

**BERMAZ AUTO BERHAD**  
Registration No. 201001016854 (900557-M)

MINUTES OF THE TWELFTH ANNUAL GENERAL MEETING (“AGM” OR “MEETING”) OF THE COMPANY HELD ON A VIRTUAL BASIS VIA REMOTE PARTICIPATION AND ELECTRONIC VOTING (“RPEV”) FACILITIES FROM THE BROADCAST VENUE AT 12TH FLOOR, MENARA SYMPHONY, NO. 5, JALAN PROF. KHOO KAY KIM, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA ON THURSDAY, 6 OCTOBER 2022 AT 10.00 A.M.

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**Present at Broadcast Venue:**

**DIRECTORS:**

Dato’ Sri Yeoh Choon San	- Executive Chairman
Dato’ Lee Kok Chuan	- Group Chief Executive Officer
Datuk Syed Hisham Bin Syed Wazir	- Senior Independent Non-Executive Director
Dato’ Kalsom Binti Abd. Rahman	- Independent Non-Executive Director
Puan Adibah Khairiah Binti Ismail @ Daud	- Independent Non-Executive Director
Mr Martin Giles Manen	- Independent Non-Executive Director
Dato’ Wan Kamaruzaman Bin Wan Ahmad	- Non-Independent Non-Executive Director

**IN ATTENDANCE:**

Ms Tai Yuen Ling	- Company Secretary
Ms Teh Pei Fen	- Company Secretary

**MANAGEMENT TEAM AND BY INVITATION:**

Mr Chong Boon Kian	- Chief Financial Officer (“CFO”)
Dato’ Wong Kin Foo	- Director of Group Operations
Mr Chin Boon Chye	} Representatives from Bermaz Motor Sdn Bhd
Ms Tricia Lee Xiao Pei	
Mr David Tai Lik Han	
Mr Chew Soon Ken	
Ms Lee Ai Hoon	
Mr Eric Foo Chuen Wah	
Ms Azian Aziz Wong	} Representatives from Ernst & Young PLT (“EY” or “External Auditors”)
Mr Chong Tse Heng	
Mr Wong Hur Kuan	} Representatives from Boardroom Corporate Services Sdn Bhd
Ms Chin Chooi Wei	
Ms Chai Huey Yee	
Ms Crystal Wang Syi Jing	

**Shareholders, Proxies and Corporate Representatives**

A total of 492 shareholders participated either in person or by proxy(s) or by corporate representative(s) via the online meeting platform as per the Attendance List.

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### **1. CHAIRMAN WELCOME SPEECH**

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Before the Meeting proceeded, Dato' Sri Yeoh Choon San, the Executive Chairman, on behalf of the Board of Directors ("Board") of the Company extended a warm welcomed to the shareholders, proxies, corporate representatives ("Participants") and invitees for their participation at the Twelfth AGM of the Company.

The Chairman further informed that for expediency, the Meeting would proceed with the tabling of all the Agenda items and the Board would deal with questions from the Participants during the Questions and Answers ("Q&A") session only after all the Agenda items have been tabled.

The Chairman then proceeded to introduce the members of the Board, the Company Secretary, the External Auditors and the CFO, who were in attendance at the broadcast venue.

### **2. VOTING MANNER**

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The Chairman informed that the voting for all the resolutions to be considered at the Twelfth AGM would be put to vote by poll electronically pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Chairman further informed that the Company has appointed Boardroom Share Registrars Sdn Bhd ("Boardroom Share Registrars") as the Poll Administrator to conduct the polling process and SKY Corporate Services Sdn Bhd as the Independent Scrutineer to validate the votes cast for all resolutions put to vote at the Meeting using the RPEV Facilities provided by Boardroom Share Registrars.

The Poll Administrator was then invited to give a video presentation on the online remote voting procedures using RPEV Facilities (including posing questions).

The Participants were informed that the online voting on the resolutions has been opened and they can vote any time throughout the Meeting until the closure of the voting session which would be announced later, and Participants were allowed to cast their votes during the meeting procedures.

### **3. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022**

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The Chairman informed that under the provision of Section 340(1)(a) of the Companies Act 2016, the Company was required to lay before the meeting the Audited Financial Statements and Reports for the financial year ended 30 April 2022 for discussion purpose only and do not require any approval from the shareholders. Hence, there was no resolution on Item 1 of the Agenda in respect of the adoption of Audited Financial

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Statements, Directors' and Auditors' Reports for the financial year ended 30 April 2022 but Participants would be able to pose questions and give comments on the Company's Audited Financial Statements.

The Chairman then invited Mr Chong Tse Heng ("Mr Chong"), the representative of EY, to present the Auditors' Report on the financial statements for the financial year ended 30 April 2022.

Mr Chong informed the members that EY had audited the financial statements of the Company, which comprise Statement of Financial Positions as at 30 April 2022 of the Group and the Company, Statements of Profit or Loss and Other Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows of the Group and the Company for the financial year 2022 inclusive of the Notes to the Financial Statements and a summary of significant accounting policies.

EY has opined that the financial statements gave a true and fair view of the financial position of the Group and the Company as at 30 April 2022 and their financial performance and cash flows for the year then ended was in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016.

