

# **OVERSEA ENTERPRISE BERHAD**

**Registration No. 199401031473 (317155-U)**

(Incorporated in Malaysia)

Minutes of the Twenty-Ninth (29th) Annual General Meeting (AGM or the Meeting) of **OVERSEA ENTERPRISE BERHAD** (Oversea or the Company) duly convened and held on a virtual basis through live streaming and online remote participation and voting from a broadcast venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on **Friday, 6 September 2024 at 11.00 a.m.**

- DIRECTORS' PRESENT** : Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai - Independent Non-Executive Chairman  
Tay Ben Seng, Benson - Executive Director  
Dato' Ku Chin Wah - Independent Non-Executive Director  
Hoong Yik Miin - Independent Non-Executive Director  
Tang Yee Ling - Independent Non-Executive Director
- ABSENT** : Andy Liew Hock Sim - Independent Non-Executive Director
- SHAREHOLDERS PRESENT** : As per attendance list
- IN ATTENDANCE** : Ms. Wong Yuet Chyn – Company Secretary
- BY INVITATION** : Guests as per attendance list

## **NOTICE**

Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai (Tan Sri Chairman) welcomed the shareholders, proxies and corporate representatives who have taken their time to join the AGM of the Company remotely from various locations through live streaming.

Tan Sri Chairman welcome the shareholders and proxies to the Meeting.

Tan Sri Chairman informed that the 29th AGM was conducted on a virtual basis through live streaming and online remote participation and voting from the broadcast venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

Tan Sri Chairman then proceeded to introduce the members of the Board of Directors (Board), Company Secretary and External Auditors from Messrs. Chengco PLT, Malaysia (Chengco).

Based on the registration data as on 6 September 2024, there were 74 members or proxies or corporate representatives had registered for attendance of the AGM and as of 11.00 a.m., 6 September 2024, there were 9 members or proxies or corporate representative had joined virtually of the AGM.

As informed by the Company Secretary that there being a quorum present, the Tan Sri Chairman declared the Meeting duly convened.

Tan Sri Chairman notified that the Notice convening the 29th AGM has been sent to all the shareholders of the Company and the said Notice was advertised in The Star on 31 July 2024 in accordance with the Company's Constitution. Tan Sri Chairman proposed and the Meeting consented that the Notice be taken as read.

Tan Sri Chairman informed the members that in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities), all the resolutions as set out in the Notice will be voted by poll.

For this purpose, Tan Sri Chairman has exercised his right as the Chairman of the Meeting to demand for a poll in accordance with Clause 71 of the Company's Constitution in respect of all resolutions which would be put to vote at the 29th AGM.

The polling would be conducted electronically via the remote participation and voting facility provided by InsHub Sdn. Bhd. and voting session were commenced from 11.00 a.m. until the announcement of end of voting session. In this respect, the Share Registrar, Workshire Share Registration Sdn. Bhd. was appointed as Poll Administrator and Symphony Corporate Services Sdn. Bhd. had been appointed as the Scrutineer to verify the poll results.

Tan Sri Chairman informed that the Board will deal with the shareholders' questions after the deliberation of all the agenda. The Board will try their best to address all the questions by email at the earliest possible after the Meeting if the Board were unable to address all the questions received from shareholders or proxies or corporates representative.

Tan Sri Chairman then proceeded with the agenda of the Meeting.

**1. AUDITED FINANCIAL STATEMENTS (AFS) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (FYE 2024) TOGETHER WITH THE REPORTS OF THE DIRECTORS AND THE AUDITORS THEREON**

Tan Sri Chairman informed that as provided for in Section 340(1)(a) of the Companies Act 2016 (CA 2016), it was not required that the AFS be formally approved and therefore the first item of the agenda was meant for discussion only and was not put forward for voting.

**2. PAYMENT OF DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 MARCH 2025 (FYE 2025)**

**Ordinary Resolution 1** on the proposed payment of Directors' Fees of RM318,000.00 for the FYE 2025.

Tan Sri Chairman then proceeded to next agenda of the Meeting.

**3. PAYMENT OF DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 MARCH 2026 (FYE 2026)**

**Ordinary Resolution 2** on the proposed payment of Directors' Fees of RM318,000.00 for the FYE 2026.

Tan Sri Chairman then proceeded to next agenda of the Meeting.

