

BERMAZ AUTO BERHAD
Registration No. 201001016854 (900557-M)
(Incorporated in Malaysia)
(the “Company” or “BAuto”)

An Extract of Minutes of the Eleventh Annual General Meeting (“AGM”) of the Company held on a fully virtual basis via online meeting platform provided by Boardroom Share Registrars Sdn Bhd at <https://meeting.boardroomlimited.my> (MYNIC Domain Registration Number D6A357657) on Thursday, 7 October 2021 at 10.00 a.m.

- CHAIRMAN : Dato’ Sri Yeoh Choon San presided as the Chairman of the meeting.
- PRESENT : As per Appendix I attached
- IN ATTENDANCE : Tham Lai Heng Michelle (Secretary)
- QUORUM : The Secretary confirmed that a quorum was present for the Meeting.
- NOTICE OF MEETING : The Notice of the Eleventh AGM dated 27 August 2021 as contained on Page 179 to Page 182 of the Company's 2021 Annual Report was taken as read by the Secretary.

CHAIRMAN WELCOME SPEECH

Before the meeting proceeded, Dato’ Sri Yeoh Choon San, the Executive Chairman, on behalf of the Board of Directors (“Board”) of the Company extended a warm welcomed to the members and proxies for their participation at the Eleventh AGM of the Company.

The Chairman informed the members that the Eleventh AGM which is conducted on a fully virtual basis is for the safety of all shareholders, employees and Directors in view of the current COVID-19 pandemic.

The Chairman further informed the members that for expediency, the Meeting would proceed according to the sequence in the agenda and the Board would deal with questions from the shareholders during the Questions and Answers (“Q&A”) session only after all the Agenda items have been tabled.

The Chairman then proceeded to introduce the members of the Board, the Chief Financial Officer, the Company Secretary, and the External Auditors, Messrs Ernst & Young PLT (“EY”), who were in attendance remotely via live webcast.

VOTING MANNER

The Chairman informed that the voting for all the resolutions to be considered at the Eleventh AGM would be put to vote by poll electronically pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Chairman further informed that the Company has appointed Boardroom Share Registrars Sdn Bhd (“Boardroom Share Registrars”) as the Poll Administrator to conduct the polling process and Boardroom Corporate Services Sdn Bhd as the Independent Scrutineer to validate the votes cast for all resolutions put to vote at the Meeting using the Remote Participation and Electronic Voting Facilities (“RPEV Facilities”) provided by Boardroom Share Registrars.

The Poll Administrator was then invited to give a video presentation on the online remote voting procedures using RPEV Facilities (including posing questions).

The shareholders were informed that the online voting on the resolutions could be done at any time throughout the Meeting until the closure of the voting session which would be announced later and shareholders were allowed to cast their votes during the meeting procedures.

AUDITED FINANCIAL STATEMENTS

The Chairman informed that under the provisions of Section 340 subsection 1(a) of the Companies Act 2016, the Company was required to lay before the meeting the audited financial statements and reports for the financial year ended 30 April 2021. Hence, there was no resolution on Item 1 of the Agenda in respect of the adoption of audited financial statements, Directors’ and Auditors’ Reports for the financial year ended 30 April 2021 but shareholders would be able to pose questions and give comments on the Company’s audited financial statements after the presentation by the Auditors and the Management.

The Chairman then invited Mr Chong Tse Heng the representative of EY, the External Auditors of the Company, to present the Independent Auditors’ Report on the financial statements for the financial year ended 30 April 2021 to the members present.

The Chairman thanked Mr Chong Tse Heng on his presentation of the Auditors’ Report and then invited Mr Chong Boon Kian, the Chief Financial Officer (“CFO”) of the Company, to brief the shareholders on the Group’s financial performance for the financial year ended 30 April 2021 which was summarised in a slide presentation.

After the presentation by the CFO, it was recorded that the Company’s audited financial statements for the financial year ended 30 April 2021 together with the Directors’ and Auditors’ Reports were duly adopted.

PRESENTATION ON QUESTIONS FROM THE MINORITY SHAREHOLDER WATCH GROUP

The Chairman informed that the Company has received questionnaire letter from the Minority Shareholders Watch Group (“MSWG”) dated 29 September 2021 in relation to the Operation & Financial Matters of the Group.

The Chairman then invited Mr Chong Boon Kian again to read out the questions raised by MSWG and the Company’s responses thereof as set out in Appendix “II”. A snapshot of the questions and responses were also provided online for the benefits of the shareholders.

ORDINARY BUSINESS

1) DIRECTORS' FEES

The Chairman proceeded with Ordinary Resolution 1 under item 2 of the Agenda which was to approve the payment of Directors' fees amounting to RM321,042/- for the financial year ended 30 April 2021.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

2) DIRECTORS' REMUNERATION (EXCLUDING DIRECTORS' FEES) FOR THE PERIOD FROM 8 OCTOBER 2021 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD IN 2022

The Chairman proceeded with Ordinary Resolution 2 under item 3 of the Agenda which was to approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM108,900.00 for the period from 8 October 2021 until the next Annual General Meeting of the Company to be held in 2022.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the agenda.

3) RE-ELECTION OF DIRECTORS

The Chairman informed that he was an interested Director for Ordinary Resolution 3 in relation to his re-election as a Director of the Company. Hence, he has to abstain from deliberation and voting on the said resolution. The Chairman then invited the Chief Executive Officer of the Company, Dato' Lee Kok Chuan to chair the Meeting to consider Ordinary Resolution 3 under item 4 of the Agenda which was to approve the re-election of Dato' Sri Yeoh Choon San as a Director of the Company.

Dato' Lee Kok Chuan informed the Meeting that in accordance to Clause 117 of the Company's Constitution, one third (1/3) of the Directors shall retire by rotation and they are eligible to seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three (3) years.

At the Eleventh AGM, Dato' Sri Yeoh Choon San is subject to retirement pursuant to Clause 117 of the Company's Constitution.