Mr Chong then highlighted on the Auditors' responsibilities in respect of the expression of their opinion on the financial statements based on their audit. He informed that the External Auditors have conducted the audit in accordance with approved auditing standards in Malaysia and International Standards on Auditing. Their responsibilities under the said standards are described in the Auditors' responsibilities for the audit opinion.

Mr Chong continued to inform that the Audited Financial Statements of the Company had covered the following relevant information:-

- i. Responsibilities of the Directors for the financial statements;
- ii. Independence and other ethical responsibilities which in compliance under the By-Laws of the Malaysian Institute of Accountants and the International Ethic Standards Board for Accountant's Code of Ethics for Professional Accountants; and
- iii. Key Audit Matters ("KAM")

Mr Chong added that during EY's audit of the financial statements of the Group and the Company for the financial year ended 2022, the most significant KAM identified was the Provision for Warranty, of which the audit procedures had been included in the Auditors' Report.

The Chairman thanked Mr Chong on his presentation of the Auditors' Report and invited the CFO to brief the Group's financial performance for the financial year ended 30 April 2022, which was summarised in a slide presentation covering, inter-alia, the following:-

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- 1) Corporate Structure;
- 2) Number of Mazda branches in Malaysia operated by the Group as at 30 April 2022;
- 3) Number of Mazda dealer centres operated by 3<sup>rd</sup> party dealers in Malaysia and Philippines as at 30 April 2022;
- 4) Number of PEUGEOT branches in Malaysia operated by the Group as at 30 April 2022;
- 5) Number of KIA branches in Malaysia operated by the Group as at 30 April 2022;
- 6) Number of PEUGEOT dealer centres operated by 3<sup>rd</sup> party dealers in Malaysia as at 30 April 2022;
- 7) Number of KIA dealer centres operated by 3<sup>rd</sup> party dealers in Malaysia as at 30 April 2022;
- 8) Statement of Profit or Loss;
- 9) Revenue comparison for past 5 financial years;
- 10) Profit before tax comparison for the past 5 financial years;
- 11) Profit for the year for the past 5 financial years;
- 12) Statement of Financial Position;
- 13) Total equity;
- 14) Total assets for the past 5 financial years;
- 15) Net equity funds for the past 5 financial years;
- 16) Total equity for the past 5 financial years; and
- 17) Dividend payout comparison for the past 2 financial years 2022 and 2021.

After the presentation by the CFO, it was noted that the Company's Audited Financial Statements for the financial year ended 30 April 2022 together with the Directors' and Auditors' Reports thereon were duly adopted.

#### **4. PRESENTATION ON QUESTIONS FROM THE MINORITY SHAREHOLDERS WATCH GROUP**

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The Chairman informed that the Company had received questions from the Minority Shareholders Watch Group ("MSWG") seeking clarification/information on certain matters concerning the operations and financials of the Group.

The Chairman then re-invited the CFO to present the Company's replies to the questions raised by MSWG, details as set out in "Appendix I" attached herein.

#### **ORDINARY BUSINESS**

#### **5. ORDINARY RESOLUTION 1 DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022**

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The Chairman informed that the Ordinary Resolution 1 was to approve the payment of Directors' fees amounting to RM299,672.00 to the Non-Executive Directors of the Company for the financial year ended 30 April 2022.

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Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

### **6. ORDINARY RESOLUTION 2 DIRECTORS' FEES ON A MONTHLY BASIS FOR THE PERIOD FROM 1 MAY 2022 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN 2023**

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The Chairman informed that the Ordinary Resolution 2 was to approve the payment of Directors' fees for an amount of up to RM400,000.00 to the Non-Executive Directors of the Company on a monthly basis commencing from 1 May 2022 until the next AGM of the Company to be held in 2023.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

### **7. ORDINARY RESOLUTION 3 DIRECTORS' REMUNERATION (EXCLUDING DIRECTORS' FEES) FOR THE PERIOD FROM 7 OCTOBER 2022 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN 2023**

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The Chairman informed that the Ordinary Resolution 3 was to approve the payment of Directors' Remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company for an amount of up to RM114,300.00 for the period from 7 October 2022 until the next AGM of the Company to be held in 2023.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

### **8. ORDINARY RESOLUTIONS 4 TO 6 RE-ELECTION OF DIRECTORS PURSUANT TO CLAUSE 117 OF THE COMPANY'S CONSTITUTION**

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The Chairman informed that in accordance with Clause 117 of the Company's Constitution, one third (1/3) of the Directors shall retire by rotation and they are eligible to seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three (3) years.

At the Twelfth AGM, Dato' Lee Kok Chuan, Datuk Syed Hisham Bin Syed Wazir and Puan Adibah Khairiah Binti Ismail @ Daud were subjected to retirement pursuant to Clause 117 of the Company's Constitution.

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The Chairman then proceeded with Ordinary Resolutions 4, 5 and 6 in relation to the re-election of Dato' Lee Kok Chuan, Datuk Syed Hisham Bin Syed Wazir and Puan Adibah Khairiah Binti Ismail @ Daud who retire pursuant to Clause 117 of the Company's Constitution and being eligible had offered themselves for re-election as Directors of the Company.