**4. RE-ELECTION OF DIRECTORS**

Tan Sri Chairman informed that two (2) Directors who retired in accordance with Clause 21.6 of the Company's Constitution were eligible for re-election.

**(i) Re-election of Mr. Tan Ben Seng (Mr. Benson)**

**Ordinary Resolution 3** was on the proposed re-election of Mr. Benson as a Director in accordance with Clause 21.6 of the Company's Constitution. Tan Sri Chairman further informed that Mr. Benson has given his consent to seek re-election as a Director of the Company.

(ii) **Re-election of Dato' Ku Chin Wah (Dato' Ku)**

Tan Sri Chairman informed that Dato' Ku who retired pursuant to Clause 21.6 of the Company's Constitution, indicated his intention of not seeking re-election as a Director of the Company. Hence, he would remain in office until the conclusion of the AGM

Tan Sri Chairman then proceeded to next agenda of the Meeting.

**5. RE-ELECTION OF DIRECTOR**

Tan Sri Chairman informed that he had interest in dealing with the proposed resolution in relation to his re-election as Director of the Company and he then passed the Chairmanship to Mr. Benson for tabling the proposed resolution.

Mr. Benson took the chair accordingly.

**Ordinary Resolution 4** was on the proposed re-election of Tan Sri Chairman as a Director of the Company. Mr. Benson informed that Tan Sri Chairman had given his consent to seek re-election as a Director of the Company.

Mr. Benson then handed back the Chairmanship to Tan Sri Chairman.

**6. RE-APPOINTMENT OF CHENGCO AS AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT AGM AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

**Ordinary Resolution 5** on the proposed re-appointment of Chengco as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

Tan Sri Chairman informed in the Meeting that Chengco have indicated their willingness to accept the re-appointment as the auditors of the Company.

Tan Sri Chairman then proceeded to next agenda of the Meeting.

**7. PAYMENT OF BENEFITS PAYABLE TO THE DIRECTORS**

**Ordinary Resolution 6** was on the proposed payment of Directors' Benefits to the Directors of the Company of up to RM30,000.00 for the period from 29th AGM to the next AGM in the year 2025 pursuant to Section 230(1)(b) of the CA 2016.

Tan Sri Chairman then proceeded to next agenda of the Meeting.

**8. AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE CA 2016 (PROPOSED GENERAL MANDATE)**

Tan Sri Chairman informed that the following motion was tabled for consideration as **Ordinary Resolution 7**.

**“THAT** subject always to Sections 75 and 76 of the CA 2016, the Constitution, the ACE Market Listing Requirements (AMLR) of Bursa Securities and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time 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 to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue in force until the conclusion of the 30th AGM or when it is required by law to be

held, whichever is earlier, **AND THAT** the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

**THAT** the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the CA 2016 read together with Clause 16.5 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the CA 2016.

**AND 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.”

Tan Sri Chairman then proceeded to next agenda of the Meeting.

## **9. ANY OTHER BUSINESS**

The Company Secretary confirmed that the Company had not received any notice for transaction of any other business for today’s Meeting.

Tan Sri Chairman informed that the Minority Shareholders Watch Group (MSWG) had vide its letter dated 30 August 2024 addressed to the Board sought information and clarification on the Operational and Financial Matters and Corporate Governance Matters. On behalf of the Board, Tan Sri Chairman thanked MSWG for giving the Company notice of their questions to enable the Board to reply officially to their letter.

For the information of the members present, the MSWG’s questions and the Management’s responses were stated as follows:

### **OPERATIONAL & FINANCIAL MATTERS**

#### **Question 1**

“To remain competitive in the challenging market environment and catching up with fast-changing global business trends, our Group has always believed in focusing on digitalisation by earmarking certain amount of working capital for capital expenditures purposes annually. We are optimistic that our Group will be able withstand the rapid changes in food service environment and thereby ensure the sustainability of the Group.” (Page 7 of Annual Report 2024).

Please elaborate on how earmarking a certain amount of working capital for capital expenditures related to digitalisation assists the Group in remaining competitive. Additionally, please provide examples of digitalisation initiatives implemented by the Group.

