



UMW HOLDINGS BERHAD
Company No. 198201010554 (90278-P)

MINUTES OF THE FORTIETH ANNUAL GENERAL MEETING OF THE COMPANY HELD VIRTUALLY FROM THE BROADCAST VENUE AT THE HALLMARK, LEVEL 12, MENARA UMW, JALAN PUNCAK, OFF JALAN P. RAMLEE, 50250 KUALA LUMPUR, ON THURSDAY, 26 MAY 2022 AT 10.00 A.M.

PRESENT

Board of Directors

Joined from the broadcast venue

- | | |
|--|--|
| Tan Sri Dato' Sri Hamad Kama Piah bin Che Othman | - <i>Group Chairman/Non-Independent Non-Executive Director</i> |
| Dato' Ahmad Fuaad bin Mohd Kenali | - <i>President & Group Chief Executive Officer ("PGCEO")</i> |
| Tan Sri Hasmah binti Abdullah | - <i>Independent Non-Executive Director</i> |
| Dato' Eshah binti Meor Suleiman | - <i>Independent Non-Executive Director</i> |
| Datin Paduka Kartini binti Hj Abdul Manaf | - <i>Non-Independent Non-Executive Director</i> |
| Dr Veerinderjeet Singh a/l Tejwant Singh | - <i>Independent Non-Executive Director</i> |
| Encik Lim Tze Seong | - <i>Non-Independent Non-Executive Director</i> |
| Encik Razalee bin Amin | - <i>Independent Non-Executive Director</i> |
| Dato' Seri Prof. Dr. Ir. Zaini bin Ujang | - <i>Independent Non-Executive Director</i> |
| Dato' Azmi bin Mohd Ali | - <i>Independent Non-Executive Director</i> |

Members of Senior Management

Joined from the broadcast venue

- | | |
|--------------------------------------|--|
| Encik Ravindran Kurusamy | - <i>President, UMW Toyota Motor Sdn Bhd</i> |
| Encik Megat Shahrul Azmir bin Nordin | - <i>President, Equipment Division</i> |
| Dato' Abdul Rashid bin Musa | - <i>Group Chief Mobility & Innovation Officer/ President, Aerospace</i> |
| Encik Zailani bin Ali | - <i>Group Chief Human Resources Officer</i> |
| Puan Farnida binti Ngah | - <i>Group Chief Financial Officer</i> |
| Encik Muzafar bin Munzir | - <i>Senior Group General Counsel/Head of Group Corporate Services</i> |
| Encik Shahril Mizani bin Ariffin | - <i>Group Chief Transformation & Technology Officer</i> |
| Encik Eric Chew Kar Kean | - <i>Group Director, Property & Development, UMW Development Sdn Bhd</i> |
| Encik Anas Nasrun bin Mohd Osman | - <i>Group Director, Manufacturing & Engineering Division</i> |
| Encik Zoelaney Abid | - <i>Group Director, Strategy Division</i> |

In attendance

- | | |
|--------------------------------------|--------------------------------|
| Puan Raja Norakmar bin Raja Mohd Ali | - <i>Joint Group Secretary</i> |
|--------------------------------------|--------------------------------|

Invitees

- Representatives from Ernst & Young PLT, the External Auditors
- Representatives from SS E Solutions Sdn Bhd, the Poll Administrator
- Representatives from Commercial Quest Sdn Bhd, the Independent Scrutineers
- Representatives from Accucap MSC Sdn Bhd, the audio-visual support provider

The attendance of corporate representatives, shareholders, proxies and other invitees is as per the attendance record.

PRELIMINARY

The meeting started with the national anthem and followed by a doa recital.

The Group Chairman, Tan Sri Dato' Sri Hamad Kama Piah bin Che Othman, then opened the meeting by welcoming the shareholders, corporate representatives, proxies and invitees to the Company's 40th Annual General Meeting ("AGM") who participated via live streaming using the Remote Participation and Voting ("RPV") facility. He added that the fully virtual AGM is conducted in full compliance with the latest SOPs prescribed by the Government and the latest Guidance Notes on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission.

The Group Chairman then introduced the Board members as well as other essential individuals present at the broadcast venue.

QUORUM

The Joint Group Secretary confirmed the presence of a requisite quorum pursuant to Article 82 of the Company's Constitution. With this confirmation, the Group Chairman proceeded with the agenda of the AGM.

NOTICE OF AGM

The Group Chairman stated that the Notice of AGM dated 26 April 2022, as stipulated on pages 263 to 267 of the Integrated Annual Report 2021 ("IAR 2021"), was taken as read.

ATTENDANCE REPORT

The Group Chairman invited the Joint Group Secretary to provide details of shareholders and proxyholders participating in the AGM and the number of proxy forms received for the record.

The Joint Group Secretary reported that based on the report issued by the Share Registrar, Securities Services (Holdings) Sdn Bhd, a total of 345 members, comprising shareholders, proxies and corporate representatives, representing 1,034,071,646 ordinary shares or 88.51% of the total issued share capital of the Company, had registered to attend the AGM virtually via the RPV facility.

The Joint Group Secretary further reported that a total of 156 proxy forms was received for a total of 1,033,559,579 shares representing 88.47% of the issued share capital of the Company. Out of this, 120 shareholders have appointed the Group Chairman of the Meeting as their proxy and the shares so represented stood at 85,560,455, which represent 7.32% of the issued share capital of the Company.

VOTING PROCEDURES

The Group Chairman briefed the meeting on the voting procedures at the AGM as follows:

- 1) All resolutions set out in the Notice of AGM would be put to vote by poll in accordance with Article 89 of the Company's Constitution.
- 2) SS E Solutions Sdn Bhd ("SSES") has been appointed to conduct the electronic poll voting via the Securities Services e-Portal and Commercial Quest Sdn Bhd has been appointed as the independent scrutineers to verify the poll results.

- 3) The voting session for all resolutions was open from the start of the meeting until the closure of the voting session, which would be announced later.
- 4) The results of the voting for all resolutions would be projected on the screen upon the closure of the voting session and after they have been verified by the independent scrutineers. The voting results for all resolution would also be released to Bursa Malaysia Securities Berhad at the close of business today.

The Group Chairman expressed his hope that this AGM would continue to be a meaningful platform for shareholders' participation and in exercising their rights as the shareholders of the Company and hoped that all shareholders, proxies and corporate representatives would be able to experience a smooth participation during the live session and to vote remotely via the e-portal provided at the AGM.

The meeting continued with a video presentation by SSES on the e-voting process. The e-voting process had commenced from the start of the meeting at 10.00 a.m.

**GROUP
CHAIRMAN'S
OPENING REMARKS**

The Group Chairman in his opening remark stated that for the financial year ended 31 December 2021 ("FY2021"), the Group had demonstrated resilience during an eventful year amidst the ongoing pandemic and other major challenges, delivering a good set of results.

The Group Chairman stated that from the global perspective, the shortage of semiconductors and rising raw material prices had affected our Automotive business, while the resurgence of the pandemic and the subsequent lockdowns halted production altogether for almost three months. Regionally, a portion of our business operations was impacted by the political unrest particularly in Myanmar, while domestically, the unprecedented flooding in parts of Malaysia towards the end of the year disrupted our vehicles production. Against this backdrop, we adapted, responded with agility and leveraged our past experience to deal with the disruptions to deliver a commendable set of results.

The shareholders were informed that for the year under review, the Group recorded a revenue of RM11.1 billion compared with RM9.6 billion in FY2020 and a profit before tax of RM482.8 million compared with RM400.7 million in FY2020. The Board declared a final dividend of 5.8 sen per share compared with 4.0 sen per share in FY2020. The year also saw the Group fully setting in motion its CREST@2021 strategy with UMW's human capital having met most of the targets set to be achieved in its first year.

Looking further ahead, the Group Chairman stated that the road ahead for the eventual recovery of businesses and economies to the pre-pandemic levels remains uncertain given the persistence of the pandemic, which continues to menace with the emergence of new variants. However, as the greater number of the population has been fully vaccinated, business and consumer sentiments have also gained more confidence and returned to positive territory. With economic recovery gaining stronger momentum compared with the previous year, the Group will be ready to seize the opportunities and continue

strengthening our businesses, leveraging on our CREST@2021 strategic framework.

The Group Chairman ended his welcoming remarks by extending his gratitude to the shareholders for their continued support and unwavering trust in UMW.

**PRESENTATION BY
THE PRESIDENT &
GROUP CEO**

The Group Chairman proceeded to invite the PGCEO, Dato' Fuaad to present an overview and update on the UMW Group's operations and performance to the shareholders.

Dato' Fuaad presented the Group's performance for FY2021, covering the following key points:

- 1) 2021 Challenges;
- 2) 2021 Financial Highlights;
- 3) CREST@2021: 2021 Key Operational Highlights & Achievements;
- 4) 2022 Market Outlook;
- 5) Business Outlook on:
 - a) Automotive Segment: UMW Toyota Motor Sdn Bhd, Perodua and Otomobil Sejahtera Sdn Bhd;
 - b) Equipment Segment;
 - c) Manufacturing & Engineering Segment; and
 - d) Aerospace Segment; and
- 6) CREST@2021 – Redefining Sustainability.

Dato' Fuaad subsequently shared the questions received from the Minority Shareholders Watch Group ("MSWG") together with the Company's replies.

A copy of the presentation by the PGCEO and the letter from MSWG are attached in **Appendix A**. The same are also available in the Company's website under the Investor Relations' page.

**ADMINISTRATIVE
PROCEDURES AND
DECLARATIONS OF
INTEREST**

Before proceeding with the Agenda of the AGM, the Group Chairman informed the meeting that the shareholders and proxyholders may raise questions in a real-time manner by transmitting them via the Query Box provided. He stated that the Company will endeavour to respond to the questions submitted and if there is a time constraint during the Q&A session, responses to the remaining questions will be emailed directly to the shareholders after the meeting.

