

**KPS CONSORTIUM BERHAD**  
Registration No. 198501011364 (143816-V)  
Incorporated in Malaysia

**MINUTES** of the Thirty-Eighth ("38th") Annual General Meeting ("AGM") ("the Meeting") of the Company duly convened and held at Klang Executive Club, Persiaran Bukit Raja 2, Bandar Baru Klang, 41150 Klang, Selangor Darul Ehsan on Friday, 7 June 2024 at 11:00 a.m.

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- DIRECTORS PRESENT** : Datuk Chua Hock Gee (Chairman of the Meeting)  
Mr. Lau Fook Meng  
Mr. Hew Chee Hau  
Mr. Cheng Lai Chuan  
Madam Wong See Mei
- IN ATTENDANCE** : Ms Maggie Kong (Secretary)
- BY INVITATION** : As per Attendance List
- SHAREHOLDERS/PROXIES** : As per Attendance List

**CHAIRMAN**

The Chairman of the Company, Datuk Chua Hock Gee ("Datuk Chairman") took the chair and called the Meeting to order. He welcomed and thanked the members, the proxies and the invited guests for their attendance.

**QUORUM**

Pursuant to Clause 63 of the Company's Constitution, two (2) members present in person or by proxy shall constitute a quorum for the meeting. The Company received a total of 12 shareholders and proxies representing 59,517,013 ordinary shares equivalent to 36.60% of the total number of issued shares of the Company registered at the commencement of the Meeting. With the requisite quorum being present, Datuk Chairman declared the meeting duly convened.

**NOTICE**

The notice of the meeting together with the Annual Report has been duly despatched to all members within the requisite statutory period. There being no objection from the floor, the notice was taken as read.

Datuk Chairman informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, all resolutions tabled at a general meeting would be voted by way of poll. The Company has appointed Mega Corporate Services Sdn. Bhd. as the Poll Administrator and Cygnus Technology Solutions Sdn. Bhd. as the Independent Scrutineer to the poll voting.

Datuk Chairman briefed on the procedure. All resolutions were to be voted by way of poll. The voting would commence only at the end of the business, after dealing with all the questions and answers (if any) at the business of the day.

### **AS ORDINARY BUSINESS**

**1. To receive the Audited Financial Statements for the financial year ended 31 December 2023 and the Reports of the Directors and Auditors thereon**

Datuk Chairman informed that the first item on the agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon which was meant for discussion only as the Company's Constitution provides that the Audited Financial Statements are to be laid in the general meeting. Hence, the Audited Financial Statements will not be put forward for voting.

Datuk Chairman invited attendees to raise questions pertaining to the financial statements. There were some clarifications from the floor. The details are in Annexure I attached.

After deliberation from the floor, the Audited Financial Statements for the financial year ended 31 December 2023, together with the Directors' and Auditors' Reports thereon be received.

**2. To approve the payment of Directors' fees and benefits of RM119,500.00 for the financial year ended 31 December 2023 [Ordinary Resolution 1]**

Datuk Chairman tabled Ordinary Resolution 1 on the payment of Directors' fees and benefits of RM119,500.00 to Non-Executive Directors for the financial year ended 31 December 2023.

Directors who are shareholders of the Company would abstain from voting on this resolution to approve his/her fees pursuant to Practice 7.2 of the Malaysian Code on Corporate Governance.

There was no question raised by the shareholders/proxies on this agenda.

**3. To approve the payment of Directors' fees and benefits up to RM139,500.00 from this Annual General Meeting until the next Annual General Meeting of the Company [Ordinary Resolution 2]**

Datuk Chairman tabled Ordinary Resolution 2 on the payment of Directors' fees and benefits up to RM139,500.00 to Non-Executive Directors from this Annual General Meeting until the next Annual General Meeting of the Company.

Directors who are shareholders of the Company would abstain from voting on this resolution to approve his/her fees pursuant to Practice 7.2 of the Malaysian Code on Corporate Governance.

There was no question raised by the shareholders/proxies on this agenda.

**4. To re-elect the following Directors retiring in accordance with Clause 78 of the Company's Constitution:-**

- i) **Datuk Chua Hock Gee [Ordinary Resolution 3]**
- ii) **Mr. Lau Fook Meng [Ordinary Resolution 4]**

Datuk Chairman tabled Ordinary Resolutions 3 and 4 on the re-election of himself and Mr. Lau Fook Meng. They were subject to retire by rotation in accordance with Clause 78 of the Company's Constitution and being eligible, had offered themselves for re-election.

Their profiles were set out in the Profile of Directors section on page 5 of the Annual Report 2023.

There was no question raised by the shareholders/proxies on this agenda.

**5. To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors and to authorise the Board of Directors to fix their remuneration [Ordinary Resolution 5]**

Datuk Chairman tabled Ordinary Resolution 5 on the re-appointment of the retiring Auditors, Messrs. Grant Thornton Malaysia PLT as auditors of the Company to hold the office until the conclusion of the next Annual General Meeting of the Company and authorise the Board of Directors to fix their remuneration.

There was no question raised by the shareholders/proxies on this agenda.