Dato' Lee Kok Chuan further informed the shareholders that Dato' Abdul Manap Bin Abd Wahab has given notice that he does not wish to seek for re-election as a Director of the Company and hence, he shall retire as a Director of the Company upon the conclusion of the Company's Eleventh AGM.

Dato' Lee Kok Chuan then passed the chair back to the Chairman for the next Agenda.

The Chairman then proceeded with Ordinary Resolution 4 under item 5 of the Agenda in relation to the re-election of Mr Martin Giles Manen who retires pursuant to Clause 107 of the Company's Constitution and being eligible has offered himself for re-election as a Director of the Company.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the agenda.

5) RE-APPOINTMENT OF AUDITORS

The Chairman proceeded with Ordinary Resolution 5 under item 6 of the Agenda which was to approve the re-appointment of Messrs Ernst & Young PLT as Auditors of the Company for the ensuing year until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

The Chairman informed that EY has indicated their willingness to continue in office.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the agenda.

SPECIAL BUSINESS

6.1) Ordinary Resolution 6 - Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Chairman proceeded with Ordinary Resolution 6 under item 7(a)(i) of the Agenda as special business which was to seek the shareholders' approval on the renewal of a general mandate which if passed, would empower the Directors of the Company to issue and allot additional shares in accordance with Section 75 and Section 76 of the Companies Act 2016. The full text of the proposed resolution was set out in the Notice of the Company's Eleventh AGM.

The Chairman further informed the Meeting that as explained under the Explanatory Notes in the Notice of the Company's Eleventh AGM, Ordinary Resolution 6, if passed, will give the flexibility to the Board of Directors, when the need arises, to issue additional shares of up to 10% of the total number of issued share capital of the Company. This authority shall continue to be in force until the conclusion of the next AGM of the Company.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the agenda.

6.2) Ordinary Resolution 7 - Proposed Renewal of Authority for the Company to Purchase its Own Shares

The Chairman proceeded with Ordinary Resolution 7 under item 7(a)(ii) of the Agenda as Special Business which was to seek the shareholders' approval to renew the mandate for the Company to purchase its own shares.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the next item on the agenda.

6.3) Special Resolution - Proposed Adoption of a New Constitution

The Chairman proceeded with Special Resolution under item 7(b) of the Agenda as Special Business which was to seek the shareholders' approval for the proposed adoption of a new Constitution to replace the whole of the existing Constitution of the Company. The proposed adoption of a new Constitution was to further streamline and clarify the Company's existing Constitution with the provisions of the Companies Act 2016 and the relevant amendments made to Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The new Constitution will provide better clarity and consistency throughout the Constitution and enhance the administrative efficiency of the Company.

Since the voting for the above resolution would be conducted by way of poll to be taken upon completion of remaining business of the Meeting, the Chairman proceeded with the Q&A session.

QUESTIONS AND ANSWERS SESSION

Following the presentation of all resolutions in the Agenda, the Chairman then proceeded with the Q&A session and he began with addressing questions submitted by shareholders prior to the Company's Eleventh AGM via Boardroom Smart Investor Portal and thereafter questions submitted by remote participants at the Eleventh AGM.

The Chairman informed that the time allocated for the Q&A session is about 30 minutes. The Board will endeavor to answer as many questions posed which are related to the business of the Eleventh AGM. Nevertheless, in the event the Board is unable to answer all the relevant questions in the allotted time, the responses to the remaining questions will be e-mailed to the shareholders at the earliest possible after the Eleventh AGM or posted on the Company's website.

The questions and the Company's responses thereto are set out in Appendix III attached herewith.

**VOTING ON THE RESOLUTIONS
AND ANNOUNCEMENT OF POLL RESULTS**

Upon the conclusion of the Q&A session, the Chairman advised the shareholders and proxies to proceed to cast and submit their votes via the RPEV facilities as the polling process would closed after 10 minutes, followed by a 15 minutes interval for the counting

and validation process and thereafter the declaration of the poll results by the Independent Scrutineer.

At this juncture, the Chairman informed the Meeting that in his capacity as Chairman of the Meeting, he had been appointed as a proxy to vote on behalf of some shareholders in accordance to their instructions as stipulated in the proxy forms.

The Chairman then declared the meeting adjourned at 11.13 a.m..

After the votes had been counted and verified by the Independent Scrutineer, the Chairman called the Meeting to order at 11.38 a.m. and the poll results were displayed on the screen for the shareholders' information, as follows:-

No.	Resolutions	Votes For		Votes Against	
		No. of Shares	%	No. of Shares	%
1.	Payment of Directors' fees.	876,193,705	99.9801	174,607	0.0199
2.	Payment of Directors' remuneration (excluding Directors' fees) for the period from 8 October 2021 until the next Annual General Meeting of the Company.	876,170,694	99.9778	194,388	0.0222
3.	Re-election of Dato' Sri Yeoh Choon San.	864,113,306	98.7398	11,028,276	1.2602
4.	Re-election of Mr Martin Giles Manen.	872,519,666	99.5261	4,154,876	0.4739
5.	Re-appointment of Messrs Ernst & Young PLT as Auditors of the Company.	876,561,459	99.9994	5,053	0.0006
6.	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.	662,081,934	75.5328	214,466,548	24.4672
7.	Renewal of authority for the Company to purchase its own shares.	876,045,167	99.9741	226,975	0.0259
8.	Adoption of a new Constitution.	876,556,775	99.9990	8,717	0.0010

The Chairman then declared that all the resolutions tabled at the AGM were duly carried as follows:-