With regard to the Ordinary Resolutions 5 and 6 of the Agenda concerning the remuneration of the Non-Executive Directors, the Group Chairman declared his interest and will abstain from deliberating and voting pertaining to the proposals. However, he will vote in accordance with the instructions received in his capacity as a proxyholder. He added that, Dr Veerinderjeet Singh, who is also a shareholder of the Company, will also abstain from voting on the Ordinary Resolutions 5 and 6.

Having concluded the above, the Group Chairman proceeded with the business of the AGM by reading out the Agenda.

**ORDINARY
BUSINESS****AUDITED FINANCIAL STATEMENTS FOR YEAR ENDED 31
DECEMBER 2021**

The Group Chairman explained that the Audited Financial Statements of the Company for the FY2021, together with the Reports of Directors and the Auditors thereon, as set out on pages 129 to 252 of the IAR 2021, were tabled for discussion only pursuant to Section 340(1) of the Companies Act 2016.

The Group Chairman declared that the Audited Financial Statements for FYE 2021, together with the Reports of the Directors and Auditors thereon have been duly received by shareholders.

**ORDINARY
RESOLUTIONS
1 TO 4****RE-ELECTION OF RETIRING DIRECTORS PURSUANT TO
ARTICLES 112, 126 AND 128 OF THE COMPANY'S CONSTITUTION**

The Group Chairman tabled the Ordinary Resolutions 1 to 4 on the proposed re-election of the retiring Directors of the Company as follows:

- 1) Pursuant to Article 112 of the Company's Constitution:
Re-election of Dato' Azmi bin Mohd Ali, who was appointed as a Director on 1 April 2022 (Ordinary Resolution 1).
- 2) Pursuant to Articles 126 and 128 of the Company's Constitution:
Re-elections of Dato' Eshah binti Meor Suleiman (Ordinary Resolution 2), Encik Razalee bin Amin (Ordinary Resolution 3) and Dato' Seri Prof. Dr. Ir. Zaini bin Ujang (Ordinary Resolution 4).

The Group Chairman highlighted that for the purpose of determining the eligibility of Directors standing for re-election at this AGM, all Directors with the exception of Dato' Azmi, had undergone a comprehensive Board Effectiveness Evaluation to assess the performance and contribution of each individual Director, taking into consideration among others, character, integrity, professionalism and competency, as well as the level of independence and effectiveness demonstrated by the Independent Directors. He added that Board is satisfied with the performance of the retiring Directors and recommends their re-election.

**ORDINARY
RESOLUTION 5****PAYMENT OF DIRECTORS' FEES FOR THE PERIOD FROM 27 MAY
2022 TO THE NEXT AGM OF THE COMPANY**

The Group Chairman tabled the Ordinary Resolution 5 on payment of Directors' fees for the period from 27 May 2022 to the next AGM, pursuant to Section 230(1) of the Companies Act 2016.

The Group Chairman stated that the Board is proposing a review of the existing Directors' fees for NEDs in 2022 in view that fair remuneration is critical to attract, retain and motivate Directors with strong credentials and high calibre to drive the Company's long-term objectives. The review in NEDs' remuneration package takes into account the complexity of the Company's businesses and the individual Directors' level of expertise, commitment and responsibilities.

In addition, the remuneration of NEDs is also to be set at a competitive level for similar roles within comparable market to be commensurated

with the NEDs' responsibilities, commitments and contributions. In reviewing the Directors' fees, a comprehensive benchmarking exercise was carried out with several comparable public listed companies.

The proposed review was comprehensively deliberated by the Nomination & Remuneration Committee ("NRC") and was duly approved by the Board for tabling at this AGM for shareholders' approval. The proposed increase in Directors' fee for NEDs, which is to be effective for the period from 27 May 2022 until the next AGM of the Company, is as follows:

- 1) RM28,900 per month to the Non-Executive Chairman and RM14,500 per month to each Non-Executive Director of the Company; and
- 2) RM10,500 per annum to each Non-Executive Director who is the Chairman on the board of subsidiaries and RM8,400 per annum to each Non-Executive Director who is a Director on the board of subsidiaries.

ORDINARY RESOLUTION 6

PAYMENT OF BENEFITS PAYABLE TO THE NON-EXECUTIVE CHAIRMAN AND THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 27 MAY 2022 TO THE NEXT AGM OF THE COMPANY

The Group Chairman tabled the Ordinary Resolution 6 on the payment of benefits payable to the Non-Executive Chairman and the Non-Executive Directors ("NEDs") up to an amount of RM1,980,000 from 27 May 2022 to the next AGM of the Company.

The Group Chairman stated that the Board is also proposing for an increase in meeting allowance as part of the review exercise on the NEDs' remuneration.

The shareholders were informed that in determining the proposed increase in meeting allowances (per meeting), as tabulated below, the Board took into consideration among others, the number of meetings of the Board and Board Committees as well as the need for the NEDs to dedicate more time, focus and commitment with reference to their statutory duties, the complexity of the Group's businesses and the increased expectations from the various stakeholders:

Description	Chairman	Member
Board of the Company	2,400	1,600
Board Committees of the Company	2,100	1,600
Board of subsidiaries/ Board Committees of Subsidiaries	2,100	1,600

Details of the review in meeting allowance are set out in the notes to the Notice of AGM.

Apart from the meeting allowance, the Board is not recommending any review to other existing benefits payable to NEDs. He added that the Board is of the view that it is equitable and fair for the NEDs to be paid

such payment upon them discharging their responsibilities and rendering their services to the Company and its subsidiaries.

**ORDINARY
RESOLUTION 7**

RE-APPOINTMENT OF AUDITORS AND FIXING OF AUDITORS' REMUNERATION

The Group Chairman proceeded with the Ordinary Resolution 7 on the re-appointment of Ernst & Young PLT as Auditors for the ensuing financial year and to authorise the Directors to fix their remuneration.

The meeting was informed that the Audit Committee ("AC") had carried out an annual assessment on the external auditors, Ernst & Young PLT, to evaluate their effectiveness and independence. Based on the evaluation conducted, the AC and the Board are satisfied with the quality of performance, technical competency and audit independence of Ernst & Young PLT as the external auditors of the Company.

**SPECIAL BUSINESS
- ORDINARY
RESOLUTION 8**

RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RRPT OF A REVENUE OR TRADING NATURE ("SHAREHOLDERS' MANDATE")

The Group Chairman tabled the Special Business on the Proposed Renewal of Shareholders' Mandate for Existing RRPT and Proposed New Shareholders' Mandate for Additional RRPT of a Revenue or Trading Nature.

The shareholders were informed that the Proposed Shareholders' Mandate will enable the UMW Group to enter into RRPT of a revenue or trading nature, which are necessary for the day-to-day operations of the UMW Group, involving related parties, and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public, as set out in the Circular to Shareholders dated 26 April 2022.

**ANY OTHER
BUSINESS**

The Group Chairman proceeded with the final item on the Agenda that is to transact any other business.

The Joint Group Secretary confirmed that the Company has not received any notice for transaction of any other business at the AGM.

**QUESTION AND
ANSWER ("Q&A")
SESSION**

Having concluded the Agenda of the AGM, the meeting proceeded with the Q&A session.

The Group Chairman stated that apart from MSWG, the Company has not received other questions from shareholders prior to the AGM.

The meeting proceeded to respond to the questions received live from the Query Box. The Group Chairman then proceeded to deliberate on questions raised by the shareholders and proxyholders, as summarised in **Appendix B**.

**CONDUCTING
THE POLL**

At 11:57 a.m., the Group Chairman declared that the meeting was temporarily adjourned and would be called to order after the results of the poll are available for announcement. He then handed over to the Poll Administrators and the Scrutineers to commence the electronic polling process.

**ANNOUNCEMENT
OF POLL RESULTS**

At 12:19 p.m., the Group Chairman called the meeting to order for the declaration of poll voting results.

The poll results were projected on the screen as follows, details of which are enclosed hereto as **Appendix C**:

Resolution(s)	Voted For		Voted Against	
	No. of units	%	No. of units	%
Resolution 1	1,033,962,991	99.9982	19,074	0.0018
Resolution 2	1,033,614,359	99.9651	360,674	0.0349
Resolution 3	1,033,219,459	99.9264	761,274	0.0736
Resolution 4	1,033,619,959	99.9651	360,774	0.0349
Resolution 5	1,033,950,185	99.9963	37,813	0.0037
Resolution 6	1,033,938,506	99.9969	32,292	0.0031
Resolution 7	1,033,267,690	99.9303	720,375	0.0697
Resolution 8	1,033,963,085	99.9981	19,979	0.0019

Based on the poll results above, the Group Chairman declared that all resolutions tabled at the AGM were carried as follows:

**Ordinary
Resolution 1****Re-election of Directors Retiring pursuant to Article 112 of the Company's Constitution**

"THAT, Dato' Azmi bin Mohd Ali, a Director retiring pursuant to Article 112 of the Company's Constitution, be re-elected Director of the Company."

**Ordinary
Resolution 2****Re-election of Director Retiring pursuant to Articles 126 and 128 of the Company's Constitution**

"THAT, Dato' Eshah binti Meor Suleiman, a Director retiring pursuant to Articles 126 and 128 of the Company's Constitution, be re-elected Director of the Company."

**Ordinary
Resolution 3****Re-election of Director Retiring pursuant to Articles 126 and 128 of the Company's Constitution**

"THAT, Encik Razalee bin Amin, a Director retiring pursuant to Articles 126 and 128 of the Company's Constitution, be re-elected Director of the Company."

