

Minutes of the 47<sup>th</sup> Annual General Meeting of SAPURA INDUSTRIAL BERHAD (“AGM/the Meeting”) conducted virtually through live streaming from the Broadcast Venue, Tricor Business Centre, Gemilang Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur (“Broadcast Venue”) on Tuesday, 20 June 2023 at 11.00 a.m.

- PRESENT : YBhg Tan Sri Dato’ Seri Ir. Shamsuddin bin Abdul Kadir (Executive Chairman)  
 YBhg Tan Sri Dr. Azmil Khalili bin Dato’ Khalid  
 YBhg Puan Sri Datin Seri Mariam Parineh (Director)  
 Ybhg Datuk Syed Izuan bin Syed Kamarulbahrin (Director)  
 YBhg Datuk Wira Jalilah binti Baba (Director)  
 En. Md. Shah bin Hussin (Director)
- BY INVITATION : En. Helmi bin Sheikh Mahmood (Chief Executive Officer)  
 En. Fazal Othman bin Mohd Ghazali (President Industrial Business)  
 En. Ismed Darwis bin Bahatiar } (Company’s Auditors - Ernst & Young PLT)  
 En. Abdul Hadi bin Gonawan }  
 Mr. Sherman Yew }  
 Mr. Chew Phye Keat } (Solicitors - Raja, Darryl & Loh)  
 Mr. Chong Kok Seng }  
 Ms. Cheryl Leong } (Independent Moderators -  
 Mr. Navintran Vadivelu } KPMG Management & Risk Consulting Sdn Bhd)
- SHAREHOLDERS : As per Attendance listing  
 542 representing 2,153,669 shares or 2.95 % of the total issued share capital.
- PROXIES : As per Attendance listing  
 200 representing 46,110,582 shares or 63.36% of the total issued share capital.
- IN ATTENDANCE : Pn. Liyana Lee binti Abdullah (Company Secretary)

## **WELCOME AND OPENING REMARKS FROM CHAIRMAN**

The Chairman of the Meeting, YBhg Tan Sri Dato' Seri Ir. Shamsuddin bin Abdul Kadir ("Tan Sri Chairman") welcomed and thanked all Shareholders who had taken the time to join the meeting. Tan Sri Chairman conveyed his appreciation for all the shareholders' presence and continued support which is very significant in ensuring the Company's success.

## **INTRODUCTION OF BOARD MEMBERS, MANAGEMENT & CONSULTANTS**

Tan Sri Chairman then invited the Company Secretary to introduce the Board members and management who are physically present at the Broadcast Venue. The Company Secretary also introduced the invited consultants namely the Company's Auditors (Ernst & Young PLT), Solicitors (Raja, Darryl & Loh) and the Independent Moderators (KPMG Management & Risk Consulting Sdn Bhd) who are present virtually.

Thereafter, the Company Secretary proceeded with the meeting procedures.

## **MEETING PROCEDURES**

The Company Secretary informed that the Company's 47<sup>th</sup> AGM was conducted virtually as per the Guidance Note on the Conduct of General Meetings issued by the Securities Commission. The shareholders have also been notified on the conduct of the AGM, virtually through live streaming from the Broadcast Venue via the Remote Participation and Voting Facilities, together with the instructions in the Administrative Guide, which were also made available on the Company's corporate website.

The attendance of the 47<sup>th</sup> AGM is restricted to the Shareholders and their representatives which include Proxies, Corporate Representatives and Attorneys who have registered to join the meeting remotely. As discussions in the AGM are confidential, any visual or audio recording while the AGM is being conducted is prohibited.

## **QUORUM**

The Company Secretary confirmed that there was requisite quorum to proceed with the meeting.

## **NOTICE FOR CONVENING THE MEETING**

The Notice convening the Meeting dated 22 May 2023 was sent out to all shareholders on 22 May 2023. The said Notice was announced to Bursa Malaysia on 19 May 2023 and also advertised in The Star newspaper on 22 May 2023. The Notice also had been made available on the Company's website.

Pursuant to Bursa Malaysia Listing Requirements, all resolutions set out in the notice of 47<sup>th</sup> AGM must be voted by poll. The Company had appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrators ("Tricor") and Coopers Professional Scrutineers Sdn Bhd as Independent Scrutineer to verify the poll results.

To facilitate the voting via RPV, the online remote voting was made accessible from the start of the proceedings until such time to be announced.

Tricor was invited to explain to the shareholders the remote voting procedure through the RPV application.

The Shareholders were invited to submit their questions (if any) via the query box. The Board and management responded to the questions during the Question & Answer Session, which was held after all the agendas and resolutions had been read out.