- 1) “THAT the payment of Directors' fees amounting to RM321,042/= to the Non-Executive Directors of the Company for the financial year ended 30 April 2021 be and is hereby approved.”
- 2) “THAT the payment of Directors' Remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM108,900/= for the period from 8 October 2021 until the next Annual General Meeting of the Company to be held in 2022 be and is hereby approved.”
- 3) “THAT Dato’ Sri Yeoh Choon San, being the Director retiring pursuant to Clause 117 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”
- 4) “THAT Mr Martin Giles Manen, being the Director retiring pursuant to Clause 107 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”
- 5) “THAT Messrs Ernst & Young PLT be and are hereby appointed as Auditors of the Company until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.”
- 6) “THAT, subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”
- 7) “THAT, subject always to the Companies Act 2016 (“Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Exchange”) and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company (“BAuto Shares”) through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to

time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;
2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;
3. the authority shall commence immediately upon passing of this ordinary resolution until:-
 - (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the BAUTO Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any BAUTO Shares so purchased by the Company in the following manner:-

- (a) cancel all the BAUTO Shares so purchased; or
 - (b) retain all the BAUTO Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
 - (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
 - (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force.”
- 8) “THAT the proposed new Constitution as set out in Appendix II of Part B of the Statement/Circular to Shareholders dated 27 August 2021 be and is hereby approved and adopted as the new Constitution of the Company to replace the whole of the existing Constitution of the Company in its entirety with immediate effect AND THAT the Board of Directors (“Board”) and/or Secretary of the Company be and are hereby authorized to do all such acts and things in any

manner as they may deem necessary and/or expedient in order to give full effect to the aforesaid with full powers to assent to any conditions, modifications and/or amendments as may be required or permitted by any relevant authorities.”

NOTE OF APPRECIATION FOR THE RETIRING DIRECTOR

The Chairman, on behalf of the Board and the Company, recorded their utmost appreciation and gratitude to one (1) of the Board members namely, Dato’ Abdul Manap Bin Abd Wahab, who has not sought re-election as a Director of the Company and had retired upon the conclusion of the Company’s Eleventh AGM.

The Chairman cited that it has been a great honour and privilege to be given the opportunity to work with him and his invaluable contribution and past services rendered to the Board and to the Company are much appreciated. On behalf of the Company and the Board, the Chairman wished him well and every success in his future endeavours.

This was followed by a reciprocal note of thanks from Dato’ Abdul Manap Bin Abd Wahab.

The Chairman then thanked the shareholders for his re-appointment as a Director of the Company.

Mr Martin Giles Manen thanked the shareholders for his re-appointment as a Director of the Company.

Mr Chong Tse Heng, the representative from EY, also thanked the shareholders for their re-appointment as Auditors of the Company.

CONCLUSION

The Chairman concluded and closed the Meeting at 11.56 a.m. and thanked the members for their presence and participation at the Meeting.

Confirmed,

CHAIRMAN

Dated: 7 October 2021

BERMAZ AUTO BERHAD

Registration No. 201001016854 (900557-M)
(Incorporated in Malaysia)

ELEVENTH ANNUAL GENERAL MEETING HELD ON 7 OCTOBER 2021**Present via Online Meeting Platform:****Directors**

Dato' Sri Yeoh Choon San	- Executive Chairman
Dato' Lee Kok Chuan	- Chief Executive Officer
Dato' Abdul Manap Bin Abd Wahab	- Director
Datuk Syed Hisham Bin Syed Wazir	- Director
Dato' Kalsom Binti Abd. Rahman	- Director
Puan Adibah Khairiah Binti Ismail @ Daud	- Director
Mr Martin Giles Manen	- Director

Chief Financial Officer

Mr Chong Boon Kian	- Chief Financial Officer
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Management team and by invitation:

Mr Kenny Poon	}	Representatives from Jeff Leong, Poon & Wong
Ms Alicia Teoh		

Mr Chin Boon Chye	}	Representatives from Bermaz Motor Sdn Bhd
Mr Foo Chuen Wah		
Mr Chew Soon Ken		
Ms Ng Kah Yean		
Ms Lee Xiao Pei		

Mr Tan Thiam Chai	}	Representatives from Group Accounts & Budgets, Berjaya Corporation Berhad
Mr Lau Lub Ding		
Ms Roxanne Wong		

Mr Chong Tse Heng	}	Representatives from Ernst & Young PLT
Mr Wong Hur Kuan		
Ms Joe Yee Mok		

Poll administrator	- Boardroom Share Registrars Sdn Bhd
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Independent scrutineer	- Boardroom Corporate Services Sdn Bhd
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In Attendance:

Ms Tham Lai Heng Michelle	- Company Secretary
Ms Teh Pei Fen	- Secretarial Manager
Ms Loong Mun Yee	- Secretarial Executive

Shareholders, Proxies and Corporate Representatives

As per the summary of Attendance List.



MINORITY SHAREHOLDERS WATCH GROUP
Shareholder Activism and Protection of Minority Interest

29 September 2021

BY FAX/HAND

(Fax No: 603-2143 1685)

The Board of Directors
Bermaz Auto Berhad
Lot 13-01A, Level 13 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur

Attention: Ms. Tham Lai Heng Michelle/ Ms. Wong Siew Guek
Company Secretaries

Dear Directors,

Re: 11th Annual General Meeting (“AGM”) of Bermaz Auto Berhad (“BERMAZ” or the “Company”) to be held on Thursday, 7 October 2021

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. Bermaz recorded an improvement in revenue of 43.2% to RM2.12 billion (2020: RM1.48 billion) largely due to higher sales volume for the domestic operations which was mainly attributed to the positive impact from the sales tax exemption introduced by the Government for CKD and CBU vehicles (page 18 of Annual Report 2021 (“AR2021”).

With the extension of the sales tax exemption to 31 December 2021 coming to an end, what will be the key catalysts to drive the Group’s car sales for the financial year 2022 and going forward?

2. Due to the resurgence of COVID-19 cases, MCO 2.0 and MCO 3.0 were imposed in January and May 2021 respectively. In June 2021, a full lockdown was imposed under Phase 1 of the National Recovery Plan (“NRP”) throughout the country (page 20 of AR2021).

With the current reopening of economic activities under the various phases of the NRP and the easing of movement restrictions, has the Group seen improved sales and consumer sentiment?

