

KAMDAR GROUP (M) BERHAD
Registration No. 200201010077 (577740-A)
Incorporated in Malaysia

MINUTES of the Fully Virtual 20th Annual General Meeting of the Company held at the Broadcast Venue, at Board Room, 7th Floor, No 113, Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur on Monday, 28 November 2022 at 3.00 p.m.

BOARD OF DIRECTORS : Mr. Kamal Kumar Kishorchandra Kamdar (Chairman)
Ms. Chia Lee Hoon
Mr. Vicknaraj A/L Jayaraj
Ms. Pragna A/P K M Kamdar
Ms. Lim Chai Har

IN ATTENDANCE : Mr. M. Chandrasegaran (Company Secretary)
Ms. Nicole Goh (Assistant to Company Secretary)

SHAREHOLDERS : As per attendance list

PROXY HOLDERS : As per attendance list

BY INVITATION : As per attendance list

1. CHAIRMAN

The Chairman welcomed the shareholders and proxies for participating remotely from various locations through live streaming. The Chairman then proceeded to introduce the members of the Board of Directors and the Company Secretary who were seated with him at the broadcast venue. He also informed the meeting that the External Auditors, Mr Steve Ooi of Messrs TGS TW PLT will be participating remotely.

2. QUORUM

The Secretary confirmed that a quorum was present. The Chairman declared the meeting duly convened.

3. NOTICE

The Notice of the AGM dated 28 October 2022, together with Annual Report for the financial year ended 30 June 2022 having been circulated to the shareholders within the prescribed statutory period and released to Bursa Malaysia on 28 October 2022 was taken as read.

4. MEETING VOTING PROCEDURE

The Secretary informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll.

In this regard, the Secretary informed that the Company has appointed Mega Corporate Services Sdn. Bhd. as the Poll Administrator to conduct the polling process, and Cygnus Technology Solutions Sdn. Bhd. as the Independent Scrutineer to verify the poll results.

Shareholders were informed that for good administrative purposes the polling process for all the resolutions will be conducted upon completion of the deliberation of all items to be transacted at the AGM.

The Secretary then informed the meeting on the voting procedure.

5. POINTS RAISED BY THE MINORITY SHAREHOLDER WATCHDOG GROUP ("MSWG")

Before proceeding with the Business of the Meeting, the Chairman informed the meeting that the Company have received points raised by MSWG in relation to Strategic and Financial matters as well as Corporate Governance matters for this AGM.

The Company Secretary then read out the points raised by MSWG and the answers to the points raised which are attached herein **Appendix I**.

6. POINTS RAISED BY A MAJOR SHAREHOLDER, MR BIPINCHANDRA A/L BALVANTRAI ("MR BIPIN")

The Chairman informed that the Company has also received queries from Mr Bipin, a major shareholder of the Company with regard to Operational and Financial matters of the Company.

The Chairman read out the points raised by Mr Bipin and the answers to the points raised which are attached herein **Appendix II**.

7. BUSINESS OF THE MEETING

7.1 Audited Financial Statements for the financial year ended 30 June 2022 together with the Directors' and Auditors' Reports thereon

The Chairman proceeded to the business of the meeting and informed that the First Agenda was to receive the Audited Financial Statements for the financial year ended 30 June 2022 together with the Reports of the Directors and Auditors thereon. He added that this Agenda was meant for discussion only in accordance with the provisions of Section 251(1)(a) of the Companies Act 2016 and would not be put forward for voting.

The Chairman invited questions from the floor on the reports and accounts.

The detailed Questions and Answers (Q&A) are attached herein in **Appendix III**.

The Chairman then declared that the Audited Financial Statements for the financial year ended 30 June 2022 and the Reports of the Directors and Auditors thereon duly received.

7.2 Directors' Fees – Ordinary Resolution 1

The following motion was duly put forward for voting: -

"To approve the payment of Directors' fees and Meeting Allowance for the Non-Executive Directors of the Company of up to RM153,600.00 from this 20th AGM until the next AGM in 2023 of the Company and the Directors' Fees be payable monthly in arrears.

7.3 Re-Election of Director (Lim Chai Har)– Ordinary Resolution 2

The following motion was duly put forward for voting: -

"To re-elect the director, Ms Lim Chai Har retiring pursuant to Article 109 of the Company's Constitution and being eligible, offered herself for re-election."

7.4 Re-Election of Director (Vicknaraj A/L Jayaraj)– Ordinary Resolution 3

The following motion was duly put forward for voting: -

"To re-elect the director, Mr Vicknaraj A/L Jayaraj retiring pursuant to Article 102 of the Company's Constitution and being eligible, offered himself for re-election."

