

Based on the poll results, Dato’ Chairman declared the following Resolutions carried:

RESOLUTIONS 3 – DIRECTORS’ FEES AND BENEFITS

THAT Directors’ fees of up to RM300,000.00 and benefits of up to RM20,000.00 from 2023 Annual General Meeting of the Company be and are hereby approved.

RESOLUTION 4 – RE-APPOINTMENT OF AUDITORS OF THE COMPANY AND AUTHORISATION FOR DIRECTORS TO FIX REMUNERATION OF AUDITORS

THAT Messrs. RSM Malaysia PLT, the retiring auditors be and are hereby appointed as the

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auditors of the Company for the financial year ending 31 December 2023 and THAT the Directors be and are hereby authorised to fix their remuneration.

RESOLUTION 5 - AUTHORITY TO ISSUE SHARES

THAT subject always to Sections 75 & 76 of the Companies Act 2016 (“the Act”), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, the Directors of the Company be and are hereby authorised to issue not more than ten per centum (10%) of the total number of issued shares of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval thereof.

AND FURTHER THAT pursuant to Section 85 of the Act read together with Rule 76 of the Constitution of the Company, approval be and is hereby given to waive the statutory preemptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to this mandate.

RESOLUTION 6 – PROPOSED NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

THAT approval be and is hereby given to the Company and its subsidiaries (“Group”) to enter into and give effect to the Recurrent Related Party Transactions of a revenue or trading nature particulars with the specified classes of related parties as specified in Section 2.7 of the Circular to Shareholders dated 28 April 2023, provided that:

- (a) such arrangements and/or transactions are necessary for the Group’s day-to-day operations;
- (b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm’s length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;
- (c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- (d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders’ mandate during the financial year in relation to:
 - (i) the related transacting parties and their respective relationship with the Company; and
 - (ii) the nature of the recurrent transactions.

THAT such authority shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“AGM”), unless the authority is renewed by a resolution passed at the next AGM; or

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- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016; or
- (c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT the Directors be and are hereby authorized to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorized by this Ordinary Resolution.

CLOSURE

Dato' Chairman concluded the Meeting and thanked all present for their participation in the Fifth AGM of the Company. Dato' Chairman declared the meeting closed at 11:00 a.m..

SIGNED AND CONFIRMED BY



Dato' (Dr.) Ts. Awang Daud Bin Awang Putera
Chairman

Date: 22.06.2023

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Appendix I (Questions and Answers during the Fifth Annual General Meeting)

- 1) Kindly advise when is the next dividend payout? Does the Company have any major plans for the upcoming next few years?**
 - The Company does not have a dividend policy. Our focus now is to grow our business while maintaining a healthy working capital.
 - We will continue to seek strategic acquisitions as part of our continued growth agenda. We will also strengthen our own product development capabilities and implement stringent cost controls to combat inflation.

- 2) Is the Group going to install solar panels to save electricity and costs? If yes, what will be the estimated savings?**
 - Yes, we are evaluating the cost and benefit of solar panel as well as whether the building structure can support solar panel. As of now, we have not made a conclusion.

- 3) Has the Group diversified business into EV?**
 - No.

- 4) Does the Company plan to venture into the EV automation field? If yes, what will be the Company's roadmap in relevance to the revenue and profit?**
 - We are open to any profitable business venture. The Board will carefully evaluate every business opportunity and update the shareholders when there is such an opportunity.

- 5) a) Why did the Company acquire 60% and not 100% stake in the two new acquisitions, Owin Industrial Sdn. Bhd. and Union Tech Automation Sdn. Bhd.?**
 - The remaining 40% are owned by the owners of those companies. We believe this is the best structure because they are the best persons to manage the operations of those companies.

b) What is the reason behind the acquisition of both companies?

 - The two companies are located in the Northern part of Peninsular Malaysia. These companies are in the business similar to some of our subsidiaries. The investments in these companies enable us to penetrate the thriving electrical and electronics ecosystem of the northern corridor, which is home to several multinational firms and supported by thousands of small and medium-sized enterprises.

- 6) How much did it cost the Group to acquire the 2 new subsidiaries?**
 - Please refer to Note 30 Page 123 of the Annual Report.

7) What is the purpose of the Company to enter into the Recurrent Related Party Transactions (“RRPT”)?

- A RRPT is defined as a transaction entered into by the Company or its subsidiaries which involves the interest, direct or indirect, of a Related Party, which is **recurrent**, of a **revenue** or **trading nature** and which is necessary for day-to-day operations of the Company or its subsidiaries.
- In other words, if a transaction is not recurrent or is not revenue in nature, that transaction cannot be covered under the RRPT mandate. For example, purchase of company or land.
- The Board is of the view that the RRPTs are beneficial to Aimflex Group. The close commercial relationship that has been established between the Aimflex Group and the Related Parties will have mutual benefits, effective network and are expected to contribute to operational efficiency of the business of the Aimflex Group.
- Therefore, the Board is seeking a mandate pursuant to Listing Requirements to allow Aimflex Group to enter into the RRPT made on arm’s length basis and on normal commercial terms that are not more favourable to the Related Parties than those generally available to the public and which are not detrimental to the interests of the minority shareholders.

-END-