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia . Company No:524989-M)

TINGKAT 11, BANGUNAN KWSP, NO.3, CHANGKAT RAJA CHULAN, OFF JALAN RAJA CHULAN,
50200 KUALA LUMPUR. TEL: (603)20709090 FAX: (603)20709107

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

3. How has the global semiconductor chip supply crunch affected the Group? What is the Group's current average delivery time of Mazda vehicles to end-customers compared to pre-COVID times?
4. In relation to Kia Malaysia Sdn Bhd, the Group is working closely with Kia Motors Corporation, Korea on the setting-up of the assembly plant and production schedules for its Kia CKD models in Inokom (page 19 of AR2021).

What is the estimated capital expenditure to be incurred and the targeted timeline for commencement of production for the Kia CKD models?

5. Inventories written down increased significantly to RM2.8 million (2020: RM0.8 million) (Note 24, page 153 of AR2021).

What is the nature of these inventories that have been written down? Are the inventories written down still salable?

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/BERMAZ/AGM 2021

7 October 2021

**Chief Executive Officer
Minority Shareholders Watch Group**
Tingkat 11, Bangunan KWSP
No.3, Changkat Raja Chulan
Off Jalan Raja Chulan
50200 Kuala Lumpur

Attn: Mr. Devanesan Evanson

Dear Sir,

**BERMAZ AUTO BERHAD ("BERMAZ")
11th ANNUAL GENERAL MEETING OF BERMAZ - FOR FINANCIAL YEAR ENDED 30
APRIL 2021**

We refer to your letter dated 29 September 2021 raising certain points and questions in respect of Bermaz's Annual Report for the financial year ended 30 April 2021 and are pleased to furnish herewith our replies (in the same sequential order as the questions raised) as follows:

Operational and Financial Matters

1. Management Discussion & Analysis (page 18)

Bermaz recorded an improvement in revenue of 43.2% to RM2.12 billion (2020: RM1.48 billion) largely due to higher sales volume for the domestic operations which was mainly attributed to the positive impact from the sales tax exemption introduced by the Government for CKD and CBU vehicles.

With the extension of the sales tax exemption to 31 December 2021 coming to an end, what will be the key catalysts to drive the Group's car sales for the financial year 2022 and going forward?

Regardless of whether the current sales tax exemption is coming to an end or will be extended beyond 31 December 2021, the Group shall continue to capitalise on its existing networking strength, sales and after sales support for its existing Mazda marque as well as introducing new/facelift models to sustain its revenue and market share.

Endeavouring to cater for different market segments and consumer preferences, Bermaz had also ventured into the distributorship of 2 well-known marques, Peugeot and Kia, during the financial year 2021 to complement the distributorship of its existing Mazda marque business and provide a wider range of products to its customers going forward.

2. Management Discussion & Analysis (page 20)

Due to the resurgence of COVID-19 cases, MCO 2.0 and MCO 3.0 were imposed in January and May 2021 respectively. In June 2021, a full lockdown was imposed under Phase 1 of the National Recovery Plan (“NRP”) throughout the country.

With the current reopening of economic activities under the various phases of the NRP and the easing of movement restrictions, has the Group seen improved sales and consumer sentiment?

As reported by MAA, the entire automobile industry was adversely impacted by the total lockdown or Full MCO under Phase 1 of the NRP since June 2021. With the gradual reopening of economic activities under the various phases of the NRP and the easing of movement control restrictions, consumer sentiment has also gradually improved. This is also reflected in the gradual increase in our Car Registration with JPJ in Malaysia from June to September as tabulated below:

Car Registration (units)	May	June	July	August	September
Mazda	1,362	60	200	703	822
Peugeot	85	3	13	35	65
Overall sales	1,447	63	213	738	887

3. How has the global semiconductor chip supply crunch affected the Group? What is the Group’s current average delivery time of Mazda vehicles to end-customers compared to pre-COVID times?

The global semiconductor chip supply crunch may have impacted the Mazda Motor Corporation, Japan but has not had an immediate impact on Bermaz as our local Mazda supplier has sufficient stockpile of CKD parts to fulfil the outstanding orders till year end.

There is minimal effect on the average delivery time of Mazda vehicles to end-customers as the Group monitors and manages its logistics and delivery processes closely.

4. Chairman’s Statement (page 16)

In relation to Kia Malaysia Sdn Bhd, the Group is working closely with Kia Motors Corporation, Korea on the setting-up of the assembly plant and production schedules for its Kia CKD models in Inokom.

What is the estimated capital expenditure to be incurred and the targeted timeline for commencement of production for the Kia CKD models?

The share capital of Kia Malaysia Sdn Bhd has been initially planned to be RM60 million, of which Bermaz's 33.3% equity portion will be RM20 million. The estimated initial capital expenditure to be incurred to build our first Kia CKD production line in Inokom is around RM24.0 million.

Due to the prolonged Covid-19 pandemic, the production of CKD models which was initially targeted to commence in December 2021 has been deferred to the second quarter of year 2022.

5. Audited Financial Statements, Notes 24 to the Financial Statements (page 153)

Inventories written down increased significantly to RM2.8 million (2020: RM0.8 million).

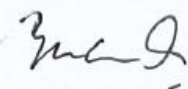
What is the nature of these inventories that have been written down? Are the inventories written down still salable?

The write-down of inventories relates to the Group's provision policy for slow moving stocks of spare parts, based on aging.

However, there is no major concern on the saleability of these written down spare parts as there is still a market for them after the 5-year post warranty period.

We trust the above have clarified the points raised.

Yours faithfully,
For and on behalf of
Bermaz Auto Berhad



Dato' Sri Yeoh Choon San
Executive Chairman

BERMAZ AUTO BERHAD

Registration No. 201001016854 (900557-M)

(Incorporated in Malaysia)

(the “Company” or “BAuto”)

Part A – Questions received via Boardroom Smart Investor Portal prior to the meeting.

