

WELLCALL HOLDINGS BERHAD

[Registration No. 200501025213 (707346-W)]

(Incorporated in Malaysia)

MINUTES OF THE SIXTEENTH ANNUAL GENERAL MEETING (“16TH AGM”) OF WELLCALL HOLDINGS BERHAD (“THE COMPANY”) HELD VIRTUALLY THROUGH THE LIVE STREAMING FROM THE BROADCAST VENUE AT LEVEL 18, PLAZA VADS, NO. 1, JALAN TUN MOHD FUAD, TAMAN TUN DR ISMAIL, 60000 KUALA LUMPUR, WILAYAH PERSEKUTUAN KUALA LUMPUR (“BROADCAST VENUE”) ON MONDAY, 21 FEBRUARY 2022 AT 10.00 A.M..

DIRECTORS PRESENT AT BROADCAST VENUE : Datuk Ng Peng Hong @ Ng Peng Hay D.M.S.M., D.S.M., P.J.K. (Chairman)
Mr. Huang Sha, P.M.P.
Mr. Leong Hon Chong
Ms. Huang Yu Fen
Mr. Tan Kang Seng
Mr. Tan Kang Foon
Mr. Yong Peng Tak
Mr. Yang Chong Yaw, Alan
Dato’ Haji Mohtar Bin Nong D.P.M.T., A.S.M., P.J.C., P.J.K., B.L.B.
Mr. Huang Kai Lin (Alternate Director to Leong Hon Chong)

SECRETARY : Ms. Teo Soon Mei

MEMBERS / PROXIES / CORPORATE REPRESENTATIVES : Participating via Remote Participation and Voting (“RPV”) facilities
As per the summary of Attendance and login list

BY INVITATION : Participating via Remote Participation and Voting (“RPV”) facilities
As per the summary of Attendance and login list

As at 19 February 2022, being the cut-off date for determining who shall be entitled to attend the Company’s 16th AGM, the Company had 124 depositors and the total number of issued shares stood at 3,141,638 ordinary shares. Based on the registration data given by the Company’s Share Registrar as at 9.55 a.m. on 21 February 2022, a total of Thirty One (31) shareholders/proxies had registered through RPV facilities for attendance at the 16th AGM, represented 226,696,707 ordinary shares, which constituted 45.53% of the total issued shares of the Company.

CHAIRMAN’S OPENING REMARKS

Datuk Ng Peng Hong @ Ng Peng Hay (“**the Chairman**”), chaired the 16th AGM (“**Meeting**”) at the Broadcast Venue held through the live streaming. The Chairman, on behalf of the Board and Management, welcomed the shareholders/proxies and invitees to the Meeting.

The Chairman informed the shareholders that the Meeting is conducted virtually through live streaming and online remote voting using the remote participation and voting facilities (“RPV Facilities”) from the Broadcast Venue was in line with the provisions of Section 327 of the Companies Act 2016 and Clause 57 of the Company’s Constitution, and the Securities Commission Malaysia’s “Guidance and FAQs on the Conduct of General Meetings for Listed Issuers”.

The Chairman then proceeded to introduce the Board Members present at the Broadcast Venue and participating via RPV Facilities. The Chairman also introduced the Company Secretary, representative from External Auditors and the Financial Controller who were also present at the Broadcast Venue.

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QUORUM

The Company Secretary confirmed that the presence of a requisite quorum pursuant to Clause 66 of the Company’s Constitution at the commencement of the Meeting. She added that proxies had been received from 45 shareholders representing 204,663,188 shares within the stipulated prescribed period of forty-eight (48) hours before the time for convening the Meeting.

The Chairman then declared the Meeting duly convened.

