



THREE-A RESOURCES BERHAD

199901006659 (481559-M)

MINUTES OF THE TWENTY-FIRST ANNUAL GENERAL MEETING (“21st AGM”) OF THE COMPANY CONDUCTED ON A VIRTUAL BASIS THROUGH LIVE STREAMING AND ONLINE REMOTE PARTICIPATION AND ELECTRONIC VOTING (“RPEV”) FROM THE BROADCAST VENUE AT LEVEL 3A, MENARA SYMPHONY, NO. 5, JALAN PROF. KHOO KAY KIM, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN, ON FRIDAY, 26 MAY 2023 AT 10:00 A.M.

Present at Broadcast Venue:-

Dato' Jagjit Singh a/l Bant Singh	(Independent Non-Executive Chairman)
Mr. Chew Eng Chai	(Independent Non-Executive Director)
Dato' Shamesh a/l Jeevaretnam	(Independent Non-Executive Director)
Ms. Karmjit Kaur a/p Sarban Singh	(Independent Non-Executive Director)
Mr. Fong Chu King @ Tong Chu King	(Managing Director)
Mr. Liew Kuo Shin	(Non-Independent Executive Director)
Ms. Fang Siew Ping	(Non-Independent Executive Director)
Ms. Wong Wai Foong	(Company Secretary)
Mr. Ho Kok Khiaw	(Partner of BDO PLT, External Auditors)
Mr. Fong Peng Fai	(Group Financial Controller)

Present via Online Meeting Platform:-

Mr. Kee Thuan Chai	(Non-Independent Non-Executive Director)
Ms. Lim Yee Mein	(Non-Independent Non-Executive Director)

Attendance of Members/Proxies/Corporate Representatives:

The attendance of members/corporate representatives/proxies who participated through the RPEV is as per the Summary of Attendance List.

1. CHAIRMAN

On behalf of the Board of Directors, the Chairman of the Company, Dato' Jagjit Singh a/l Bant Singh, welcomed all members, proxies and attendees who joined the 21st AGM of the Company remotely from various locations to consider the business of the Company as set out in the Notice of Meeting dated 27 April 2023.

The Chairman then introduced the other members of the Board, the Secretary and the External Auditors of the Company to the meeting.

2. QUORUM

The Chairman advised that the Constitution of the Company required the presence of at least two (2) members or proxies or corporate representatives to form a quorum and as the 21st AGM was being conducted virtually, the quorum for the meeting would be determined by the number of members who logged in at the start of the meeting. Upon confirming that there was a requisite quorum pursuant to the Company's Constitution, he called the meeting to order at 10.00 a.m.

3. NOTICE

There being no objection, the notice convening the meeting, having been circulated earlier to all the members of the Company and Bursa Malaysia Securities Berhad within the prescribed period and published in *The New Straits Times* on 27 April 2023, was taken as read.

Before proceeding with the business of the 21st AGM, the Chairman informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of a general meeting must be voted by poll and at least one (1) scrutineer must be appointed to validate the votes cast at the general meeting. In view thereof, the Chairman declared that all resolutions in the Notice of the 21st AGM would be voted by poll. The polling process would be conducted after all items on the agenda had been dealt with.

The Chairman briefed the meeting on the flow of the 21st AGM as follows:-

- (a) The meeting would first go through all the Resolutions as set out in the Notice of the 21st AGM; and
- (b) The meeting would conduct the Question-and-Answer (“**Q&A**”) session, where the Board would address the questions submitted by the members electronically before the 21st AGM, if any, and also the questions posed by the members at the AGM via real time submission of typed texts via the Messaging icon.

He informed that all the resolutions would be put to vote remotely using the RPEV, which was accessible from the start of the meeting until such time to be announced later.

The Chairman further informed that the Company had appointed Boardroom Share Registrars Sdn. Bhd. (“**Boardroom**”) as the Poll Administrator and SKY Corporate Services Sdn. Bhd. as the Independent Scrutineer for the meeting.

The Chairman reminded that attendance at the 21st AGM was restricted strictly to shareholders, proxies and authorised representatives of corporate shareholders who had registered to participate in the meeting remotely and that any recording of the meeting was strictly prohibited unless written consent had been obtained before the meeting.