**Ordinary
Resolution 4****Re-election of Director Retiring pursuant to Articles 126 and 128 of the Company's Constitution**

"THAT, Dato' Seri Prof. Dr. Ir. Zaini bin Ujang, a Director retiring pursuant to Articles 126 and 128 of the Company's Constitution, be re-elected Director of the Company."

**Ordinary
Resolution 5**

Payment of Directors' Fees from 27 May 2022 until the next AGM of the Company

"THAT, the payment of the following Directors' fees for the period from 27 May 2022 until the next AGM of the Company, be approved:

- a) RM28,900 per month to the Non-Executive Chairman and RM14,500 per month to each Non-Executive Director of the Company; and
- b) RM10,500 per annum to each Non-Executive Director who is the Chairman on the board of subsidiaries and RM8,400 per annum to each Non-Executive Director who is a Director on the board of subsidiaries."

**Ordinary
Resolution 6**

Payment of Benefits Payable to the Non-Executive Directors up to an amount of RM1,980,000 for the period from 27 May 2022 until the next AGM of the Company

"THAT, the payment of benefits payable to the Non-Executive Directors up to an amount of RM1,980,000 for the period from 27 May 2022 until the next AGM of the Company, be approved."

**Ordinary
Resolution 7**

Re-appointment of Auditors and Fixing of Auditors' Remuneration

"THAT, Ernst & Young PLT, the retiring Auditors, be re-appointed Auditors of the Company for the financial year ending 31 December 2022, and the Directors be authorised to fix their remuneration."

**Ordinary
Resolution 8**

Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions and New Shareholders' Mandate for additional Recurrent Related Party Transaction of a Revenue or Trading Nature ("Shareholders' Mandate")

"THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and subject to the Companies Act 2016 (CA 2016), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant governmental and/or regulatory authorities, approval be given to the Company and/or its subsidiaries (UMW Group) to enter into any of the recurrent related party transactions of a revenue or trading nature as set out in Section 2.3(b) of the Circular to Shareholders dated 26 April 2022 (Circular), which are necessary for the day-to-day operations in the ordinary course of business of the UMW Group, on normal commercial terms, which are not more favourable to the related parties than those generally available to the public, undertaken on an arm's length basis, and are not detrimental to the minority shareholders of the Company.

THAT the Shareholders' Mandate shall continue to be in force and effect until: (a) the conclusion of the next AGM of the Company, at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting; (b) the expiration of the period within which the Company's next AGM is required to be held, pursuant to Section 340(1) and (2) of the CA 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the CA 2016); or (c) the Shareholders' Mandate is revoked or varied by an

ordinary resolution passed by the shareholders of the Company at a general meeting, whichever is the earliest;

AND THAT the Directors of the Company be authorised to complete and do such acts and things as they may consider expedient or necessary (including executing all such documents as may be required) to give effect to the Shareholders' Mandate."

CONCLUSION

There being no other business to be transacted, the Group Chairman declared the meeting closed. On behalf of the Board, the Group Chairman thanked all shareholders/proxyholders for their participation and support.

There being no other business to be transacted, the meeting ended at 12.21 p.m. with a vote of thanks to the Chair.

Approved,



.....
CHAIRMAN

40th Annual General Meeting UMW Holdings Berhad

26 May 2022



Table of Contents

Part 1: 2021 Performance Review

- 2021 – Challenges
- 2021 – Financial Highlights
- CREST@2021 – 2021 Key Highlights & Achievements

Part 2: Going Forward

- 2022 Market Outlook
- Business Outlook
- CREST@2021 – Redefining Sustainability

Part 3: Questions from Minority Shareholders Watch Group (“MSWG”)

2021 - Challenges

2021 - Challenges

The Group was confronted with a challenging operating environment during the year



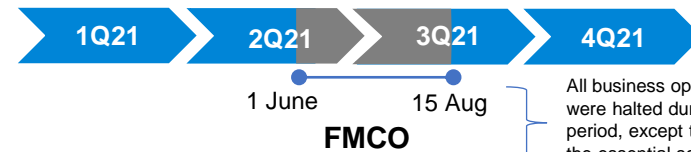
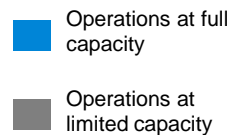
Challenges



Lockdown due to Covid-19

Covid-19 lockdown in countries we operate in affected business operations

Malaysia



Global supply chain disruptions

Such as semiconductor chip shortage and other parts, disrupting production



Massive floods in December 2021

Disruptions to operations and also affected vendors



Myanmar political unrest

Economic uncertainty and devaluation of currency



Economic slowdown

Decline in business activities and consumer spending



International travel restrictions

Major decline in air travel

2021 - Financial Highlights

2021 Financial Highlights

Despite the challenges, the Group staged a strong recovery in 2021

	FY 2021	FY 2020	Y-o-Y
Revenue	RM11,061m	RM9,555m	▲ 16%
PBTZ	RM483m	RM401m	▲ 21%
PAT	RM516m	RM323m	▲ 60%
PATAMI *	RM268m	RM205m	▲ 31%
Basic EPS	23.0 sen	17.5 sen	▲ 31%
Dividend	5.8 sen	4.0 sen	▲ 45%

* After distribution to Perpetual Sukuk holders.

Mainly driven by the **higher sales at the Automotive segment** supported by:

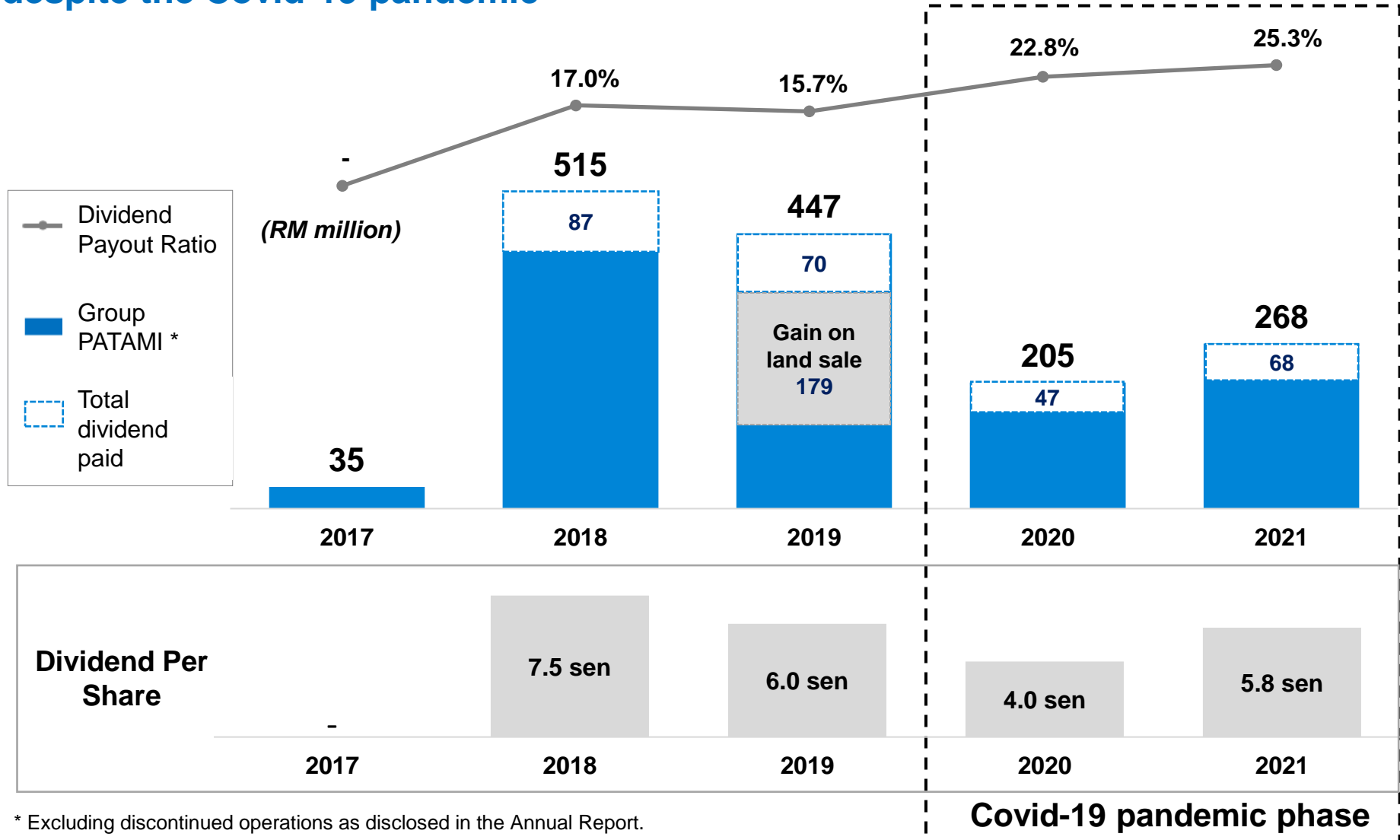
- the sales tax exemption.
- introduction of new models.
- lifting of the FMCO from 16 August 2021.

• **Higher contribution from the Automotive and Equipment segments.**

- Recognition of deferred tax assets (“DTA”) of RM140m in relation to investment tax allowance (“ITA”) which was approved in 4Q 2021.