NO.	QUESTIONS AND ANSWERS
Q1.	<p>As Bermaz Auto Berhad re-position as multi-brand automotive distributor in Malaysia, what are the strategies and business model that the Company will pursue moving forward?</p> <p>The Chairman replied that the Company will have a strategy to manage customers’ experience and be the “Distributor of Choice”. The Company will continue to fulfill customers’ satisfaction and provide a rich and rewarding ownership experience to the customers through the selling of reputable brands that are safe, emotional, good driving experience, value for money and also well designed with advanced technology.</p> <p>The Company has in place several in-house training centres to train staff to be qualified technicians, sales and after-sales personnel in order to provide better services to its customers. Fresh graduates from local institutions such as MARA, Polytechnic, and TARC have been hired and trained in order for the Company to remain relevant and provide employment for local graduates.</p>
Q2.	<p>Given that the model mix of Mazda, Kia and Peugeot are SUV-centric, catering to the demand for this popular segment domestically, is there any possibility that this would cause cannibalization internally among the franchises under the Company?</p> <p>The Chairman replied that Peugeot and Kia are French and Korean brands respectively while Mazda is a Japanese brand. This will provide a wider range of customer choice of vehicles to cater different market segments and customer’s preferences, i.e. Japanese, European, and Korean. They will not compete as they are from different background and technology. Hence, any form of cannibalization would be minimal.</p>
Q3.	<p>Relating to the question above, what is the Management’s view on the competition posed by national marques i.e. Proton and Perodua, especially with their SUV’s models rising as one of the popular choices in domestic market?</p> <p>The Chairman replied that the targeted market segment of the national marques are not within our targeted market segment.</p>
Q4.	<p>What is the global chip shortage issue and to what extent this would disrupt the supply of Mazda, Kia and Peugeot to the Company in the foreseeable future?</p>

	<p>The Chairman replied that globally, there was a shutdown on all factories due to the COVID-19 pandemic including factories in Malaysia. Malaysia produces 13% of the global semi-conductors for the automotive industry. During the same period, the Group's manufacturing facility in Kulim has also shutdown. Inventories from the CKD part have been carried over to ensure that there will be a smooth transition in the factories. There may be disruption from principal manufacturers globally but we foresee little impact on our CBU business.</p>
<p>Q5.</p>	<p>Is the Company optimistic on the Electric Vehicle (“EV”) policy development in Malaysia, and subsequently, on the Company’s development in the EV market?</p> <p>The Chairman replied that although BAUTO is optimistic and look forward to having a greener environment and to be in line with the carbon neutral policy imposed by the Government, the introduction of EV cars in the country still requires a lot of research especially on the development of infrastructure and also the compatibility of the life span of batteries and range of batteries for tropical climate. Nevertheless, BAUTO's current product range already has EV products for future introduction. BAUTO's current Mazda vehicles are very green-compliance with internal combustion engine (“ICE”) that has an advance digital technology which is the SKYACTIV engine, and it is renowned for being very efficient and environmental friendly with very low emission discharge.</p>
<p>Q6.</p>	<p>What’s the company’s plan with regards to embracing Environmental, Social and Governance (“ESG”) within the business?</p> <p>The Chairman replied that the Company started its sustainability journey since 2018 and the ESG initiatives have been publicly reported in the Sustainability Statement and Corporate Governance sections of its Annual Reports.</p> <p>The Company has been integrating ESG into its business strategies and leveraging on sustainability to enhance risk management, secure capital, promote innovation and improve productivity within the Group. ESG has become an integral aspect of the Group's business operations. Sustainable development is a core value and part of the Group's values and principles.</p> <p>For further details, kindly refer to the Group's ESG initiatives which are set out in Pages 24 to 89 of BAUTO's 2021 Annual Report.</p>
<p>Q7.</p>	<p>What is the Company’s view on car subscription and also the change from dealership to agency model?</p> <p>I believe the Company was quoted in The Edge as saying the Company is ready to adopt this new change.</p> <p>The Chairman replied that the Company is currently reviewing a hybrid system whereby the Company is reducing the number of dealership and the cost of operating business. The inventories of our dealers will be managed by us so that the dealers can focus on the after-sales services in order to provide better quality customer experience. Hence, adopting a hybrid system between an agency model by supporting our dealers in terms of inventories and reducing the cost of inventories and enabling them to focus on customer focused activities.</p>

<p>Q8.</p>	<p>In last year AGM, the Management stated that payout ratio will be capped at 50% and the actual payout is 56% for FY2022.</p> <p>Would the Company be looking at increasing this payout ratio, so as to make the share of the company more attractive as a dividend stock?</p> <p>The Chairman replied that it will depend on the timing of the liquidity requirement of the Group, taking into consideration the market outlook, the expansion plan for our new brands as well as the payout quantum. As of now, there is no plan to change the dividend payout policy.</p>
<p>Q9.</p>	<p>Has the Group renewed its Distribution Agreements with Mazda Japan which will be expiring by 2021?</p> <p>What is the effective period of the new agreement? Any major changes in terms and conditions?</p> <p>The Chairman replied that the Distribution Agreements with Mazda Japan has been extended for another 5 years until 2026 and there were no changes in the terms and conditions.</p>
<p>Q10.</p>	<p>Does Mazda Japan has any concern about the Group taking up Peugeot and Kia distributorship? If yes, how will the Group address its concern?</p> <p>The Chairman replied that the Group has to expand basically either organically or through the introduction of new brands. The two new brands i.e. Peugeot and Kia are from Europe and Korea respectively. Therefore, the Company has not violated any terms and conditions in Mazda Japan's Distributorship Agreement. Besides, the Company has obtained Mazda Japan's approval before embarking on its expansion plan.</p>
<p>Q11.</p>	<p>What's the strategy for Kia and Peugeot brand?</p> <p>The Chairman replied that the Company is currently focusing on rebuilding the brand image and brand equity to ensure that the delivery process to customers are further enhanced and improved the customers' confidence on these two new brand. The Company does not foresee any major issues based on the current track record and reputation with Mazda.</p>
<p>Q12.</p>	<p>What's the prospect of the Company in the coming one year?</p> <p>The Chairman replied that Mazda is still a strong brand, and he hope that the Company will be able to rebuild the brand image of Peugeot and Kia which already have a long history in Malaysia and that these two new brands will contribute significantly to the revenue of the Company in the near future.</p>
<p>Q13.</p>	<p>What products/ services does the Company have in the pipelines to continue its growth?</p> <p>The Chairman replied that the Group will continue to grow by accepting the appointment of the new distributorship with Peugeot and Kia during the financial year 2021. Thereafter, exploring and rebuilding these two brands and the success of these two brands will contribute significantly to the business and revenue of the Company.</p>