POLLING AND PROCEEDING

The Chairman briefed the shareholders:-

- 1) Pursuant to Clause 71 of the Company’s Constitution, any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and was intended to be moved at any general meeting shall be voted by poll. Subject to the Companies Act 2016 and our Company’s Constitution, every resolution shall be decided by a majority of votes.
- 2) In compliance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all proposed resolutions set out in the Notice of the Meeting would be voted by way of a poll and the Company must appoint at least one (1) independent scrutineer to validate the votes cast at the general meeting.
- 3) The Company had appointed the Company’s Share Registrar, One Capital Market Services Sdn. Bhd. (“One Capital”) as the Poll Administrator to conduct the poll by way of electronic voting using RPV Facilities, and NeedsBridge Advisory Sdn. Bhd. as the independent Scrutineer to verify and validate the poll results.
- 4) The voting session would be commenced upon the Chairman called for the polls after the deliberation of all the proposed resolutions to be transacted at the Meeting until such time when the Chairman announced the closure of the polls.
- 5) Shareholders or proxies of the Company could exercise their right to participate the Meeting under RPV Facilities including to transmit their questions in real time by using the Q&A Panel and participating electronic voting remotely at the Meeting. The Directors and the Management of the Company would respond to the questions during the Q&A session after dealing with all the items on the Agenda of the Meeting.

The Chairman once again reminded the shareholders that the voting on the proposed resolutions would be commenced when the Chairman calls for the poll after dealt with all the proposed resolutions until such time when the Chairman announces the closure of the voting session.

NOTICE

The Notice of the Meeting dated 21 January 2022 as set out on pages 134 to 142 of the Annual Report 2021 of the Company which was available at the Company’s website. The Notice of the Meeting was issued and having been circulated within the prescribed period in accordance with the Company’s Constitution was with the permission of the Meeting, taken as read.

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AGENDA 1 **TO LAY BEFORE THE MEETING THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 30 September 2021 together with the Reports of the Directors and Auditors thereon (“AFS”). The Chairman further informed the Meeting that the AFS were made available to all members on the Company’s website within the prescribed period or being delivered to shareholders who entitled to receive notice of the Meeting. The Chairman then informed that the AFS were tabled for discussion purposes only as it does not require shareholders’ approval. Hence, it would not be put forward for voting.

The Chairman informed the Meeting that all the questions received by the Company would be dealt during the Q&A session later.

The Chairman then proceeded to declare that the Audited Financial Statements of the Company for the financial year ended 30 September 2021 together with the Reports of the Directors and Auditors be and are hereby duly received.

The Meeting then proceeded to the next item on the Agenda.

AGENDA 2 **ORDINARY RESOLUTION 1**
TO APPROVE THE PAYMENT OF ADDITIONAL DIRECTORS’ FEES OF RM75,000.00 TO NON-EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

The Chairman informed the Meeting that the second item on the Agenda was in relation to the payment of additional Directors’ Fees of RM75,000.00 to the Non-Executive Directors of the Company for the financial year ended 30 September 2021. The Chairman passed the chair to Mr. Leong Hon Chong, the Executive Director to continue with the Agenda as this agenda is relating to the payment of Directors’ fees to the non-executive directors.

Mr. Leong Hon Chong (“Mr. Leong”) then took over the Chair and proceeded with the Agenda in hand.

He informed the Meeting that :-

- 1) The additional Directors’ fees of RM75,000.00 to the Non-Executive Directors of the Company for the financial year ended 30 September 2021 were to meet the shortfall of payment of Directors’ fees in addition to RM977,000.00 that was approved by the shareholders at the fifteenth Annual General Meeting of the Company.
- 2) All the Non-Executive Directors, being the interested Directors as well as their persons connected would be abstained from voting on this resolution.

Mr. Leong reminded the shareholders / proxies that they could transmit their live questions by using the Q&A Panel in the RPV facilities.

The Meeting then proceeded to the next item on the Agenda.

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AGENDA 3 ORDINARY RESOLUTION 2
TO APPROVE THE PAYMENT OF DIRECTORS’ FEES FOR AN AMOUNT UP TO RM1,500,000.00 AND DIRECTORS’ BENEFITS (EXCLUDING DIRECTORS’ FEES) FOR AN AMOUNT UP TO RM150,000.00 PAYABLE TO THE NON-EXECUTIVE DIRECTORS ON A MONTHLY BASIS FOR THE PERIOD FROM 1ST OCTOBER 2021 UNTIL THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE COMPANY

Mr. Leong Hon Chong informed the Meeting that Agenda 3 was in relation to the payment of Directors’ fees for an amount up to RM1,500,000.00 and Directors’ benefits (excluding directors’ fees) an amount up to RM150,000.00 payable to the Non-Executive Directors on a monthly basis for the period from 1st October 2021 until the Seventeenth Annual General Meeting of the Company under Ordinary Resolution 2.

