

**SERSOL BERHAD**  
**Registration No. 200201034397 (602062-X)**  
(Incorporated in Malaysia)

Minutes of the 21st Annual General Meeting (AGM or the Meeting) of Sersol Berhad (Sersol or the Company) held on a virtual basis through live streaming and online remote participation and voting from a broadcast venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on **Tuesday, 3 December 2024 at 11.00 a.m.**

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- DIRECTORS PRESENT** : Mr. Toh Boon Hsing (TBH) (Executive Director) (Meeting Chairman)  
Dato' Mohamed Suffian bin Awang (Executive Director)  
Mr. Leong Lup Yan (LLY) (Independent Non-Executive Director)  
Mr. Alan Ling Sie Kiong (Non-Independent Non-Executive Director)  
Mr. Tan Tong Lang (Non-Independent Non-Executive Director)
- ABSENT WITH APOLOGIES** : Ms. Lim Han Ying (Independent Non-Executive Director)
- MEMBERS PRESENT** : As per attendance list
- BY INVITATION** : Guest as per attendance list
- IN ATTENDANCE** : Ms. Wong Yuet Chyn (Company Secretary)

**CHAIRMAN**

TBS informed that the Board of Directors (Board) unanimously agreed that he took the chair of the Meeting as the Meeting Chairman of the Company and called the Meeting to order at 11.00 a.m. The Meeting Chairman then welcomed the shareholders, proxies and corporate representatives to the 21st AGM of the Company and then proceeded to introduce the Board, the Company Secretary and the External Auditors to the Meeting.

**QUORUM**

Based on the registration data as on 3 December 2024, there were 29 members or proxies or corporate representatives had registered for attendance of the AGM. And as of 11.00 a.m., 3 December 2024, there were 5 members or proxies or corporate representative had participated in the AGM virtually.

As informed by the Company Secretary that there being a quorum present, the Meeting Chairman declared the Meeting duly convened.

**NOTICE OF MEETING**

The Meeting Chairman informed that the 21st AGM was conducted on a virtual basis through live streaming and online remote participation and voting from the Broadcast Venue at Lot 4.1, 4th Floor,

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Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The Meeting Chairman notified that the notice convening the 21st AGM (Notice) had been despatched to all shareholders and the Auditors of the Company and the said Notice was advertised in the New Straits Times on 30 October 2024 in accordance with the Company's Constitution be taken as read.

**POLL VOTING**

The Meeting Chairman then guided through the procedures of the Meeting. He informed that voting on all resolutions set out in the Notice would be conducted by way of poll in accordance with Rule 8.31A (1) of the ACE Market Listing Requirements (AMLR) of Bursa Malaysia Securities Berhad (Bursa Securities). For this purpose, he has exercised his right as the Chairman of the Meeting to demand for a poll in accordance with Clause 77 of Constitution of the Company in respect of all resolutions which would be put to vote at 21st AGM.

The polling would be conducted electronically via the remote participation and voting facility and voting session had commenced from 11.00 a.m. until the announcement of the end of the voting session by the Meeting Chairman. In this respect, the Share Registrar, Workshire Share Registration Sdn. Bhd., had been appointed as the Poll Administrator to conduct the polling process and SharePolls Sdn. Bhd. as Scrutineer to verify the poll results.

The Meeting Chairman informed that the Board will deal with the shareholders' questions after the deliberation of the agenda. The Board would try their best to address all the questions by email at the earliest possible after the Meeting if the Board was unable to address all the questions received from shareholders and/or proxies.

The Meeting Chairman further informed that the Minority Shareholder Watch Group (MSWG) had vide its letter dated 26 November 2024 addressed to the Board sought information and clarification on the Operational & Financial Matters, Sustainability Matters and Corporate Governance Matters. For the information of the Shareholders, the MSWG's questions and the responses from the Management were presented as follows:

**Operational & Financial Matters**

- (1) *“As part of its strategy to ensure sustainable growth, the Group is expanding its product range to include high-quality protective coatings for marine and navy vehicles.”* (Page 3 of Annual Report 2024)
  - a) Given the strategic move to high-quality protective coatings for marine and navy vehicles, what market share does Sersol aim to capture in this niche?

