

PENTAMASTER CORPORATION BERHAD
Company No: 200201004644 (572307-U)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED DURING THE TWENTIETH ANNUAL GENERAL MEETING (THE “MEETING”) OF THE MEMBERS OF THE COMPANY HELD ON A VIRTUAL BASIS THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT THE CONFERENCE ROOM OF PENTAMASTER CORPORATION BERHAD AT PLOT 18 & 19, TECHNOPLEX, MEDAN BAYAN LEPAS, TAMAN PERINDUSTRIAN BAYAN LEPAS, PHASE IV, 11900 PENANG AND ONLINE REMOTE VOTING VIA REMOTE VOTING AND PARTICIPATION FACILITIES ON TUESDAY, 31 MAY 2022 AT 10:00 A.M.

The Chairman commenced the meeting upon confirming with the Secretary that a quorum was present. The Chairman informed all present that in accordance to Paragraph 8.31A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of general meeting shall be voted by poll. The polling will be conducted electronically via the remote participation and voting (“RPV”) facility provided by SS E Solutions Sdn. Bhd. He further informed that shareholders and proxy holders that they could post their questions in real time during the meeting by using the text box in the RPV facility. The polling administrator showed a presentation on how to vote through the RPV facility.

The audited financial statements for the financial year ended 31 December 2021 (“AFS 2021”) together with the Reports of the Directors and Auditors thereon were laid for discussion.

The Chairman then tabled all the items on the agenda as set out in the notice of the Twentieth Annual General Meeting. The Chairman and Executive Director then answered the questions posted by the shareholders through the query box in the RPV facility, set out in Appendix A.

There being no other question relating to the items on the agenda for the Meeting, the Meeting proceeded to voting by poll on all resolutions on the agenda. All the resolutions were duly passed by the shareholders as verified by Commercial Quest Sdn Bhd, the independent scrutineer appointed by the Company. The poll results of the Twentieth Annual General Meeting are attached for reference.

There being no further matters to discuss, the Meeting concluded at 10.39 a.m.

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Poll results of the Twentieth Annual General Meeting.

Resolutions	Vote For			Vote Against			Results
	No. of shareholders	No. of shares	Percentage (%)	No. of shareholders	No. of shares	Percentage (%)	
<u>Ordinary Resolution No. 1</u> To approve the payment of a final single tier dividend of 2 sen per share for the financial year ended 31 December 2021.	326	383,193,352	99.5051	7	1,905,714	0.4949	Carried
<u>Ordinary Resolution No. 2</u> To approve the payment of Directors fees amounting to RM226,270.00 to Directors of the Company for the financial year ended 31 December 2021.	304	384,983,039	99.9697	27	116,627	0.0303	Carried
<u>Ordinary Resolution No. 3</u> To approve the payment of Directors fees amounting to HKD885,720 (approximately RM478,000 equivalent) per annum to Directors of the subsidiary company commencing from the financial year ending 31 December 2022 and that such fees to the Directors of the subsidiary company shall continue until otherwise resolved.	291	384,862,725	99.9595	39	155,881	0.0405	Carried
<u>Ordinary Resolution No. 4</u> To approve the payment of benefits of up to RM35,000 to the Non-Executive Directors of the Company from 1 June 2022 until the next Annual General Meeting of the Company.	298	384,952,959	99.9613	33	149,207	0.0387	Carried

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Poll results of the Twentieth Annual General Meeting (Continued...)

Resolutions	Vote For			Vote Against			Results
	No. of shareholders	No. of shares	Percentage (%)	No. of shareholders	No. of shares	Percentage (%)	
<u>Ordinary Resolution No. 5</u> To approve the payment of benefits of up to RM35,000 to the Non-Executive Directors of the subsidiary company from 1 June 2022 until the next Annual General Meeting of the Company.	298	384,953,959	99.9600	35	154,207	0.0400	Carried
<u>Ordinary Resolution No. 6</u> To re-elect Mr. Leng Kean Yong as a Director of the Company in accordance with Clause 109(a) and (b) of the Company's Constitution.	277	353,673,979	92.6473	49	28,068,252	7.3527	Carried
<u>Ordinary Resolution No. 7</u> To re-elect Ms. Gan Pei Joo as a Director of the Company in accordance with Clause 116 of the Company's Constitution.	303	378,976,388	99.2755	23	2,765,843	0.7245	Carried
<u>Ordinary Resolution No. 8</u> To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.	322	385,048,532	99.9847	11	58,934	0.0153	Carried

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Poll results of the Twentieth Annual General Meeting (Continued...)