Mr. Leong Hon Chong briefed the Meeting :-

- 1) The proposed Directors’ fees and Directors’ benefits (excluding Directors’ fees) payable to the Non-Executive Directors on a monthly basis for the period from 1 October 2021 until the Seventeenth Annual General Meeting of the Company were derived based on the current Board size.
- 2) All the Non-Executive Directors of the Company, being the interested Directors as well as their persons connected would be abstained from voting on this resolution.

~~The Meeting then proceeded to the next item on the Agenda. Before the meeting proceed to the next item on the Agenda, Mr. Leong Hon Chong passed the chair back to the Chairman.~~

AGENDA 4(a) ORDINARY RESOLUTION 3
TO RE-ELECT DATUK NG PENG HONG @ NG PENG HAY, THE RETIRING DIRECTOR, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION IN ACCORDANCE WITH CLAUSE 89 OF THE COMPANY’S CONSTITUTION

~~The Chairman thanked Mr. Leong Hon Chong and took the chair proceeded with the Ordinary Resolution 3. Mr. Leong Hon Chong The Chairman~~ informed the Meeting that Ordinary Resolution 3 was in relation to the re-election of Datuk Ng Peng Hong @ Ng Peng Hay, the retiring Director, who retired by rotation and was eligible, had offered himself for re-election in accordance with Clause 89 of the Company’s Constitution.

~~The Meeting then proceeded to the next item on the Agenda. Before the meeting proceed to the next item on the Agenda, Mr. Leong Hon Chong passed the chair back to the Chairman.~~

AGENDA 4(b) ORDINARY RESOLUTION 4, 5 and 6
TO RE-ELECT THE FOLLOWING DIRECTORS WHO RETIRE PURSUANT TO CLAUSE 89 OF THE COMPANY’S CONSTITUTION AND BEING ELIGIBLE, HAVE OFFERED THEMSELVES FOR RE-ELECTION :-

- i) MR. HUANG SHA
- ii) MR. YONG PENG TAK

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iii) MS. HUANG YU FEN

The Chairman thanked Mr. Leong Hon Chong and took the chair proceeded with the Ordinary Resolution 4, 5 and 6. The Chairman informed the Meeting that Ordinary Resolution 4 to 6 under Agenda 4 was in relation to the re-election of Mr. Huang Sha, Mr. Yong Peng Tak and Ms. Huang Yu Fen, the retiring Directors, who retired by rotation and was eligible, had offered themselves for re-election in accordance with Clause 89 of the Company’s Constitution.

The Chairman reminded that the profiles of Mr. Huang Sha, Mr. Yong Peng Tak and Ms. Huang Yu Fen were set out in the Company’s Annual Report 2021.

The Meeting then proceeded to the next item on the Agenda.

AGENDA 5

**ORDINARY RESOLUTION 7
TO RE-APPOINT MESSRS ONG & WONG AS AUDITORS OF THE COMPANY
FOR THE FINANCIAL YEAR ENDING 30 SEPTEMBER 2022 AND TO
AUTHORISE THE DIRECTORS TO DELIBERATE ON THE AUDITORS’
REMUNERATION**

The Chairman informed the Meeting that Ordinary Resolution 7 was in relation to the re-appointment of Messrs. Ong & Wong as the Auditors of the Company for the financial year ending 30 September 2022 and to authorise the Directors to deliberate on the Auditors’ remuneration.

The Chairman further informed the Meeting that the Auditors of the Company, Messrs. Ong & Wong had expressed their willingness to continue in office.

The Meeting then proceeded to the next item on the Agenda.

AGENDA 6

**ORDINARY RESOLUTION 8
RETENTION OF MR. YANG CHONG YAW, ALAN AS INDEPENDENT NON-
EXECUTIVE DIRECTOR**

The Chairman continued with the Agenda by informing the Meeting that Ordinary Resolution 8 was to consider the continuation of office of Mr. Yang Chong Yaw, Alan, who had served as Independent Non-Executive Director for a cumulative term of more than 9 years, continue to act as the Independent Non-Executive Director of the Company.

The Chairman further informed that the Board recommended the continuation of office of Mr. Yang Chong Yaw, Alan based on the justification set out in the Explanatory Note 3 of the Notice of AGM subject to the approval from the shareholders of the Company through a two-tier voting process pursuant to Practice No. 5.3 of the Malaysian Code on Corporate Governance 2021.