[The remote voting procedure was displayed on the video conference screen for the shareholders' information.]

4. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (“AFS 2022”) AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Chairman informed that the AFS 2022, together with the Directors’ and Auditors’ Reports, was meant for discussion only as the Companies Act 2016 did not require formal approval of the shareholders for the AFS 2022. Therefore, the item was not put forward for voting.

The Chairman further informed the members that they could raise any questions on the AFS 2022 and the reports of the Directors and Auditors by typing their questions on the Messaging icon and the Board would address the questions during the Q&A session later.

The Chairman declared that the AFS 2022, together with the Reports of the Directors’ and Auditors’ thereon, received and noted by the meeting.

5. ORDINARY RESOLUTION 1: PAYMENT OF DIRECTORS’ FEES OF RM444,000.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The Chairman proceeded to the second item on the agenda, i.e. Ordinary Resolution 1 on the payment of Directors’ fees of RM444,000.00 for the financial year ended 31 December 2022. He put the following motion to the meeting for consideration:-

“THAT the payment of Directors’ fees of RM444,000.00 for the financial year ended 31 December 2022 be approved.”

The Chairman informed the members that they could raise their questions on Resolution 1 by typing the questions on the Messaging icon. The Board would address the questions during the Q&A session later.

**6. ORDINARY RESOLUTION 2:
PAYMENT OF DIRECTOR'S REMUNERATION OF RM109,000.00 FOR THE PERIOD FROM 1 JANUARY 2023 TO 26 MAY 2023 PAYABLE TO MR CHEW ENG CHAI ("MR CHEW"), THE INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY WHO WILL BE STEPPING DOWN AFTER THE CONCLUSION OF THE 21ST AGM**

The Chairman proceeded to the next item on the agenda, i.e. Ordinary Resolution 2 on the payment of Director's remuneration for the period from 1 January 2023 to 26 May 2023 payable to Mr Chew, the Independent Non-Executive Director of the Company who was stepping down after the conclusion of this 21st AGM.

The Chairman informed that the proposed Director's remuneration had taken into account the tenure of the services of Mr Chew for the financial year ending 31 December 2023 and was a token of appreciation for his long service tenure with the Company.

The Chairman put the following motion to the meeting for consideration:-

"THAT the payment of Director's remuneration of RM109,000.00 for the period from 1 January 2023 to 26 May 2023 payable to Mr Chew Eng Chai be approved."

The Chairman informed the members that they could raise their questions on Resolution 2 by typing the questions on the Messaging icon. The Board would address the questions during the Q&A session later.

**7. ORDINARY RESOLUTION 3:
RE-ELECTION OF DATO' JAGJIT SINGH A/L BANT SINGH WHO RETIRES BY ROTATION PURSUANT TO CLAUSE 76(3) OF THE COMPANY'S CONSTITUTION**

Mr Chew put the following motion to the meeting for consideration:

"THAT Dato' Jagjit Singh a/l Bant Singh, who is retiring pursuant to Clause 76(3) of the Constitution of the Company and being eligible, be re-elected a Director of the Company."

He then passed the chair back to the Chairman for him to proceed with the meeting.

**8. ORDINARY RESOLUTION 4:
RE-ELECTION OF MS FANG SIEW PING WHO RETIRES BY ROTATION PURSUANT TO CLAUSE 76(3) OF THE COMPANY'S CONSTITUTION**

The Chairman proceeded to the next item on the agenda, i.e. Ordinary Resolution 4, which was on the re-election of Ms Fang Siew Ping.

The Chairman put the following motion to the meeting for consideration:-

"THAT Ms Fang Siew Ping, who is retiring pursuant to Clause 76(3) of the Constitution of the Company and being eligible, be re-elected as Director of the Company."

**9. ORDINARY RESOLUTION 5:
RE-ELECTION OF DATO' SHAMESH A/L JEEVARETNAM WHO RETIRES BY ROTATION PURSUANT TO CLAUSE 78 OF THE COMPANY'S CONSTITUTION**

The Chairman proceeded to the next item on the agenda, i.e. Ordinary Resolution 5, which was on the re-election of Dato' Shamesh a/l Jeevaretnam.

