

**DKSH HOLDINGS (MALAYSIA) BERHAD**  
(Company No. 199101021067 (231378-A))  
(Incorporated in Malaysia)

Minutes of the Thirty-First Annual General Meeting of DKSH Holdings (Malaysia) Berhad held on Friday, May 19, 2023 at 10:00 a.m. at Ballroom I & II, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

---

Present:	Mr Stephen John Ferraby	Chairman of the AGM Proxy for DKSH Resources (Malaysia) Sdn Bhd and 26 other shareholders
	Mr Puneet Mishra	Director/Vice President FMCG
	Mr Lai Tak Loi	Director
	Dr Leong Yuen Yoong	Director
	Fa'izah binti Mohamed Amin	Director
	Lian Teng Hai	Director
In attendance:	Ms Serene Lee	Director, Legal Malaysia & Singapore/ Company Secretary
	Ms Yuen Yoke Ping	Company Secretary
By invitation:	Ms Phang Oy Lin	Auditors from Ernst & Young
	Mr Chong Tse Heng	Auditors from Ernst & Young
	Mr Edwin Ding	Auditors from Ernst & Young
	Ms Nur Qaisara	Tricor Investor & Issuing House Services Sdn Bhd
	Ms Nadiah Illi	Asia Securities Sdn Berhad
	Ms Jaclyn Ang	DKSH Country Management Team
	Mr Gary Chee	
	Mr Alex Ooi	
	Mr Arminder Gill	
	Ms Thamayenthi Narayan	
	Ms Eng Si Chin	Associate Director, Finance

Shareholders/Proxy holders present (as per attendance list):

Chairman as a proxy holder	: 29 (holding 124,303, 576 shares or 78.84%)
Shareholders present	: 203(holding 2,105,241 shares or 1.34%)
Proxy holders present	: 101 (holding 64,041 shares or 0.04%)
Proxy also holders	: 42 (holding 19,464 shares or 0.01%)
Corporate representative	: Nil

Overall total number of  
Persons present at this  
AGM : 156(holding 126, 255,112 shares or 80.08%)

*DKSH Holdings (Malaysia) Berhad*  
*Minutes of Thirty-First Annual General Meeting held on May 19, 2023*

---

Mr Stephen John Ferraby (“SJF”), the Chairman of the Board presided as the Chairman of the meeting and welcomed all members and/or proxies present at the meeting including the representatives from Ernst & Young and members of DKSH Country Management Team. He introduced the members of the Board of Directors and the Company Secretary who were in attendance.

**1. QUORUM**

There being a quorum, the 31<sup>st</sup> AGM was duly convened.

**2. NOTICE OF 31<sup>st</sup> AGM**

The notice convening the Meeting was tabled and taken as read.

**3. SHAREHOLDERS/PROXIES RIGHT**

The Chairman briefed the members and/or proxies present of their right to speak and vote on the resolutions set out in the Notice of 31<sup>st</sup> AGM dated April 20, 2023. The Chairman informed that:

- i) The voting at the 31<sup>st</sup> AGM would be conducted on a poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- ii) The Company had appointed Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) as Poll Administrator to conduct the polling process, and Asia Securities Sdn Bhd (“Asia Securities”) as Scrutineers to verify the poll results. The polling process for the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the 31<sup>st</sup> AGM.

**4. PRESENTATION BY VICE PRESIDENT FMCG OF THE COMPANY**

Prior to receiving the Audited Financial Statements of the Company for the financial year ended December 31, 2022, the Chairman invited Mr Puneet Mishra (“PM”), the Vice President, FMCG to present an overview of the business and financial highlights of the Group for the financial year 2022 and key initiatives for 2023.

PM then invited all present to view the DKSH Corporate Video. This was followed by his presentation on the overview of the business and financial highlights of the Group for the FY 2022 and key initiatives for 2023.

**5. AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2022 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Chairman tabled the Audited Financial Statements for the financial year ended December 31, 2022 (“FY 2022”) and the Reports of the Directors and Auditors as set out on pages 95 to 104 of the Annual Report 2022.

The Chairman explained that the Audited Financial Statements for the FY 2022 were for discussion only under Agenda 1, as it did not require shareholders’ approval. Hence, it would not be put to the vote.