7.5 Re-Appointment of Auditors – Ordinary Resolution 4

The following motion was duly put forward for voting: -

"To re-appoint Messrs TGS TW PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration".

7.6 Authority to allot shares pursuant to Section 75 (1) and Section 76 (1) of the Companies Act 2016 – Ordinary Resolution 5

The proposed Ordinary Resolution 5 as detailed below was put forward for voting: -

"THAT pursuant to Section 75 and 76 of the Companies Act 2016 ("the Act") and subject to the approvals from the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority AND THAT the Directors be and are also hereby empowered to obtain the

approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.

AND THAT pursuant to Section 85 of the Act, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new Company shares ranking equally to the existing issued Company shares arising from any issuance of the new Company shares pursuant to Sections 75 and 76 of the Act."

7.7 Proposed Amendments to the Constitution of the Company - Special Resolution

The following motion was duly put forward for voting: -

"THAT the Constitution of the Company be and is hereby amended in the manner as set out in Appendix I of the Company's Annual Report 2022 to be in line with the Companies Act 2016 and Bursa Malaysia Securities Berhad MAIN Market Listing Requirements.

AND THAT the Directors be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the Proposed Amendment to the Constitution of the Company."

There being no other matter, the meeting then proceeded to vote and was adjourned to give time for the Poll Administrators and the scrutineer to conduct the polling process and verify the poll results respectively.

Upon receipt of the results from the Scrutineers, Cygnus Technology Solutions Sdn Bhd, the Chairman resumed the meeting and declared all five (5) Ordinary Resolutions DULY CARRIED and the Special Resolution NOT CARRIED as detailed below:

Resolution	Voted For		Voted Against		Results
	No. of Shares	%	No. of Shares	%	
Ordinary Resolution 1 To approve the payment of Directors' Fees and Meeting Allowance	91,132,840	57.4365	67,534,360	42.5635	Carried
Ordinary Resolution 2 Re-election of Director – Ms Lim Chai Har	101,056,426	59.9455	67,524,030	40.0545	Carried
Ordinary Resolution 3 Re-election of Director – Mr Vicknaraj A/L Jayaraj	101,056,466	59.9455	67,523,990	40.0545	Carried

Ordinary Resolution 4 To re-appoint Messrs TGS TW PLT as Auditors of the Company	101,056,356	59.9455	67,524,000	40.0545	Carried
Ordinary Resolution 5 Authority to allot shares	101,055,986	59.9453	67,524,470	40.0547	Carried
Special Resolution Proposed Amendments to the Constitution of the Company	101,054,396	59.9443	67,526,060	40.0557	Not Carried

8. CONCLUSION

There being no further business, the meeting concluded at 4.20 p.m. with a vote of thanks to the Chair.

Confirmed,



Kamal Kumar Kishorchandra Kamdar
Chairman

Dated: 27 February 2023

APPENDIX I

This is the questions raised by the Minority Shareholder Watch Group (MSWG) as attached to the Minutes of the 20th Annual General Meeting of the Company duly held at Broadcast Venue at Board Room, 7th Floor, No. 113, Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur on Monday, 28 November 2022 at 3.00 p.m. and signed by me.



Kamal Kumar Kishorchandra Kamdar
Chairman

QUESTIONS RAISED BY THE MSWG

Operational & Financial Matters

Q1	Due to Covid-19 pandemic and a shift in consumers' demand, taste and preferences, and proliferation of e-commerce which erodes the market share of the group's brick-and-mortar businesses, the group's revenue has declined from RM140.5m (annualised) for FY2018 to RM60.5m for FY2022. On page 15 and 16 of KAMDAR's Annual Report FY2019, the company had listed active measures taken to weather these changes.
Q1(i)	Does the Board expect the group's revenue to rebound in the foreseeable future following the reopening economy and as we move into endemicity?
ANS to Q 1(i)	Yes, the Board does expect some rebound in the foreseeable future.
Q1(ii)	Are the above measures taken to weather the changes, as listed in the Annual Report FY2019, effective in revitalising the group's textile business? If not, what are the new measures to be taken to evolve and change to adopt to the changing business environment?
ANS to Q 1(ii)	We believe that the measures are needed and viable at this time. Many of these measures we were not able continue due to the Covid-19 Epidemic. We are now in the process of implementing these efforts. It will take time to see results.
Q2.	In FY2022, the group has shut down its store operations at No. 171, JalanTuanku Abdul Rahman, Kuala Lumpur and rented out the property for rental income. It has also scaled down the store at Kota Kinabalu. In Penang, the group has sold a warehouse which was previously used for wholesaling of textiles. Is the group planning for further rationalisation of the group's business in FY2023 to streamline its operations and reduce cost? If so, how many stores are targeted under the rationalisation exercise for FY2023 and how much savings could be expected from the streamlining exercise?
ANS to Q2	We are studying the recovery of the business in the stores and will only decide on closures once it becomes clear what the new norm of business turnover and profitability we can expect from each store.