The Chairman put the following motion to the meeting for consideration:-

"THAT Dato' Shamesh a/l Jeevaretnam, who is retiring pursuant to Clause 78 of the Constitution of the Company and being eligible, be re-elected as Director of the Company."

**10. ORDINARY RESOLUTION 6:
RE-ELECTION OF MS KARMJIT KAUR A/P SARBAN SINGH WHO RETIRES BY ROTATION
PURSUANT TO CLAUSE 78 OF THE COMPANY'S CONSTITUTION**

The Chairman proceeded to the next item on the agenda, i.e. Ordinary Resolution 6, which was on the re-election of Ms Karmjit Kaur a/p Sarban Singh.

The Chairman put the following motion to the meeting for consideration:-

“THAT Karmjit Kaur a/p Sarban Singh, who is retiring pursuant to Clause 78 of the Constitution of the Company and being eligible, be re-elected as Director of the Company.”

At this juncture, the Chairman informed that Mr Chew had indicated that he would resign as Director of the Company after the conclusion of the 21st AGM as he had served the Company for more than 12 years.

The Chairman, on behalf of the Board and Management of the Company, thanked Mr Chew for his services and valuable contributions to the Board and the Company and wished him every success in his next endeavour.

The Chairman informed the members that they could raise their questions on Ordinary Resolutions 3 to 6 by typing the questions on the Messaging icon. The Board would address the questions during the Q&A session later.

**11. ORDINARY RESOLUTION 7:
RE-APPOINTMENT OF MESSRS BDO PLT AS AUDITORS OF THE COMPANY**

The next item on the agenda was on the re-appointment of Auditors.

The Chairman informed the meeting that the Company's External Auditors, Messrs BDO PLT, had expressed their willingness to continue in office.

The Chairman put the following motion to the meeting for consideration:-

“THAT Messrs BDO PLT be hereby re-appointed as Auditors of the Company at a fee to be agreed upon with the Directors and to hold office until the conclusion of the next Annual General Meeting.”

The Chairman informed the members that they could raise any questions on Ordinary Resolution 7 by typing the questions on the Messaging icon. The Board would address the questions during the Q&A session later.

**12. SPECIAL RESOLUTION:
WAIVER OF PRE-EMPTIVE RIGHTS PURSUANT TO SECTION 85 OF THE COMPANIES ACT
2016**

The full text of the Special Resolution was taken as read and the Chairman put the following motion as set out in the Notice of AGM to the meeting for consideration:

“THAT pursuant to Section 85 of the Companies Act 2016 (“the Act”) read together with Clause 12(3) of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares in the Company ranking equally to the existing issued shares in the Company arising from any issuance of new shares in the Company to the allottees subject to passing Ordinary Resolution 8 –Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Act.

AND THAT the Directors be and are hereby authorised to issue any new shares (including rights or options over subscription of such shares) and with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, for such consideration and to any person as the Directors may determine subject to passing Ordinary Resolution 8 – Authority to Issue and Allot Shares of the Company pursuant to Sections 75 and 76 of the Act.”

The Chairman informed the members that they could raise any questions on Special Resolution by typing the questions on the Messaging icon. The Board would address the questions during the Q&A session later.

**13. ORDINARY RESOLUTION 8:
AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

The Chairman proceeded to the next item on the agenda, i.e. Ordinary Resolution 8, which was on the authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016.

The full text of Resolution 8 was taken as read.

The Chairman put the following motion to the meeting for consideration:-

*“THAT contingent upon the passing of the Special Resolution on waiver of pre-emptive rights pursuant to Section 85 of the Companies Act 2016 (“**the Act**”) and subject always to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the approvals of the relevant governmental/ regulatory authorities, the Directors of the Company be and are hereby authorised to issue and allot shares in the Company from time to time a such price, upon such terms and conditions, and for such purposes and to such person or persons whomsoever 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 ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being (“**Proposed General Mandate**”) and THAT the Directors be and are hereby also authorised to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued on the Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting.*

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER 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 Chairman informed the members that they could raise any questions on Ordinary Resolution 8 by typing the questions on the Messaging icon. The Board would address the questions during the Q&A session later.