**Answer**

The Company is not aiming to capture market share with the strategic move into the niche market of high-quality protective coatings for marine and navy vehicles as this sector is project-based and reliant on government budget allocation.

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- b) How competitive is the Group's R&D capability in this segment compared to established industry players?

**Answer**

While established industry players have an advantage in terms of scale, we differentiate ourselves through agility, tailored customer solution and a keen ability to adapt to market trends. The Company has also initiated R&D efforts to develop water-based plastic coatings, catering to environmentally conscious E&E manufacturers.

- (2) *"To manage regulatory compliance risks, the Group has established procedures and mechanisms to ensure full compliance and invests in major infrastructure upgrades periodically in anticipation of future regulatory demands."* (Page 5 of Annual Report 2024)

- a) Please clarify the primary focus areas of these regulatory demands.

**Answer**

The primary focus of these regulatory demands is in the areas of energy efficiency and waste management.

- b) How prepared is the Group to meet tightening environmental regulations in Malaysia and Thailand?

**Answer**

The Group is committed to establishing sustainability targets and addressing climate-related risks and opportunities in line with evolving regulatory standards. By 2027, the Group aims to align its climate-related disclosures with the Sustainability standards and TCFD recommendations.

- c) Are there any significant capital expenditures expected in the near term to meet such standards?

**Answer**

The Group intends to implement several key initiatives, including investments in energy-efficient equipment, advanced technology and improved waste management practices.

- (3) *"The Group will continue to focus on growth within its core business segments and remains steadfast in implementing cost optimisation and pricing strategies for its products to maintain competitiveness in the market."* (Page 5 of Annual Report 2024)

The Company spent RM11.79 million for purchase of other investment during the 18-month financial period ended 30 June 2024. (Statement of Cash Flows)

- a) Please elaborate on the strategic rationale of the RM11.79 million of other investment?

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**Answer**

The investment in quoted shares of RM11.79 million was made during the tenure of the former CEO, Datuk Justin Lim Hwa Tat (Datuk Justin).

- b) How does the said investment align with the Group's objectives to focus on growth within its core business segments?

**Answer**

It is unclear how the said investment aligns with the Group's objectives to focus on growth within its core business segments during the relevant period.

- c) What due diligence was conducted before making this investment, and what are the anticipated returns or benefits from this allocation?

**Answer**

Whether due diligence was conducted before making this investment or the anticipated returns or benefits from this allocation are unknown to the new Board and Management as the decision was made by the former CEO of Sersol Berhad, Datuk Justin. The Company is currently in the process of disposing of the other investments at the best possible value.

**Corporate Governance Matters**

- (4) Page 67 of Annual Report 2024 mentioned about management override of control during the former Managing Director's (MD) tenure from 1 January 2023 until his resignation. The former MD's involvement in key decisions, including financial reporting, contract approvals, and payment authorisations, suggests possible weaknesses in internal controls.

What lessons have been learned from this incident, and how will the Board ensure greater transparency and accountability to shareholders regarding significant internal control lapses?

**Answer**

The Board has taken valuable lessons from the incidents related to weakness in internal controls over financial reporting, contract approvals and payment authorisations. As a result, steps have been taken to strengthen internal controls and improve operating procedures in these areas. To ensure greater transparency and accountability to shareholders, the Board has enhanced reporting on financial and other disclosures and engaged internal audit functions to provide independent reviews of our governance practices.

- (5) Practice 1.2 of the MCCG stipulates that the Chairman of the Board, who is responsible for instilling good corporate governance practices, providing leadership and ensuring the Board's effectiveness of the board should be appointed.

The position of Chairman of the Board is currently vacant after the removal of Dato' Lim Tiong Siang as a Chairman of Sersol by the shareholders in the extraordinary general meeting held on 25 August 2023.

Does the Company have any plan to appoint a Chairman? If so, what is the anticipated timeline?