Since the voting for the above resolutions would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

### **9. ORDINARY RESOLUTION 7 RE-ELECTION OF DIRECTOR PURSUANT TO CLAUSE 107 OF THE COMPANY'S CONSTITUTION**

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At the Twelfth AGM, Dato' Wan Kamaruzaman Bin Wan Ahmad was subjected to retirement pursuant to Clause 107 of the Company's Constitution.

The Chairman then proceeded with Ordinary Resolution 7 in relation to the re-election of Dato' Wan Kamaruzaman Bin Wan Ahmad who retires pursuant to Clause 107 of the Company's Constitution and being eligible had offered himself for re-election as a Director of the Company.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

### **10. ORDINARY RESOLUTION 8 RE-APPOINTMENT OF AUDITORS**

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The Chairman informed that the Ordinary Resolution 8 under item 7 of the Agenda was to approve the re-appointment of EY as Auditors of the Company for the ensuing year until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. The retiring External Auditors had signified their consent to continue to act as Auditors of the Company.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

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### **SPECIAL BUSINESS**

#### **11. ORDINARY RESOLUTION 9**

##### **AUTHORITY TO ISSUE AND ALLOT SHARES OR GRANT RIGHTS PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

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Having concluded the ordinary business of the AGM, the Chairman informed that the Agenda on Ordinary Resolution 9 was to seek the shareholders' approval on the renewal of a general mandate which if passed, would empower the Directors of the Company to issue and allot additional shares in accordance with Sections 75 and 76 of the Companies Act 2016. The full text of the proposed resolution was set out in the Notice of the Company's Twelfth AGM.

The Chairman further informed the Participants at the Meeting that as explained under the Explanatory Note 5 in the Notice of the Company's Twelfth AGM, Ordinary Resolution 9, if passed, will empower the Board to issue additional new shares of up to 10% of the total number of issued shares of the Company. It is to provide flexibility for the Company to raise funds for its business activities. The authority shall continue to be in force until the conclusion of the next AGM of the Company.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

#### **12. ORDINARY RESOLUTION 10**

##### **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

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The Chairman informed that the Ordinary Resolution 10 was to seek the shareholders' approval to renew the mandate for the Company to purchase its own shares, the details of which are set out in the Statement to Shareholders dated 30 August 2022.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

#### **13. QUESTIONS AND ANSWERS SESSION**

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Following the tabling of all the resolutions in the Agenda, the Chairman and the Group Chief Executive Officer then proceeded to respond to the queries raised by the Participants submitted prior to the Company's Twelfth AGM via Boardroom Smart Investor Portal as well as questions submitted by remote participants at the Twelfth AGM. A summary of the discussion is appended as "Appendix II".

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The Chairman informed that the time allocated for the Q&A session will be 30 minutes. The Board will endeavour to answer as many questions posed which are related to the business of the Twelfth AGM. Nevertheless, in the event the Board is unable to answer all the relevant questions in the allotted time, the responses to the remaining questions will be published in the minutes of the Twelfth AGM of the Company on its website at [www.bauto.com.my](http://www.bauto.com.my).

### **14. VOTING ON THE RESOLUTIONS AND ANNOUNCEMENT OF POLL RESULTS**

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Upon the conclusion of the Q&A session, the Chairman advised the Participants to proceed to cast and submit their votes via the RPEV facilities as the polling process would closed after 10 minutes, followed by another 10 minutes interval for the counting and validation process and thereafter the declaration of the poll results by the Independent Scrutineer.

At this juncture, the Chairman informed that in his capacity as Chairman of the Meeting, he had been appointed as a proxy to vote on behalf of some shareholders in accordance to their instructions as stipulated in the proxy forms.

The Chairman then declared the polling closed for voting to be carried out.

### **15. POLL RESULTS**

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The Meeting was called to order and resumed at 11.27 a.m. after obtaining the poll results from the Independent Scrutineer, which then proceeded to announce the said poll results as follows:-

<b>No.</b>	<b>Resolutions</b>	<b>Votes For</b>		<b>Votes Against</b>	
		<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
1.	Payment of Directors' fees amounting to RM299,672.00 for the financial year ended 30 April 2022.	875,575,466	99.9953	40,738	0.0047



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No.	Resolutions	Votes For		Votes Against	
		No. of Shares	%	No. of Shares	%
2.	Payment of Directors' fees for an amount of up to RM400,000.00 on a monthly basis commencing from 1 May 2022 until the next AGM of the Company to be held in 2023.	875,574,426	99.9953	41,498	0.0047
3.	Payment of Directors' remuneration (excluding Directors' fees) for an amount of up to RM114,300.00 for the period from 7 October 2022 until the next AGM of the Company to be held in 2023.	875,575,726	99.9954	40,478	0.0046
4.	Re-election of Dato' Lee Kok Chuan who retires pursuant to Clause 117 of the Company's Constitution.	866,935,524	99.4087	5,156,695	0.5913
5.	Re-election of Datuk Syed Hisham Bin Syed Wazir who retires pursuant to Clause 117 of the Company's Constitution.	858,325,817	98.5758	12,400,927	1.4242
6.	Re-election of Puan Adibah Khairiah Binti Ismail @ Daud who retires pursuant to Clause 117 of the Company's Constitution.	871,378,925	99.5159	4,238,919	0.4841