**14. ORDINARY RESOLUTION 9:
PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR THE AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES**

The next item on the agenda, i.e. Ordinary Resolution 9, was the proposed renewal of shareholders’ mandate for the authority to the Company to purchase its own ordinary shares of up to ten per centum (10%) of the total number of issued shares.

The full text of Resolution 9 was taken as read.

The Chairman put the following motion to the meeting for consideration:-

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company provided that:-

- (i) the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and*
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,*

(“Proposed Renewal of Share Buy-Back Mandate”).

AND THAT the authority to facilitate the Proposed Renewal of Share Buy-Back Mandate will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;*
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or*
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,*

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:-

- i. To cancel all or part of the Purchased Shares;*
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;*
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;*
- iv. To resell all or part of the treasury shares;*
- v. To transfer all or part of the treasury shares for the purposes of or under the employees’ share scheme established by the Company and/or its subsidiaries;*
- vi. To transfer all or part of the treasury shares as purchase consideration;*
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or*
- viii. To deal with the treasury shares in the manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.*

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back Mandate with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

The Chairman informed the members that they could raise any questions on Ordinary Resolution 9 by typing them on the Messaging icon. The Board would address the questions during the Q&A session later.

15. ANY OTHER BUSINESS

The Chairman informed that the Company had not received any notice to deal with any other business for which due notice was required to be given pursuant to Companies Act 2016 and that since all items on the agenda had been dealt with, the meeting would proceed to the Q&A session.

16. QUESTION-AND-ANSWER SESSION

The Chairman and the Board members addressed the questions submitted prior to and during the 21st AGM by the members.

Questions that could not be addressed during the Q&A session due to time constraint would either be emailed after the 21st AGM or posted on the Company's website.

The Chairman closed the Q&A session at 10:45 a.m.

The summary of questions from the members/proxies received (Summary of Questions and Answers) and the answers from the Board are attached hereto as “**Appendix A**” and form part of these minutes.

17. CONDUCT OF POLL

Having dealt with all the items on the agenda, the meeting proceeded to vote on all resolutions by poll. The Chairman declared the voting session closed and adjourned the meeting at 10:55 a.m. for the counting of votes.

Upon completion of the counting of votes by the Poll Administrator and verification of the results by the Scrutineer, the Chairman resumed the meeting at 11:15 a.m. for the declaration of the results of the poll.

18. ANNOUNCEMENT OF POLL RESULTS

Based on the poll results, attached to these minutes as “**Appendix B**”, the Chairman declared all resolutions carried.

19. CLOSURE

The Chairman thanked those present for their participation and ended the meeting at 11:20 a.m.