The Chairman further explained to the Meeting the provisions under the Malaysian Code on Corporate Governance governing the casting of a two-tier voting process for the appointment of long-serving independent directors. It was noted that the full text of the Ordinary Resolution 8 is set out in the Notice of this general meeting.

The Chairman once again reminded the shareholders / proxies that they could transmit their live questions by using the Q&A Panel in the RPV facilities.

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The Meeting then proceeded to the next item on the Agenda.

AGENDA 7 **ORDINARY RESOLUTION 9**
RETENTION OF MR. GOH HOON LEUM AS INDEPENDENT NON-EXECUTIVE
DIRECTOR

The Chairman continued with the Agenda by informing the Meeting that Ordinary Resolution 9 was to consider the continuation of office of Mr. Goh Hoon Leum, who had served as the Independent Non-Executive Director for a cumulative term of more than 9 years, continue to act as the Independent Non-Executive Director of the Company.

The Chairman further informed that the Board recommended the continuation of office of Mr. Goh Hoon Leum based on the justification set out in the Explanatory Note 3 of the Notice of AGM subject to the approval from the shareholders of the Company through a two-tier voting process pursuant to Practice No. 5.3 of the Malaysian Code on Corporate Governance 2021.

The Meeting then proceeded to the next item on the Agenda.

AGENDA 8 **ORDINARY RESOLUTION 10**
RETENTION OF DATUK NG PENG HONG @ NG PENG HAY AS INDEPENDENT
NON-EXECUTIVE DIRECTOR

The Chairman informed the Meeting that the eighth item on the Agenda was in relation to the retention of his office as Independent Non-Executive Director of the Company. The Chairman then passed the chair to Mr. Leong Hon Chong, the Executive Director of the Company to continue with this Agenda.

Mr. Leong Hon Chong then took the chair and continued with the Agenda by informing the Meeting that Ordinary Resolution 10 was to consider the continuation of office of Datuk Ng Peng Hong @ Ng Peng Hay, who had served as the Independent Non-Executive Director for a cumulative term of more than 9 years, continue to act as the Independent Non-Executive Director of the Company.

Mr. Leong Hon Chong further informed that subject to the passing of Ordinary Resolution 3, the Board recommended the continuation of office of Datuk Ng Peng Hong @ Ng Peng Hay based on the justification set out in the Explanatory Note 3 of the Notice of AGM subject to the approval from the shareholders of the Company through a two-tier voting process pursuant to Practice No. 5.3 of the Malaysian Code on Corporate Governance 2021.

The Meeting then proceeded to the next item on the Agenda and Mr. Leong Hon Chong passed the chair back to Datuk Ng Peng Hong @ Ng Peng Hay.

AGENDA 9 **ORDINARY RESOLUTION 11**
RETENTION OF DATO’ HAJI MOHTAR BIN NONG AS INDEPENDENT NON-
EXECUTIVE DIRECTOR

The Chairman continued with the Agenda by informing the Meeting that Ordinary Resolution 11 was to consider the continuation of office of Dato’ Haji Mohtar Bin Nong, who had served as the Independent Non-Executive Director for a cumulative

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term of more than 9 years, continue to act as the Independent Non-Executive Director of the Company.

The Chairman further informed that the Board recommended the continuation of office of Dato’ Haji Mohtar Bin Nong based on the justification set out in the Explanatory Note 3 of the Notice of AGM subject to the approval from the shareholders of the Company through a two-tier voting process pursuant to Practice No. 5.3 of the Malaysian Code on Corporate Governance 2021.

The Meeting then proceeded to the next item on the Agenda.

AGENDA 10 **ORDINARY RESOLUTION 12**
AUTHORITY TO ISSUE SHARE UNDER SECTIONS 75 AND 76 OF THE
COMPANIES ACT, 2016

The Chairman proceed with the Agenda 10 and informed the Meeting that Ordinary Resolution 12 was in relation to the authority to issue shares under Sections 75 and 76 of the Companies Act 2016 and to seek a renewal general mandate, which if passed, would empower the Directors to allot and issue shares pursuant to Section 75 and 76 of the Companies Act, 2016.