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No.	Resolutions	Votes For		Votes Against	
		No. of Shares	%	No. of Shares	%
7.	Re-election of Dato' Wan Kamaruzaman Bin Wan Ahmad who retires pursuant to Clause 107 of the Company's Constitution.	835,476,746	95.9517	35,249,998	4.0483
8.	Re-appointment of EY as Auditors of the Company and to authorise the Directors to fix their remuneration.	874,893,312	99.9173	724,462	0.0827
9.	Authority to issue and allot shares or grant rights pursuant to Sections 75 and 76 of the Companies Act 2016.	627,797,428	71.6977	247,820,346	28.3023
10.	Renewal of authority for the Company to purchase its own shares.	874,435,122	99.9059	823,352	0.0941

Based on the results of the poll voting, the Chairman declared that all the resolutions were duly carried and resolved the following:-

**ORDINARY RESOLUTION 1**

“THAT the payment of Directors' fees amounting to RM299,672.00 to the Non-Executive Directors of the Company for the financial year ended 30 April 2022 be and is hereby approved.”

**ORDINARY RESOLUTION 2**

“THAT the payment of Directors' fees for an amount of up to RM400,000.00 to the Non-Executive Directors of the Company on a monthly basis commencing from 1 May 2022 until the next AGM of the Company to be held in 2023 be and is hereby approved.”

**ORDINARY RESOLUTION 3**

“THAT the payment of Directors' Remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company for an amount of up to RM114,300.00 for the

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period from 7 October 2022 until the next AGM of the Company to be held in 2023 be and is hereby approved.”

### **ORDINARY RESOLUTION 4**

“THAT Dato’ Lee Kok Chuan, being the Director retiring pursuant to Clause 117 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

### **ORDINARY RESOLUTION 5**

“THAT Datuk Syed Hisham Bin Syed Wazir, being the Director retiring pursuant to Clause 117 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

### **ORDINARY RESOLUTION 6**

“THAT Puan Adibah Khairiah Binti Ismail @ Daud, being the Director retiring pursuant to Clause 117 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

### **ORDINARY RESOLUTION 7**

“THAT Dato’ Wan Kamaruzaman Bin Wan Ahmad, being the Director retiring pursuant to Clause 107 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

### **ORDINARY RESOLUTION 8**

“THAT EY be and are hereby appointed as Auditors of the Company until the conclusion of the next AGM and that the Directors be authorised to fix their remuneration.”

### **ORDINARY RESOLUTION 9**

“THAT, subject always to the Companies Act 2016 (“Act”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company from time to time at such price 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 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 from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued and THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.”

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### **ORDINARY RESOLUTION 10**

“THAT, subject always to the Companies Act 2016 (“Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Exchange”) and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company (“BAuto Shares”) through the Exchange and to take all such steps as are necessary (including the opening and/or maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991, where applicable) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;
2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;
3. the authority shall commence immediately upon passing of this ordinary resolution until:-
  - (a) the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
  - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
  - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the BAUTO Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any BAUTO Shares so purchased by the Company in the following manner:-

- (a) cancel all the BAUTO Shares so purchased; or
- (b) retain all the BAUTO Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or

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- (c) retain part thereof as treasury shares and subsequently cancelling the balance;  
or
- (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force.”

**16. NOTE OF APPRECIATION BY THE RETIRING DIRECTORS AND EXTERNAL AUDITORS**

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Dato’ Lee Kok Chuan, Datuk Syed Hisham Bin Syed Wazir, Puan Adibah Khairiah Binti Ismail @ Daud and Dato’ Wan Kamaruzaman Bin Wan Ahmad thanked the Participants for their re-appointments as the Director of the Company.

Mr Chong, the representative from EY, also thanked the Participants for their re-appointment as Auditors of the Company.

**17. CONCLUSION**

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There being no other business to be transacted, the Meeting concluded at 11.32 a.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

-Signed-

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CHAIRMAN

Dated: 16 November 2022

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**APPENDIX I – QUESTIONS FROM MINORITY SHAREHOLDERS WATCH DOG GROUP**

NO.	QUESTIONS AND ANSWERS
1.	<p data-bbox="304 495 1010 528"><b>(a) <u>Management Discussion &amp; Analysis (page 20)</u></b></p> <p data-bbox="379 568 1385 831">The Group registered a revenue of RM2.32 billion (FY2021: RM2.29 billion) and profit before tax of RM217.7 million (FY2021: RM168.9 million) (page 20 of AR2022). Despite a marginal increase in revenue, the Group's pre-tax profit had improved by RM48.8 million or 28.9% mainly due to the higher profit contributions from its operations as a result of better margin from sales mix of CKD vehicles, the strengthening of the MYR against the JPY and reversal of provisions no longer required (page 15 of Annual Report 2022).</p> <p data-bbox="379 880 1377 1021"><b>Question</b> : With the rising cost of raw materials and labour cost, interruptions in production and limited supply, did the Group raise its vehicle prices since January 2022? If yes, by how much?</p> <p data-bbox="379 1070 1377 1211"><b>Answer</b> : Yes. The Group had marginally increased its vehicle selling prices (around 0.6% on the average) in January 2022 to differentiate between those vehicles manufactured in year 2022 and 2021.</p> <p data-bbox="304 1261 1010 1294"><b>(b) <u>Management Discussion &amp; Analysis (page 20)</u></b></p> <p data-bbox="379 1341 1369 1408"><b>Question</b> : For the financial year 2022, how much of the Group's purchases were in JPY?</p> <p data-bbox="379 1458 1377 1599"><b>Answer</b> : For the financial year 2022, the Group's purchases (excluding associated companies) in JPY were approximately JPY10 billion representing about 20% of the total purchases of the Group.</p>

