

HAI-O ENTERPRISE BERHAD
Registration no. 197501000919(22544-D)
(Incorporated in Malaysia)

MINUTES of the 45th Annual General Meeting of the Company conducted on a fully virtual basis and broadcasted from Lot 6.03, 6th Floor, Menara Hai-O, Jalan Bukit Bintang, 55100 Kuala Lumpur (“Broadcast Venue”) on Thursday, 1 October 2020 at 11.30 a.m.

PRESENT : Tan Kai Hee – Chairman
Others – As per attendance list attached

1. QUORUM

On behalf of the Chairman, Mr Tan Keng Kang (“Mr KK Tan”), the Group Managing Director informed the Meeting that the Board had elected him as the Chairman of the 45th Annual General Meeting (“45th AGM”). He extended a warm welcome to all the shareholders, Board of Directors, proxies and authorised representatives to the 45th AGM. Upon confirming the presence of a quorum, the Meeting was called to order at 11.30 a.m.

2. INTRODUCTION OF THE BOARD MEMBERS

Mr KK Tan introduced the members of the Board, Management and External Auditors who were present at the Broadcast Venue and Directors who were in attendance via video conferencing.

3. NOTICE

As the Notice convening the Meeting was circulated to the shareholders within the prescribed period, the Notice convening the Meeting was taken as read.

Next, Mr KK Tan reported that the Company had received 51 valid proxies carrying 61,458,895 shares or representing 21.2% of the Company’s total number of issued shares.

4. POLLING AND ADMINISTRATIVE GUIDE

The Meeting was informed that voting for proposed resolutions 1 to 9 will be carried out by poll in line with Bursa’s Listing Requirements. Boardroom Share Registrars Sdn Bhd (“Boardroom”) has been appointed as the Poll Administrator and GovernAce Advisory & Solutions Sdn Bhd, an independent scrutineer has been appointed to validate the poll results. Mr KK Tan thereafter invited Mr Chan from Boardroom to brief the Meeting on the online e-voting process.

To facilitate the online voting process, the online voting process will be carried out from the commencement of the Meeting until the end of the voting session that will be announced later. The poll process would be conducted after deliberation of all resolutions to be transacted at the 45th AGM and questions have been dealt with.

5. PRESENTATION BY GROUP EXECUTIVE DIRECTOR CUM CHIEF FINANCIAL OFFICER

The Group Executive Director cum Chief Financial Officer, Mr Hew Von Kin presented an overview of the Company's financial performance, summary of the business segment performance and the outlook of the Group for the next financial year. The Presentation slides are attached as **Appendix I**.

6. QUESTIONS RECEIVED FROM THE MINORITY SHAREHOLDERS WATCH GROUP

The Meeting was informed that the Company had received a letter from the Minority Shareholders Watch Group ("MSWG") dated 22 September 2020. Mr KK Tan invited Ms Irene Chew, the Company Secretary to read out the questions and the Company's responses to the questions received from MSWG, which are attached as **Appendix II**.

Mr KK Tan thereafter informed that questions raised by the shareholders will be taken after all resolutions for the Meeting have been tabled.

7. REPORTS AND AUDITED FINANCIAL STATEMENTS ("AFS") THE YEAR ENDED 30 APRIL 2020 ("FYE 30 APRIL 2020")

Mr KK Tan proceeded with the first item on the agenda.

The AFS for the FYE 30 April 2020 and the Reports of the Directors and Auditors having been circulated to all the shareholders within the prescribed period were taken as read.

Mr KK Tan then proceeded with the next agenda.

8. RE-ELECTION OF MR TAN KENG KANG WHO RETIRES PURSUANT TO CLAUSE 119 OF THE COMPANY'S CONSTITUTION (ORDINARY RESOLUTION 1)

As the agenda involved Mr KK Tan, the Chair was handed to Mr Ng Chek Yong ("Mr Ng"), the Senior Independent Non-Executive Director of the Company.

Mr Ng briefed the Meeting that in accordance with Clause 119 of the Company's Constitution, Mr Tan Keng Kang was due to retire and being eligible, has offered himself for re-election. His profile is contained on page 8 of the Annual Report.

Mr Ng then handed the Chair back to Mr KK Tan.