Group PATAMI and Dividend

Strive to deliver value to our shareholders; Improving dividend payout ratio despite the Covid-19 pandemic



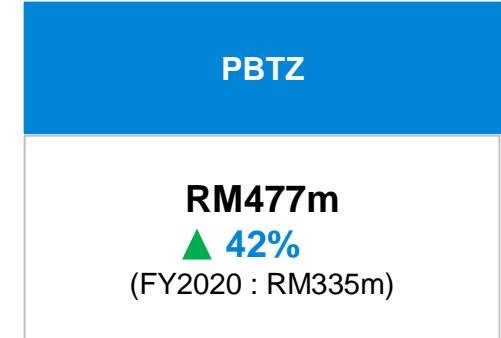
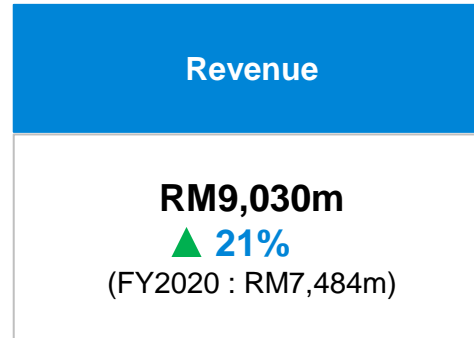
* Excluding discontinued operations as disclosed in the Annual Report.

2021 Segmental Highlights

Automotive and Equipment segments achieved improved results

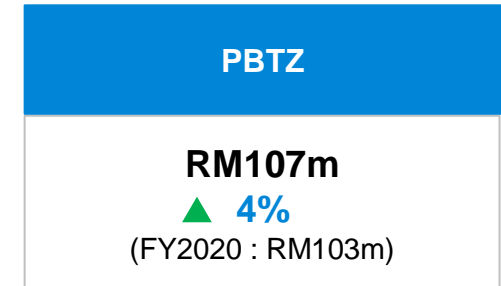
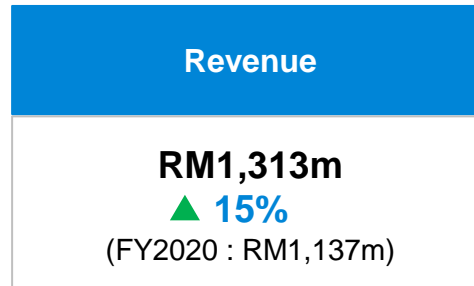
Automotive

- Higher contribution due to:
 - ✓ the introduction of new models.
 - ✓ longer sales tax exemption (full-year in 2021 as compared with six months in 2020).
- Further supported by the higher share of profit from an associated company.



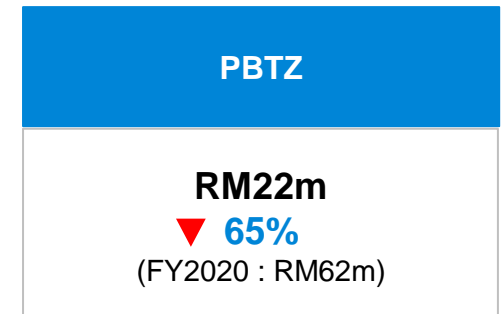
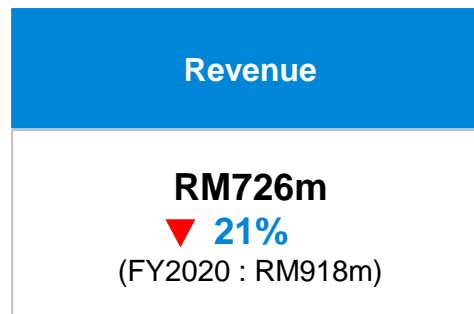
Equipment

- Improved contribution from all countries in operations, except Myanmar which has been affected by the political unrest.



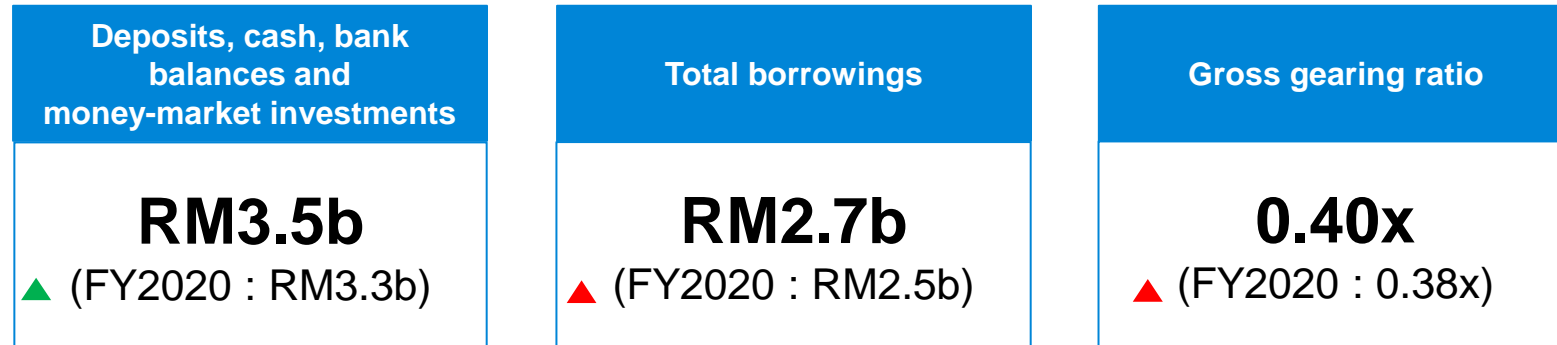
Manufacturing & Engineering

- Primarily impacted by the lower demand for fan cases in the Aerospace sub-segment.
- Revenue and PBTZ of the Auto Components and Lubricants sub-segments declined marginally due to the lower demand.



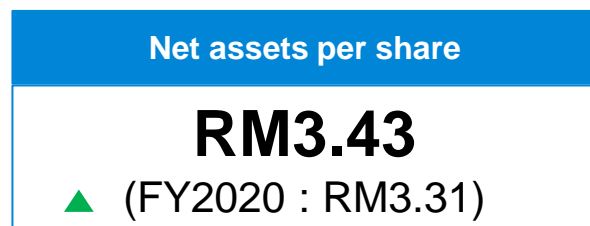
Cash and Debt Position as at 31 December 2021

Improved capital structure – sufficient cash reserves to meet debt obligations

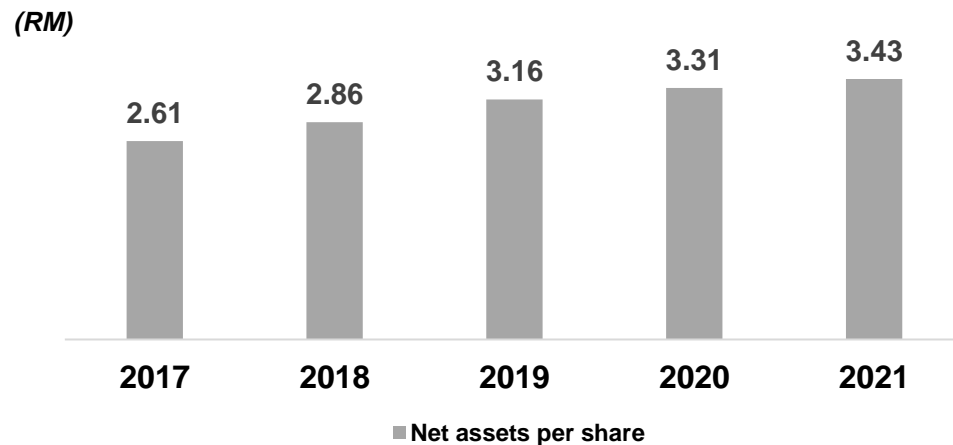


The Group is gradually strengthening its balance sheet

Net cash position
RM0.8b



4% increase
in value creation for shareholders



Cash and Debt Position as at 30 April 2022

Capital structure improved further following redemption of sukuk in April 2022

To further **improve its capital structure**, in April 2022, the Group redeemed its senior sukuk which were expiring in the next two years.



Stronger balance sheet



Reduced gearing ratio



Improved liquidity – higher net cash position

Net cash position

RM1.0b

(FY2021: RM0.8b)



Better debt headroom

Deposits, cash, bank balances and money-market investments

RM2.9b

▼ (FY2021 : RM3.5b)

Total borrowings

RM1.9b

▼ (FY2021 : RM2.7b)

Gross gearing ratio

0.27x

▼ (FY2021 : 0.40x)

CREST@2021 – 2021 Key Highlights & Achievements

CREST@2021 Aspiration



CREST@2021
Innovising Mobility

20 Billion
Revenue

2 Billion
PBT

1 Billion
PATAMI

CREST@2021 – 2021 Key Highlights & Achievements

Laying a strong foundation for future value creation

 Customer	 Relationship	 Excellence	 Sustainability	 Teamwork
RM84m <i>Additional revenue</i>	RM54m <i>Grants</i>	RM161m <i>Cost Savings</i>	RM18m <i>CSR activities</i>	~RM2m <i>Digital activities</i>



Achieved Group-wide **cost savings** of **RM161m**



Credit rating upgrade to **AA+**




Establishment of UMW Green Shoots Initiative, with initial target of planting 300,000 trees in 3 years



10,000 trees planted in 2021



Implemented a new Sustainability Roadmap - charts our journey towards zero carbon emissions by 2050



Established new collaboration to **drive green innovation** with Malaysian Green Technology & Climate Change Corp (“MGTC”)



Improved Productivity Ratio RM84k (FY 2020 : RM54k)






























Knowledge sharing series - educating and creating awareness for employees on various topics through talk series