**Answer**

The Company is currently in the process of identifying the right candidate.

- (6) Practice 5.9 of the MCG stipulates that the Board comprises at least 30% women directors. The Board currently comprises five (5) male Directors and one (1) female Director.

In explaining the departure, the Board stated the Nomination Committee annually reviews the size, competencies, gender representation of the Board to ensure it remains diverse, which leads to better deliberations.

Does the Company have any plan to adopt Practice 5.9 of the MCG? If so, what is the anticipated timeline?

**Answer**

The Company plans to adopt Practice 5.9 of the MCG and is currently in the process of identifying the right candidate.

**Sustainability Matters**

- (7) *“We recognise the impact of energy use and greenhouse gases on climate change, which drives our dedication to sustainable and responsible operations. We are also seeking ways to reduce our carbon footprint, focusing on minimising our environment impact through the implementation and promotion of eco-friendly initiatives.”* (Page 22 of Annual Report 2024)

What specific measures has the Group implemented to reduce its carbon footprint, particularly in energy-intensive operations like manufacturing and production? Are there any quantified targets for greenhouse gas emissions reduction?

**Answer**

The Group is committed to implementing balanced, comparable and meaningful measures to reduce its carbon footprint, particularly in the Scope 1 and 2 emissions related to energy consumption and waste generation. The Group has implemented initiatives such as working from home, virtual meetings and the adoption of electronic signature practices to address upstream emissions.

The Meeting Chairman then proceeded with the Agenda of the Meeting.

**1. AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 (FPE 2024) TOGETHER WITH THE DIRECTORS AND AUDITORS REPORTS THEREON**

The Meeting Chairman proceeded to item 1 of the Agenda which was to receive the Company’s AFS for the FPE 2024 together with the Reports of the Directors and Auditors thereon, as set out in the Annual Report 2024.

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The Meeting Chairman informed that the AFS together with the Directors and Auditors Reports for the FPE 2024 were duly tabled and received at the 21st AGM in accordance with Section 340(1)(a) of the Companies Act 2016 (CA 2016). He further explained that the AFS for FPE 2024 were for discussion only as they did not require shareholders' approval. Hence, the AFS would not be put forward for voting.

**2. PAYMENT OF DIRECTORS' FEES TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY AND ITS SUBSIDIARIES OF UP TO RM300,000.00 FOR THE PERIOD FROM 4 DECEMBER 2024 UNTIL THE CONCLUSION OF THE NEXT AGM OF THE COMPANY**

The Meeting Chairman proceeded to **Ordinary Resolution 1** which was to approve the sum of RM300,000.00 as Directors' fees to the Non-Executive Directors of the Company and its subsidiaries for the period from 4 December 2024 until the conclusion of the next AGM of the Company.

The Meeting Chairman closed the resolution and proceeded with the next resolution.

**3. PAYMENT OF DIRECTORS' BENEFITS COMPRISED OF MEETING ALLOWANCE TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY OF UP TO RM60,000.00 FOR THE PERIOD FROM 4 DECEMBER 2024 UNTIL THE CONCLUSION OF THE NEXT AGM OF THE COMPANY**

The Meeting Chairman proceeded to **Ordinary Resolution 2** which was to approve the sum of up to RM60,000.00 as Directors' benefits comprised of meeting allowance to the Non-Executive Directors of the Company for the period from 4 December 2024 until the conclusion of the next AGM of the Company.

The Meeting Chairman closed the resolution and proceeded with the next resolution.

**4. RE-ELECTION OF MR. LEONG LUP YAN (MR. LEONG)**

The Meeting Chairman proceeded to read **Ordinary Resolution 3** which was to re-elect Mr. Leong, who was to retire pursuant to Clause 95 of the Company's Constitution. He added that Mr. Leong, who was eligible for re-election, had offered himself for re-election.

The Meeting Chairman further informed that Mr. Leong is the Independent Non-Executive Director of the Company and his profile was set out on page 22 of the Annual Report 2024.

The Meeting Chairman closed the resolution and proceeded with the next resolution.