The Company Secretary then invited Tan Sri Chairman to proceed with the agendas of the Meeting.

**AGENDA 1 : TO RECEIVE THE AUDITED FINANCIAL STATEMENTS TOGETHER WITH THE DIRECTORS' AND AUDITORS' REPORTS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023**

The first agenda of the Meeting was to receive the Audited Financial Statements together with the Directors' and Auditors' Reports for the financial year ended 31 January 2023.

The shareholders were informed that this Agenda will not be put forward for voting as no approval of the members is required under Section 340(1)(a) of the Companies Act, 2016.

**AGENDA 2 : ORDINARY RESOLUTION 1**

Agenda No. 2(i), ORDINARY RESOLUTION 1 involves the payment of a final single tier dividend of 2.5 sen per ordinary share in respect of the financial year ended 31 January 2023.

**AGENDA 3(i) : ORDINARY RESOLUTION 2**

Agenda No. 3(i), ORDINARY RESOLUTION 2 involves the re-election of YBhg Datuk Wira Jalilah binti Baba who retires by rotation pursuant to Article 110 of the Company's Constitution and being eligible, has offered herself for re-election as a director of the Company. Her profile can be viewed on page 20 of the Annual Report 2023.

**AGENDA 3(ii) : ORDINARY RESOLUTION 3**

Agenda No. 3(ii), ORDINARY RESOLUTION 3, involves the re-election of YBhg Datuk Syed Izuan bin Syed Kamarulbahrin who retires by rotation pursuant to Article 110 of the Company's Constitution and being eligible, has offered himself for re-election as a director of the Company. His profile can be viewed on page 18 of the Annual Report 2023.

**AGENDA 3(iii) : ORDINARY RESOLUTION 4**

Agenda No. 3(iii), ORDINARY RESOLUTION 4, involves the re-election of YBhg Tan Sri Dr. Azmil Khalili bin Dato' Khalid who retires pursuant to Article 114 of the Company's Constitution and being eligible, has offered himself for re-election as a director of the Company. His profile can be viewed on page 17 of the Annual Report 2023

**AGENDA 4 : ORDINARY RESOLUTION 5**

Agenda 4, ORDINARY RESOLUTION 5, is to approve the reappointment of Ernst & Young PLT as the Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

**AGENDA 5(i) : ORDINARY RESOLUTION 6**

Agenda No. 5(i), ORDINARY RESOLUTION 6, is to approve payment of the Directors' fees amounting to RM437,288 for the Non-Executive Directors in respect of the financial year ended 31 January 2023.

**AGENDA 5(ii) : ORDINARY RESOLUTION 7**

Agenda No. 5(ii), ORDINARY RESOLUTION 7, is to approve the payment of Directors' remuneration (excluding Directors' Fees) to the Non-Executive Directors up to an amount of RM160,000 from the date of this AGM until the next AGM of the Company in 2024. The said remuneration comprises scheduled meeting allowances, directors & officers liability insurance premium, medical coverage and other claimable benefits.

**SPECIAL BUSINESS**

**AGENDA 6 : ORDINARY RESOLUTION 8**

To consider and if thoughtfit, to pass the following Ordinary Resolution:-

Authority for Directors to issue shares under Section 75 & 76 of the Companies Act, 2016

"THAT subject to the Companies Act, 2016 ("the Act"), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company from time to time and at any time, at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

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

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

Agenda 6, ORDINARY RESOLUTION 8, is primarily to give authority and flexibility to the Board of Directors, to issue and allot shares in the Company without convening a general meeting up to an amount not exceeding ten percent (10%) of the total number of issued shares of the Company for the time being ("renewed mandate")

After having considered all aspects of the renewed mandate, the Board is of the opinion that the adoption of the 10% renewed mandate would be in the best interest of the Company and its shareholders.

This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next annual general meeting of the Company.

## **AGENDA 7 : ORDINARY RESOLUTION 9**

Agenda No. 7, ORDINARY RESOLUTION 9, involves the retention of Encik Md. Shah bin Hussin as an Independent Director of the Company pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance 2021 (“MCCG”) until the conclusion of the next Annual General Meeting. In line with the said Practice 5.3, the resolution shall be carried out through two-tier voting. Encik Md. Shah bin Hussin’s profile can be viewed on page 21 and details of Board’s justification and recommendation for his retention as an Independent Director are set out on page 54 of the Annual Report 2023.