CREST@2021 – 2021 Key Highlights & Achievements

Laying a strong foundation for future value creation

*as of 31 Dec 2021

 Automotive	 Equipment	 Manufacturing & Engineering	 Aerospace			
<p>Market leader in the domestic automotive industry with a combined market share of 51.6%</p> <table border="1" data-bbox="113 549 549 728"> <tr> <td>  Sales 72,394 units Market Share 14.2% </td> <td>  Sales 190,291 units Market Share 37.4% </td> <td>  Sales 190,291 units Market Share 37.4% </td> </tr> </table> <ul style="list-style-type: none">  UMW Toyota reclaimed the No.1 position for Non-National automotive brand  UMW Toyota launched Corolla Cross Hybrid signifying expansion into the electric vehicles space  Commenced CKD production of hybrid vehicles  Commencement of supply of government fleet 	 Sales 72,394 units Market Share 14.2%	 Sales 190,291 units Market Share 37.4%	 Sales 190,291 units Market Share 37.4%	<ul style="list-style-type: none">  Command more than 50% market share in the material handling business in Malaysia  Rental fleet of circa 10,000 units in the market  Implemented Robotic Process Automation (“RPA”) leading to increased efficiency  Enhanced the CARA app for forklift services and solutions to enable the purchase of equipment  Expanded business offering <ul style="list-style-type: none"> • Automation - COBOTS, AGVs • Forklift refurbishment 	<ul style="list-style-type: none">  KYB-UMW awarded as “Honda Malaysia Best Supplier of the year”  High technology (R&D) status for Lubritech – eligible for tax incentives  Development of own Green products and credentials <ul style="list-style-type: none"> • Battery revival system (“BRUSS”) • Water reclamation using special membrane technology system • Bio-lubricants 	<ul style="list-style-type: none">  UMW Aerospace inducted into 2021 High Performing Supplier Group for Rolls-Royce – favourable position to participate in Rolls-Royce’s future projects <div data-bbox="1554 685 1947 835" style="border: 1px solid gray; padding: 5px; text-align: center;">  HIGH PERFORMING SUPPLIER GROUP </div>
 Sales 72,394 units Market Share 14.2%	 Sales 190,291 units Market Share 37.4%	 Sales 190,291 units Market Share 37.4%				

Going Forward

2022 Market Outlook

Covid-19 uncertainties continue to weigh on overall sentiment but a generally more favourable external environment is expected in 2022



Automotive

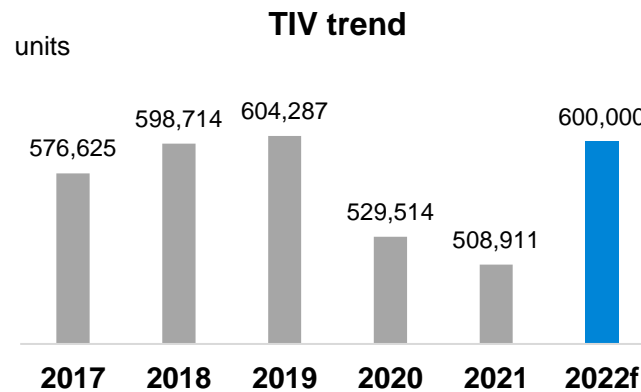
Our Presence



Malaysia

Analysis

- Total Industry Volume (“TIV”) declined for the second consecutive year in 2021.
- 2021 TIV declined by 4% compared with 2020, which is a smaller contraction than the decline of 12% in 2020.



Outlook

- **Total Industry Volume (“TIV”) forecasted to increase by 18% to 600,000 units.**
- Demand to be driven by **extension of the sales tax exemption to 30 June 2022, introduction of new models, coupled with sales promotions and campaigns.**
- **Global semiconductor chips shortage** will challenge the ability to deliver orders in a timely manner.
 - Managing the impact by working closely with principals, suppliers and stakeholders.

2022 Market Outlook

Covid-19 uncertainties continue to weigh on overall sentiment but a generally more favourable external environment is expected in 2022



Equipment

Our Presence



Malaysia



Singapore



Vietnam



China



Papua New Guinea



Myanmar

Analysis

- Demand for material handling equipment to be underpinned by steady expansion in the manufacturing sector in 2022. Expected rebound in the construction, agriculture and mining sectors to drive demand for heavy equipment.
- Upcoming supply of industrial space will be supportive of material handling equipment sales.
- Resilient investment activities, including higher FDI inflows in 2022, likely to support growth of material handling equipment sales this year.
- Industrial sector growth in China was steady in 1Q 2022, with expected gradual increase in demand for the year.
- Demand is expected to be supported by strong recovery in the mining sector and higher infrastructure spending in 2022.
- Construction and mining activities are likely to continue to face headwinds from Covid-19 disruption and the political unrest.

Outlook

- **Gradual recovery of businesses in line with projected economic growth** in most countries we operate in.
 - Healthy outstanding order book.
- **Pump priming initiated by governments around the world will support demand** - Malaysia has allocated more than RM3b in Budget 2022 for large-scale road infrastructure projects.

2022 Market Outlook

Covid-19 uncertainties continue to weigh on overall sentiment but a generally more favourable external environment is expected in 2022



Manufacturing & Engineering

Our Presence



Malaysia



Indonesia



China
(Lubricant)

Analysis

Steady growth

- The transition to endemicity is expected to drive demand for automotive parts and lubricants.

Robust automotive sector

- The automotive sector remained robust in 1Q 2022, with monthly production of above 100k units which is likely to support OEM demand for lubricants.

Flattish automotive sector

- Automotive sales in China inched up by 0.2% y-o-y in 1Q 2022 to 6.5m units.

Outlook

- **Extension of the sales tax exemption** and the fulfilment of backlog orders will have a positive impact.
- **Higher TIV will result in higher demand** for lubricants and automotive parts.
 - Expect rebound in original equipment (“OE”) and replacement equipment (“RE”) markets.

2022 Market Outlook

Covid-19 uncertainties continue to weigh on overall sentiment but a generally more favourable external environment is expected in 2022



Aerospace

Our Presence



Malaysia

Analysis

Positive Outlook

- The 12th Malaysia Plan (12MP) highlighted aerospace as a strategic industry to elevate the country into the high technology trajectory.
- Target industry revenue of RM30b by 2025 and RM55.2b by 2030 (2020: RM11.6b).
- Industry development to focus on four clusters: aerospace manufacturing, systems integration, MRO, engineering & design services.
- Enhanced incentives to support recovery post-Covid-19 - to accelerate R&D, innovation and high value-added investments.

Outlook

- **U-shaped recovery in the next 2-3 years** as international borders reopen and demand for air travel & new aircrafts increases.

Business Outlook

Automotive Segment – UMW Toyota Motor

Remain competitive with improved products and services

Year-to-date launches...



Toyota Corolla Cross
Hybrid Electric Vehicle
(14 Jan 2022)



Toyota Camry facelift
(17 Feb 2022)

...with several launches planned for the rest of the year.

Outlook

2022 sales target of 73,000 units factors in potential supply disruption of semiconductor chips – potential upside to the target.



Transition into electrification via introduction of more hybrid electric vehicles (“HEVs”)

Expansion of Toyota Financing Package, in cooperation with Toyota Capital Malaysia – “Green Financing” for hybrid vehicles.

Automotive Segment – Perodua

Sustain market leadership position with best value model offering

Several launches expected in 2022

Development capability of one full model change (all-new) and two minor changes (facelifts) per year.

Expects **component purchase** amounting to **RM7.5 billion** in 2022 on the back of its production target of 265,900 vehicles.

Outlook

2022 sales target of 247,800 units supported by healthy outstanding order book and introduction of new models.

Take initiatives towards carbon neutrality with transition into electrification.

Enhancement of value chain – considering export of traded-in cars.

Solidify vendors capabilities and resilience, given that Perodua's high local content supports Malaysia's automotive ecosystem.

Otomobil Sejahtera's new 3S Center at Autoville, Cyberjaya

A. Exterior Façade (Front)



B. Exterior Façade (Back)



C. Customer Lounge



D. Service Bay (Outside)



E. Service Bay (Interior)



I. Showroom



F. Café / Snack Counter



G. Service Advisor & Waiting Area



H. Sales Advisor Office



Equipment Segment

Growth strategy



Industrial Equipment

Expansion of flexible rental arrangements

Regional expansion of forklift refurbishment

Promote 'Go Green' programme

Expansion of automation business and system integration



Heavy Equipment

Expansion in agriculture sector

Promotion of new equipment

Expansion of parts & service sales

Collaboration with financial institutions

Manufacturing & Engineering Segment

Growth through innovation and research & development



Auto Components

Expansion of product offering and market access

Expansion of exports

Focus on innovative, “Green” products

- **BRUSS:** Focus on Go-To Market for starter battery
- **Membrane Technology:** Water Reclamation Plant and Rainwater Harvesting
- **Bio-lubricants:** Bio-hydraulic as entry point



Lubricants

Construction of Smart Lubricant plant

Explore opportunities in industrial and commercial lubricant segments

Expansion to ancillary lube (brake fluid and coolant) products

Aerospace Segment

Capitalise on recognitions by Rolls-Royce to secure new contracts

Achievements



UMW Aerospace was recently awarded with the “Supplier Best Practice Award”

After its induction into the 2021 Cohort of Rolls-Royce’s High Performing Supplier Group, UMW Aerospace successfully retained its position in 2022.

Affords more opportunities for UMW Aerospace to participate in Rolls-Royce’s future projects as well as explore other opportunities in the aerospace industry.