APPENDIX A

**SUMMARY OF QUESTIONS AND ANSWERS
21ST ANNUAL GENERAL MEETING HELD ON 26 MAY 2023**

No	QUESTION AND RESPONSE														
<p>1.</p> <p>2.</p> <p>3.</p>	<p>Kindly share with us the present utilisation rate of its production facilities for respective products: Caramel, Glucose, Maltodextrin, HVP/SPS, Vinegar & Caramel Powder plants.</p> <p>What is the plant's capacity utilisation rate?</p> <p>What is the current plant capacity and utilisation rate?</p> <p><u>Response</u> The current utilisation rate of the Production Plant of the Group are as follows:</p> <table border="0"> <thead> <tr> <th><u>Type of Production Plant</u></th> <th><u>Utilisation Rate</u></th> </tr> </thead> <tbody> <tr> <td>Caramel Plant</td> <td>60% - 80%</td> </tr> <tr> <td>Glucose Plant</td> <td>65% - 85%</td> </tr> <tr> <td>Maltodextrin Plant</td> <td>70% - 90%</td> </tr> <tr> <td>HVP / SPS Plant</td> <td>80% - 95%</td> </tr> <tr> <td>Vinegar Plant</td> <td>50% - 60%</td> </tr> <tr> <td>Caramel Powder Plant</td> <td>80% - 95%</td> </tr> </tbody> </table>	<u>Type of Production Plant</u>	<u>Utilisation Rate</u>	Caramel Plant	60% - 80%	Glucose Plant	65% - 85%	Maltodextrin Plant	70% - 90%	HVP / SPS Plant	80% - 95%	Vinegar Plant	50% - 60%	Caramel Powder Plant	80% - 95%
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Vinegar Plant	50% - 60%														
Caramel Powder Plant	80% - 95%														
<p>4.</p>	<p>Briefly share the Group's medium and long-term strategic business plans for growing the business.</p> <p><u>Response</u> The Group has plans on plant automation, efficiency improvement, explore new markets, product innovation through research and development to develop niche and tailored made products to customers with unique demands.</p>														
<p>5.</p> <p>6.</p>	<p>Three (3) products namely Caramel, Maltodextrin and Glucose represented more than 80% of the Group's sales for FY2022. Could you further breakdown the sales by percentage and average margin for these products?</p> <p>What is the sales volume (metric ton) as of FY22?</p> <p><u>Response</u> The Board deems the requested information is too sensitive and so we are unable to disclose the information in order to protect the interests of the Group.</p>														
<p>7.</p>	<p>The profit before tax for the year 2022 declined by 23.5% to RM47.803 million from RM62.506 million recorded for the same period last year and was mainly a result of higher main raw materials and energy costs. Will 3A increases the average selling prices of products again by second quarter/ third quarter of 2023 to minimize the margin compression?</p> <p><u>Response</u> The Group uses a dynamic product pricing strategy to ensure that cost increases are adequately reflected in the product selling prices, while taking into consideration of market dynamics and the need to maintain market share.</p>														

No	QUESTION AND RESPONSE
8.	<p>Besides Singapore, which are the top 3 export countries?</p> <p><u>Response</u> The top 3 export countries of the Group besides Singapore are Indonesia, Philippines and China.</p>
9.	<p>How many percent has the Group adjust products' Average Selling Price (“ASP”) to mitigate the hike in raw material price?</p>
10.	<p>In management view, when will the starch prices return to normalcy?</p>
11.	<p>May I know the price review frequency to customer base on raw material and cost fluctuation?</p> <p><u>Response</u> Generally, the Group attempts to pass on costs arising from major price movements of raw materials and other costs to our customers but products price adjustments vary depending on market conditions.</p>
12.	<p>Does the Group encounter any cancellation or postponement of orders due to weakening in consumer demand or adjustment in inventory level?</p> <p><u>Response</u> Generally, the Group is subject to fluctuations in market conditions such as weaknesses in demand from customer and take appropriate actions to address them.</p>
13.	<p>Does strengthening of USD against MYR has any impact on the Group's profitability?</p> <p><u>Response</u> Generally, the Group imports raw materials and also export its products, thereby it has a natural hedge position of sales and purchases that are both denominated in a foreign currency. The net balance of foreign currency exposure is managed through the dynamic inventory holding policy of passing significant costs movement to customer through product selling price.</p>
14.	<p>In view of elevated raw material prices especially tapioca and corn starch, my questions are:</p> <ol style="list-style-type: none"> i. How does the company control the purchasing activities of raw materials and inventory control to fulfill the orders? Is there any method or contract to lock in the tapioca and corn starch price early? ii. How much buffer stock of tapioca and corn starch are purchased (for example, 1 month buffer stock) in order to prevent supply disruption? iii. How many commodities suppliers do the company have? In the annual report, it is mentioned that the security of supply chain cannot be assured. What efforts do the management do in order to prevent supply chain disruption? Any initiatives to qualify or source more suppliers? iv. Any review on purchasing activity practices in order increase the profit margin? <p><u>Response</u></p> <ol style="list-style-type: none"> i. & ii. The Group adopts a dynamic inventory holding policy that takes into consideration of customer demand, market information, seasonal fluctuations and economic factors. iii. The list of approved suppliers has met criteria and requirements set by the Group and are re-evaluate periodically. A minimum of two suppliers are maintained at all times for major raw material and consumables. iv. The Group has controls in place on governing purchasing activities that is subject to review periodically.