The Chairman then informed the Meeting that the full text of the Ordinary Resolution 12 was set out in the Notice of the Meeting. With the permission of the Meeting, the Chairman declared the proposed resolution was taken as read.

The Meeting then proceeded to the next item on the Agenda.

AGENDA 11 **ORDINARY RESOLUTION 13**
PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Chairman proceed with the Agenda 11 and informed the Meeting that Ordinary Resolution 13 was in relation to the approval of the proposed renewal of shareholders’ mandate for recurrent related party transactions of a revenue or trading nature.

The Chairman further informed the Meeting that the Directors of the Company namely, Mr. Tan Kang Seng, Mr. Tan Kang Foon, Mr. Huang Sha, Ms. Huang Yu Fen, Mr. Leong Hon Chong, Mr. Huang Kai Lin and person connected to them would be abstained from voting on this resolution in respect of their direct and indirect shareholdings in the Company.

The Chairman then informed the Meeting that the full text of the proposed resolution was set out in the Notice of the Meeting. With the permission of the Meeting, the Chairman declared the proposed resolution was taken as read.

The Chairman once again reminded the shareholders / proxies that they could transmit their live questions by using the Q&A Panel in the RPV facilities.

The Meeting then proceeded to the next item on the Agenda.

AGENDA 12 **TO TRANSACT ANY OTHER ORDINARY BUSINESS OF WHICH DUE NOTICE**
HAS BEEN GIVEN IN ACCORDANCE WITH THE COMPANY’S CONSTITUTION
AND/OR COMPANIES ACT, 2016

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The Chairman then informed the Meeting that the final item in the Agenda was for the transaction of any other business of which due notice shall have been given in accordance with the Company’s Constitution and/or Companies Act 2016. The Chairman further informed the Meeting that the Company Secretary had confirmed that no notice had been received from the shareholders to transact any other ordinary business at the Meeting and the Meeting shall then proceed to Q&A session.

Q&A SESSION

The Chairman informed the Meeting that the Company had received a letter from the Minority Shareholders Watch Group (“MSWG”) dated 7 February 2022 to raise the queries on the Operational and Financial Matters and Corporate Governance Matters of the Company. There were altogether 8 issues being raised by MSWG. Mr. Gary Yu Tat Keong, the Financial Controller (“Mr. Gary Yu”) of the Company was invited to read out the following questions raised by MSWG and provide the reply:-

Question 1:

The Group is exposed to raw materials cost fluctuation which may adversely affect the cost of sales and gross profit of the Group. (page 10 of AR 2021)

- (a) What is the trend of raw materials going forward?
- (b) To what extent is Wellcall able to pass the increase in raw materials cost to customers?

Reply for Question 1:

- (a) *The Group foresees that the prices of raw materials will continue to rise in view of the volatility of demand and supply of raw materials mechanism.*
- (b) *We are able to pass part of the cost to our customers in the following orders or after the two (2) to three (3) months of periodic price review.*

Question 2:

The Group is currently facing shortages of foreign workers which is mainly due to the end of their contracts during the period coupled with the freeze in foreign worker recruitment by the Malaysian Government. Despite that, it has managed to source local workers to support the production lines to fulfil and meet delivery orders. (page 11 of AR 2021)

- (a) Would the recruitment of local workers be able to fully fill up the vacuum resulting from the shortage of foreign workers? Has production been affected and what would be the situation going forward?
- (b) What is the current state of automation and the future plans?

Reply for Question 2:

- (a) *The recruitment of local workers is unable to fully filled up the shortages of foreign workers. Nevertheless, we still managed to maneuver our resources to ensure our production is not significantly being affected. We have recruited part timers to carry out end process tasks while experienced workers to expediate vital roles in the production lines. We will continue to source for local workers and hopefully with the recent reopening of foreign workers recruitment would be able to close the gap soonest possible.*
- (b) *We continue to automate our processes especially our third plant is equipped with automated production lines and machines of higher technology specifications. These initiatives have improved the productivity, efficiency and overall product quality. We continue to explore and source for technological advancement via research and development.*

Question 3:

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Barring any unforeseen circumstances due to the prolonged Covid-19 crisis, the Board believes that the momentum heading into the forthcoming FYE 2022 will be commendable especially with the continuous demand from its customers and in line with the industrial rubber hose market forecasts. (page 11 of AR 2021)

What is the growth forecast for the industrial rubber hose market and the growth drivers?