Fully utilise existing aerospace capabilities

Increase plant utilisation

Customer and product diversification

Capability building

CREST@2021 – Redefining Sustainability

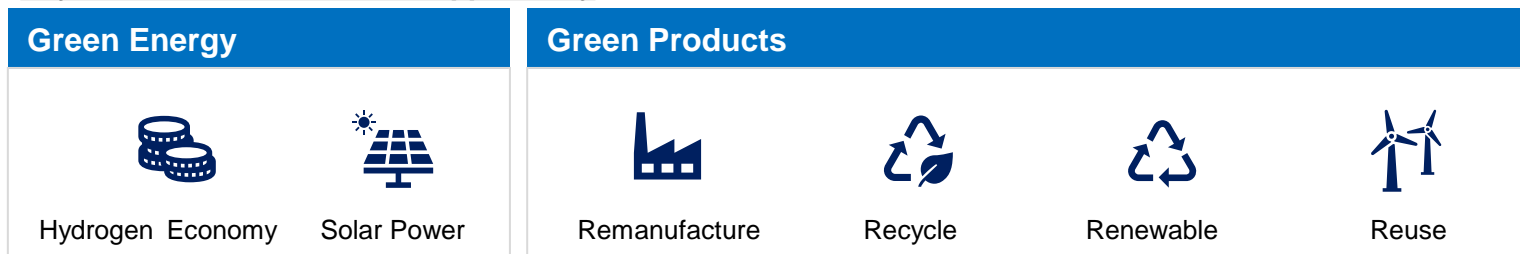
CREST@2021 – Our Sustainability Pledge

Redefining Sustainability within the Broader Framework of Innovising Mobility



In accordance with the Government's pledge to reduce 45% by 2030 and 100% by 2050

Key Potential Value Creation Opportunity



Addressing Climate Change

Investing in Nature-Based Solution for Carbon Sequestration

UMW GREEN SHOOTS (“UGS”) INITIATIVE

Continue to champion environmental activities and aims to plant 300,000 mangrove trees in various locations across Malaysia by the end of the year 2023.

UGS Open Day, Kuala Selangor Nature Park on 19 March 2022



Investing in Nature-Based Solution for Carbon Sequestration

Reforestation – UMW Green Shoots Initiatives and UMW Bamboo Project

UMW Green Shoots Initiative

300,000 mangrove trees to be planted by 2023

150,000 mangrove trees to be planted by end of 2022

15,170 mangrove trees have been planted as of April 2022

UMW Bamboo Project (Denai Sungai Kebangsaan by KASA)

10,000 bamboo trees to be planted by 2022

1,150 bamboo trees have been planted as of December 2021

Aligns with United Nations Sustainability Development Goals (“UNSDG”)



Pulau Kukup,
Johor



Tanjung Piai,
Johor



Sg Aceh,
Penang



Kuala Selangor
Nature Park



MNS EcoCare,
Kerteh



Denai Sungai Langat, Selangor








Investing in Nature-Based Solution for Carbon Sequestration

Identified locations - 14 states, 22 locations



Addressing Climate Change

Our Renewable Energy Journey

	2016	2019/2020	2021/2022	Total
Solar panel 	 <p>ASSB Shah Alam</p>	 <p>ASSB Bukit Raja</p>	 <p>KYB - UMW</p>  <p>UMW Aerospace</p>	
Capacity (MWac) 	0.15	2.00	2.00	4.15
Renewable Energy (Gj) 	713.17	6,727.45	7,907.76	15,725.54*

*Estimated value

Moving Forward

The Group intends to increase our renewable energy source by installing additional solar panels at our existing Toyota plants and at our newly constructed Lubricant plant in Pulau Indah.










Notes:

1. The figures of energy consumed (Gj) from 2016-2018 are collected from solar panels generated in ASSB Shah Alam only.
2. The figures of energy consumed (Gj) from 2019-2021 are collected from solar panels generated in ASSB Shah Alam and ASSB Bukit Raja.

Transitioning into a Lower Carbon Economy





Our Commitment towards Reducing Climate Change Impact

Race to Electric Mobility

	2021	2024
 TOYOTA	 <ul style="list-style-type: none"> • Toyota Corolla Cross Hybrid launched in January 2022 	 <ul style="list-style-type: none"> • BEV model to be introduced
 PERODUA	 <ul style="list-style-type: none"> • Hybrid model under market study 	 <ul style="list-style-type: none"> • Hybrid model production
 UMW EQUIPMENT	 <ul style="list-style-type: none"> • Promote usage of electric forklift 	 <ul style="list-style-type: none"> • Expansion of automation business

Green Products as Enablers

Focusing on Value Generating Green Assets

Sustainability Initiatives	Current Status	Remarks
<p>1 – BRUSS</p> 	<ul style="list-style-type: none"> • Rev: RM2.8m (2022 target) • Rev: RM5.8k (current) 	<ul style="list-style-type: none"> • 2022 target : Go-To-Market for starter and traction battery
<p>2 – Membrane</p> 	<ul style="list-style-type: none"> • Rev: RM6.4m (2022 target) • Rev: nil (current) 	<ul style="list-style-type: none"> • Ongoing upgrade at KYB • Quality monitoring by SIRIM competed • Manufacturing facility setup in Serendah
<p>3- Bio-Lube</p> 	<ul style="list-style-type: none"> • Field testing • Packaging material development • Rev: nil (current) 	<ul style="list-style-type: none"> • Mass production is in 2023 • Completed formulation • Ongoing field testing by phases
<p>4 – Forklift Refurbishment</p> 	<ul style="list-style-type: none"> • Planning on refurbishing schedule and cost involved • Rev: RM2.1m (current) 	<ul style="list-style-type: none"> • 2022 revenue target: RM14m

Questions from Minority Shareholders Watch Group ("MSWG")

Questions from Minority Shareholders Watch Group

Operational and Financial Matters



Automotive

1. (a) The extension of the vehicle sales tax holiday, first to the end of the year and then extended to June 2022, has also contributed to improve the Automotive segment's earnings. ("page 19 of IAR2021")

Given that the sales tax holiday is coming to an end, what are the odds of the Group experiencing a sudden vehicle sales contraction?

While there may be some impact to new orders, we are encouraged by the healthy outstanding order book. Furthermore, with the introduction of all-new and facelifted models, coupled with sales promotion campaigns, the Group is confident that UMW Toyota Motor and Perodua will achieve their sales targets for 2022.

Questions from Minority Shareholders Watch Group

Operational and Financial Matters



Automotive

1. (b) The Group remains optimistic about Perodua's prospects going into 2022 given its strong order book of over 70,000 vehicles as of end 2021. ("page 53 of IAR2021")

To-date, has the order book of over 70,000 vehicles been delivered? How many remain outstanding?

We are continuously ramping-up production to ensure timely delivery to our customers. Year-to-date April 2022, Perodua delivered 87,278 units, 11.5% higher than the 78,308 units registered in the same period of 2021. The average waiting period ranges between three and five months. The demand for Perodua vehicles continues to be strong, with encouraging new orders received in 2022.

1. (c) To-date, what is the Group's backlog orders for its Automotive segment?

Based on the current order book and continued strong demand, both UMW Toyota Motor and Perodua are confident of achieving their sales targets of 73,000 units and 247,800 units for 2022 respectively.

Questions from Minority Shareholders Watch Group

Operational and Financial Matters



2. (a) KYB-UMW is focusing on expanding the number of countries it exports to while working closely with KYB Japan to tap into new opportunities and capability. (“page 20 of IAR2021”)

Which are the countries that KYB-UMW targets to expand to?

Currently, KYB-UMW is exporting to 39 countries. We hope to further expand our export markets to the South American region.

Questions from Minority Shareholders Watch Group

Operational and Financial Matters



2. (b) The Lubricants business will be expanding its capacity by about 70% with the construction of a smart plant equipped with IR 4.0 capability, while expanding its industrial product range to include bio-hydraulic lubricants. (“page 20 of IAR2021”)

(i) How much is the capital expenditure budgeted for the new smart plant?

(ii) With the expected increase in production capacity by 70%, how does the Group ensure sufficient new orders could be secured to fill up the new capacities?

(i) The estimated capital expenditure for the new smart plant is RM67.2 million, including land.

(ii) The increase in capacity will be supported by:

- Expansion of our product line-up especially industrial products.
- Export expansion into ASEAN market.
- Strategic partnership with other lubricant players.

Questions from Minority Shareholders Watch Group

Operational and Financial Matters



Equipment

3. The Industrial Equipment segment, meanwhile, experienced margin pressure as a result of increased costs due to rising raw material prices and supply chain disruptions (“page 57 of IAR2021”).

How will the Group address the higher cost of raw materials to maintain its profit margins? To what extent is the Group able to pass the increased cost to its customers?

Our Industrial Equipment segment will continue to focus on improvement initiatives which include its Kaizen activities, digitisation/digitalisation programs including robotic process automation (“RPA”) to improve productivity, cost management as well as waste reduction.

We will work closely with our principals and customers to minimise the impact during this recovery phase of the economy. Our current order bank remains healthy.

Questions from Minority Shareholders Watch Group

Operational and Financial Matters



Aerospace

4. The Aerospace segment's revenue of RM147.6 million in FY2021 was lower than the RM312.3 million following lower delivery of fan cases and the segment recorded LBT of RM33.8 million (2020: PBT of RM1.7 million) ("page 19 of IAR2021"). In 2021, the Aerospace Division experienced the delayed effects of the slowdown in orders for aircraft engines, impacting its revenue and profitability. ("page 21 of IAR2021")

To-date, to what extent has there been a pick-up in orders for the Group's fan cases?

The demand for fan cases is expected to improve with the resumption of international air travel. For the first quarter of 2022, the production of fan cases has increased compared with the same period last year. We expect the production of fan cases to double in 2022 compared with 2021.

Questions from Minority Shareholders Watch Group

Operational and Financial Matters



Financials

5. Net impairment losses on other investments increased to RM15.6 million (2020: RM9.6 million). (“Note 29, page 220 of IAR2021”)

What is the reason for the significant increase in net impairment losses on other investments?

These relate to the impairment losses made on the carrying amount of the assets of affected investee companies within the non-core business segment to reflect their recoverable amounts.

This is a result of impairment review conducted at the end of financial year which is in accordance with MFRS 136 Impairment of Assets.

Questions from Minority Shareholders Watch Group

Operational and Financial Matters



Financials

6. Bad debts written off amounted to RM5.7 million (2020: Nil) (“Note 29, page 220 of IAR2021”)

What comprises the said bad debts that have been written off? What were the measures taken to recover the bad debts prior to write-off?

The write-off relates to the crystallisation of bad debts written off at the Group level upon the completion of the liquidation of a former subsidiary during the financial year, which was part of the divestment of a company in the non-core business segment.

