

WARISAN TC HOLDINGS BERHAD
Registration No. 199701009338 (424834-W)
(Incorporated in Malaysia)

EXTRACT OF MINUTES OF TWENTY-THIRD ANNUAL GENERAL MEETING (“23RD AGM”) OF WARISAN TC HOLDINGS BERHAD (“WTCH” OR “THE COMPANY”) HELD FULLY VIRTUAL AT THE BOARDCAST VENUE AT TRICOR BUSINESS CENTRE, MANUKA 2 & 3, UNIT 29-01, LEVEL 29, TOWER A, VERTICAL BUSINESS SUITE, AVENUE 3, BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR, MALAYSIA ON FRIDAY, 7 AUGUST 2020 AT 10.30 A.M.

- Present : Board of Directors
Dato’ Chong Kwong Chin (*Chairman of the Meeting*)
Dato’ Tan Heng Chew (*President*) – *Participated via video conferencing*
Mr. Tan Keng Meng (*Chief Executive Officer*)
Mr. Chin Ten Hoy (*Executive Vice President*)
Datuk Abdullah bin Abdul Wahab
Mr. Lee Min On
- Members, Corporate Representatives and Proxies as per the Attendance List
- In Attendance : Ms. Ang Lay Bee (*Secretary*)
Ms. Ng Boon Ngee (*Secretary*)
- By Invitation : Mr. Kong Hon Khien (*Chief Financial Officer*)
- Mr. Chong Fah Yow } Representatives of Mazars PLT, Auditors
Mr. Louis Lau Kar Man }
- Ms. Low Hong Lai } Tricor Investor & Issuing House
Ms. Rachel Chua Szi Cian } Services Sdn Bhd (“Tricor”), Poll
Administrator
- Ms. Ong Wai Leng - Asia Securities Sdn Berhad (“Asia Securities”),
Scrutineer
- Ms. Ee Joo Lian - Messrs Cheong Kee Fong & Co.
- Invitees as per Attendance List

Dato’ Chong Kwong Chin, an Independent Non-Executive Director, was presiding as Chairman of the Meeting.

Dato’ Chairman informed that there might be further questions which were submitted by the Shareholders through the online query box after the questions and answers session during the 23rd AGM. In this respect, Dato’ Chairman stated that the Management would respond to such questions and revert to each Shareholder with a response to his/her question.

1. AUDITED FINANCIAL STATEMENTS AND REPORTS OF THE DIRECTORS AND AUDITORS, GROUP’S OVERVIEW PRESENTATION, DIRECTORATE, DIRECTORS’ FEES, DIRECTORS’ BENEFITS, RE-APPOINTMENT OF AUDITORS, CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS, PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES AND PROPOSED SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS

The Audited Financial Statements of the Company for the financial year ended (“FYE”) 31 December 2019 together with the Reports of the Directors and Auditors thereon were tabled in the Meeting.

With the consent of the Shareholders, the Auditors’ Report was taken as read.

Mr. Tan Keng Meng, the Chief Executive Officer (“CEO”) of the Company, made a brief presentation to the Shareholders on the Group’s performance and key highlights for the FYE 31 December 2019 as well as the Group’s business going forward, covering, amongst others, the following:

- (i) The Group’s revenue reduced to RM440 million in 2019 and consequently registered a loss before tax of RM4.3 million compared to revenue of RM497 million and profit before tax of RM9.6 million in the previous year. Nevertheless, the Group’s financial position remained healthy with shareholders’ funds at RM324 million, gearing ratio at its lowest in the last 5 years at 49% and net cash generated from operating activities at RM137 million.
- (ii) 2019 Highlights:
 - Mayflower Car Rental Sdn. Bhd. has ventured into corporate fleet management in Myanmar;
 - Gocar Mobility Sdn. Bhd. (“Gocar”) (our car sharing business) has managed to form another strategic partnership with Express Rail Link Sdn Bhd (ERL) to reinforce the first and last mile connectivity for commuters when taking public transits;
 - The Company received CSR Malaysia Award 2019 – “Company of the year under the Automotive and Consumer Products category”;
- (iii) In year 2020, Gocar has launched its “GoCar for Delivery” which targeted small business owners and individual deliverers the option to rent its cars (including pick-up trucks) for their business needs. WTCH’s online vehicle auction service, MUV Marketplace Sdn. Bhd. (“MUV”), would continue to launch new products and services such as financing, insurance to capture the C2C and C2B market; and
- (iv) The Group would remain cautious of the challenges ahead and has taken various cost containment measures, implementing proactive and robust policies in an effort to remain sustainable in the future.