<p>Q14.</p>	<p>What is the Company doing to maintain or improve profit margins?</p> <p>The Chairman replied that the Company has been continuously reviewing the cost of operation and improving efficiency by training the employees to increase their productivity. The Company’s on-going development program also focuses on increasing the Company’s human capital.</p>
<p>Q15.</p>	<p>Does setting up more Completely Knocked Down (“CKD”) plants for Mazda reduce selling price of the cars?</p> <p>Could that be a strategy to push more sales?</p> <p>The Chairman replied that CKD operation will push the price of vehicles down in view of the Government’s industrial adjustment fund focusing on improving the localization content for CKD cars. There is a down side to this mainly due to the fact that CKD operation activities involve investments. Unless and otherwise, we believe that the products that is going to be CKD must have substantial volume then only we will consider. However, there is an opportunity arises recently for the Company to re-introduce another CKD model for Mazda and this is already in the pipeline. Hence, we believe this will increase the Company’s total sales volume for Mazda. Besides that, CKD vehicles will also be available for Kia and Peugeot.</p>
<p>Q16.</p>	<p>What is the profit/loss of the Kia and Peugeot business?</p> <p>And in the near term, will the profit margin be positively or negatively affected by this?</p> <p>The Chairman replied that the Company is in the process of rebuilding the brand image of these 2 brands at the same time the Company is very cost conscious. The Company will mainly focuses on rebuilding the brand equity by undertaking restructuring exercise in the dealer network and re-profiling the brand as well as introducing more sustainable products which is in line with the local requirements. Hopefully this will be successful and able to contribute to the Group’s overall revenue.</p>
<p>Q17.</p>	<p>How does Porsche setting up assembly plant help the Company?</p> <p>The Chairman replied that there is no direct relationship to the Company.</p>
<p>Q18.</p>	<p>As a shareholder, do we have any discount for buying vehicles under this Company?</p> <p>The Chairman replied that there is no specific discount given to the shareholders. The Company will focus on doing marketing, and we believe that as a shareholder, you would like to see the Company having a very discipline organization that will instill confidence in terms of consumer purchases. Our focus is to give good customer experience on our products.</p>

Q19.	What will be the Company's next CKD model and when it will arrive? The Chairman replied that there will be a new CKD model for Mazda, Kia, and Peugeot and we will announce when the timing is right.
Q20.	Any plans for BAuto to expand business to offer financial services to customer who purchase new Mazda? The Chairman replied that there is no plan to offer financial services at this moment.

Part B – Questions received via query box

NO.	QUESTIONS AND ANSWERS
Q1.	<p>Media and analyst reports have highlighted the legacy issues from the previous Peugeot and Kia cars sold in Malaysia where there were many issues relating to services etc. resulting in negative consumer experience.</p> <p>Will BAUTO be required to address all these legacy issues now that it is the main distributor of these 2 marques?</p> <p>The Chairman replied that the Company's current main responsibility is to rebuild the brand equity and brand value as well as the brand image and also regain customer's confidence.</p>
Q2.	<p>When can we expect the Peugeot and Kia side of business to contribute positively to the Group?</p> <p>The Chairman replied that it takes time, approximately one and a half years and we believe that with the introduction of the CKD products and also the rebuilding of the networks for both brands, i.e. Peugeot and Kia, these two brands will contribute positively to our overall Company's growth.</p>
Q3.	<p>May I know if there is any immediate plans to start publish monthly sales figures for Peugeot and Kia in Malaysia?</p> <p>So far I can only see Mazda's monthly sales figures published.</p> <p>The Chairman replied that it is in a transition period now. It is the Company's obligation to produce the necessary figures once sales activities has been started to the Malaysian Advertisers Association ("MAA") and they will publish the figures accordingly for public review.</p>
Q4.	<p>Can we have hybrid AGM in the future?</p> <p>Shareholders who choose not travel to the physical venue can still participate.</p> <p>The Chairman replied that the Management will consider this depending on the circumstances, the environment and the need to do it.</p>
Q5.	<p>Will BAUTO achieve more than 10k units car by this year?</p> <p>The Chairman replied that it all depends on numerical factors including the MCO lock down, the semi-conductor shortages issues, customer confidence and etc.</p>
Q6.	<p>With Quarter 1 ended 31 July 2021, the revenue and earnings dropped what will be the outlook for the next three Quarters?</p> <p>The Chairman replied that the next quarters will be better because there was a 2 months of shutdown in the first quarter and we only depended on the first month of the first quarter. In second financial quarter, the economy is opening and based on the current unit sales trend, it looks encouraging. Hence, the next</p>