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	<p>(c) <b><u>Management Discussion &amp; Analysis (page 20)</u></b></p> <p><b>Question</b> : Reference to Bank Negara Malaysia website, JPY/MYR rate was 3.6201 on 3 January 2022 and the latest available rate as at 27 September 2022 is 3.1934. Given that the JPY has weakened against MYR significantly by 11.79% to what extent has this affected the Group?</p> <p><b>Answer</b> : Generally, our Group’s Mazda operations in Malaysia is impacted by the fluctuations in the JPY/MYR in the following manner:</p> <ul style="list-style-type: none"><li>i. Indirectly from the purchase of completely built-up (“CBU”) Mazda vehicles from our approved permit (“AP”) holder, which imports the CBU vehicles from the principal distributor, Mazda Motor Corporation of Japan (“MMC”); and</li><li>ii. Directly from the purchase of vehicle parts from MMC for after-sales services and/or for vehicles under warranty.</li></ul> <p>Hence, the strengthening of the MYR against the JPY has contributed positively to the Group’s overall results. Should the MYR maintain or improve further against the JPY, it is expected to have a positive effect on the Group’s overall results for the current financial year ending 30 April 2023.</p> <p>For completely knocked-down (“CKD”) Mazda vehicles, they are sourced entirely from our associated company, Mazda Malaysia Sdn Bhd (“MMSB”), at a fixed transfer price in MYR. As such, the fluctuations in the JPY/MYR will not have a material impact on our Group’s overall results.</p>
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**APPENDIX I – QUESTIONS FROM MINORITY SHAREHOLDERS WATCH DOG GROUP**

	<p>(d) <b><u>Management Discussion &amp; Analysis (page 20)</u></b></p> <p><b>Question</b> : In light of the weakened JPY, are there any opportunities for the Group to capitalize on?</p> <p><b>Answer</b> : The weakening of the JPY against MYR represents a good opportunity for the Group to place additional CBU orders from MMC. However, the current ongoing disruptions in the global supply chain have affected MMC and MMSB's productions. This has resulted in opportunity loss for the Group with the current positive sales trend with high back orders.</p>
2.	<p><b><u>Audited Financial Statements, Trade and other receivables (page 152)</u></b></p> <p>Trade receivables that are impaired and written off during the year amounted to RM2.3 million (2021: Nil). (Note 10(a), page 152 of Annual Report 2022)</p> <p><b>Question</b> : What comprises the trade receivables that have been written off? What were the measure taken to recover the RM2.3 million prior to being written off?</p> <p><b>Answer</b> : The debt written off relates to a previous dealer, Excel Champ Automobile Sdn Bhd, which had gone into financial difficulties in 2018. Legal proceedings were instituted against the said debtor and its guarantors. However, despite such efforts, both the debtor and guarantors were subsequently declared bankrupt. Hence, the write off of the said debt in the current financial year.</p>



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**APPENDIX II – QUESTIONS FROM SHAREHOLDERS AND PROXIES**

## Part A – Questions received prior the Meeting

<b>NO.</b>	<b>QUESTIONS AND ANSWERS</b>
<b>1.</b>	<p><b>Is there any succession planning done for Board and Management? (PERMODALAN NASIONAL BERHAD)</b></p> <p>The Chairman replied that the succession planning is in place for the Board and Management. The Group constantly refines its performance management and set key performance indicators in preparation for the next level.</p>
<b>2.</b>	<p><b>Apart from Electric Vehicle (“EV”) offerings, what other Environmental, Social, and Governance (“ESG”) commitments in place for Bermaz? (PERMODALAN NASIONAL BERHAD)</b></p> <p>The Chairman replied that Bermaz’s ESG initiatives are set out in the Sustainability Statement and Corporate Governance Overview Statement sections of the Annual Report 2022.</p> <p>Apart from the EV offerings, other ESG initiative are as follows: -</p> <ul style="list-style-type: none"><li>- Introduction of new generation products: high level of recyclable materials, advance software with Artificial Intelligence (AI) and reduced Carbon Dioxide (“CO2”) emissions.</li><li>- Collaboration with government and automotive associate to introduce biodiesel to meet stringent emission standards.</li><li>- Sale of vehicles which are energy efficient and lower CO2 emission from Mazda, PEUGEOT and KIA.</li><li>- Continuous new generation vehicles to remain competitive, with high safety and electrification features.</li><li>- Reduce carbon footprint - Greenhouse Gas (GHG) effects through solar power, rain harvesting and waste disposal programme.</li><li>- Continuous upskilling and reskilling of human capital through a structured programme in our training academy.</li></ul>