#### **Answer 1**

The Group undertook management information system projects to digitally transform its business processes by reducing the steps taken to complete the transactions and hence increase efficiency as well as reducing the need for hard copies and reduce waste. These projects amongst other things included the procurement process from the ordering process until delivery. The capital expenditure relates to wireless tablets and mobile applications. Sustainability practices was one of the key elements in considering the adoption of digital transformation projects.

## **Question 2**

On 29 August 2023, Oversea Training Academy Sdn. Bhd., a wholly-owned subsidiary, had entered into Share Sales Agreements with Ong Kah Hoe and Nicholas Wong Yew Khid for the acquisition of 100% equity interest in Nexus Excellent Sdn. Bhd. (Nexus) with a total consideration of RM13,750,000.

- (a) How has Nexus contributed to the Group's profit for FYE 2024?
- (b) Please clarify Nexus's current principal activities. In the announcement dated 30 August 2023, it was mentioned that Nexus is principally involved in running restaurants, fast-food outlets, entertainment, and musical shows. However, in the Annual Report 2024, it is stated that Nexus is involved in the letting and management of commercial property.
- (c) How does the acquisition of Nexus align with the Group's expansion plan to further venture into the food and beverage business?

### **Answer 2(a)**

FYE 2024, Nexus and its subsidiaries registered a loss before taxation of approximately RM85,000 after adjustments for impairment for receivables and finance costs amounting to RM550,000.

### **Answer 2(b)**

Prior to acquisition in August 2023, Nexus is also engaged in the letting and management of commercial property.

### **Answer 2(c)**

The acquisition of Nexus provided the Group with a secured prime location in Kuala Lumpur City Centre and access to the central business district.

## **Question 3**

“Our customers for food services outlets are mainly end consumers. As for the manufacturing of moon cakes and other baked products, it is generally segregated to retailers such as hypermarkets, supermarkets, mini markets and Chinese medical halls, distributors and wholesalers as well as corporate clients and end consumers. This is reflected by the fact that our top 20 customers have been dealing with us for ten (10) years or more.” (Page 10 of Annual Report 2024).

The above situation was described as “Single Customer Risk” in the Annual Report 2024. Please clarify how the Group would be exposed to such a risk?

### **Answer 3**

Included in the manufacturing segment revenue generated for the local market sales of moon cakes, approximately RM2.6 million or 28.5% for the FYE 2024 was derived from a modern trade concern with extensive network of hypermarkets in Malaysia.

## **CORPORATE GOVERNANCE MATTERS**

### **Question 1**

The Company has not adopted Practice 4.3 of the Malaysian Code on Corporate Governance (MCCG), which states that the board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

In explaining the departure, it was mentioned that the Board recognises the importance of sustainability issues and will incorporate more sustainability discussion into its business planning and strategies.

What is the timeframe for the Company to adopt Practice 4.3?

**Answer 1**

We expected the timeframe to adopt Practice 4.3 to be within several months to a year.

**Question 2**

Practice 5.9 of the Malaysian Code on Corporate Governance (MCCG) stipulates that the Board comprises at least 30% women directors.

The Board currently comprises five (5) male Directors and one (1) female Director.

In explaining the departure, the same statement has been disclosed in Corporate Governance Reports for the past three (3) financial years (2022 – 2024):

The Board affirmed that gender diversity shall be one of the criteria to be considered by the Nominating Committee during the evaluation process on potential candidate(s) for Board's membership to fill the above vacancy.

- (a) What is the timeframe for the Company to adopt Practice 5.9?
- (b) What are the challenges facing the Company in identifying a female candidate for the role of director?

**Answer 2(a)**

Currently, the Company has 1 female Independent Non-Executive Director, which was in compliance with the Market Listing Requirements of Bursa Malaysia Securities Berhad which mandates presence of at least one (1) female director on the board for a small listed company. The Company might increase the vacancy whenever it is deemed necessary. As stated in the Company's Corporate Governance Report 2022 – 2024, the Company would progressively move towards the application of this practice and the target time frame was within 2 years.

**Answer 2(b)**

Please refer to the answer under 2(a).

**Question 3**

What is the basis and justification for increasing the directors' fees from RM150,000 for FYE 2024 to RM318,000 for FYE 2025?