**5. RE-ELECTION OF DIRECTORS WHO RETIRE UNDER CLAUSE 98 OF THE COMPANY'S CONSTITUTION**

The Meeting Chairman informed that five (5) Directors who retired in accordance with Clause 98 of the Company's Constitution were eligible for re-election. The retiring Directors who offered themselves for re-election under Ordinary Resolutions 4, 5, 6, 7 and 8 were as follows:

**(i) Re-election of Dato' Mohamed Suffian bin Awang (Dato' Suffian)**

**Ordinary Resolution 4** was on the proposed re-election of Dato' Suffian as Director in accordance with Clause 98 of the Company's Constitution. Dato' Suffian, who was eligible for re-election, had offered himself for re-election.

The Meeting Chairman further informed that Dato' Suffian is the Executive Director of the Company and his profile was set out on page 20 of the Annual Report 2024.

The Meeting Chairman closed the resolution and proceeded with the next resolution.

**(ii) Re-election of Mr. Toh Boon Hsing (Mr. Toh)**

The Meeting Chairman informed that he has interest in dealing with the proposed resolution and he then passed the Chairmanship to LLY for tabling the proposed resolution.

LLY took the chair accordingly.

LLY then proceeded with **Ordinary Resolution 5** which was on the proposed re-election of Mr. Toh as Director pursuant to Clause 98 of the Company's Constitution. Mr. Toh, who was eligible for re-election, had offered himself for re-election.

LLY further informed that Mr. Toh is the Executive Director of the Company and his profile was set out on page 21 of the Annual Report 2024.

LLY closed the resolution and handed back the Chairmanship to the Meeting Chairman.

The Meeting Chairman closed the resolution and proceeded with the next resolution.

**(iii) Re-election of Mr. Alan Ling Sie Kiong (Mr. Alan)**

**Ordinary Resolution 6** was on the proposed re-election of Mr. Alan as Director in accordance with Clause 98 of the Company's Constitution. Mr. Alan, who was eligible for re-election, had offered himself for re-election.

The Meeting Chairman further informed that Mr. Alan is the Non-Independent Non-Executive Director of the Company and his profile was set out on page 24 of the Annual Report 2024.

The Meeting Chairman closed the resolution and proceeded with the next resolution.

**(iv) Re-election of Mr. Tan Tong Lang (Mr. Tan)**

**Ordinary Resolution 7** was on the proposed re-election of Mr. Tan as Director in accordance with Clause 98 of the Company's Constitution. Mr. Tan, who was eligible for re-election, had offered himself for re-election.

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The Meeting Chairman further informed that Mr. Tan is the Non-Independent Non-Executive Director of the Company and his profile was set out on page 25 of the Annual Report 2024.

The Meeting Chairman closed the resolution and proceeded with the next resolution.

**(v) Re-election of Ms. Lim Han Ying (Ms. Lim)**

**Ordinary Resolution 8** was on the proposed re-election of Ms. Lim as Director in accordance with Clause 98 of the Company's Constitution.

The Meeting Chairman informed that the Company had received a letter from Ms. Lim, stating that she had withdrawn her intention of seeking re-election as Director of the Company at the 21st AGM. In view of this, there was no deliberation and voting on the resolution.

Ms. Lim would be retired as Director of the Company at the conclusion of the 21st AGM.

The Meeting Chairman then proceeded with the next agenda.

**6. RE-APPOINTMENT OF MESSRS. MORISON LC PLT (MORISON) AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Meeting Chairman proceeded to **Ordinary Resolution 9** which was to re-appoint Morison as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

The Meeting Chairman added that Morison, the retiring Auditors had indicated their willingness to accept the re-appointment. The representative from Morison, Ms. Lim Wan Yinn introduced herself to the Meeting.

The Meeting Chairman closed the resolution and proceeded with the next resolution.

**7. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE CA 2016**

The Meeting Chairman proceeded to **Ordinary Resolution 10** which was to provide the authority for the Directors to issue shares pursuant to Sections 75 and 76 of the CA 2016.