No	QUESTION AND RESPONSE
15.	<p>In FY 2022 the company registered a gross profit margin of 13.39%. However it is worth noting that the gross profit margin for 2HFY2022 of the company were merely 11% compared to 1QFY2022 which registered a gross profit margin of 18%, with the tapioca price ranged from USD 495-540/Metric Ton (“MT”) during April-December 2022. In the annual report, it is mentioned that the profitability was impacted by higher raw material prices, energy cost, transportation and other related expenses. My questions are:</p> <ol style="list-style-type: none"> i. What is the function of natural gas used in the company's production line? How much percentage of energy cost from the overall cost of sales? ii. In FY2023, the price of raw materials are still elevated, with the Thai tapioca price at USD 555/MT as of to date. Would the gross profit margin deteriorate in FY 2023 amid the headwinds mentioned in the annual report still persisting? iii. Is the company able to pass on all the increased costs to the customers in terms of ASP in FY2023 in order to maintain the average profit margin over the years? <p>16. How does the Board of Directors view the prospect of the company in FY2023 in view of the elevated raw material price, high energy and logistics cost as well as competition persisting in FY2023?</p> <p>17. FY2022 Q4 saw gross margin drop further to around 11%. Are we able to pass on rising costs to customers?</p> <p><u>Response</u> Natural gas is used as a direct energy source to generate heat and steam. Its expenses accounted for high single digit percentage of the overall cost of sales. In order to address the challenges posed by the headwinds of increases in raw material prices, the Group uses a dynamic product pricing strategy to ensure that cost increases are adequately reflected in the product selling prices, while taking into consideration of market dynamics and the need to maintain market share.</p>
18.	<p>What are the expansion plans in the pipeline in FY2023? What will be the priorities of the expansion plan in FY2023?</p> <p><u>Response</u> The Group has plans to expand and upgrade the production facilities of Caramel products as well as organic growth plans in other plants and warehousing facilities.</p>
19.	<p>In FY2022, the group spent RM22.782 mil and RM1.484 mil on purchasing Property Plant and Equipment and right-of-use assets. Please make a breakdown on the spending. Is there any new machineries/factories established in order to increase production capacity during FY2022?</p> <p><u>Response</u> Additions of property, plant and equipment in FY2022 consists of factory building, plant and machinery, tools and implements are generally for production purposes with a total of RM16.671 million followed by motor vehicles of RM2.267 million, furniture and fittings as well as renovations and electrical installations of RM2.214 million and RM1.712 million respectively.</p>
20.	<p>In the prospect part of the annual report, it is mentioned that the Group will target to approach those markets which are still new or have low penetration and identify new customers and/or new agents/distributors in the new market. However, there is no solid/concrete plans explained in the annual report.</p> <ol style="list-style-type: none"> i. Please describe the geographical expansion plans and which market will be targeted for expansion ii. What initiatives have been done for geographical expansion so far and what changes would be expected as a result of the initiatives?

No	QUESTION AND RESPONSE
	<p><u>Response</u> The Group is exploring to increase our presence in markets such as Japan, South Korea and Middle East in the next few years. We have identified potential target markets, consumer trends and regulatory requirements in each target market and intend to leverage on our strength to succeed. The Group views positively of the ASEAN Plus framework such as ASEAN-Korea Free Trade Agreement and Comprehensive and Progressive Agreement for Trans-Pacific Partnership that aims to reduce trade barriers.</p>
<p>21.</p> <p>22.</p> <p>23.</p> <p>24.</p>	<p>I humbly request Board of Directors to give evoucher as token of appreciation to meeting attendees. I believe the token sum is small n within annual expenses.</p> <p>Any door gift for this year's?</p> <p>I am a long time shareholder. I would like to request for food vouchers. Our company always provide very good lunch during physical meetings. Hope to meet the Board next year physical AGM</p> <p>Good morning, Mr Chairman and Board of Directors, Please give us some food voucher or e wallet, as token of appreciation, for AGM attendee,. TQ</p> <p><u>Response</u> It has not been the Company's practice to give out voucher or gift. However, the Board takes note of your request.</p>
<p>25.</p> <p>26.</p>	<p>What are the Energy Source that company utilising? (Natural Gas, TNB, solar)</p> <p>May I know the energy source of the company? (gas or TNB)</p> <p><u>Response</u> The Group uses natural gas and electricity for manufacturing purposes. The Group is in the midst of installation of solar photovoltaic system on certain rooftops to generate electricity for own use.</p>
<p>27.</p> <p>28.</p>	<p>What is the range of raw material prices (tapioca starch or corn starch) that company are comfortable with, in order to get favorable result?</p> <p>May I know the price level of raw material (tapioca starch in USD) that company is comfortable with, to maximize margin?</p> <p><u>Response</u> Fluctuations in raw material prices indeed remains a major challenge for the Group. Generally, the Group attempts to pass on costs arising from major price movement of raw materials and other costs to our customers.</p>
<p>29.</p> <p>30.</p>	<p>Does company has any plans to set up facilities in HALAL PARK?</p> <p>Does company has any intention to set up plant at halal park in Malaysia? As I found out that the road to company facilities was very narrow which is inconvenience for the movement of cargo truck.</p> <p><u>Response</u> At present, the Group does not have any plan to set up facilities in Halal Park.</p>