The Chairman then invited questions from the members in respect of the Audited Financial Statements for the financial year ended December 31, 2022.

A number of questions were raised by the members and responded to by the Chairman.

In summary, the key questions posed by the shareholders' and/or proxies were responded by the Company as follows:

(i) Impact of Client Churn

The Group represents many different brands in the market. Whilst long-term relationships are a key focus, over time the brands represented may change due to any number of reasons, including times when the Group chooses to exit a brand it does not consider to be sufficiently profitable in comparison with other opportunities. The Group has a strong track record of growth and portfolio evolution.

The 1<sup>st</sup> Quarter 2023 Unaudited Financial Results reflected strong financial position of the Group.

(ii) Reduction in net cash as compared with FYE 2021

DKSH is not a capital-intensive company. However, DKSH grows by investing in the working capital, such as acquiring inventories from the companies represented.

Management focus strongly on controlling inventory levels and seeking to maintain customer account receivables within their trading terms. However, both can be affected by external events and seasonality.

For instance in year 2021, during the COVID period, there were significant global supply chain disruptions resulting in inventory shortages, after which inventories had to be rebuilt. In year 2022, following the easing of lockdown and restriction measures on COVID 19, the cash generation was managed well.

The Company doesn't target a particular segment or class of society but we have a portfolio of products for all walks of life. We have the luxury, less expensive products and every basics as well.

On the average, the consumers are spending more in healthcare and consumer goods. These two segments had been historically very resilient through the different economic conditions.

On the Company's 3-year plan, the Group targets continued growth and efficiency improvements.

As the Group runs a complicated business managing different brands, supply chain and logistics, the Management team has to make adjustment to adapt to the changes that are constantly taking place in the business.

There are several aspects of the business that will constantly drive the Group towards efficiency. New products will be included in the portfolios to deliver organic growth.

(iii) Increase in Receivables

The increase in receivables was due to the timing differences. In view that Chinese New Year festival was early in the year 2023, it has pushed up the receivables account. Efforts has been made by the Company to monitor the client's credit term.

The reported inventory write off is not the net expense of the company, as suppliers often reimburse some or part of this expense, which is a natural cost of doing business in distribution when expected sell through rates are not achieved. As such, the team together with the brand aim to forecast the demand in the market to avoid over supplying which causes return of inventories. It is a regular feature for the industry to have 'return of goods' back to the Company.

(iv) **Healthcare**

There has been good development in Healthcare. For the past 10 years, it has been logistics-based service and was further expanded. The medical device market has grown rapidly and Acutest was acquired to penetrate to the market. The 1<sup>st</sup> Quarter 2023 Unaudited Financial Results has shown that healthcare has moved into higher margin and there has been organic growth therein. Acquisitions will be made in the future when seen fit to complement the portfolio and promote organic growth.

(v) **Reduction in Advertising & Promotion ("A&P") cost**

The A&P Cost is heavily driven by the suppliers and portfolios. There are fluctuations in the A&P cost across the years as there has not been a fixed cost allocated for A&P.

(vi) **Efficiency in business management**

Comparison was made with results from year 2018 until 2022 where there has been significant overall improvement in the business efficiency measured by profitability in comparison to sales.

Strong operational management is a key success factor for the business. As such, different micro initiatives were taken to improve the business through the years. There are many individual projects and the way of working and managing them which have driven the excellent results of the Group.

In terms of comparison on return on sales, the distribution service is a low margin and high-volume industry, particularly in Healthcare and Consumer Goods. Traditionally, Healthcare has delivered a lower return on sales, but a strong focus on expanding value added services has driven much improved profit margins.

The Management can see that the businesses undertaken by the Group generate steadily improving returns which enable improved dividends to Shareholders.

**Famous Amos business**

Famous Amos business is profitable and has generated higher return on sales last year. It had recovered strongly from COVID-19, when it incurred losses in 2021. It had a strong start in 2023. Famous Amos performed well in 2022 and the Company will continue to grow the business to deliver greater value to shareholders.

**Interest Expenses**

On the interest expenses, there has been a refinancing of the Groups long-term loan, with the overall amount reduced. There is short and long-term borrowing in the Group. As such, the team is active in seeking to keep the borrowing low and to constantly manage the interest rate in the rising rate environment.