9. RE-ELECTION OF MR CHIA KUO WUI WHO RETIRES PURSUANT TO CLAUSE 119 OF THE COMPANY'S CONSTITUTION (ORDINARY RESOLUTION 2)

In accordance with Clause 119 of the Company's Constitution, Mr Chia Kuo Wui was due to retire and being eligible, has offered himself for re-election. His profile is contained on page 11 of the Annual Report.

10 RE-ELECTION OF MR TAN KIM SIONG WHO RETIRES PURSUANT TO CLAUSE 119 OF THE COMPANY'S CONSTITUTION (ORDINARY RESOLUTION 3)

In accordance with Clause 119 of the Company's Constitution, Mr Tan Kim Siong was due to retire and being eligible, has offered himself for re-election. His profile is contained on page 11 of the Annual Report.

11 PAYMENT OF DIRECTORS' FEES (ORDINARY RESOLUTION 4)

The Company had proposed a payment of Directors' fees of RM230,000 for the financial year ended 30 April 2020.

The Meeting was informed that the Directors who are also the shareholders of the Company would abstain from voting on this resolution.

12 THE PAYMENT OF DIRECTORS' REMUNERATION AND BENEFITS (EXCLUDING DIRECTORS' FEES) TO NON-EXECUTIVE DIRECTORS UP TO AN AMOUNT OF RM800,000 FROM 2 OCTOBER 2020 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY (ORDINARY RESOLUTION 5)

The Company had proposed a Directors' remuneration and benefits (excluding Directors' fees) to Non-Executive Directors up to an amount of RM800,000 from 2 October 2020 until the next Annual General Meeting of the Company.

It was highlighted that the Non-Executive Directors who are also shareholders of the Company would abstain from voting on this resolution.

13. FINAL SINGLE TIER DIVIDEND OF 4 SEN (ORDINARY RESOLUTION 6)

The Directors had recommended that a final single tier dividend of 4 sen per ordinary share for the financial year ended 30 April 2020 be paid.

14 RE-APPOINTMENT OF AUDITORS (ORDINARY RESOLUTION 7)

Messrs KPMG PLT who is retiring at the 45th AGM had given their consent to seek for re-appointment. It was noted that no other nominations had been received by the Company.

15 AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (ORDINARY RESOLUTION 8)

The next item on the agenda was to seek the shareholders authority for the allotment of shares pursuant to Sections 75 and 76 of the Companies Act 2016.

16 PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (ORDINARY RESOLUTION 9)

The Company had proposed to seek the approval from the shareholders for a renewal of the Shareholders' Mandate ("Mandate") to buy back the Company's shares as set out in the Statement of Share Buy-Back ("Statement") dated 26 August 2020. The rationale as well as the advantages and disadvantages of the Mandate were stated in Section 3 of the Statement.

17. QUESTIONS AND ANSWERS SESSION

Mr KK Tan informed the Meeting that the Company had received questions from shareholders prior to the 45th AGM. Ms Irene Chew was then invited to read out the questions and the responses of the Company.

Next, the Meeting proceeded to answer the questions received from the shareholders during the Meeting that had not been addressed in (i) the overview of the Company's performance and results that was earlier presented by our Group Executive Director; or (ii) responses to MSWG or (iii) our responses to the questions received prior to the AGM. The questions and responses are attached as **Appendix III**.

18. VOTING SESSION

At 12.30 p.m., Mr KK Tan reminded shareholders to vote as the voting session would continue for another 10 minutes.

At 12.40 p.m., Mr KK Tan announced that the voting session for the 45th AGM had ended.

The Meeting was then adjourned for 15 minutes to facilitate the validation of votes cast by the Scrutineers.

19. ANNOUNCEMENT OF POLL RESULTS

Mr KK Tan called the Meeting to order at 12.55 p.m. for the declaration of the poll results as stated below which has been verified by the Independent Scrutineers. The poll results are attached as **Appendix IV**.

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
Ordinary Resolution 1	82,397,488	99.990611	7,737	0.009389
Ordinary Resolution 2	93,404,669	99.991891	7,575	0.008109
Ordinary Resolution 3	94,733,970	99.992005	7,575	0.007995
Ordinary Resolution 4	49,875,093	99.867484	66,180	0.132516
Ordinary Resolution 5	93,253,112	99.938772	57,132	0.061228

Ordinary Resolution 6	94,789,120	99.995332	4,425	0.004668
	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
Ordinary Resolution 7	94,779,470	99.985152	14,075	0.014848
Ordinary Resolution 8	94,739,365	99.942844	54,180	0.057156
Ordinary Resolution 9	94,735,579	99.938850	57,966	0.061150

Mr KK Tan declared all resolutions that had been put to the Meeting were duly carried.