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	<ul style="list-style-type: none"><li>- Social responsibilities through our Mazda Medicare Fund which provide support for critical illness, dialysis and cancer patients. Funds raised are 100% donated to charitable organisations such as orphanage and the needy.</li><li>- Bermaz is also ranked top 25% by ESG ratings among Public Listed Companies in FTSE Bursa Malaysia EMAS Index by FTSE Russell.</li></ul>
<b>3.</b>	<p><b>What is the global chip shortage impact on the Company's sales and profitability? Is the Management confident to deliver all the backlog orders for Completely Knocked Down ("CKD") and Completely Built Up ("CBU") models by 31/3/2023? What is the total number of backlog order pending delivery? And what is the average delivery period committed? (WONG YOOK LOON)</b></p> <p>The Chairman replied that the ongoing shortages in global chip and parts supply have affected the automotive industry globally including Mazda, KIA and PEUGEOT.</p> <p>Delivery period is expected to be around 3 to 6 months depending on the availability of the CKD and CBU models and subject to parts availability. The Group endeavours to fulfil its commitments by 31 March 2023.</p>
<b>4.</b>	<p><b>How the Company position Mazda, KIA and PEUGEOT in Malaysia market? (SIEW YING SING)</b></p> <p>The Chairman replied that Bermaz is currently the distributor of 3 internationally renowned vehicle marques i.e.:</p> <ul style="list-style-type: none"><li>- Mazda, a premium Japanese vehicle;</li><li>- PEUGEOT, a long-established continental vehicle brand; and</li><li>- KIA, a high-technology, dynamic and futuristic design vehicle from Korea.</li></ul> <p>These marques complemented each other and are targeted at different market segments. Hence, there is no conflict between them.</p>
<b>5.</b>	<p><b>What would be the official launch date of CKD CX-30 and what's your outlook of sales number per year for CKD CX-30. Does CKD CX-30 going to export to any other markets in the region? (ALEX CHIONG WEE CHUONG)</b></p> <p>The Chairman believes the launching of the Mazda CX-30 CKD model will be well-received in view of the demand pattern and rave response from consumers for the existing CX-30 CBU model.</p> <p>The CKD production for CX-30 is expected to commence in December 2022 and will be available for local market sometime in January 2023.</p>

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6.	<p><b>Is the worst over as the dividend has normalised in Q1 2023? Or Q1 is an exceptional performance driven by last minute buying before (Sales and Service Tax (“SST”) ends (TEO CHER MING)</b></p> <p>The Group Chief Executive Officer (“GCEO”) replied that the Group performance are coming out from a very low base last year. The Group have high backlog orders to clear and the Management do hope that the Group performance will be better at the coming years. It is also subjected to the supply of the component parts and the ongoing global chip shortage issue.</p>
7.	<p><b>In one of the analyst reports, it was mentioned that the Company lacks visibility on CBU allocation. Could the Company please elaborate more on this and impact on financials. (TEO CHER MING)</b></p> <p>The Chairman replied that the importation of CBU vehicles is dependent on the annual allocation of import permits (also known as Approved Permits (“APs”)) by the Government.</p> <p>The Group has been engaging with the Government for higher allocation of APs based on various criteria.</p>
8.	<p><b>What is the CAPEX for the next few years? (WONG YOON LOON)</b></p> <p>The Chairman replied that the projected CAPEX for the next few years mainly focused on enhancement and setting of new branches for geographical coverage as well as to improve customers’ service and relation.</p>
9.	<p><b>With worldwide including Malaysia is currently experiencing interest rate upcycle, Bank Negara Malaysia has started to increase Overnight Policy Rate (“OPR”) this year, and most likely in 2023. What is the management view on the OPR rate increment on the Company sales growth &amp; profitability, especially after 31/3/2023 (SST period ends)? Is there any strategy to boost the Company’s sales and earnings growth post Sales Tax exemption period? (WONG YOON LOON)</b></p> <p>The Chairman replied that the automotive industry is expected to be challenging in the near future. However, marketing strategies are in place including new product launches to create consumers’ interest.</p>

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<b>10.</b>	<b>What is the latest progress regarding EV charging infrastructure collaboration with private charging operators consider the Company has now launched 2 EV models this year? (WONG YOOK LOON)</b>  The Chairman replied that the Company are currently working with various service providers such as Tenaga National Berhad, Petronas National Berhad, Yinson Holdings Berhad (“Yinson”) and Total Energies Malaysia. The Company has taken great measures to facilitate the engagement between the service providers and the EV customers and provide better ownership experience.
<b>11.</b>	<b>What is the new timeline for the 3<sup>rd</sup> CKD model for Mazda after Mazda CX-5 and Mazda CX-8? (WONG YOOK LOON)</b>  Please refer to Chairman’s response in Question 5 above.
<b>12.</b>	<b>Does Mazda CX-5 facelift model going to launch in Malaysia soon? (ALEX CHIONG WEE CHUONG)</b>  The Chairman replied that it is an on-going process in Mazda Japan which continues to upgrade its existing models and the CX-5 facelift model is expected to be launched in 2024.
<b>13.</b>	<b>What are the strategies that the Management going to take for CKD CX-30 in order to compete with competitors’ CKD models (same segment) in Malaysia? (ALEX CHIONG WEE CHUONG)</b>  The Chairman replied that the current CX-30 CBU is already well received in Malaysia due to its design and specification. Hence, the introduction of CX-30 CKD model is expected to be well received as it is expected to be priced lower than the CBU model. In terms of availability, since it will be locally assembled (CKD), it will not be subject to AP allocations like the CBU model.
<b>14.</b>	<b>The Group has set up 14 branches as of 30 Apr 2022. What changes are expected on existing dealership? What are the cost benefits, challenges and timeline? (EE YIH CHIN)</b>  The Chairman replied that the Group continuously upkeep its branches to provide better services to its customers.  There is no specific timeline as such upkeep are done as and when required.