	quarter's results probably will be significantly better.
Q7.	<p>What is the current capacity usage of the Inokom plant?</p> <p>Latest media reported that Sime Darby Motor have indicated their intention to JV with Porsche to CKD new models for the Malaysian and eventually ASEAN market. Any increase of investment required from shareholders of Inokom?</p> <p>The Chairman replied that Mazda operation within the Inokom plant have their own manufacturing facilities and thus, have enough capacity for the Mazda operation. The other contract assembly for the other brands is in a different manufacturing facility from Mazda. The only shared facilities are the common paint shop which certain brands may not utilize this facility.</p>
Q8.	<p>Why the Company's dividend payout ratio for 2021 is lower even though the profit before tax is higher than 2020?</p> <p>The CEO replied that as stated in the previous AGM, the Management has capped the payout of dividend at 50% ratio. The other reason was due to the possible funds employed for CAPEX. The Company will pay more if there is no CAPEX at year end. It will still be capped at 50% ratio and is dependent on whether there are new projects to be undertaken in the future, if any. This was also the reason for the slight reduction in 2021 dividend payout. We will endeavor to pay out as much dividend as possible provided there is no heavy CAPEX moving forward and shall recommend to the Board for a higher dividend payout after year end after taking into account the working capital and CAPEX requirements of the Group.</p>
Q9.	<p>1) How is the progress of new business of PSA (Peugeot, Citroen and DS) and Kia?</p> <p>2) Any assembly CKD plan for PSA (we know currently CKD from NAZA Group) car and KIA?</p> <p>3) Since 12th Malaysia Plan mentioned about EV Road MAP, what is company strategy for EV car, and when will it launch?</p> <p>The Chairman replied that Peugeot has a manufacturing facility in Gurun and they will continue to produce products from there. Currently, BAUTO is representing them in terms of the brand, Peugeot and they currently have three CKD models in the pipeline with an additional CKD model in the near future.</p> <p>As for Kia, it is still in the planning stage and there is a tentative contract assembly agreement signed with Inokom to introduce CKD Kia products.</p> <p>As far as the 12th Malaysia Plan is concerned, the Company is evaluating and doing certain research on certain EV products, and bringing in products from our principal manufacturers, Kia and Mazda to evaluate such EV and PHEV products for suitability in our Malaysian market.</p> <p>The CEO clarified that the Company is purchasing cars from PSA Group (now known as Stellantis Group) and is not from Naza Group. Naza Group is totally not involved in the operations of Peugeot since they have given up the</p>

	distributorship of Kia and Peugeot.
Q10.	<p>What would be the upcoming Mazda CKD models?</p> <p>The Chairman replied that the Company is evaluating a probable CKD SUV and it will contribute significantly to our Mazda's operation in terms of volume.</p>
Q11.	<p>What are the challenges ahead should you like to introduce / promote more EV in the future?</p> <p>The Chairman explained that one of the challenges is the infrastructure and another is the ability of our local technicians to support the introduction of EV in our country. As such, we are in the midst of providing education and training to the staffs in preparation on not only EV products but the next generation products. This is because the next generation products involve a lot of digitalization and inboard computers automobile which is totally different from the traditional automotive technology.</p>
Q12.	<p>Is there any plan to upgrade the current Mazda 2S and 1S centres operated by Bermaz to 3S centres?</p> <p>The Chairman replied that as mentioned earlier the Company is trying to reduce dealership cost of doing business and making them more viable and profitable. So we are reviewing the existing dealer network to create a hybrid system of business operation that will ensure sustainable returns for dealer operators.</p>
Q13.	<p>Page 15 of AR mentions that the Group has ventured into the wholesale and retailing of automotive spare parts to address concern of vehicle owners during post warranty period.</p> <p>How does the Group balance the benefits against the higher capital requirement necessary to hold various inventories?</p> <p>The Chairman replied that in the automotive business, there is a necessity to hold a certain level of inventories. Our spare part business for vehicles that are already post warranty is to ensure that the ownership cost will be maintained at a lower level. These spare parts will be service items and generate a quick turnover. Of course, this second branding will be more cost effective as well as a lower retail price to lower the cost of ownership for customers.</p>

Part C – Questions received via query box (Not Answered during the Meeting)

NO.	QUESTIONS
Q1.	<p>What is the biggest mistake you have made last year and what have you done about it?</p> <p>None that the Company is aware of.</p>
Q2.	<p>Who is your head of sales & marketing and what is his/ her track record and credentials?</p> <p>Brief write-ups of the Head of Sales and Head of Marketing are set out in Page 10 of the Annual Report 2021.</p>
Q3.	<p>What have you been doing that your competitors have not?</p> <p>No comments. It is not the Company's policy to comment on this matter.</p>
Q4.	<p>Who are the competitors you want to eliminate the most? Why?</p> <p>No comments. It is not the Company's policy to comment on this matter.</p>
Q5.	<p>May I know how company position Kia and Peugeot, these 2 new brands will affect Mazda sales volume?</p> <p>How the Company position this 2 new brand and what marketing strategies Company is doing?</p> <p>The 2 new brands (Peugeot and Kia) are expected to complement the existing Mazda brand and will provide a wider range of products to cater to different market segments and preference of the consumers.</p>
Q6.	<p>What is the company's sales target for 3 marques in Malaysia: Mazda, Peugeot & KIA for FY2022 and FY2023 and how much estimated profit KIA and Peugeot can bring to BAUTO?</p> <p>What are the sales volume targets for Mazda, Kia and Peugeot respectively, for FY22 and FY23?</p> <p>How long may it take for Kia and Peugeot to reach substantial scale, approaching that of Mazda volume?</p> <p>Would management target sales of Kia and Peugeot nearly or more than Mazda?</p> <p>How long would achieve these target sales?</p> <p>In the past, the average annual sales volume for Mazda is about 11,000 – 12,000 units. The Company hopes to maintain such sales volume amidst the current pandemic. For the 2 new brands, the Company is focusing at rebuilding their brand images and consumers' confidence in them. As such, sales for these two brands is not expected to be material.</p>