We were constantly engaging with the company to explore all possible options and had taken the relevant measures to recover the debts prior to the write-off.

THANK YOU



MINORITY SHAREHOLDERS WATCH GROUP
Shareholder Activism and Protection of Minority Interest

19 May 2022

BY EMAIL/FAX/HAND
(Fax No: 603 2025 2029)

The Board of Directors
UMW HOLDINGS BERHAD
Level 6, Menara UMW
Jalan Puncak
Off Jalan P. Ramlee
50250 Kuala Lumpur

Attention: Pn. Raja Norakmar Raja Mohd Ali
Company Secretary

Dear Directors,

Re: 40th Annual General Meeting (“AGM”) of UMW Holdings Berhad (“UMW” or the “Company”) to be held on Thursday, 26 May 2022

In the interest of minority shareholders and all other stakeholders of the Company, we would like to raise the following questions: -

Operational & Financial Matters

1. Automotive segment:

- (a) The extension of the vehicle sales tax holiday, first to the end of the year and then extended to June 2022, has also contributed to improve the Automotive segment's earnings. (page 19 of IAR2021)

Given that the sales tax holiday is coming to an end, what are the odds of the Group experiencing a sudden vehicle sales contraction?

- (b) The Group remains optimistic about Perodua's prospects going into 2022 given its strong order book of over 70,000 vehicles as of end 2021. (page 53 of IAR2021)

To-date, has the order book of over 70,000 vehicles been delivered? How many remain outstanding?

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

Incorporated in Malaysia Registration No: 200001022382 (524989-M)

LEVEL 23, UNIT 23-2, MENARA AIA SENTRAL

No. 30, JALAN SULTAN ISMAIL

50250 KUALA LUMPUR

TEL: (603) 20709090

E-mail: mwatch@mswg.org.my Website: www.mswg.org.my

(c) To-date, what is the Group's backlog orders for its Automotive segment?

2. Manufacturing & Engineering (M&E) segment:

(a) KYB-UMW is focusing on expanding the number of countries it exports to while working closely with KYB Japan to tap into new opportunities and capability. (page 20 of IAR2021)

Which are the countries that KYB-UMW targets to expand to?

(b) The Lubricants business will be expanding its capacity by about 70% with the construction of a smart plant equipped with IR 4.0 capability, while expanding its industrial product range to include bio-hydraulic lubricants. (page 20 of IAR2021)

(i) How much is the capital expenditure budgeted for the new smart plant?

(ii) With the expected increase in production capacity by 70%, how does the Group ensure sufficient new orders could be secured to fill up the new capacities?

3. The Industrial Equipment segment, meanwhile, experienced margin pressure as a result of increased costs due to rising raw material prices and supply chain disruptions (page 57 of IAR2021).

How will the Group address the higher cost of raw materials to maintain its profit margins? To what extent is the Group able to pass the increased cost to its customers?

4. The Aerospace segment's revenue of RM147.6 million in FY2021 was lower than the RM312.3 million following lower delivery of fan cases and the segment recorded LBT of RM33.8 million (2020: PBT of RM1.7 million) (page 19 of IAR2021). In 2021, the Aerospace Division experienced the delayed effects of the slowdown in orders for aircraft engines, impacting its revenue and profitability. (page 21 of IAR2021)

To-date, to what extent has there been a pick-up in orders for the Group's fan cases?

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

Incorporated in Malaysia Registration No: 200001022382 (524989-M)

LEVEL 23, UNIT 23-2, MENARA AIA SENTRAL

No. 30, JALAN SULTAN ISMAIL

50250 KUALA LUMPUR

TEL: (603) 20709090

E-mail: mwatch@mswg.org.my Website: www.mswg.org.my

5. Net impairment losses on other investments increased to RM15.6 million (2020: RM9.6 million). (Note 29, page 220 of IAR2021)

What is the reason for the significant increase in net impairment losses on other investments?

6. Bad debts written off amounted to RM5.7 million (2020: Nil) (Note 29, page 220 of IAR2021)

What comprises the said bad debts that have been written off? What were the measures taken to recover the bad debts prior to write-off?

Please present the questions raised herein, and the related answers, to the shareholders present at the forthcoming AGM. At the same time, we await a written reply as soon as possible for our records.

Thank you.

Yours sincerely



Devanesan Evanson
Chief Executive Officer
DE/ECYL/UMW/AGM 2022

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

Incorporated in Malaysia Registration No: 200001022382 (524989-M)

LEVEL 23, UNIT 23-2, MENARA AIA SENTRAL

No. 30, JALAN SULTAN ISMAIL

50250 KUALA LUMPUR

TEL: (603) 20709090

E-mail: mwatch@mswg.org.my Website: www.mswg.org.my

UMW HOLDINGS BERHAD
Company No. 198201010554 (90278-P)

Compilation of questions and answers during the 40th Annual General Meeting (“AGM”) of the Company held on 26 May 2022

No.	Questions Raised	Responses Provided
1)	<p>From Kow Lih Shi, a shareholder:</p> <p>a) “This year having special Dividend or more Dividend?”</p> <p>b) “Does UMW doing 5G in automation partnership with medical relating joint venture too?”</p>	<p>a) Barring any unforeseen circumstances, the Group will continue to reward our shareholders based on our financial performance.</p> <p>b) While UMW will continue to focus on our core businesses, the Group will explore new growth opportunities.</p>
2)	<p>The following shareholders/proxyholders have collectively raised questions pertaining to the distribution of door gifts/e-vouchers at the AGM:</p> <p>Tan Chai Heng, Tai Phoo Siew @ Thay Phoo Siew, Lau Ati @ Lau Chuan Teng, Kow Lih Shi, Stephen Lye Tuck Meng, Choo Chee Hong, Ng Ying Seng, Yong Shu Eong, Tai Phoo Siew @ Thay Phoo Siew, Chin See Min @ Chin Keong Min, Mohamad Syafiq bin Abg Abdul Rahim, Chan Ngun Fong and Tan Seong Heng.</p>	<p>In the interest of time, the Group Chairman has decided to provide a single reply to the questions posed in relation to the distribution of door gifts/e-vouchers at the AGM as follows:</p> <p>The Company is pleased to give a RM50 Touch N Go e-voucher to those who attended the AGM. The voucher will be emailed to shareholders attended the AGM in due course.</p>
3)	<p>From Lew Tuck Wai, a shareholder:</p> <p>a) “Apart from Perodua who is the largest contributor to the share of P&L for FY2021, Other Associates contributed RM32.6 million in FY2021 which was a marked improvement from the losses reported in FY2020 (page 198 of the AR):</p> <p>i) Please provide the breakdown of the RM32.6 million and from which associates.”</p>	<p>i) The contribution from the other associates of UMW which was largely derived from Toyota Capital Malaysia Sdn Bhd.</p>

No.	Questions Raised	Responses Provided
3)	<p>ii) "What was the dividends declared and received by UMW from Perodua in FY2021?"</p> <p>b) "The Company subscribed for RCPS in UMW Petropipe (L) Ltd, UMW India Ventures and UMW Oilfields International totalling more than RMRM1.26 billion via capitalisation of amount due in FY2021 (page 191-192 of AR):</p> <p>i) Why were those amount due to the Company capitalised into RCPS?</p> <p>ii) What are contribution of these 3 companies in terms of Revenue and PBT for FY2021?"</p>	<p>ii) The dividend received from Perodua for FY2021 was RM103.9 million as stated in Note 10 on page 198 of the Annual Report.</p> <p>b) The capitalisation of the RCPS did not have any financial impact at the Group level. In addition, these companies are part of the Group's non-core segment and have been classified as assets held for sale.</p>
4)	<p>From Yoong Yin Foh, a shareholder:</p> <p>"What is the UMW's strategic to deal with the expiry of the government's tax incentive on the car's sales by year end?"</p>	<p>While there may be some impact to new orders, we are encouraged by the healthy outstanding order book. Furthermore, with the introduction of all-new and face-lifted models, coupled with sales promotion campaign, the Group is confident that UMW Toyota Motor and Perodua will achieve their sales target for 2022.</p>
5)	<p>From Cheryl Leong Lai Lween, a proxyholder:</p> <p>"Truly applaud UMW's efforts in mangrove tree planting. Please continue to keep Malaysia green. TQ"</p>	<p>Thank you for the acknowledgment. We will continue our best in supporting the green efforts.</p>
6)	<p>From Teh Peng Tin, a shareholder:</p> <p>"How much does the company spend on this virtual AGM? Would the board kindly consider giving shareholder with e- voucher as a token of appreciation for attending today's meeting"</p>	<p>This virtual AGM is relatively more cost efficient than the physical AGM and yes, e-voucher will be provided.</p>