**Inflationary Pressure**

It is important to note that a majority of price increases are driven from increases in the Group purchasing cost of the respective brands, as outside of our own brands we largely work with fixed percentage profit margins. In view of the inflationary pressure when the price fluctuates, we will be affected as well, but, nevertheless, we will still carry out our job to deliver the goods accordingly.

The retailers remain focused on keeping prices low. In view of the on-going inflation, the respective brands are expected to revisit their pricing again.

- (vii) Sustainability and Environmental, Social and Governance  
Dr Leong Yuen Yoong, who is an expert in this area, sits on the Board of Directors of DKSH Holdings (Malaysia) Berhad.

The Group and Company is taking initiatives to seriously reduce the carbon footprint in the world. The Company has come up with comprehensive programmes pertaining to Environmental Sustainability Plan.

- (viii) Plan for Share Bonus Issue  
There is no plan for share bonus issue or to increase shares in the market. The Company will continue to look at dividend and to enhance the dividend depending on the profitability of the Company.

After answering the questions from shareholders and/or proxies, the Chairman declared that the Audited Financial Statements of the Company for the financial year ended December 31, 2022 together with the Reports of the Directors and Auditors thereon, be received.

## **6. PAYMENT OF FINAL DIVIDEND**

### **Ordinary Resolution 1**

The Chairman informed the Meeting that the Board had recommended a final single tier dividend of 16.0 sen per share for the FY 2022, and if approved at the Meeting, the dividend will be paid on July 20, 2023 to Members registered on the Record of Depositors of the Company maintained by Bursa Malaysia Depository Berhad as at the close of business on July 5, 2023.

Resolution 1 on the payment of final dividend was duly proposed by Edwin (*a shareholder*) and seconded by Mr See Hock Chuan (*a shareholder*).

The Chairman informed that the poll would be conducted upon the completion of the remaining business of the Meeting.

## **7. PAYMENT OF DIRECTORS' FEES**

### **Ordinary Resolution 2**

The Chairman informed that the amount provided for the Director's Fees in the Audited Financial Statements for the FY 2022 is RM 280,000.00.

Resolution 2 on the payment of Directors' Fees was proposed by Mr Ng Weng Choong (*a proxy for Ng Fong Cheong @ Ng Kong Cheong*) and seconded by Ms Kow Lin Shin (*a shareholder*).

The Chairman informed that the poll would be conducted upon the completion of the remaining business of the Meeting.

## **8. RE-ELECTION OF DR LEONG YUEN YOONG AS DIRECTOR OF THE COMPANY**

### **Ordinary Resolution 3**

The Chairman informed that Dr Leong Yuen Yoong retired in accordance with Article 105 of the Company's Constitution and who being eligible, offered herself for re-election.

Resolution 3 on the proposed re-election of Dr Leong Yuen Yoong was proposed by Mr Ng Weng Choong (*a proxy for Ng Fong Cheong @ Ng Kong Cheong*) and seconded by Mr Leung Siang Foh (*a shareholder*).

The Chairman informed that the poll would be conducted upon the completion of the remaining business of the Meeting.

**9. RE-ELECTION OF MR LAI TAK LOI AS DIRECTOR OF THE COMPANY**  
**Ordinary Resolution 4**

The Chairman informed that Mr Lai Tak Loi retired in accordance with Article 101 of the Company's Constitution and who being eligible, offered himself for re-election.

Resolution 4 on the proposed re-election of Mr Lai Tak Loi was proposed by Mr Leung Siang Foh (*a shareholder*) and seconded by Mr See Hock Chuan (*a shareholder*).

The Chairman informed that the poll would be conducted upon the completion of the remaining business of the Meeting.

**10. ELECTION OF MS JACLYN ANG SWEE YIN AS DIRECTOR OF THE COMPANY**  
**Ordinary Resolution 5**

The Chairman informed that Ms Jaclyn Ang Swee Yin, having given her consent to act pursuant to Section 201 of the Companies Act, 2016, has offered herself to be elected as a Director of the Company in a Non-Independent Executive capacity, with effect from the conclusion of the Annual General Meeting.