## **QUESTION & ANSWER SESSION**

The Chief Executive Officer and the Group Financial Controller/Company Secretary answered all the shareholders’ questions received prior to the date of the Meeting as well as questions received during the live session. The questions were answered not in any particular sequence in relation to the Agenda and were moderated to avoid repetition.

The Company Secretary also read out questions received from Minority Shareholders Watch Group issued in their letter dated 7 June 2022 together with Management’s responses (attached herein as Appendix A) which were displayed on the screen.

The following are questions that were raised from the shareholders/proxies via the Remote Participation and Voting (“RPV”) application, which were responded and addressed by management during the meeting:

1. Can I get a copy of printed Annual Report?

*Management’s response:*

Hardcopies of the annual report may be requested via the requisition form which can be found in our website or from the circulated notice and administration guide or through the Tricor’s tiih.online portal.

We have couriered the hard copy of the Annual Report 2023 to the said shareholder on 14 August 2023.

2. Kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting.

Can we increase door gift value?

*Management’s response:*

The Company appreciates the shareholders’ participation in this virtual AGM. Under the current challenging economic scenario, the Company appreciates shareholders understanding in not providing door gifts for this virtual AGM.

3. This year have more dividend payout? Any door gift or TNG reload for attending?

*Management's response:*

For FY2023, interim dividend of 3.4 sen per ordinary share was declared in September (& paid in November 2022). In addition, under Agenda 2 Ordinary Resolution 1, the Board is recommending payment of a final single-tier dividend of 2.5 sen per ordinary share. The dividend, if approved by shareholders at this AGM, will be payable on 21 July 2023. The question on door gift has been addressed earlier.

4. How much does the company spend on this virtual assistant? Would the BOD kindly give Touch n Go e-wallet as a token of appreciation for attending today's RPV I would like to request a printed hard copy of the company annual report.

*Management's response:*

The total cost is lower than a physical AGM. However, we are unable to publicly divulge the actual cost due to confidentiality. The rest of the questions have been addressed earlier.

Q1 - May I know what is the company's future outlook?

Q2 - Will the Board consider giving door gift such e-voucher or e-wallets for those participating in this AGM as a token of appreciation?

*Management's response:*

Total Industry Volume (TIV) for 2023 is forecasted at 650 thousand vehicles, a 10% drop from 2022's record-breaking achievement of 720 thousand units. This expected TIV correction is mainly due to the expiration of the sales tax exemption incentive in June 2022. Moving forward, the Group will further strengthen operational efficiencies, improve productivity and optimise its resources.

The question on door gift has been addressed earlier.

5. What is the company's future outlook? May I know when physical AGM will resume? I humbly request BOD to give e-wallet or e-voucher to attendees as a token of appreciation today our company is celebrating its 47th anniversary. I believe the token sum is small, manageable and within annual budgeted expenses. TQ.

*Management's response:*

In line with the Malaysian Code on Corporate Governance (MCCG) 2021, companies are encouraged to have effective, transparent and regular communication with shareholders including leveraging on technology to promote shareholder participation. The rest of the questions have been addressed earlier.

6. What is the company main focus / business segment to be emphasize on this year?

*Management's response:*

Our plans include strengthening our leadership position within the industry, maintaining preferred vendor status to customers by constantly delivering above expectations, forming strategies to develop and penetrate new markets for key products within the brake and suspension categories as well as adapting our products to requirements of future electric vehicles.

7. If the company order books strong to sustain business operation within 3 years?

*Management's response:*

Our automotive component contracts are generally based on an OEM's model life, typically over 5-7 years. Based on our performance & track record, we continue to receive recognition and awards from our customers, and are consistently being awarded with contracts for new and replacement models from OEMs. The Group shall strive to continuously improve our performance in the market to ensure sustainability.

## REMOTE VOTING

After the Question & Answer session, all 9 resolutions were then put to vote by poll. 5 more minutes were given to Shareholders who have not casted their vote. Thereafter, Tan Sri Chairman announced that the voting session closed and adjourned the meeting for 20 minutes.

## POLL RESULTS

Tan Sri Chairman called for the resumption of the Meeting at 11.58 pm to announce the results of the polling which have been validated and handed to him by the appointed independent scrutineers, Coopers Professional Scrutineers Sdn. Bhd.