<p>Q7.</p>	<p>We have seen the impact of MCO3.0 to company's FY2022 Q1 performance. Do we expect another weak performance on production, sales and after-sales segment in Q2 FY2022 performance, consider that CKD plant in Kedah still under Phase 1 NRP, where only 60% of the workforce are allowed?</p> <p>The lockdown in June'21 had impacted the entire automotive industry. However, the overall economy is expected to gradually improve with the relaxation on the movement control measures as more States transitioned into Phase 3 & 4 of the NRP.</p>
<p>Q8.</p>	<p>Can BAUTO management updates shareholders on the progress of BAUTO - KIA JV?</p> <p>Can BAUTO management shares their prospect on EV cars in Malaysia and ASEAN?</p> <p>As stated in Part B Q9, Kia JV is still in the planning stage and a contract assembly agreement had been signed with Inokom to introduce CKD Kia products.</p> <p>The Company is currently evaluating and researching on the viability and suitability of such EV products being introduced in the Malaysian market.</p>
<p>Q9.</p>	<p>What is the progress in consolidating the dealership network which has started in 2017?</p> <p>Will existing network sell Kia and Peugeot?</p> <p>What is the management's view on replacing the retail automotive dealership model with the agency model to save operating cost based on an article titled "Removing the middleman in the automotive industry" published in TheEdgeMarkets on 14-August-2021?</p> <p>As mentioned in Part A Q7, the Company is currently evaluating ways to reduce the operational costs and the number of dealerships. To provide better customers' experiences, the after-sales services will be managed by the Company whilst the dealers will focus on sales.</p> <p>The Company is considering the incorporation of a subsidiary to manage the 3 brands under one-roof to have better cost management and economies of scale.</p>
<p>Q10.</p>	<p>An analyst report in June mentioned that the Group has set a sales target of 14,000 units for FY22.</p> <p>What is the progress in the first 5 months of FY22?</p> <p>What is the likelihood to achieve or even exceed the target?</p> <p>The lockdown in June'21 had adversely impacted the entire automotive industry. The recent relaxation of movement control measures in the country is expected to bring positive impact to the overall economy. The Group shall use its best endeavor to try achieve the sales target by the end of financial year 2022.</p>

<p>Q11.</p>	<p>Any door gifts/ e-vouchers/e-wallets?</p> <p>None for the current AGM. Nevertheless, the Company wishes to thank all the shareholders for their continued support and confidence in the management of BAuto.</p>
<p>Q12.</p>	<p>Requisition of the hardcopy of the Company's Annual Report.</p> <p>Kindly note that we will notify Berjaya Registration Services Sdn Bhd on your request.</p>
<p>Q13.</p>	<p>What's the total quantity of Mazda vehicle sales in September 2021?</p> <p>The total car registration with JPJ for Mazda vehicle in September 2021 was 822 units.</p>
<p>Q14.</p>	<p>What is the expected investment the Company has budgeted for its new investment for the Peugeot and Kia distribution and sales for FY2022?</p> <p>Which model will be first to be launched in FY2022?</p> <p>For Kia JV, the initial capital was RM60 million, of which BAuto's portion is RM20 million (33.3%). The estimated CAPEX to build the 1st Kia CKD production line in Inokom is about RM24 million.</p> <p>The Company will organize roadshows for Peugeot and Kia models as and when the timing is appropriate.</p>
<p>Q15.</p>	<p>How much does the company spend on this virtual AGM?</p> <p>The cost of organizing a virtual AGM is significantly lesser than that of a physical AGM as the Company saves on rental of meeting venue, refreshments and other logistics arrangements.</p>
<p>Q16.</p>	<p>Can the Board/Management share its strategies with shareholders on how it is going to ensure that the newer models from its newly acquired marques, i.e. Kia and Peugeot not "competing" directly with its core Mazda model. For e.g. Mazda CX-30 and Mazda CX-5 vs Kia Carnival.</p> <p>Please refer to the reply in Part C Q5 above.</p>
<p>Q17.</p>	<p>Vehicles sales benefited greatly with the Government's extension of SST exemptions on new cars till 31st Dec 2021; Please explain how much has the Company taken advantage to improve your revenue and profits this FY?</p> <p>What will be our performance expectations post SST exemptions; Please elaborate extent of impact going forward?</p> <p>How will electric vehicles impact traditional internal combustion vehicles and is our company acting on this?</p> <p>The Group shall continue to capitalize on its existing networking strength, sales and after sales support for its existing Mazda brand as well as introducing new/facelift models to sustain its revenue and market share.</p>

	<p>The venturing into the distributorship of 2 new brands (Peugeot and Kia) is to complement its existing Mazda brand business and to provide a wider range of products to cater to different market segments and consumers' preferences.</p> <p>The Company is currently evaluating and researching on the viability and suitability of EV products to be introduced into the Malaysian market.</p>
Q18.	<p>ORDINARY RESOLUTION 6 TO APPROVE THE AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016.</p> <p>Issuing bonus issue as mother share?</p> <p>The purpose of this mandate is to provide flexibility to the Company to raise funds (via issuance of new shares not exceeding 10% of the existing issued share capital) to fund future investment project(s), for working capital purposes and/or acquisitions, if any.</p>
Q19.	<p>How long are the distributorship agreements with Kia and Peugeot respectively?</p> <p>3 years</p>
Q20.	<p>What gives our company confident to turn around the sales of out of radar Kia and Peugeot cars from competitors?</p> <p>Do you think marketing/after-sales service, or the Brand itself plays the major role?</p> <p>As mentioned in Part A question no. 1, the Company will have a strategy to manage customers' experience and be the "Distributor of Choice". The Company will continue to fulfill customers' satisfaction and provide a rich and rewarding ownership experience to the customers through the selling of reputable brands that are safe, emotional, good driving experience, value for money and also well designed with advanced technology.</p> <p>The Company has in placed several in-house training centres to train staff to be qualified technicians, sales and after-sales personnel in order to provide better services to its customers. Fresh graduates from local institutions such as MARA, Polytechnic, and TARC have been hired and trained in order for the Company to remain relevant and provide employment for local graduates.</p>
Q21.	<p>What's the next strategy after rebuilding Kia and Peugeot sales?</p> <p>At the moment, the Company's primary objective is to focus on maintaining its Mazda brand sales and rebuilding the reputation and consumers' confidence in the Peugeot and Kia brand. Upon achieving this, the Group will look into managing these brands in the most efficient manner, providing good ownership experience to its customers and maximizing returns to its shareholders.</p>

Note: Similar questions pertaining to the same subject matter is grouped and a single response is provided.