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<b>15.</b>	<b>Does the Company expect the shortage in chip supplies to be better this year? (TEO CHER MING)</b>  The Chairman replied that the current generation of vehicles have more electrical features and components and are competing with non-traditional vendors such as the electronics and IT related industries for the supply of chips and components.
<b>16.</b>	<b>Any door gifts or e-vouchers?</b>  The Chairman replied that there was none as the Company believe in rewarding the shareholders through dividends.
<b>17.</b>	<b>With improving performance, is the Company reconsidering Initial Public Offering (“IPO”) plan for Bermaz Auto Philippines Inc? This will in turn enables the Company to reward shareholders with special dividend and funds for the Company’s expansion. (TEO CHER MING)</b>  <b>Since Philippines business is strong recovery, do Management consider planning list at Philippines that mentioned in 2016? (KOH KOK POH)</b>  The GCEO replied that the Group has no plan at the moment to reintroduce the Philippines IPO.
<b>18.</b>	<b>Any bonus issue to be declared. (LOO YEO MING)</b>  The GCEO replied that none at the moment.
<b>19.</b>	<b>Based on the latest Annual Report 2022 page 108, total cash in hand = RM 694,408,000; total borrowing = RM 199,837,000; Net cash = RM 494,571,000. Consider that the Company is an asset-light company, how the Management plans to utilize the net cash (i.e., business expansion or anything else) in near term? (WONG YOON LOON)</b>  The GCEO replied that the current high level of cash holding was mainly due to shorter inventories holding period of about 1 to 2 months (Normal holding period is about 2 to 3 months), which was attributable to the current worldwide shortage of microchips and components. However, taking into account the current cash flow position of the Group, the Company may consider declaring higher dividends should it continues to remain profitable.

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20.	<p><b>What is the Company's electrification plan? So far, we have only seen CBU models like KIAEV6 (with limited number of vehicles allocated to Malaysia) and Mazda MX-30. Any plans to bring in CKD models consider the government's Budget 2022 announcement on 100% duty exemption for CKD electric cars up to 31 December 2025? (WONG YOOK LOON)</b></p> <p>The Chairman replied that the Company is carrying out feasibility studies to assess the viability of CKD EV projects to be in line with the Government's carbon neutral policy.</p> <p>Such feasibility studies include assessing the market demand, the total investment costs required compared to the potential sales volume and the expected return on investment.</p>
21.	<p><b>With the collaboration between Yinson and Dinamikjaya Motors Sdn Bhd as EV leasing partners for KIA EV models, what is the Management's target in terms of profit contributed to the Company earnings in near future? Will the leasing program also extend to Mazda &amp; PEUGEOT EV/PHEV models in the later stage? (WONG YOOK LOON)</b></p> <p>The Chairman replied that currently EV sales is not expected to contribute significantly to the Group's overall results as consumers' confidence is affected by the range anxiety (driving distance) and lack of EV infrastructure facilities such as charging stations.</p>
22.	<p><b>In Quarter 1 financial result, it seems that trade and other receivable increased from RM163 million in Quarter 4 of 2022 to RM206 million in Quarter 1 of 2023. Could the Company elaborate on this? (TEO CHER MING)</b></p> <p>The GCEO replied that the increase was mainly due to higher sales of Mazda and KIA vehicles in Quarter 1 of FY2023.</p>
23.	<p><b>Does 50% SST rebate till end of 2022 going to affect the Group's profit margin? (ALEX CHIONG WEE CHUONG)</b></p> <p>The Chairman replied that although the Group's profit margin will be affected, it will however be compensated by the expected increase in sales volume. Such marketing strategy has been done previously and had produced good results.</p>