After presentation, Dato’ Chairman continued with the Agenda of the Meeting:

- Ordinary Resolution 1 – Re-election of Mr. Tan Keng Meng as Director;
- Ordinary Resolution 2 – Re-election of Dato’ Chong Kwong Chin as Director
- Ordinary Resolution 3 – Directors’ fees
- Ordinary Resolution 4 – Directors’ benefits
- Ordinary Resolution 5 – Re-appointment of Mazars PLT as Auditors
- Ordinary Resolution 6 – Continuing in office as Independent Non-Executive Director for Dato’ Chong Kwong Chin
- Ordinary Resolution 7 – Continuing in office as Independent Non-Executive Director for Datuk Abdullah bin Abdul Wahab
- Ordinary Resolution 8 – Proposed renewal of authority for the Company to purchase its own ordinary shares
- Ordinary Resolution 9 – Proposed shareholders’ mandate for recurrent related party transactions with Tan Chong Motor Holdings Berhad (“TCMH”) and its subsidiaries
- Ordinary Resolution 10 – Proposed shareholders’ mandate for recurrent related party transactions with APM Automotive Holdings Berhad (“APM”) and its subsidiaries

At the questions and answers session, Mr. Tan Keng Meng read out the questions and suggestion received from Shareholders prior to the 23rd AGM and the responses provided by the Management, as follows:

Question 1

For the heavy equipment segment, what are the selling points to lure the users/buyers from the much-established suppliers apart from price factor? Are our networks equipped with necessary spare parts and timely delivery so that users/buyers are worried free when they purchase our company’s heavy equipment products and face limited downtime?

Response: First and foremost, TCIM Sdn. Bhd. (“TCIM”) is well represented by strong brands established over the years and we have strong market shares in the respective categories such as Sumitomo Excavators, Sakai compactors, SDLG wheel loaders, Tonly offroad Dump Trucks and Unicarrier Forklift etc. Price would undeniably be a major factor in not only our heavy equipment business, but on all other businesses as well.

The “Tan Chong Brand and Trust”, customers’ relationship, product quality, trained and skilled staff are important to ensure TCIM is able to go to market to compete effectively.

In addition, with 17 branches in major cities in Malaysia, TCIM is able to provide fast and efficient services to our customers. These branches operate on 3S namely sales, service and spares. Our Principals also have major regional warehouses in Singapore, Jakarta and Bangkok for support.

Question 2

How much MUV earnings generated to our WTCH Group for the past 5 years?

Response: As MUV is a technology company with in house software development for online auction platform currently for used-vehicle covering B2B and B2C, it has yet to contribute to the earnings of the Group. As at 31 December 2019, MUV recorded loss for the year of RM5.4 million compared to loss of RM7.2 million in the previous year.

The Group is optimistic that with more parallel products to be introduced by MUV in the coming years, it would be able to contribute positively to the Group’s future earnings in the long run.

Question 3

WTCH has so many subsidiaries. Can the Board of Directors tell us in figures and nature of business, out of so many subsidiaries, which are making profit and which are making losses for the FYE 2018 & FYE 2019? Any immediate strategy to ensure those loss-making subsidiaries would not have any further losses or at least breakeven in FYE2020 & FYE 2021?

Response: As at 31 December 2019, the Group has 36 subsidiaries, of which 18 are active companies. 8 of the active companies are profitable as the remaining 10 active companies are in loss making position.

Please refer to Page 106 – 109 of our Annual Report 2019 for the list of 36 subsidiaries and its principal activities. As for the performance of each segment, please refer to our Management Discussion and Analysis from page 10 to 13 and Segmental Analysis on page 143.

The Management has taken all necessary steps to ensure the Group delivers consistent growth. However, as with any other businesses, the Group is exposed to external risk factor such as the global economic outlook and an evolving competitors’ landscape which may adversely impact on our results.

Suggestion

Shareholders suggested that the Company distribute e-voucher to the shareholders who participate at the 23rd AGM via RPV facilities, to replace the door gift, refreshment and free parking that were given to shareholders in the past.

Response: The Group’s main method of rewarding shareholders is through the payment of dividend. Nevertheless, the Board takes cognizance of the suggestion and would consider it in the future.

The following questions were also raised during the 23rd AGM of the Company, which were duly responded by the Chairman, members of the Board and Chief Financial Officer as follows:

Question I

I missed APM and TCMH visual meetings yesterday. Please respond to the following few questions/ comments:

1. *TCMH has dealership with Nissan company. Would it affect TCMH's Japanese car business in Malaysia. What is the future business prospect in next quarters? Can it maintain better profit?*
2. *Would APM recover from its business, maintain profit and pay dividend in 2020?*
3. *Both these companies' share prices are greatly affected against net tangible assets.*
4. *Due to Covid-19 pandemic, can WTCH sails through and recover its business in the future prospects?*

Response: We are not in a position to answer on behalf of APM and TCMH at WTCH's AGM as they are different entities. As for WTCH, the Management believe that year 2020 would be challenging for business community. Consumer sentiment has deteriorated in this uncertain environment. As it remains uncertain on when Covid-19 pandemic would be over, the Group is of the opinion that providing forward looking statement at this juncture would not be appropriate.

