

# APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

## **SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTY-SECOND ANNUAL GENERAL MEETING OF APM AUTOMOTIVE HOLDINGS BERHAD (“APM” OR “COMPANY”) HELD AT THE GRAND BALLROOM, LEVEL 9, SUNWAY PUTRA HOTEL KUALA LUMPUR, 100 JALAN PUTRA, 50350 KUALA LUMPUR, MALAYSIA ON WEDNESDAY, 29 MAY 2019 AT 10.30 A.M. (“22ND AGM”)**

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Dato’ N. Sadasivan s/o N.N. Pillay, Senior Independent Non-Executive Director, presided as Chairman of the Meeting. The Meeting was called to order at 10.30 a.m. after confirmation of the requisite quorum being present.

The Audited Financial Statements of the Company and of the Group, along with the Reports of Directors and Auditors of the financial year ended 31 December 2018 were tabled for discussion at the Meeting.

Questions raised during the 22nd AGM were duly responded by the Board and/or Management. The salient questions and answers were as follows:

**Q1: The following questions in relation to the operational matter of the Group were raised by Mr. Teo Chen Fui (a shareholder) and addressed by Mr. Low Seng Chee, the Chief Executive Officer:**

**Q1a. Could APM Group match with China-based electronic vehicle (“EV”) bus manufacturers in terms of quality and price?**

A1a. APM could develop and provide customized electronic bus (“E-Bus”) features that other manufacturers might not include. These would include the inclusion and installation of Internet-of-Things (“IoT”) into the E-Bus developed by a company under APM Group, namely Omnimatics Sdn. Bhd. The E-Bus was very much aimed for specific applications and could be competitively priced.

**Q1b. What was the progress or development of the company that ventured into India?**

A1b. A company had earlier been set up in India with the intention to collaborate with a business partner in India to carry out the business of tooling and mould design as well as manufacturing of automotive parts. After analysis and review, Management was of the view that the project was not viable and decided not to proceed further. The Company was still continuing to look out for the right opportunity in India.

**Q1c. Did APM Group carry out any Original Equipment Market (“OEM”) business in Indonesia in view of its overcapacity in terms of utilization rate for automotive production?**

A1c. APM Group had established relevant OEM businesses in Indonesia, and the Company has a strong presence in the automotive market in Indonesia as a local supplier.

**Q1d. What was the opinion of the Company in respect of ownership whether it had reached saturation with the introduction of car sharing platforms and in relation thereto, whether the total industry volume (“TIV”) of motor vehicles in Malaysia would be declining**

**gradually in the future?**

A1d. It was of the opinion that notwithstanding that car sharing was getting popular, not only in Malaysia but also in other ASEAN countries, there would still be room for growth in the TIV.

**Q1e. What was the view of the Company with the ASEAN Free Trade Area (AFTA) in place and any impact to the Company?**

A1e. AFTA promotes increase in Total Industry Volume for the region and as such, APM would indirectly benefit from it.

**Q1f. Was there any development plan for the Company to develop the land located at Seri Kembangan, which is near to the upcoming Seri Kembangan Mass Rapid Transit station?**

A1f. Part of the Company's premises in Seri Kembangan had currently been leased out with good rental returns. As such, there was no immediate plan for re-development. However, the Company would consider developing the said premises if any such good opportunity arose.

**Q2: Mr. Lee Cheng Hock, a shareholder enquired how would the East Coast Rail Link ("ECRL") project or development would impact the Company's revenue and production.**

A2. In response to Mr. Lee's query, Mr. Low informed that at this juncture, the Company had secured the supply of train seats for the Electric Train Service Line 2 but not for ECRL project. Nonetheless, the resumption of ECRL project would open up opportunities for the Company to tender for the supply of train seats for ECRL project.

**Q3. Mr. Lee suggested the Company to consider expanding its business into other ASEAN countries, in particular Vietnam and Myanmar, in view that the automotive industries in these countries were still low in capacity.**

A3. Mr. Low briefed the Meeting that the Company had observed the potential growth of other ASEAN countries, hence had taken steps to set up companies or continuously exploring opportunities for strong presence in these countries. He shared the examples on Vietnam and Myanmar, where APM had set up a company in Vietnam, which was currently producing leaf spring for export, and Myanmar, which was in the process of building its own factory.

**Q4. Mr. Lee continued to enquire how the increasing use or popularity of electronic vehicle in Europe would affect APM Group.**

A4. Mr. Low informed that the Company had a vision to grow this sector, thus it had indulged itself in the electronic vehicle business i.e. the EV bus, which the Company believed there

would be a market for it.

The Company envisaged that with due efforts and research and development, it would create positive spin-offs, such as smart intelligence system or new businesses to the Group.

After all the questions were duly answered, the Chairman initiated the poll voting process.

All the Ordinary Resolutions that were tabled at the 22nd AGM were duly passed by the shareholders through poll voting, the results, of which were announced by the Chairman, as per Appendix I.

There being no further business, the 22nd AGM concluded at 12.20 p.m. with a vote of thanks to the Chair.

**APM AUTOMOTIVE HOLDINGS BERHAD**  
(424838-D)

**Twenty-Second Annual General Meeting**  
The Grand Ballroom, Level 9, Sunway Putra Hotel Kuala Lumpur  
100 Jalan Putra, 50350 Kuala Lumpur, Malaysia  
On 29-May-2019 at 10:30AM

**Result On Voting By Poll**

| Resolution(s)          | Vote For    |         | Vote Against |        | Total Votes |         |
|------------------------|-------------|---------|--------------|--------|-------------|---------|
|                        | No of Units | %       | No of Units  | %      | No of Units | %       |
| Ordinary Resolution 1  | 119,615,224 | 100.000 | 0            | 0.000  | 119,615,224 | 100.000 |
| Ordinary Resolution 2  | 119,615,224 | 100.000 | 0            | 0.000  | 119,615,224 | 100.000 |
| Ordinary Resolution 3  | 119,615,224 | 100.000 | 0            | 0.000  | 119,615,224 | 100.000 |
| Ordinary Resolution 4  | 112,723,924 | 94.239  | 6,891,300    | 5.761  | 119,615,224 | 100.000 |
| Ordinary Resolution 5  | 112,723,924 | 94.239  | 6,891,300    | 5.761  | 119,615,224 | 100.000 |
| Ordinary Resolution 6  | 119,615,224 | 100.000 | 0            | 0.000  | 119,615,224 | 100.000 |
| Ordinary Resolution 7  | 119,615,224 | 100.000 | 0            | 0.000  | 119,615,224 | 100.000 |
| Ordinary Resolution 8  | 119,607,924 | 99.994  | 7,300        | 0.006  | 119,615,224 | 100.000 |
| Ordinary Resolution 9  | 101,734,924 | 85.057  | 17,873,000   | 14.943 | 119,607,924 | 100.000 |
| Ordinary Resolution 10 | 113,477,774 | 100.000 | 0            | 0.000  | 113,477,774 | 100.000 |
| Ordinary Resolution 11 | 21,070,653  | 100.000 | 0            | 0.000  | 21,070,653  | 100.000 |
| Ordinary Resolution 12 | 21,070,653  | 100.000 | 0            | 0.000  | 21,070,653  | 100.000 |
| Ordinary Resolution 13 | 21,070,653  | 100.000 | 0            | 0.000  | 21,070,653  | 100.000 |