20. **CLOSURE**

The Meeting was declared closed at 1.00 p.m. with a vote of thanks to the Chair.

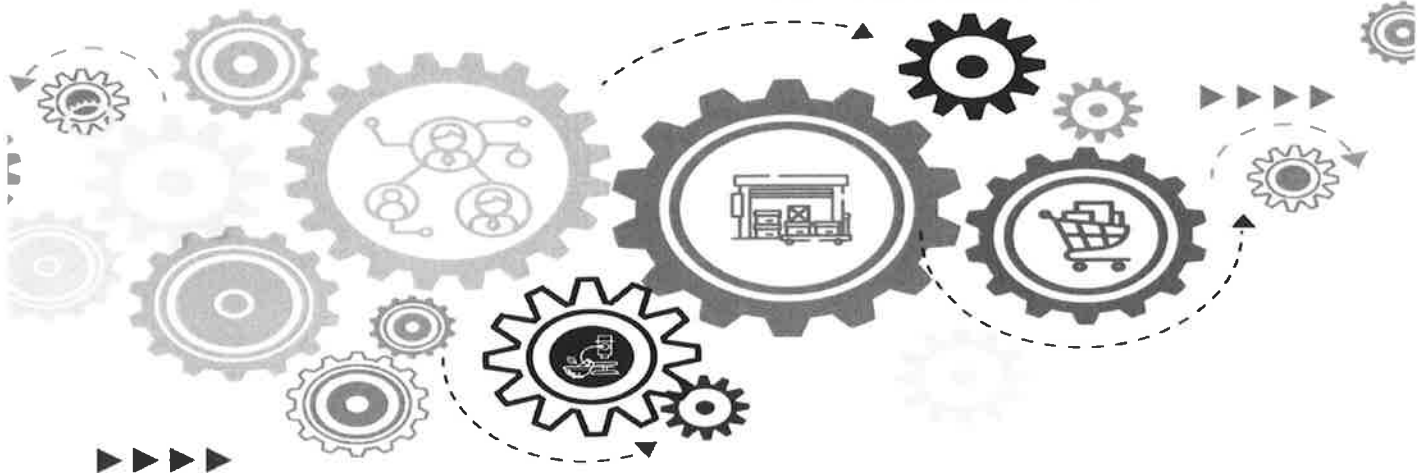
45th
ANNUAL
GENERAL
MEETING

1 October 2020



HAI-O ENTERPRISE BERHAD

Registration No. 197501000919 (22544-D)

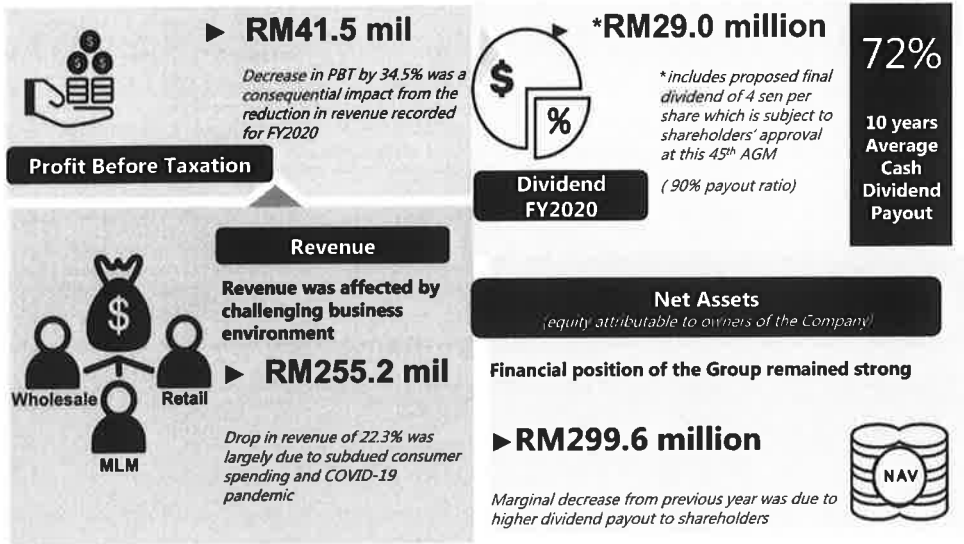


Agenda

- 1** **FY2020 Financial Performance**
- 2** **Business Segment Overview**
- 3** **Outlook**

