

HWA TAI INDUSTRIES BERHAD  
Company No. 19688-V (New Reg. No.: 197401002656)

Summary of the Key Matters discussed at the Forty-Sixth Annual General Meeting (46<sup>th</sup> AGM) of the Company held on 2 June 2021

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Agenda 1 – Audited Financial Statements

The Audited Financial Statements for the financial year ended 31 December 2020 together with the Directors' and Auditors' Reports thereon were presented.

Resolutions Passed

All Resolutions tabled at the 46<sup>th</sup> AGM were passed by shareholders by poll voting

Ordinary Resolution 1	To approve payment of an increased amount of Directors' fee of RM130,000.00 for the financial year ended 31 December 2020.
Ordinary Resolution 2	To approve an amount of RM10,000.00 per month as allowance to the Non-Executive Chairman from the 46 <sup>th</sup> AGM to the next Annual General Meeting of the Company.
Ordinary Resolution 3	To re-elect the following Director who retires in accordance with the Company's Constitution:- YBhg. Datuk Soo Chung Yee
Ordinary Resolution 4	To re-elect the following Director who retires in accordance with the Company's Constitution:- Encik Kamal Bin Abd Karim
Ordinary Resolution 5	To re-elect the following Director who retires in accordance with the Company's Constitution:- Puan Aisyah Kamaliah Binti Abu Bakar
Ordinary Resolution 6	To re-elect the following Director who retires in accordance with the Company's Constitution:- Madam Fong May Khuan
Ordinary Resolution 7	To appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Directors to fix their remuneration.
Ordinary Resolution 8	Authority to allot and issue shares in general pursuant to Sections 75 and 76 of the Companies Act, 2016.

## Questions & Answers (during 46<sup>th</sup> AGM)

The following questions were raised during the 46<sup>th</sup> AGM and replied accordingly:-

### *Question & Answer 1*

Datuk Soo Chung Yee read out the following question received from Shareholder, Tan Poh Boon:-

“Dear Director and Management, with current commodity price hike, like flour, sugar, oil palm etc.– any plans or solution for (to) overcome those ingredients’ increase (in) cost? Thanks”

Datuk Soo Chung Yee requested the Financial Controller to reply the question. The Financial Controller informed that in order to mitigate cost increase of raw materials, the Company tries to source for raw materials from various suppliers. At the same time the Company’s Research & Development team experiments with different ingredients while maintaining the quality. The Company also surveys the market price of biscuits before considering a price increase to ensure the Company’s products remain competitive. The Company also considers reducing grammage of the products if a price increase is not competitive.

### *Question & Answer 2*

Datuk Soo Chung Yee read out the following question received from Shareholder, Thavarajan A/L Muthiah Pillai:-

“Dear Sir, will Hwa Tai consider merging with other companies to go next level and unlocking the true value of the Company?

Please reward your loyal shareholders with e-vouchers to purchase Hwa Tai products. Thank you.”

Datuk Soo Chung Yee replied that the Company is opened to explore any mergers and acquisitions and at the moment the Company had not received any proposals. He advised Shareholders to refer to the many campaigns which the Company had tied up with various supermarkets and also the promotion activities in the Company’s Facebook. He thanked the loyal Shareholders for their support over the years.

## Questions & Answers (after 46<sup>th</sup> AGM)

The following questions were raised after the Question & Answer Session ended at the 46<sup>th</sup> AGM and the Company hereby replies:-

### *Question & Answer 1*

Question received from Shareholder, Tan Poh Boon:-

“Any plan for (to) expand the production?”

The Company’s reply – The Company had bought a brand new cookie line in year 2019 which arrived in the factory in early 2020. This line costs approximately RM6.8 million and it is to help expand the Company’s range of biscuits into premium cookies which will fetch a better margin as compared to crackers.

### *Question & Answer 2*

Question received from Shareholder, Tan Poh Boon:-

“What is the current utilisation rate?”

The Company’s reply – The utilisation rate of the Company’s biscuit lines is an average of above 75% depending on low or peak season.