Q3	The increase in the minimum monthly wages from May 2022 from RM1,200 to RM1,500 has increased KAMDAR's cost of operations and is expected to impact its profitability going forward. Also, assuming the amendments to Employment Act which include reduced working hours, overtime pay and increased maternity leave and paternity leave are implemented from 1 January 2023, what is the expected financial impact to the group for FY2023?
ANS to Q3	The financial impact to the Group for FY 2023 estimated to RM2.5 million to RM3.0 million additional expenditure. However, it is too early to estimate till the actual implementation takes place.

Corporate Governance Matters

Q4	Practice 1.3 of the Malaysian Code on Corporate Governance 2021 advocates a separation of the positions of the Chairman and CEO in order to promote accountability and facilitate the division of responsibilities between them. A Chairman leads the board in overseeing the management team, including deciding on the appointment, compensation and replacement of CEO, while the CEO focuses on the business and day-to-day management of the company. As such, a separation of the roles of the Chairman and the CEO increases the board's independence from management and thus leads to better monitoring and oversight. While the Non-Executive Directors comprises 60% of the Board size, the Independent Directors make up only 40% of the Board size.
Q4(i)	What are the measures that have been put in place to ensure the independence of the board in overseeing the management team especially since the Chairman who leads the board is also the CEO of the Company?
ANS to Q4(i)	<p>The Non-Executive Directors are independent from Management. Their roles are to provide a balance view, to constructively challenge Management and monitor the success of Management in delivering the approved targets and business plans within the risk appetite set by the Board. They have direct access to the Management at all levels, and they engage with the external and internal auditors to address matters concerning Management and oversight of the Company's business and operations. As such the Board is of the view that the significant contribution of Non-Executive Directors which is made up of 60% of the current Board's size, provides for the relevant checks and balance.</p> <p>An annual review is conducted to assess the independence of non-executive directors to ensure they remain independent in judgement and decisions are made objectively.</p>
Q4(ii)	At the 18th and 19th AGM of the company, the Board replied that the company was looking for a suitable candidate to take up the position of Chairman. What are the difficulties faced by the company in identifying a suitable candidate for the position of Chairman and what is the Board's action plan?
ANS to Q4(ii)	<p>The Company had approached several candidates but did not materialised.</p> <p>The Company is still looking for the right candidate to take the Chairman's position.</p>

	Q4(iii)	Has the company set a target timeline for the appointment of Chairman?
	ANS to Q4(iii)	No, it has not.

APPENDIX II

This is the questions raised by Mr Bipinchandra A/L Balvantrai as attached to the Minutes of the 20th Annual General Meeting of the Company duly held at Broadcast Venue at Board Room, 7th Floor, No. 113, Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur on Monday, 28 November 2022 at 3.00 p.m. and signed by me.



Kamal Kumar Kishorchandra Kamdar
Chairman

POINTS RAISED BY MR BIPINCHANDRA A/L BALVANTRAI, A MAJOR SHAREHOLDER OF THE COMPANY

Q1	What are the Key Performance Indicators ("KPI") of the working directors and how are they monitored?
ANS to Q1	<p>The KPI of the working Directors is based on the level of performance of the respective duties by the director.</p> <p>Key tasks include overall management of the Company and indicators include turnover and profitability, management of the Company's resources and assets, maintaining the financial health, debt management, strategic planning including adapting to circumstances and meeting the challenges faced by the business.</p> <p>The remuneration is additionally adjusted for inflation and for any additional duties that the directors have to undertake.</p>
Q2	The Managing Director's family members are working in the Company, what are their Key Performance Indicators and it should be monitored by the Independent Non-Executive Directors as there could be a conflict of interest?
ANS to Q2	Noted. The matter will be discussed by the Board.
Q3	<p>These properties that has been purchased that have been lying idle for a long time:-</p> <ul style="list-style-type: none"> a) Lot 2436, Jalan Akuatik 13/A, Seksyen 13, 40100 Shah Alam acquired on 3 August 2011. b) 289, Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur acquired on 12 September 2013. c) A1, A3, A5, A7, A9, A11, A13, A15, A17, Lorong Pasar Baru 2, Jalan Tun Ismail, 25000 Kuantan, Pahang acquired on 27 August 2014. <p>What initiatives have been taken on these properties in order to derive income from them?</p>