FY2020 Financial Highlights

1



3

Business Segments

2

- Multi Level Marketing**
 Multi level direct marketing of nutritional food & beverage, wellness supplements, skincare, beauty & cosmetic, personal care and household products
- Wholesale**
 Wholesaling and trading in patented medicines, medicated tonic, healthcare products, herbs and tea
- Retail**
 Operating traditional complementary medicines ("TCM") retail chain stores and provide Chinese physician consultation services
- Others**
 Include manufacturing, credit & leasing, insurance agent, investment and property holdings



4

3 core business segments with other business activities primarily in property investments and manufacturing activities

Managing Business Complexity for Sustainability

- The operating environment for the Group's businesses was challenging and constantly evolving in FY2020
- Escalating US-China trade disputes brought great uncertainties to overall business sentiments and business was also affected by severe outbreak of COVID-19
- Inevitable setback in business activities, revenue and profits
- Priority was to respond and reposition the Group's businesses strategically, while preserving balance sheet and foundation



Review of Segmental Operation – MLM

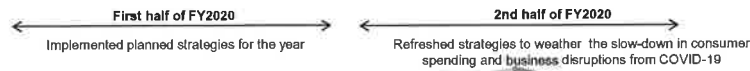
Revenue RM156.7 mil ↓ 30.3%	Key Facts <ul style="list-style-type: none"> • Performance was affected by sluggish consumer spending, political uncertainties, unexpected change in Government, and the COVID-19 pandemic-fuelled economic downturn • Recognise the need to constantly anticipate, respond and adjust to evolving changes during prevailing uncertainties
PBT RM32.5 mil ↓ 31.4%	





Review of Segmental Operation – Wholesale

Revenue RM57.4 mil ↓ 2.7%	Key Facts <ul style="list-style-type: none"> Higher sales of Pu-Er tea and export of bird's nest products were offset by reduced demand for Chinese medicated tonic, cooking wine and patented medicine Affected by MCO which prohibited the delivery of non-essential products and restricted business activities Profitability was impacted by lower contribution from inter-segment sales in addition to an unfavourable shift in product mix and higher import costs
PBT RM5.7 mil ↓ 47.2%	



7.



Review of Segmental Operation – Retail

Revenue RM36.7mil ↓ 9.4%	Key Facts <ul style="list-style-type: none"> Hit hard by the slowdown in the overall economy as well as COVID-19 pandemic Lower revenue and added costs to implement SOP during MCO Took proactive measures to bolster sales amidst subdued consumer sentiment in the first half of the financial year, and promptly re-strategised to overcome COVID-19 challenges in the last quarter of the financial year
PBT ⇔ Breakeven (Before MFRS 16 – Leases)	

Action plans



8.

Outlook 3

Downside risks emanating from both domestic and external factors remained in the horizon, a challenging backdrop for the Hai-O Group



To balance long-term strategies and objectives with adjustments necessary to meet short term changes, to stay relevant in the market, and to strengthen our foundation and sustainability



HAI-O ENTERPRISE BERHAD

THE EDGE CENTURION Club 2019

CENTURION OF THE YEAR
HAI-O ENTERPRISE BHD

AWARDS

- Centurion Of The Year
- Highest Growth in Profit After Tax Over Three Years (Consumer Products & Services Sector)
- Highest Returns to Shareholders Over Three Years (Consumer Products & Services Sector)



HAI-O ENTERPRISE BERHAD



Hai-O Enterprise Bhd

45th Annual General Meeting

Reply to Questions from

Minority Shareholders Watch Group (MSWG)



Strategy & Financial Matters

Q1. Corporate Structuring Exercise

The Company undertook the following corporate exercises in the year (Page 138, Annual Report):

(i) Sahajidah Hai-O Marketing Sdn. Bhd. a wholly owned subsidiary of the Company, diluted its equity interest in PT Hai-O Indonesia (“PTI”) from 55% to 40%; Why did Sahajidah dispose its 15% interest in PT Hai-O Indonesia? What are the plans for PT Hai-O Indonesia?

(ii) Incorporation of a wholly owned subsidiary, Tea Reserves Sdn. Bhd. with a total issued share capital of RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

What are the main activities and plans for Tea Reserves Sdn. Bhd.?