Resolution 5 on the proposed election of Ms Jaclyn Ang Swee Yin was proposed by Mr Leung Siang Foh (*a shareholder*) and seconded by Mr Chen Wei Heng (*a shareholder*).

The Chairman informed that the poll would be conducted upon the completion of the remaining business of the Meeting.

**11. RE-APPOINTMENT OF MESSRS ERNST & YOUNG AS AUDITORS OF THE COMPANY**  
**Ordinary Resolution 6**

The Chairman informed that the Board recommended for the shareholders' approval of the re-appointment of Messrs. Ernst & Young as Auditors of the Company for the financial year ended December 31, 2023 based on the Audit Committee's recommendation, having considered relevant feedback on their experience, performance and independence.

Resolution 6 on the proposed re-appointment of Messrs Ernst & Young, was duly proposed by Mr Ng Weng Choong (*a proxy for Ng Fong Cheong @ Ng Kong Cheong*) and seconded by Mr Leung Siang Foh (*a shareholder*).

The Chairman informed that the poll would be conducted upon the completion of the remaining business of the Meeting.

**12. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**  
**Special Business – Ordinary Resolution 7**

The Chairman informed the Meeting that item 8 on the Agenda was to seek shareholders' approval to approve the Proposed Renewal of Shareholders' Mandates for recurrent related party transactions of a revenue or trading nature entered into or to be entered into by DKSH Group with its major shareholder, DKSH Holding Ltd and its subsidiaries.

PM then briefed the Meeting on the contents of the Circular to Shareholders dated April 20, 2023 which sets out the Proposed Renewal of Shareholders' Mandates.

Pursuant to Practice Note 12 of the Listing Requirements, the Company must disclose the estimated value in respect of recurrent related party transactions expected to be entered into from the date of the current AGM until the date of the next AGM. Although these are estimates, the Company made efforts to be as accurate as possible, based on historical and/or current actual transaction and Management forecast.

The Chairman explained that Ordinary Resolution 7 in relation to the Proposed Mandate, if granted, will renew the authority obtained at the last AGM and allow DKSH Group to enter into the recurrent transactions with related parties as specified in Section 2.5(a) of the Circular to Shareholder and will last until the conclusion of the next AGM of the Company to be held in 2024.

The Meeting noted that DKSH Resources (Malaysia) Sdn Bhd ("DKSH Resources"), a major shareholder, is interested in the transactions under the Proposed Mandate and that DKSH Holdings (Asia) Sdn Bhd, DKSH Holding Ltd, Mr Lian Teng Hai and Mr Stephen John Ferraby are also deemed interested in the Proposed Mandate by virtue of them being persons connected with DKSH Resources.

The Chairman added that DKSH Resources together with its persons connected shall abstain from voting on Ordinary Resolution 7.

Resolution 7 on the renewal of shareholders' mandate, was duly proposed by Mr Leung Siang Foh (*a shareholder*) and seconded by Mr Ng Weng Choong (*a proxy for Ng Fong Cheong @ Ng Kong Cheong*).

The Chairman informed that the poll would be conducted upon the completion of the remaining business of the Meeting.

### **13. ANY OTHER BUSINESS**

The Chairman informed that the Company had not received notice of any other business.

### **14. POLLING PROCESS**

Ms. Nur Qaisara of Tricor, the Poll Administrator explained the procedures for the conduct of electronic voting using Tricor's e-Vote app to the members and/or proxies present. The members and/or proxies were advised to cast their votes at the kiosk stationed at the back of the ballroom. The polling commenced at 12:05 p.m.

After the voting, members and/or proxies returned to their seats for the declaration of results.

*DKSH Holdings (Malaysia) Berhad*  
*Minutes of Thirty-First Annual General Meeting held on May 19, 2023*

---

**15. ANNOUNCEMENT OF POLL RESULTS**

At 12.20 p.m., the Chairman informed that he had received the poll results from Tricor and Asia Securities. Based on the poll results, the Chairman declared that all resolutions were carried:

**(i) Payment of Final Dividend of 16.0 sen per share for the financial year ended December 31, 2022**

Ordinary Resolution 1	Number of Shares	% of Voted Shares	Number of poll slips
Voted FOR	126,175,109	99.9366	153
Voted AGAINST	80,002	0.0634	2

**IT WAS RESOLVED THAT** the payment of final dividend of 16.0 sen per share in respect of the financial year ended December 31, 2022 be approved.