No	QUESTION AND RESPONSE
31.	<p>Please send a print Statement of Share Buy-Back Statement (“SBB Statement”) and Annual Report 2022. Thank you</p> <p>Response A hardcopy of Annual Report 2022 and SBB Statement will be delivered to you.</p>
32.	<p>What is the total capacity (mt) of the group currently and sales volume in FY22?</p> <p>Response The Group has six main products namely Caramel Colour, Glucose Syrup, Maltodextrin, Soya Protein Sauce, Vinegar and Caramel Powder. The total capacity of all plants is approximately 36,000MT per month and its present utilisation rate of each plant varies; ranging from 50% to 95%. As for the sales volume in FY222, the Board deems the requested information is too sensitive and so we are unable to disclose the information in order to protect the interests of the Group.</p>
33.	<p>The dividend payout is only around 30% of the net profit. Can management please explain why the dividend payout is low? What are the yearly planned capex, or are there any near-term major projects/acquisitions that need to conserve the cash?</p> <p>Response The dividend payout for the financial year depends on the Group’s performance, future growth plan, CAPEX and operational requirements.</p>
34.	<p>Understand that the electricity tariff for medium and high voltage users will jump from 3.7sen/kWh to 20sen/kWh starting this year. What will be the expected impact in terms of amount to our company for FY2023?</p> <p>Response The increase in electricity tariff is not expected to materially impact the financial results of the Group.</p>
35.	<p>Does company need more worker to increase sales and the level of automation currently?</p> <p>Response The Group does not expect to increase the number of workers drastically in the short term and is satisfied with the levels of automation currently.</p>

APPENDIX B

THREE-A RESOURCES BERHAD

Twenty-First Annual General Meeting

Broadcast Venue at Level 3A, Menara Symphony,
 No.5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia

Friday, 26 May 2023

Polling Results

RESOLUTION	Vote FOR			Vote AGAINST			TOTAL Vote	
	REC	NO. OF		REC	NO. OF		NO. OF	
		UNITS	%		UNITS	%	REC	UNITS
RESOLUTION 1	105	259,229,112	99.8609	21	361,190	0.1391	126	259,590,302
RESOLUTION 2	105	259,229,112	99.8609	21	361,190	0.1391	126	259,590,302
RESOLUTION 3	108	259,370,542	99.8384	20	419,810	0.1616	128	259,790,352
RESOLUTION 4	107	258,905,062	99.6592	21	885,290	0.3408	128	259,790,352
RESOLUTION 5	107	259,370,462	99.8384	21	419,890	0.1616	128	259,790,352
RESOLUTION 6	107	259,370,462	99.8384	21	419,890	0.1616	128	259,790,352
RESOLUTION 7	113	259,427,742	99.8650	14	350,710	0.1350	127	259,778,452
SPECIAL RESOLUTION	107	259,132,712	99.8370	20	423,040	0.1630	127	259,555,752
RESOLUTION 8	102	232,604,937	89.6153	25	26,954,415	10.3847	127	259,559,352
RESOLUTION 9	113	259,439,492	99.8649	15	350,860	0.1351	128	259,790,352