The results of the polling were shown on the screen as follows:

## POLLING RESULTS

### POLLING RESULTS AGM 2023

Resolution(s)	Vote For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
<b>Ordinary Resolution 1</b> Payment of Dividend	48,135,242	99.7485	121,361	0.2515	48,256,603	100.00
<b>Ordinary Resolution 2</b> Re-election of Datuk Wira Jalilah binti Baba	48,118,754	99.7143	137,850	0.2857	48,256,604	100.00
<b>Ordinary Resolution 3</b> Re-election of Datuk Syed Izuan bin Syed Kamarulbahrin	48,119,779	99.7165	136,825	0.2835	48,256,604	100.00

Resolution(s)	Vote For		Vote Against		Total Votes	
<b>Ordinary Resolution 4</b> Re-election of Tan Sri Dr. Azmil Khalili bin Dato' Khalid	48,119,778	99.7165	136,801	0.2835	48,256,579	100.00
<b>Ordinary Resolution 5</b> Reappointment of Messrs. Ernst & Young PLT as Auditors of the Company	48,134,372	99.7468	122,182	0.2532	48,256,554	100.00
<b>Ordinary Resolution 6</b> Payment of Directors' fees to the Non-Executive Directors	48,099,004	99.6736	157,497	0.3264	48,256,501	100.00
<b>Ordinary Resolution 7</b> Payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors	48,108,453	99.6930	148,149	0.3070	48,256,602	100.00
<b>Ordinary Resolution 8</b> Authority for Directors to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016	48,104,160	99.6841	152,444	0.3159	48,256,604	100.00
<b>Ordinary Resolution 9</b> Retention of Encik Md. Shah bin Hussin as Independent Non-Executive Director						
<u>Tier 1 - Large Holders</u>	34,172,139	100.0000	0	0.0000	34,172,139	100.00

Resolution(s)	Vote For		Vote Against		Total Votes	
<u>Tier 2 - Other Holders</u>	13,932,407	98.9907	142,057	1.0093	14,074,464	100.00

Based on the results of the polling, the Chairman declared that all resolutions tabled at the 47<sup>th</sup> AGM are carried.

The Meeting **RESOLVED** that all the ordinary resolutions be and are **APPROVED** as tabled.

The meeting ended at 12.02 pm with a vote of thanks to the Chairman.

#### Confirmed True Records of The Proceedings

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**YBhg Tan Sri Dato'Seri Ir. Shamsuddin bin Abdul Kadir**  
Executive Chairman

SIB 46th AGM 22 JUNE 2022

## MINORITY SHAREHOLDERS WATCH GROUP (MSWG) QUESTIONS AND ANSWERS

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### OPERATIONAL/FINANCIAL MATTERS

Q1 The Group has secured Toyota as a new customer in FY2023 and has commenced development for future supply of brake components and coil springs for their new models. (Page 30 of AR)

(a) What is the expected sale per annum of brake components and coil springs to Toyota?

Sales generated from Toyota is expected to be initially marginal in FY2024; and is anticipated to increase in line with movements in Toyota's volume.

(b) Has the Group commenced supplying brake components and coil springs to Toyota?

We started supplying brake components in February 2023; whilst coil spring is expected to commence in May 2024.

(c) What is the contract period for this new contract with Toyota?

The contract period is 6 years.

Q2 Total Industry Volume (TIV) of motor vehicles sold in 2022 surpassed all forecast numbers and ended at the highest yearly figure ever achieved of 720,658 units. TIV for 2023 is projected by Malaysian Automotive Association, ("MAA") at 650,000 units.

(a) With a lower projected TIV in 2023, is the the Group's revenue in FY 2024 expected to be lower than FY 2023? If not, why?

Revenue for FY2024 is expected to remain fairly consistent with FY2023, subject to on-going fulfilment of backlog orders and achievement of volume forecast by the OEMs.

(b) Please explain the measures the Group will take to mitigate the projected drop in TIV that has a direct impact on the Group's revenue and profit.

Moving forward, the Group will further strengthen operational efficiencies, improve productivity and optimise its resources.

## APPENDIX A

- Q3 Please explain how the Group would position itself in the Electric Vehicle (EV) market that is growing exponentially worldwide.

The Group is actively exploring opportunities in the evolving EV market, both in Malaysia and in the region. We are currently in communication with potential stakeholders in establishing an optimum market position in the near future.

- Q4 The Group reported a gain on sales on assets held for sale of an amount of RM0.833 million in FY 2023. (Page 88 of AR)

- (a) Why did the Group decide to sell the assets that resulted in a gain of RM0.833 million?

Response

The gain resulted from the disposal of the Cold Drawn Bar line that was used for hot forming spring coiling process following the Group's decision to shift to cold forming spring coiling process as a more efficient and environmentally sustainable option.

- (b) How was the basis for the disposal of the asset arrived at?

The disposal was made taking into consideration the net book value of the asset and on a willing buyer willing seller basis.

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