**(ii) Payment of Directors' Fees for the financial year ended December 31, 2022**

Ordinary Resolution 2	Number of Shares	% of Voted Shares	Number of poll slips
Voted FOR	126,175,109	99.9366	153
Voted AGAINST	80,002	0.0634	2

**IT WAS RESOLVED THAT** the payment of Directors' Fees amounting to RM 280,000.00 for the financial year ended December 31, 2022 be approved.

**(iii) Re-election of Dr Leong Yuen Yoong as Director of the Company**

Ordinary Resolution 3	Number of Shares	% of Voted Shares	Number of poll slips
Voted FOR	126,175,111	99.9366	154
Voted AGAINST	80,000	0.0634	1

**IT WAS RESOLVED THAT** Dr Leong Yuen Yoong who retired in accordance with Article 105 of the Company's Constitution, be re-elected as Director of the Company.

**(iv) Re-election of Mr Lai Tak Loi as Director of the Company**

Ordinary Resolution 4	Number of Shares	% of Voted Shares	Number of poll slips
Voted FOR	126,175,111	99.9366	154
Voted AGAINST	80,000	0.0634	1

**IT WAS RESOLVED THAT** Mr Lai Tak Loi who retired in accordance with Article 101 of the Company's Constitution, be re-elected as Director of the Company.



*DKSH Holdings (Malaysia) Berhad*  
*Minutes of Thirty-First Annual General Meeting held on May 19, 2023*

---

**(v) Election of New Director**

Ordinary Resolution 5	Number of Shares	% of Voted Shares	Number of poll slips
Voted FOR	126,175,111	99.9366	154
Voted AGAINST	80,000	0.0634	1

**IT WAS RESOLVED THAT** Jaclyn Ang Swee Yin, having given her consent to act pursuant to Section 201 of the Companies Act, 2016, be and is hereby elected as a Director of the Company in a Non-Independent Executive capacity, with effect from the conclusion of this Annual General Meeting.

**(vi) Re-appointment of Auditors**

Ordinary Resolution 6	Number of Shares	% of Voted Shares	Number of poll slips
Voted FOR	126,175,111	99.9366	154
Voted AGAINST	80,000	0.0634	1

**IT WAS RESOLVED THAT** the re-appointment of Messrs. Ernst & Young as Auditors of the Company for the financial year ending December 31, 2023 and authorisation to the Board of Directors to fix their remuneration be approved.

**(vii) Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

Ordinary Resolution 7	Number of Shares	% of Voted Shares	Number of poll slips
Voted FOR	9,020,035	99.1209	153
Voted AGAINST	80,000	0.8791	1

**IT WAS RESOLVED THAT**, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("DKSH Group") to enter into all arrangements and/or transactions involving the interests of Directors, major shareholders or persons connected with the Directors and/or major shareholders of DKSH Group ("Related Parties") as specified in Section 2.5(a) of the Circular to Shareholders dated April 20, 2023 ("Proposed Mandate") provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations; and
- (iii) carried out in the ordinary course of business on normal commercial terms which are consistent with DKSH Group's normal business practices and policies, on terms not more favorable to Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

AND THAT such authority conferred by the shareholders of the Company upon passing of this resolution pertaining to the Proposed Mandate and will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company, unless by a resolution passed at that meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next Annual General Meeting is

*DKSH Holdings (Malaysia) Berhad*  
*Minutes of Thirty-First Annual General Meeting held on May 19, 2023*

---

- required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("Act") (but must not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) until the authority is revoked or varied by a resolution passed by the shareholders in a general meeting,

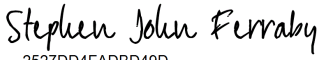
whichever is the earlier.

**AND THAT** the Directors of the Company be and are hereby empowered to complete and to do all such acts and things, including executing all such documents as may be required, as they may consider expedient or necessary to give effect to this resolution.

**16. TERMINATION**

There being no further business, the Meeting ended at 12:20 p.m. with a vote of thanks to the Chair.

Signed as correct record

DocuSigned by:  
  
2527DD4FADBB49D  
**Stephen John Ferraby**  
Chairman  
Date: **August 25, 2023**