Question II

Would the presentation by CEO be shared in the Company's website after the end of AGM?

Response: The key matters discussed at 23rd AGM, which includes a summary of the key presentation by the CEO, would be published onto the Company's corporate website after the AGM.

Question III

How much does the Company spend on the virtual 23rd AGM? Would the Board kindly consider giving voucher as reward to shareholders who take interest to participate in the virtual 23rd AGM?

Response: By holding the fully virtual AGM, there was a saving of approximately 20% compared to physical AGM. As for the question on voucher, the Board has responded to the question earlier.

Question IV

WTCH has been continuously losing for a few years. Will the Company take strategy measure to turn around the financial results in coming months? Any diversification of business to help to set-off losses? Can the Company return be paying dividend not paid this year?

Response: The Group has registered profit before tax of RM8.4 million and RM9.6 million in 2017 and 2018 respectively. However, the Group registered a loss before tax of RM4.3 million as explained by the CEO in his presentation earlier. The Group has taken all necessary step to improve on the future performance which may include diversification and expansion. As for the dividend, the Company would consider the payout once it is in the position to do so.

2. ANNOUNCEMENT OF POLL RESULTS

When the poll results were ready and duly validated by Asia Securities (Scrutineer) at approximately 11.40 a.m., Dato' Chairman invited Ms. Ong Wai Leng of Asia Securities to announce the poll results. Ms. Ong Wai Leng announced the poll results to the Shareholders present.

Based on the poll results (a copy of which is attached), Dato' Chairman declared that the Ordinary Resolutions 1 to 10 were carried and duly passed.

3. CLOSURE OF MEETING

There being no other business, the Meeting closed at 11:45 a.m. with a vote of thanks to the Chairman.

Note - After the 23rd AGM:

As mentioned at the beginning of the Meeting, WTCH has received further questions which were submitted by the Shareholders through the online query box during the 23rd AGM. The Management has reverted to each Shareholder with a response to his/her question/request, as appended below:

Question A

What is the listing fee paid to Bursa Malaysia by the Company?

Response: Listing fees payable by WTCH to Bursa Securities for year 2020 is RM20,000.00.

Question B

I would like to request a hard copy of the Company's Annual Report.

Response: Tricor will arrange for a copy of WTCH's 2019 Annual Report to be sent to the shareholder via ordinary post within four (4) market days.

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(424834-W)

Twenty-Third Annual General Meeting

Tricor Business Centre, Manuka 2 & 3, Unit 29-01, Level 29, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

On 07-August-2020 at 10:30AM

Result On Voting By Poll

Resolution(s)	Vote For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Ordinary Resolution 1	35,617,015	99.9857	5,108	0.0143	35,622,123	100.0000
Ordinary Resolution 2	35,617,125	99.9857	5,098	0.0143	35,622,223	100.0000
Ordinary Resolution 3	35,615,370	99.9811	6,728	0.0189	35,622,098	100.0000
Ordinary Resolution 4	35,615,310	99.9809	6,788	0.0191	35,622,098	100.0000
Ordinary Resolution 5	35,616,725	99.9846	5,498	0.0154	35,622,223	100.0000
Ordinary Resolution 6	35,617,125	99.9857	5,098	0.0143	35,622,223	100.0000
Ordinary Resolution 7	35,617,115	99.9857	5,108	0.0143	35,622,223	100.0000
Ordinary Resolution 8	35,617,125	99.9857	5,098	0.0143	35,622,223	100.0000
Ordinary Resolution 9	603,076	99.1626	5,093	0.8374	608,169	100.0000
Ordinary Resolution 10	603,021	99.1617	5,098	0.8383	608,119	100.0000

Resolution(s)	Pre-determined Abstain *		Abstain / Spoilt #	
	No of Units	No of P/S	No of Units	No of P/S
Ordinary Resolution 1	100	1	0	0
Ordinary Resolution 2	0	0	0	0
Ordinary Resolution 3	0	0	125	2
Ordinary Resolution 4	0	0	125	2
Ordinary Resolution 5	0	0	0	0
Ordinary Resolution 6	0	0	0	0
Ordinary Resolution 7	0	0	0	0
Ordinary Resolution 8	0	0	0	0
Ordinary Resolution 9	35,000,861	14	13,193	1
Ordinary Resolution 10	35,000,861	14	13,243	2

* These votes refer to holders who have pre-determined abstain from voting in proxy forms or holders refrained from voting due to conflict of interest.

These refer to:

- 1) Holders who have chosen not to vote (e-voting) or
- 2) Abstain / Spoilt votes as reflected in poll slips (poll slip voting)