**AS SPECIAL BUSINESS: -**

**6. Authority to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 [Ordinary Resolution 6]**

Datuk Chairman informed that Ordinary Resolution 6 was to obtain approval from the Shareholders and empower the Directors to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 and to waive the statutory pre-emptive rights of the shareholders of the Company pursuant to Section 85 of the Companies Act 2016 and Clause 8 of the Constitution of the Company. The authority would enable the Directors to allot up to 10% of the total number of issued shares of the Company at any time upon such conditions and for such purposes on the Directors may in their absolute discretion deem fit and would be in the best interest of the Company.

It was noted that the Company had exercised the mandate obtained in the last AGM held on 2 June 2023. The Company had issued 14,782,700 new ordinary shares at an issue price of RM0.4600 per share by way of private placement. Total proceeds of RM6,800042 were raised from the private placement and all have been utilised.

There was no question raised by the shareholders/proxies on this agenda.

**7. ANY OTHER BUSINESS**

There was no notice received for any other business to be transacted at the 38th AGM.

## 8. POLLING PROCESS

Datuk Chairman requested shareholders/proxies to cast their votes by e-polling. The 38th AGM was adjourned for 20 minutes for poll voting.

## 9. POLL RESULTS

The Meeting resumed upon the receipt of the poll results duly verified by the Independent Scrutineer. Datuk Chairman read out the verified voting results as follows:-

Resolutions	Voted For			Voted Against			Results
	No. of Holders	No. of Shares	%	No. of Holders	No. of Shares	%	
Ordinary Resolution 1	11	58,817,113	100.0000	0	0	0.0000	Carried
Ordinary Resolution 2	10	58,817,012	99.9998	1	10	0.0002	Carried
Ordinary Resolution 3	11	58,817,113	100.0000	0	0	0.0000	Carried
Ordinary Resolution 4	11	58,817,113	100.0000	0	0	0.0000	Carried
Ordinary Resolution 5	11	58,817,113	100.0000	0	0	0.0000	Carried
Ordinary Resolution 6	8	57,617,012	97.9596	3	1,200,101	2.0404	Carried

Based on the aforesaid results, Datuk Chairman declared all Resolutions **CARRIED**.

### IT WAS RESOLVED:

#### Ordinary Resolution 1

"THAT the payment of Directors' fees and benefits to Non-Executive Directors amounting to RM119,500.00 for the financial year ended 31 December 2023 be and is hereby approved".

#### Ordinary Resolution 2

"THAT the payment of Directors' fees and benefits to Non-Executive Directors up to RM139,500.00 from this Annual General Meeting until next Annual General Meeting be and is hereby approved "

#### Ordinary Resolution 3

"THAT Datuk Chua Hock Gee retiring in accordance with Clause 78 of the Company's Constitution and being eligible, be re-elected to the Board."

#### Ordinary Resolution 4

"THAT Mr. Lau Fook Meng retiring in accordance with Clause 78 of the Company's Constitution and being eligible, be re-elected to the Board."

#### Ordinary Resolution 5

"THAT the retiring auditors, Messrs Grant Thornton Malaysia PLT be re-appointed 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 affixed by the Directors."

**Ordinary Resolution 6**

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the approval from other relevant governmental/regulatory authorities, the Directors be and are hereby empowered to allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company AND THAT the Directors be and are hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation of the additional shares so allotted.

AND THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 8 of the Company’s Constitution, approval be and is hereby to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new Company shares ranking equally to the existing issued Company shares arising from any issuance of the new Company shares pursuant to Sections 75 and 76 of the Companies Act 2016.”

**10. TERMINATION**

There being no further matters, the meeting was concluded at 11:40 a.m. with a vote of thanks to the Chair.

Confirmed True Record,

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**DATUK CHUA HOCK GEE**

Chairman of Meeting

**APPENDIX I**

Questions forwarded by the shareholder namely, Mr. Ang Wee Loon duly addressed and attended by the Board members are summarised as follows:-

- Q1) Reasons for the drop in gross profit margin from 4.2% to 3.8% while there were increases in revenue and profits compared to last financial year.**
- A1) Sales were increased post pandemic, the gross profit margin was narrowed down in order to stay competitive to attract more sales.
- Q2) The borrowings were reduced from RM168.5 million to RM146.9 million but why the finance costs were increased from RM5.5 million to RM6.8 million compared to last financial year, was the increase due to a higher interest rate?**
- A2) Our sales increased commensurate with the increased in the accounts receivable aging. Under the current situation, we need to borrow money to part finance our operation. We will try to reduce the borrowings and keep everything intact.

The interest rates for lease liabilities and borrowings were disclosed in Note 14 and Note 15 of the Notes to the Financial Statements on page 109 and page 111 of the Annual Report 2023, as follows:-

- The effective interest rates of lease liabilities are ranging from 4.70% to 5.39% (2022: 4.59% to 5.39%) per annum.
- The bank overdraft bears interest rates range from 7.07% to 8.32% (2022: 7.07% to 8.07%) per annum.
- The bankers' acceptances bear interest rates range from 2.92% to 5.74% (2022: 1.85% to 5.42%) per annum.
- The term loans bear interest rates range from 4.11% to 6.41% (2022: 4.15% to 5.72%) per annum. The repayment term for secured term loans ranging from 60 to 180 (2022: 60 to 180) monthly installments.