Answer to Q1(i):

The rationale to dilute equity interest in PTI was in line with the strategic business vision of PTI. After the dilution, the Indonesian business partners would own an aggregate 60% of the equity interest in PTI, thus, enabling them to have stronger interest as well as greater flexibility to develop and expand the market in Indonesia based on their stronger local knowledge and network. In addition, the potential capital outflow of the Company to support the business of PTI would also reduce in proportion based on the new shareholding structure. The Company will closely monitor the business strategies spearheaded by the business partners and continue to review the prospect of PTI as a result of the change in structure.



Answer to Q1(ii):

Tea Reserves Sdn. Bhd. is a small initiative undertaken by the Group to explore potential online opportunities for premium Puer Tea and other type of Chinese teas and accessories. Tea Reserves Sdn Bhd is in line with Hai-O's vision to strengthen our market leadership in the Puer Tea industry globally.



Strategy & Financial Matters

Q2. US-China Trade Disputes

The operating environment and the escalating US-China trade disputes brought great uncertainties to overall business sentiments even before the sudden and severe outbreak of coronavirus disease (“COVID-19”) (Page 18, Annual Report).

Which areas of the business operations are affected by the US-China trade disputes and to what extent? What are the action steps to mitigate these risks?



Answer to Q2:

The Group mainly focuses on consumer centric-businesses and any uncertainties to the operating environment will inevitably affect consumer sentiments. Consumers tend to be more cautious and selective in their spending especially for high value and big ticket items.

The Group has initiated various strategies to mitigate the negative impact, which include introducing more products at affordable prices; selling products in smaller unit / quantities to suit market needs; intensifying cost optimisation and digitalisation initiatives to protect margin as well as leveraging on social marketing platforms to promote our products /businesses in addition to traditional sales promotions, incentive campaigns, rebates etc to boost sales.



Strategy & Financial Matters

Q3. Multi-Level Marketing – Distributorship

The wholesale and retail segments collectively contributed approximately 92% of Hai-O Group's earnings in FY2020. Distributors are the drivers of MLM sales. (Page 17, 20 Annual Report).

- (i) Given the current economic challenges, has the distributors decreased, and if so, by how many?
- (ii) What are the Company's plans to retain its current distributors and attracting new distributors?



Answer to Q3(i):

The MLM distributors force is relatively stable. The MLM distributors force has decreased marginally in financial year ended 30 April 2020 ("FY2020") but is currently maintained at about 110,000 members as reported in the Annual Report 2020 (2019: more than 120,000 members).



Answer to Q3(ii):

Various strategies have been initiated by the Company on members' recruitment and retention program, including "free membership" offered during the Movement Control Order (MCO) period and cash vouchers given to new and renewed members. The Company will continue to offer and undertake various attractive promotions and rebates to incentivise members to motivate them to improve productivity.



Strategy & Financial Matters

Q4. Increase in Other Payables

Other payables increased by RM8 million, from RM13.7 million to RM21.7 million as at 30 April 2020 (Page 152, Annual Report), although there was a decrease in group revenue of RM73 million, i.e. from RM328 million to RM255 million (Page 4, Annual Report).

Why was there an increase in other payables?



Answer to Q4:

The increase in Other payables was mainly due to the 2nd interim dividend declared in respect of financial year ended 30 April 2020 amounting to RM8.7 million which was paid on 16 June 2020.



Strategy & Financial Matters

Q5. Impairment of Trade Receivables and Other Receivables

The impairment on trade and other receivables for the year increased significantly from RM250,000 to RM2 million (Page 157, Annual Report).

- (i) Why was there an increase in impairment of trade and other receivables?
- (ii) How much of the impaired receivables have been recovered to date?



Answer to Q5:

The adoption of MFRS 9 requires the Group to recognize allowance for expected credit losses (ECL) on trade receivables for all segments using an allowance matrix to measure the ECLs at each reporting date. The impairment of RM1.14 million on trade receivables was recognized as ECL for financial year ended 30 April 2020.

The impairment of RM0.95 million on other receivables was related to an amount owing by an overseas Associate company. The Group is monitoring the amount owing and will take appropriate action to recover the long overdue balances.

As at to-date, the Group has recovered approximately RM375,000 from the impaired receivables.