Reply for Question 3:

In view of the gradual recovery of global industrial rubber hose industry, we are visualizing a double-digit growth, which is mainly from the demanding environment segment such as from the air, water, oil and gas application market sectors.

Question 4:

The US Dollar exchange rate is also expected to be volatile and this impacts the Group’s profitability. (page 11 of AR 2021)

What percentage of the Group revenue and cost of sales is denominated in US Dollar respectively?

Reply for Question 4:

The percentages of the Group’s Revenue and Cost of Sales denominated in US Dollar are 88% and 36% respectively.

Question 5:

What is the Group’s current production utilization rate? Are there any plans to increase production capacity in the future?

Reply for Question 5:

Overall, our plants are operating at 80% to full utilization. Our current facilities are able to meet any sudden surge in global demand for industrial rubber hose and we always seize for growth opportunities to increase production capacity for new product diversity.

Question 6:

The total fees incurred in maintaining the outsourced internal audit function for the financial year ended 30th September 2021 amounted to RM21,000. (page 47 of AR 2021)

Given that the fee is rather small (RM1,750 per month), how does the audit committee assure itself that there would be adequate coverage and an effective audit function?

Reply for Question 6:

The total fees incurred were for two (2) internal audit visits being carried out during the financial year in preference to four (4) visits due to MCO 2.0 imposed by our government. Internal audit reviews are based on process cycles, which eventually cover the overall spectrum activities of the Group. The internal auditors report directly to the Audit Committee, which governs by the Term of Reference of the Audit Committee.

Question 7:

It was recently reported in the press that Wellcall has adopted a high mix, low volume (HMLV) strategy which gives the company a significant competitive edge in producing customized merchandise for its clients.

What percentage of the Group revenue is generated from HMLV strategy? Is the profit margin from HMLV strategy significantly higher than revenue from standardised products?

Reply for Question 7:

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HMLV is part of our marketing niche to support our customers’ inventory holding costs. HMLV applies to all orders and products, which profit margin depends on the product mix specifications.

Question 8:

Employee turnover rates are an indication of employee satisfaction. The Group continuously strives to ensure that it remains an attractive company to current and future employees. Total number of new employees at the factory of Wellcall Hose (M) Sdn. Bhd. is 103 but the employee turnover rate is 15.8% (page 67 of AR 2021)

- (a) What are the reasons for the high turnover rate? What measures have been taken to address the problem?

Reply for Question 8:

The high turnover rate mainly due to foreign workers contracts ended during the financial year under review. Please refer to Question 2(a) reply for immediate measures executed.

The meeting then proceeded to deal with the questions received from the shareholders. The Chairman further informed the Meeting that for the questions that were not being answered in the Meeting due to time constraint, the Company would reply the questions by email as soon as possible after the conclusion of the Meeting. Mr. Gary Yu, the Financial Controller was invited to read out the questions and reply the questions accordingly. The following was the questions deposited by the shareholders and the replies by the Company:-

Question 1:

The Group pursues a high-mix, low-volume strategy. How does the global shipping disruptions affect customer ordering pattern of frequent small orders? How is the latest situation?

Reply for Question 1:

Orders are picking up coupled with some customers have committed with higher volume mix orders. The visibility of order books seems promising despite the global shipping disruption conditions. We will continue with our prompt delivery lead time despite global cargo constraint is a challenge.

Question 2:

The Management Discussion and Analysis section of Annual Report does not touch upon the JV with Trelleborg. Can the management provides an update on the latest status on sales and production? What are the plan and target forward?

Reply for Question 2:

The JV company had commenced its production lines capturing sales from few customers during the financial year under review. However, the revenue contributed is insignificant at this stage.

Question 3:

Refer to Note 8, page 114 of Annual Report. Can management explain the losses at associate company Trelleborg Wellcall Sdn. Bhd. ?

Reply for Question 3:

The losses are mainly arising from operation costs to operate the JV.

POLL VOTING SESSION

The Chairman then called upon the representative of One Capital to brief the shareholders and played a video on the electronic voting procedures through the RPV Facilities. A short video clip was presented on screen to guide the shareholders / proxies on the electronic voting instruction.