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<b>24.</b>	<b>Is the Company confident to save previous negative reputation of KIA &amp; PEUGEOT in near term? (ALEX CHIONG WEE CHUONG)</b>  The Chairman replied that since taking over these distributorships (KIA and PEUGEOT), the Group had taken many pro-active measures to address the legacy issues by providing better customer ownership experiences and engagement. The Group believes it will be able to restore these brands to their past glory and win back consumers' confidence as they are internationally renown brands and very popular among consumers.
<b>25.</b>	<b>Can the Management consider publishing Investor Relation contact details such as email address in the Company's official website <a href="https://www.bauto.com.my">https://www.bauto.com.my</a>?</b>  <b>The enquiry form from the official website does not seem to work as no reply was received after questions were sent. (WONG YOOK LOON)</b>  The GCEO replied that the corporate website has been recently revamped and refreshed. Depending on the subject matter, a designated party will respond accordingly to the enquiry raised.
<b>26.</b>	<b>Under PPE, why freehold land (RM6,591k), building (RM19,377k) and Leasehold improvement (RM2,187k) = RM28,155k is not tally to Annual Report in Page 183 on list of property of RM7,211k? (WON MEI FANG)</b>  The GCEO replied that the amount in Page 183 relates to the single storey building at Padang Jawa, which was acquired many years back and stated at its original cost. The balance of RM20,944,000.00 relates to renovation costs incurred for its headquarter (Lot 7) and certain branches, warehouse in Kulim and in the Philippines.
<b>27.</b>	<b>What is the nature of capital work-in-progress (page 139 of Annual Report)? (TAN YEN NEE)</b>  The GCEO replied that it relates to renovation cost for its subsidiary, Dinamikjaya Motors Sdn Bhd, KIA flagship showroom in Glenmarie, which had officially opened in August 2022.
<b>28.</b>	<b>Please send printed annual report. (LOO YEO MING)</b>  Boardroom Share Registrars will be notified of your request.

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<b>29.</b>	<p><b>Why dividend per share of 8.75 in financial year 2022 was higher than 6.50 in financial year 2021? (KEE LEE CHOO)</b></p> <p>The GCEO replied that higher dividend pay-out for financial year 2022 as the Company does not foresee any high capital expenditure to be incurred for its PEUGEOT and KIA operations.</p>
<b>30.</b>	<p><b>Really angry with the Boardroom's register system? Why need to key in CDS number?</b></p> <p><b>Can stop using Boardroom's service? Everytime need to register also need to fill up CDS number (LYE BOON KIN &amp; LAM CHIUH BIN)</b></p> <p>The requirement to key in CDS number is mainly for security purpose.</p>
<b>31.</b>	<p><b>Kindly allow us to vote when the Meeting starts and not keep us waiting. (STEPHEN LYE TUCK MENG)</b></p> <p>Voting has commenced upon the commencement of the Twelfth AGM.</p>



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## Part B – Questions received during the Twelfth AGM

NO.	QUESTIONS AND ANSWERS
1.	<p><b>Dividends received by the Company increased from RM40 million in FY2021 to RM105 million in FY2022 (Statements of Cash Flow - Page 114 of Annual Report).</b></p> <p><b>(1) Please provide the breakdown of the dividends received from subsidiary and associate companies</b></p> <p><b>(2) Is the Company expecting similar quantum of dividends for FY2023? (LIEW TUCK WAI)</b></p> <p>The GCEO replied that the RM105 million in FY2022 relates to dividend received from its subsidiaries.”</p> <p>The GCEO further replied that the Company always strive to pay out higher dividends to shareholders subject to profitability and cash flow of the Company and Group.</p>
2.	<p><b>How much does the company spend on this virtual AGM? (TEH PENG TIN)</b></p> <p><b>How much does our Company spend to hold this virtual AGM plus remote participation &amp; voting (RPV)? (LIEW CHEE MENG)</b></p> <p>The GCEO replied that the estimated cost to conduct the virtual AGM is approximately RM30,000.00.</p>
3.	<p><b>What is the current backlog level for 3 brands under the Company up to date? (KOK POK KOH)</b></p> <p>The Chairman replied that there is approximately 8,000 units of backlog orders as of AGM date and mainly comprises Mazda vehicles.</p>
4.	<p><b>How minimum wage affect the Company? (HIU CHEE KEONG)</b></p> <p>The Chairman replied that the Group is in compliance with the minimal wage requirements and it does not have a material impact on the Group.</p>

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<b>5.</b>	<p><b>How will the Company adjust to the quickening pace of internal combustion engine (“ICE”) vehicles to EVs? How much of the present vehicles sales is due to EVs and hybrids? How great is the impact from the expiry of sales tax exemptions etc. on the vehicles? (HO YUEH WENG)</b></p> <p>The Chairman responded that ICE vehicles will still be relevant in the near future as they had undergone many upgrades and improvements over the years in terms of digital technology and artificial intelligence. In addition, present legislations had imposed stringent requirements on safety features and level of emissions, thus making ICE vehicles to be very safe and clean.</p> <p>Whether EV will eventually replace ICE vehicles in the future will depend on factors such as the availability of infrastructures such as charging stations and service outlets, the reliability and ease of usage and consumers’ confidence in such EV technology in terms of safety features and services. Consumers need to be engaged and educated on its safety features.</p> <p>The Group has taken appropriate measures to mitigate the contraction in sales volume following the expiration of the sales tax exemption incentives in June 2022 such as through the 50% absorption of the sales tax by the Group for the period from July to December 2022. Thereafter, the Group will review and assess the situation (including the level of back-orders) before deciding on the next course of action so as to ensure there are sustainable growth and sales in the Group.</p>
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*Note: Similar questions pertaining to the same subject matter is grouped and a single response is provided.*