ANS to Q3	The Shah Alam and 289, Jalan Tuanku Abdul Rahman properties have been put up for sale. The Kuantan property was undergoing renovation which had stopped due to COVID and the project is being restarted with quotations being sought for the work.
Q4	The property bearing address 429, 431, 433 and 435, Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur has been lying idle for a few years, what are the initiatives taken on these properties?
ANS to Q4	These properties have been put up for sale.
Q5	What action has the Company taken to remove my name in the personal guarantee for facilities obtained from Maybank for Pusat Membeli-belah Kamdar (Penang) Sdn Bhd.
ANS to Q5	The Company have constantly asked Maybank to remove the said personal guarantee, but it was rejected by the bank. The Company have contacted the Deputy Head of Bangsar Business Centre recently to appeal with Maybank's top management to remove the said personal guarantee. As requested by Mr Bipinchandra, the Company will forward the correspondences between the Company and Maybank to Mr Bipinchandra for his record.

APPENDIX III

This is the questions raised by the shareholders/proxies as attached to the Minutes of the 20th Annual General Meeting of the Company duly held at Broadcast Venue at Board Room, 7th Floor, No. 113, Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur on Monday, 28 November 2022 at 3.00 p.m. and signed by me.



Kamal Kumar Kishorchandra Kamdar
Chairman

QUESTIONS RAISED BY THE SHAREHOLDERS/PROXIES AT KAMDAR GROUP (M) BERHAD'S 20th AGM

No.	Questions	Answers
1.	How much did the Company spend on this virtual AGM?	Chairman replied that the Company had spent approximately RM9,000 for the virtual 20th AGM.
2.	Will the Board consider giving door gift such as e-vouchers or e-wallets for those participating in this AGM as a token of appreciation?	The Chairman replied that the Board of Directors after due deliberation, concurred not to provide door gifts such e-vouchers or e-wallets to the shareholders/proxies participating in this AGM.
3.	How could I request a printed hard copy of the Company's annual report.	Chairman requested the shareholder to fill-up the Annual Report 2022 Requisition Form and submit to the Company's Share Registrar and a hardcopy of the Annual Report 2022 will be forwarded to him as soon as reasonably practicable after the receipt of the request.
4.	May I know if the Company would consider to resume physical AGM?	The Chairman replied that Malaysia had entered into the transition to Endemic but the Company is still recommended to conduct AGM virtually in order to curb the spread of COVID-19.
5.	May I know, what is the company's future outlook?	The Chairman replied that the Company's future outlook is stated in the Management Discussion and Analysis of the Annual Report 2022.
6.	How can the shareholder obtain a copy of the minutes of the last AGM?	The Chairman replied that the Minutes of the last AGM which has been uploaded onto the Company's website can be downloaded and printed out.

7.	Have the Independent Non-Executive Director ("INED") of the Company aware that to date the Non-Independent Non-Executive Director of the Company have to date not made the board accountable in terms of all the past recommendations. This includes the corporate structure and the concentration of families and their powers on the running of Kamdar.	<p>Ms Lim Chai Har, the Chairman of the Audit Committee ("Ms Lim") replied that the Company have in place an internal control system and procedures.</p> <p>She added that the Company had implemented proper segregation of duties to ensure sufficient checks and balances.</p> <p>As compared with previous years, the level of family involvement in Kamdar has decreased significantly.</p>
8.	Do you think a board like Kamdar can or has a foreseeable future where there is no CEO, COO or even a General Manager?	Ms Lim replied that the current business operations are carried out smoothly. The Board of Directors and Management team are working hard to improve the Company's business and performance during the current endemic phase in Malaysia.
9.	What have the INED done for the minority shareholders when Mr Kamal has been the CEO/Chairman/MD/Shareholder for the last 10 years? Are INED aware of the fiduciary duties in terms of acting independently and challenging the board that has remained inconsistent and non performing?	<p>Ms Lim replied that the INED of the Company are aware of their fiduciary duties in terms of acting independently and they do constructively challenge Management and review it's performance.</p> <p>There is pertinent checks and balances in the Company to ensure no one person in the Board has unfettered powers to make major decision for the Company.</p>
10.	Is Kamdar planning to delist the Company since the Company is not issuing any dividends and the company is on the decline? No point generating profits by selling off assets?	<p>The Chairman replied that Kamdar has no intention to delist the Company.</p> <p>The Chairman added that the main purpose of disposing the Penang warehouse is to let go non-essential assets from the books of the Company as Mr Hamendra who was running the Penang warehouse had retired in June 2022. Hence, they have to scale-down the business operations of Kesar Sdn. Bhd. ("Kesar") which now requires only a smaller size warehouse.</p>
11.	Is Kesar Sdn. Bhd. being wound up as well?	Chairman replied that Kesar is not being wound up. Kesar would be continuously operating but at a smaller business scale.