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The Chairman apprised that the shareholders and proxies were allocated five (5) minutes to vote on all the resolutions set out in the Notice of the Meeting. The Chairman reminded the shareholders to cast their votes via RPV Facilities as the voting session would end in 5 minutes. The Meeting was then adjourned for five (5) minutes for the poll voting session.

The Chairman then (after 5 minutes) announced that the poll voting session for the 16th AGM had concluded and thanked all shareholders for their participation.

The Chairman informed the Meeting that the Poll Administrator, One Capital Market Services Sdn. Bhd., would compile and hand over the poll results to the Independent Scrutineers, NeedsBridge Advisory Sdn. Bhd. for validation.

The meeting was adjourned for 30 minutes break to facilitate the completion of the verification for declaration of poll results in respect of Resolutions 1 to 13.

DECLARATION OF RESULTS

The Chairman called the Adjourned 16th AGM to order at 11.13 a.m. for announcement of the poll results. The Chairman thereafter received the poll results from NeedsBridge Advisory Sdn. Bhd., the Independent Scrutineer for the polling exercise.

Based on the poll results as set out in “**Annexure A**”, the Chairman then read out the poll results to the shareholders participating at the Meeting and declared that the Ordinary Resolution 1 to Ordinary Resolution 13 were carried as follows: -

ORDINARY RESOLUTION 1:-

TO APPROVE THE PAYMENT OF ADDITIONAL DIRECTORS’ FEES OF RM75,000.00 TO NON-EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

RESOLVED:-

“THAT the payment of additional Directors’ fees of RM75,000.00 to Non-Executive Directors for the financial year ended 30 September 2021 be and is hereby approved.”

ORDINARY RESOLUTION 2:-

TO APPROVE THE PAYMENT OF DIRECTORS’ FEES FOR AN AMOUNT UP TO RM1,500,000.00 AND DIRECTORS’ BENEFITS (EXCLUDING DIRECTORS’ FEES) FOR AN AMOUNT UP TO RM150,000.00 PAYABLE TO THE NON-EXECUTIVE DIRECTORS ON A MONTHLY BASIS FOR THE PERIOD FROM 1ST OCTOBER 2021 UNTIL THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE COMPANY

RESOLVED:-

“THAT the payment of Directors’ fees for an amount up to RM1,500,000.00 and Directors’ benefits (excluding Directors’ fees) for an amount up to RM150,000.00 payable to the Non-Executive Directors on a monthly basis for the period from 1st October 2021 until the Seventeenth Annual General Meeting of the Company be and is hereby approved.”

ORDINARY RESOLUTION 3:-

TO RE-ELECT DATUK NG PENG HONG @ NG PENG HAY, THE RETIRING DIRECTOR, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION IN ACCORDANCE WITH CLAUSE 89 OF THE COMPANY’S CONSTITUTION

RESOLVED:-

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“THAT Datuk Ng Peng Hong @ Ng Peng Hay, the retiring Director, who retires by rotation and being eligible, has offered himself for re-election in accordance with Clause 89 of the Company’s Constitution, be and is hereby re-elected as Director of the Company.”

ORDINARY RESOLUTION 4, 5 and 6:-

TO RE-ELECT THE FOLLOWING DIRECTORS WHO RETIRE PURSUANT TO CLAUSE 89 OF THE COMPANY’S CONSTITUTION AND BEING ELIGIBLE, HAVE OFFERED THEMSELVES FOR RE-ELECTION:-

- i) MR. HUANG SHA
- ii) MR. YONG PENG TAK
- iii) MS. HUANG YU FEN

RESOLVED:-

“THAT Mr. Huang Sha, Mr. Yong Peng Tak and Ms. Huang Yu Fen, the retiring Directors, who retire by rotation and being eligible, offers themselves for re-election in accordance with Clause 89 of the Company’s Constitution, be and is hereby re-elected as Directors of the Company.”

ORDINARY RESOLUTION 7:-

TO RE-APPOINT MESSRS ONG & WONG AS AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 30 SEPTEMBER 2022 AND TO AUTHORISE THE DIRECTORS TO DELIBERATE ON THE AUDITORS’ REMUNERATION

RESOLVED:-

“THAT Messrs Ong & Wong be re-appointed as Auditors of the Company for the financial year ending 30 September 2022 and the Directors be authorized to deliberate on the Auditors’ remuneration.”