**Answer 3**

The position of Chairman of the Board has been vacated since 8 April 2022. On 22 March 2024, the Group had appointed an Independent Non-Executive Chairman to lead the Board. Henceforth, the increase in the directors' fees as well as overall increment of the fees for the Independent Non-Executive Directors.

## SUSTAINABILITY MATTERS

### Question 1

Bursa Securities has updated the reporting requirements whereby ACE Market listed corporations will adopt the enhanced sustainability disclosures on a staggered basis, with disclosures of the prescribed sustainability information taking effect for FYE on or after 31 December 2024.

- (a) Given the timeline for enhanced sustainability disclosures, is the company confident in its capability to comply with the said requirements?
- (b) What are the potential challenges or gaps that may need to be addressed to ensure compliance with the enhanced disclosures?

### Answer 1(a)

The Company was currently addressing the factors associated with regulatory understanding, current sustainability practices and the data quality and accessibility in order to arrive at the timeline and planning deadlines coupled with the resource allocation. The Company was confident to meet the enhanced sustainability disclosures. However, it was vital for the Company to monitor the evolving regulatory landscape and adapt strategies as needed.

### Answer 1(b)

Various challenges and gaps that need to be addressed includes amongst other things the data availability and quality, complexity that drives administrative burden for organization, cost and resource allocations, standardization and comparability of data, materiality and relevance to stakeholders, timeliness and frequency as well as data privacy and security.

## QUESTION AND ANSWER (Q&A) SESSION

Tan Sri Chairman then proceeded with the Q&A session for the Board and management of the Company to deal with the questions from the shareholders.

In response to the questions on e-voucher and door gifts, Tan Sri Chairman responded that as stated in the Administrative Guide of the Meeting, there would be no distributions of e-vouchers or door gifts to the shareholders or proxies who participate in the AGM.

There were no further questions raised by shareholders. With that, Tan Sri Chairman announced the allocation of a further 5 minutes for the shareholders to complete casting their votes.

Tan Sri Chairman then announced the closing of the online voting session and then adjourned the Meeting for approximately 15 to 20 minutes for the poll votes to be counted by the Poll Administrator in the presence of the appointed scrutineer.

The Meeting resumed at 11.46 a.m. The scrutineer submitted the report of the results to Tan Sri Chairman. The results of the poll which were as follows:

Resolution	Voted For			Voted Against		
	No. of Shareholders	No. of shares	%	No. of Shareholders	No. of shares	%
<b>Ordinary Resolution 1</b> Directors' Fees of RM318,000 for the FYE 2025	34	1,481,198,393	99.9987	15	18,669	0.0013

Resolution	Voted For			Voted Against		
	No. of Shareholders	No. of shares	%	No. of Shareholders	No. of shares	%
<b>Ordinary Resolution 2</b> Directors' Fees of RM318,000 for the FYE 2026	33	1,481,198,093	99.9987	16	18,969	0.0013
<b>Ordinary Resolution 3</b> Re-elect Mr. Benson as Director	40	1,481,216,093	99.9999	9	969	0.0001
<b>Ordinary Resolution 4</b> Re-elect Tan Sri Tan as Director	40	1,481,216,093	99.9999	9	969	0.0001
<b>Ordinary Resolution 5</b> Re-appoint Chengco as Auditors of the Company	44	1,481,216,572	99.9999	6	790	0.0001
<b>Ordinary Resolution 6</b> Payment of Benefits Payable to the Directors	34	1,481,198,393	99.9987	15	18,669	0.0013
<b>Ordinary Resolution 7</b> Authority to allot and issue shares pursuant to Sections 75 and 76 of the CA 2016	37	1,481,198,493	99.9987	12	18,569	0.0013

Tan Sri Chairman then declared the above resolutions were carried.

#### **TERMINATION**

There being no other business.

Tan Sri Chairman, on behalf of the Directors, expressed his gratitude to Dato' Ku for his efforts and valuable contribution to the Company and Group during his tenure as an Independent Non-Executive Director.

Tan Sri Chairman then declared that the Meeting concluded at 11.48 a.m. with a vote of thanks to the Chair.

#### **C O N F I R M E D**

- SIGNED -

**TAN SRI DATO' SERI TAN KING TAI**  
**@ TAN KHOON HAI**  
Chairman

Date: 6 September 2024