**“THAT** subject always to Sections 75 and 76 of the CA 2016, the Company's Constitution, the AMLR of Bursa Securities and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue in force until the conclusion of the next AGM or when it is required by law to be held,



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whichever is earlier, **AND THAT** the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

**THAT** the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the CA 2016 read together with Clause 59 of the Company's Constitution arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the CA 2016.

**AND THAT** the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

The Meeting Chairman closed the resolution and proceeded with the next agenda.

**8. ANY OTHER BUSINESS**

The Meeting Chairman, with confirmation from the Company Secretary, informed that the Company did not receive any notice for transaction of any other business at the Meeting.

The Meeting Chairman then proceeded with the Questions and Answers session for the Board and Management to deal with the questions that had been submitted by the Shareholders as follows:

1. Question:

Are all directors present at the AGM?

Reply by TBH:

All Directors are present except for Ms. Lim whom is not seeking for re-election as Director of the Company at the 21st AGM.

2. Question:

Kindly give e-voucher/e-wallet to attendees as a token of appreciation for attending the meeting.

Reply by TBH:

TBH replied that the Company would arrange the door gifts to all shareholders attending the Meeting accordingly.

With no further questions raised by shareholders, the Meeting Chairman announced the allocation of a further 5 minutes for the shareholders to complete casting their votes.

The Meeting Chairman then announced the closing of the online voting session and then adjourned the Meeting for approximately 25 to 30 minutes for the poll votes to be counted by the Poll Administrator in the presence of the appointed Scrutineer.

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The Meeting resumed and the representative of the Scrutineer submitted the report of the results to the Meeting Chairman.

**9. RESULT OF THE POLL VOTES ON RESOLUTIONS TABLED AT THE 21ST AGM ON 3 DECEMBER 2024**

The results of the poll votes were as follow:

Resolutions	Voted For			Voted Against		
	No. of Shareholders	No. of shares	%	No. of Shareholders	No. of shares	%
<b>Ordinary Resolution 1</b> Approval of the payment of Directors' Fees for the period from 4 December 2024 until the conclusion of the next AGM of the Company	13	163,434,777	99.9907	8	15,234	0.0093
<b>Ordinary Resolution 2</b> Approval of the payment of Directors' Benefits for the period from 4 December 2024 until the conclusion of the next AGM of the Company	13	163,434,777	99.9908	7	15,047	0.0092
<b>Ordinary Resolution 3</b> Re-election of Mr. Leong Lup Yan	17	163,435,713	99.9913	4	14,298	0.0087
<b>Ordinary Resolution 4</b> Re-election of Dato' Mohamed Suffian bin Awang	16	163,435,526	99.9911	5	14,485	0.0089
<b>Ordinary Resolution 5</b> Re-election of Mr. Toh Boon Hsing	16	163,432,063	99.9913	4	14,298	0.0087
<b>Ordinary Resolution 6</b> Re-election of Mr. Alan Ling Sie Kiong	17	163,435,713	99.9913	4	14,298	0.0087
<b>Ordinary Resolution 7</b> Re-election of Mr. Tan Tong Lang	17	163,435,713	99.9914	3	14,111	0.0086
<b>Ordinary Resolution 8</b> Re-election of Ms. Lim Han Ying	Withdrawn	Withdrawn	Withdrawn	Withdrawn	Withdrawn	Withdrawn
<b>Ordinary Resolution 9</b> Re-appointment of Auditors	17	163,435,713	99.9913	4	14,298	0.0087
<b>Ordinary Resolution 10</b> Authority to allot and issue shares under Sections 75 and 76 of the CA 2016	14	163,435,051	99.9908	7	14,960	0.0092

The Meeting Chairman then declared all the resolutions as set out on the Notice of the 21st AGM were carried.

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**10. CLOSE OF MEETING**

There being no other business, the Meeting was terminated at 11.57 a.m. with a vote of thanks to the Chair.

**C O N F I R M E D**

-Signed-  
**TOH BOON HSING**  
Meeting Chairman

Date: 3 December 2024