ORDINARY RESOLUTION 8:-

RETENTION OF MR. YANG CHONG YAW, ALAN AS INDEPENDENT NON-EXECUTIVE DIRECTOR

RESOLVED:-

“THAT Mr. Yang Chong Yaw, Alan, having served as Independent Non-Executive Director for a cumulative term of more than nine (9) years, be and is hereby approved to continue to act as the Independent Non-Executive Director of the Company.”

ORDINARY RESOLUTION 9:-

RETENTION OF MR. GOH HOON LEUM AS INDEPENDENT NON-EXECUTIVE DIRECTOR

RESOLVED:-

“THAT Mr. Goh Hoon Leum, having served as Independent Non-Executive Director for a cumulative term of more than nine (9) years, be and is hereby approved to continue to act as the Independent Non-Executive Director of the Company.”

ORDINARY RESOLUTION 10:-

RETENTION OF DATUK NG PENG HONG @ NG PENG HAY AS INDEPENDENT NON-EXECUTIVE DIRECTOR

RESOLVED:-

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“THAT Datuk Ng Peng Hong @ Ng Peng Hay, having served as Independent Non-Executive Director for a cumulative term of more than nine (9) years, be and is hereby approved to continue to act as the Independent Non-Executive Director of the Company.”

ORDINARY RESOLUTION 11:-

RETENTION OF DATO’ HAJI MOHTAR BIN NONG AS INDEPENDENT NON-EXECUTIVE DIRECTOR

RESOLVED:-

“THAT Dato’ Haji Mohtar Bin Nong, having served as Independent Non-Executive Director for a cumulative term of more than nine (9) years, be and is hereby approved to continue to act as the Independent Non-Executive Director of the Company.”

ORDINARY RESOLUTION 12:-

AUTHORITY TO ISSUE SHARE UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements (“MAIN LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company at any time to such persons, 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 to be issued pursuant to this resolution must not exceed twenty per centum (20%) of the total number of issued shares of the Company (excluding treasury shares) at any point in time (Proposed 20% General Mandate”).

AND THAT such approval on the Proposed 20% General Mandate shall continue to be in force until 31st December 2022.

AND THAT with effect from 1st January 2023, the general mandate shall be reinstated from a 20% limit to a 10% limit pursuant to Rule 6.03 of the MAIN LR of Bursa Securities provided that the aggregate number of such new shares to be issued by the Company from time to time, at such price, to such persons and for such purposes and such terms and conditions as the Directors may in their absolute discretion deem fit, pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed 10% General Mandate”).

AND THAT such approval on the Proposed 10% General Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company held after the approval was given;*
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or*
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,*

Whichever is the earlier.

(The Proposed 20% General Mandate and Proposed 10% General Mandate shall hereinafter refer to as “Proposed General Mandate”)

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

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AND THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

ORDINARY RESOLUTION 13:-

PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

“THAT approval be given to the Company and/or its subsidiary company to enter into recurrent transactions of a revenue or trading nature with related parties which are necessary for the Company’s and/or its subsidiary’s day-to-day operations and carried out in the ordinary course of business on normal commercial terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority Shareholders as set out in the Company’s Circular to Shareholders dated 21st January 2022 (“the Mandate”);

AND THAT the Directors be and are hereby empowered to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give full effect to the Mandate, with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities AND THAT the Mandate shall commence upon passing of this ordinary resolution and will expire at the conclusion of the next Annual General Meeting (“AGM”) of the Company following the passing of this ordinary resolution or the expiry of the period within which the next AGM is required by law to be held but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016 (unless earlier revoked or varied by ordinary resolution of the Shareholders of the Company in general meeting).”

TERMINATION

The Chairman then thanked all participants including shareholders, Board Members, the Company Secretary, Auditors, and senior management team for their participation at the 16th AGM and the Chairman also announced the end of the live streaming.

The Chairman thereafter concluded the 16th AGM and declared that the live stream meeting for the 16th AGM ended at 11.14 a.m..

SIGNED AS A CORRECT RECORD

DATUK NG PENG HONG @
NG PENG HAY
CHAIRMAN

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[Registration No. 200501025213 (707346-W)]

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Dated : 21 February 2022