Resolutions	Vote For			Vote Against			Results
	No. of shareholders	No. of shares	No. of shareholders	No. of shares	No. of shareholders	No. of shares	
<u>Ordinary Resolution No. 9</u> To authorise Mr. Loh Nam Hooi who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years to continue to act as an Independent Non-Executive Director of the Company.	2	<u>Tier 1</u> 140,420,120	100.00	0	0	0.00	Carried
	267	<u>Tier 2</u> 123,577,993	51.2087	57	117,744,118	48.7913	
<u>Ordinary Resolution No. 10</u> To empower the Directors to issue and allot up to 10% of the total number of issued shares of the Company.	297	367,999,551	95.5576	37	17,108,215	4.4424	Carried
<u>Ordinary Resolution No. 11</u> To approve the proposed renewal of existing shareholders' mandate for Recurrent Related Party Transactions of a revenue or trading nature.	316	244,648,459	99.9848	15	37,087	0.0152	Carried
<u>Ordinary Resolution No. 12</u> To approve the proposed purchase by the Company of its own shares of up to 10% of its total number of issued shares.	326	385,101,999	99.9985	8	5,767	0.0015	Carried

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QUESTION AND ANSWER

Q1. How much did the Company spend on this virtual AGM? Would the board kindly consider giving participants e-voucher as a token of appreciation for attending the meeting?

A1 The pandemic has transformed the mode of holding the AGM from a physical to a virtual AGM. The virtual AGM has opened up a platform for many shareholders to participate and such arrangement facilitates better engagement with shareholders. The incremental cost of holding the virtual AGM is less than half of the original cost of a physical meeting. The setting of the broadcast venue and online voting makes the whole AGM process more efficient.

At the moment, the company does not consider giving out e-vouchers but the objective is more towards having active engagement with shareholders. The board of directors express their appreciation to shareholders that participated actively at the AGM.

Q2. The Capital Commitments budgeted for FY2021 was RM7.993 million (page 156 of Annual Report). The Statements of Cash Flows on page 107 reported spending to RM37.587 million on property plant and equipment.

1. Can the Board provide a broad breakdown on the RM37.587 million spent in FY2021?

A2(1) The capital commitment of RM7.9 million pertained to the purchase of machineries for Pentamaster MediQ Sdn. Bhd. ("PMSB") in order for PMSB to undertake its research and development activity and to manufacture as well as produce its single use medical devices item such as intravenous catheter, dual safety pen needles and surgical sutures.

The amount of RM37.6 million spent on the property, plant and equipment mainly pertained to the cost of acquisition of land in Batu Kawan amounting to approximately RM28.0 million for the construction of the Group's campus 3. The main purpose of campus 3 is to further expand the Group's Factory Automation Solutions ("FAS") segment and medical devices segment.

The remaining balance of the breakdown pertained to the purchase of machineries for PMSB as well as computers and software for its engineers.

2. What is the budgeted capex for FY2022 and in which business segments will the capex be spent on?

A2(2) The budgeted capital expenditure for year 2022 is about RM100 million for the construction of campus 3 in Batu Kawan which will be built in two phases. First phase involves the construction of the first block starting 2022, with a built-up area measuring approximately 300,000sqft. Currently, both campus 1 and 2 are fully occupied.

There are plans to expand the Group's medical devices segment and FAS segment. Particularly on the medical devices segment, it requires a bigger production floor to undertake its research and development activity and manufacturing activity.

Apart from the above, the Group targets to increase its total workforce to 1,000 staff over the next few years due to the opportunity arising from FAS and electric vehicle sector as the Company foresees strong demand from customers. As such, there is a need to expand now in order to meet the customers' requirements and needs.