No.	Questions Raised	Responses Provided
7)	<p>From Mohd Tahir bin Maulut, a proxyholder:</p> <p>“Boleh saya tahu, apakah prospek masa depan syarikat? Saya dengan rendah hati memohon BOD untuk memberikan e-wallet atau e-baucar kepada para hadirin sebagai tanda penghargaan. Saya percaya jumlah token adalah kecil, boleh diurus dan dalam perbelanjaan anggaran tahunan.”</p> <p><i>English Translation:</i></p> <p><i>“May I know the future prospect of the Company? I would like to humbly request the Board to give e-wallet or e-voucher to the participants (to the AGM) as a token of appreciation. I believe that the number of token (to be given out) is small, manageable and is within the annual budget.”</i></p>	<p>Di sebalik cabaran ekonomi dan pasaran tahun 2022, kami berpendapat bahawa syarikat mempunyai masa hadapan yang cerah dan berupaya untuk mencapai keuntungan yang memuaskan.</p> <p>Kami akan menghantar e-baucer melalui e-mail.</p> <p><i>English Translation:</i></p> <p><i>Despite the challenges faced in 2022, economically and on the market, we are of the view that the Company has a bright future ahead and is able to achieve favourable profitability.</i></p> <p><i>We will e-mail the e-voucher.</i></p>
8)	<p>From Lim Jit Thin, a shareholder:</p> <p>“Good morning to the board, I had requested for a printed hardcopy of the company 2022 annual report (AR) upon registering for today's VAGM, but until today, I have yet to receive the AR here, please send it to my address as follows [Address deleted due to PDPA reasons]. Thanks.”</p>	<p>We took note of your request and will arrange the delivery of the IAR to you in due course.</p>
9)	<p>From Hiu Chee Keong, a shareholder:</p> <p>“How minimum wage and “cukai makmur” affect company's profit?”</p>	<p>The minimum wage will not have a substantial impact to the Group's financial performance. The Group does not foresee a major impact to its financial results due to the Prosperity Tax as only companies with chargeable income of more than RM100 million for YA2022 are affected and mainly those in the Automotive segment.</p>

No.	Questions Raised	Responses Provided
10)	<p>From Tan Kian Siong, a shareholder:</p> <p>a) “Could management considers to provide RM100 voucher for servicing Toyota car to shareholders who have successfully voted in this AGM? This may increase revenue for UMW. Thanks.”</p> <p>b) “Suggestion: Could UMW to produce lubricant e.g., gear oil to the specific amount of actual car usage, mean if the car only using 3 litres gear oil, then please produce and sell 3 litres in one container, instead of 4 litres in one container. The one litre extra will be wasted for customer. This will reduce customer's servicing cost and attract more customer to service their car in Toyota centre even after warranty period.”</p>	<p>a) The Company only provided for a RM50 Touch N Go e-voucher to those who attended the AGM this year and we will take it into consideration the suggestion in the future.</p> <p>b) Thank you for your feedback and we will evaluate the viability of this suggestion.</p>
11)	<p>From Ho Yueh Weng, a shareholder:</p> <p>a) “To what extent will the expiry of the Govt.'s motor vehicles tax exemption this end June impacting our revenues and profits?”</p> <p>b) How much effort is put into marketing EVs and results?”</p>	<p>a) While there may be some impact to new orders, we are encouraged by the healthy outstanding order book. The Group is confident that UMW Toyota Motor and Perodua will achieve their sales target for 2022.</p> <p>b) We have commenced our transition into EV via introduction of Hybrid Electric Vehicles (HEV). In January this year, we launched the Toyota Corolla Cross Hybrid and the response from customers have been encouraging.</p>
12)	<p>From Tan Seong Heng, a shareholder:</p> <p>a) “I like to understand why Perodua is not able to meet its sales target despite good demand for Perodua cars such as Myvi. May I know what is the waiting time to get the Myvi car. I placed an order in the Klang branch on 19 February 2022 but</p>	<p>a) Thank you for your questions. We wish to inform you that Perodua is ramping up production to ensure timely delivery to customers. The current average waiting period ranges between three and five months. We advise you to contact Perodua sales representative directly.</p>

No.	Questions Raised	Responses Provided
12)	<p>my order is still pending delivery. My questions are:</p> <p>i) how does the car allocation take place? is it based on the order or discretion of the Sales Manager?</p> <p>ii) why not increase the production line to cater for the surge in demand? Thanks”</p> <p>b) “What is the process taken to ensure RRPTs are arm-length and not in favour of major shareholders”</p>	<p>b) The Audit Committee is tasked with the review and approval of the Recurrent Related Party Transaction or RRPT, to ensure that the Company undertakes such transactions on an arm’s length basis and on normal commercial terms and are not detrimental to minority shareholders of the Company.</p>
13)	<p>From Mohamad Syafiq bin Abg Abdul Rahim, a shareholder:</p> <p>“I would like to request the hardcopy annual report. I have requested before but haven't received. Thanks”</p>	<p>We took note of your request and will arrange the delivery of the IAR to you in due course</p>
14)	<p>From Eng Beng Weng, a shareholder:</p> <p>a) “Can the company provide Toyota car discount voucher to shareholders who attended the AGM as part of CSR for shareholders to encourage shareholders to buy Toyota car. Thanks”</p> <p>b) <i>“Will the new Avanza be from Avanza or Veloz in Malaysia? I had been enquiring from Toyota sales about the launch of the new Toyota Avanza/Veloz but it keeps on changing from Feb 2022 to April 2022 to July 2022 and now I heard from them to Sep 2022. When will it be launched?”</i></p>	<p>a) Thank you for your suggestion and we will take it into consideration in the future.</p> <p>b) Thank you for your interest in Toyota models. Introduction of new models will be released on our website as well as media channels.</p>

Note:

* Questions in italics were responded to by the Company via email after the 40th AGM.


Company Name : **UMW HOLDINGS BERHAD**
198201010554 (90278-P)
 Type Of Meeting : **40th Annual General Meeting (AGM)**
 Venue Of Meeting : **virtually via live streaming from the broadcast venue at Menara UMW, Jalan Puncak, Off Jalan P. Ramlee, 50250 Kuala Lumpur on Thursday**
 Date & Time of Meeting : **26-MAY-2022 10.00 AM**

Votes Summary Report

Resolution (s)	No. of shareholders	No. of shares	% of voted shares	Accepted/Rejected
<i>Resolution 1</i>				
Re-election of Dato' Azmi bin Mohd Ali pursuant to Article 112 of the Company's Constitution	For	405	1,033,962,991	99.9982
	Against	67	19,074	0.0018
	Valid Cast	472	1,033,982,065	100.0000
	Abstain	6	14,550	
	Not Indicated	5	15,100	
	Total Cast	483	1,034,011,715	Accepted
<i>Resolution 2</i>				
Re-election of Dato' Eshah binti Meor Suleiman pursuant to Articles 126 and 128 of the Company's Constitution	For	400	1,033,614,359	99.9651
	Against	70	360,674	0.0349
	Valid Cast	470	1,033,975,033	100.0000
	Abstain	7	21,382	
	Not Indicated	6	15,300	
	Total Cast	483	1,034,011,715	Accepted
<i>Resolution 3</i>				
Re-election of Razalee bin Amin pursuant to Articles 126 and 128 of the Company's Constitution	For	398	1,033,219,459	99.9264
	Against	73	761,274	0.0736
	Valid Cast	471	1,033,980,733	100.0000
	Abstain	6	15,682	
	Not Indicated	6	15,300	
	Total Cast	483	1,034,011,715	Accepted


 Signature of Scrutineers




 Acknowledgement of the chairman of the meeting


Company Name : **UMW HOLDINGS BERHAD**
198201010554 (90278-P)
Type Of Meeting : **40th Annual General Meeting (AGM)**
Venue Of Meeting : **virtually via live streaming from the broadcast venue at Menara UMW, Jalan Puncak, Off Jalan P. Ramlee, 50250 Kuala Lumpur on Thursday**
Date & Time of Meeting : **26-MAY-2022 10.00 AM**

Votes Summary Report

Resolution (s)	No. of shareholders	No. of shares	% of voted shares	Accepted/Rejected
<i>Resolution 4</i>				
Re-election of Dato' Seri Prof. Dr. Ir. Zaini bin Ujang pursuant to Articles 126 and 128 of the Company's Constitution	For 400	1,033,619,959	99.9651	
	Against 71	360,774	0.0349	
	Valid Cast 471	1,033,980,733	100.0000	Accepted
	Abstain 6	15,682		
	Not Indicated 6	15,300		
	Total Cast 483	1,034,011,715		
<i>Resolution 5</i>				
Approval of the payment of Directors' fees from 27 May 2022 until the next AGM of the Company	For 376	1,033,950,185	99.9963	
	Against 95	37,813	0.0037	
	Valid Cast 471	1,033,987,998	100.0000	Accepted
	Abstain 5	8,416		
	Not Indicated 7	15,301		
	Total Cast 483	1,034,011,715		
<i>Resolution 6</i>				
Approval of the payment of benefits payable to the Non-Executive Directors from 27 May 2022 until the next AGM of the Company	For 369	1,033,938,506	99.9969	
	Against 99	32,292	0.0031	
	Valid Cast 468	1,033,970,798	100.0000	Accepted
	Abstain 7	24,616		
	Not Indicated 8	16,301		
	Total Cast 483	1,034,011,715		


Signature of Scrutineers




Acknowledgement of the chairman of the meeting

Company Name : **UMW HOLDINGS BERHAD**
198201010554 (90278-P)

Type Of Meeting : **40th Annual General Meeting (AGM)**

Venue Of Meeting : **virtually via live streaming from the broadcast venue at Menara UMW, Jalan Puncak, Off Jalan P. Ramlee, 50250 Kuala Lumpur on Thursday**

Date & Time of Meeting : **26-MAY-2022 10.00 AM**

Votes Summary Report

Resolution (s)

Resolution 7


Re-appointment of Ernst & Young PLT as Auditors for the financial year ending 31 December 2022 and authorising the Directors to fix their remuneration

	No. of shareholders	No. of shares	% of voted shares	Accepted/Rejected
For	405	1,033,267,690	99.9303	
Against	68	720,375	0.0697	
Valid Cast	473	1,033,988,065	100.0000	Accepted
Abstain	4	8,350		
Not Indicated	6	15,300		
Total Cast	483	1,034,011,715		


Resolution 8

Proposed Shareholders' Mandate for recurrent related party transactions

For	401	1,033,963,085	99.9981	
Against	70	19,979	0.0019	
Valid Cast	471	1,033,983,064	100.0000	Accepted
Abstain	5	13,350		
Not Indicated	7	15,301		
Total Cast	483	1,034,011,715		


 Signature of Scrutineers




 Acknowledgement of the chairman of the meeting