THANK YOU

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Hai-O Enterprise Bhd

45th Annual General Meeting

Questions from Shareholders



Hai-O 45th AGM
Questions from Shareholders

1) Hai-O Group has delivered considerably good performance amidst the general economy slow down and impact from COVID-19. I believe this set of good performance is the result of extra and effective effort made by the Group to focus on "online business" to address the impact of MCO.

Can you explain what measures you have taken and how this strategy helped to support your sales during MCO?



Answer to Q1:

We recognise the importance and prospects of online business and have recently enhanced our online marketing platform to cater for this inevitable change in consumer buying pattern, including enhancement of communications via social media for new product introduction, sharing of product knowledge, handling online transactions, logistics and delivery arrangements.

On top of that, timely and attractive promotion coupled with the right marketing strategies allowed us to keep distributors motivated to do business even when staying at home during MCO. In addition, in response to the economy slowdown, the company also focused on recurring consumables which are sold at affordable prices such as, health supplements and wellness products, in particular.

During the MCO period, the Group, especially the MLM division had aggressively leveraged on e-commerce platform to encourage distributors to make use of the online portal to reach out to members and consumers. The launch of free membership and the "Stay at home, earn from home" campaign has attracted a significant increase in new members and had contributed to the improvement in sales to the Group. In addition, the increase in consumers awareness to build up immune system during the Covid-19 pandemic also helped to improve sales of health-food supplements.



2) What is your view on post-MCO in the midst of weakening consumer sentiment due to rampant pay cuts and even layoffs? What are your strategies for boosting your sales (e.g. launching healthcare products, any discount promotions, with a focus on products that are more affordable and important to consumers)?

Answer to Q2:

Weakening consumer sentiment can affect purchasing power. In response to this, the company has carried out proactive strategies such as making available products in smaller unit quantities / size for selected SKUs, thus, making it more affordable to consumers. Furthermore, the company has always maintained its "value for money" strategy, whereby high quality goods are sold at reasonable prices and are always favoured by the general market. We have hundreds of SKUs, and we mainly focus on food and beverages, personal and household products, which generally meet the needs of the current market condition.



3) Currently, how much of your sales are made through online channel? After the MCO, will you continue to use the online method of sales instead of carrying out solely physical sales by distributors? Do you have a specific target in the next few years, and what is targeted percentage of sales from the online channel?

Answer to Q3:

The company focuses on both online and conventional sales channels simultaneously, as both are important to us and they complement each other. During the MCO period, the volume of online businesses increased by more than 30% for our MLM segment, as distributors are more receptive to online marketing. We will continue to focus on expansion of conventional sales transactions while promoting the online platform. Our target is to increase online transactions contribution to 40% in the near future for MLM segment.

As for retail segment, the online sales are currently not significant to the Group revenue. The Company has taken various initiatives and will continue to expand this business line and tap on opportunities to reach out to a wider group of customers. Apart from the e-store set-up internally, our products are also available on other e-marketplace, such as Lazada and Shopee.



4) Could you explain the revenue model of your online sales? Will your MLM agents still earn commissions from online sales as the online channel is developed by the Company? How will online channel impact the dynamics / relationship between the Company and your MLM agents?

Answer to Q4:

The company is committed to creating a more sustainable and competitive market platform to facilitate the distributors to build and expand their businesses. The online system not only caters for sales transactions, but is also used as the platform for business operations and management. The status of distributors will not be affected and the commission payout structure remains unchanged. We are just doing things more efficiently and effectively. The higher the sales (online or offline), the higher the income for distributors. These are positively correlated. Therefore, the distributors shall be motivated to be more proactive and enthusiastic, which are pivotal to the MLM business.



5) Do you think MLM sector as a whole compared to other sectors can be maintained? In your opinion, does the MLM sector have an advantage in the midst of this turmoil over the physical retail sector?

Answer to Q5:

The direct selling industry is traditionally a recession proof industry, and is an option for people to increase their part-time income when the unemployment rate rises as it has a low start-up capital.

Direct selling companies have entered into an efficient, highly regulated and well-managed phase. The competitiveness of the direct sales industry has improved with the help of online marketing and digitalised infrastructure. We are confident that the current MCO situation would not affect the industry for long term but in fact it will expedite the switching from “business that require close & physical interaction” to a “virtual / online interaction” business model if it is well managed.

Besides, we also believe that recruitment will increase as those who has lost their job and suffered other income cutbacks would see direct selling as a relatively attractive career prospect. Direct selling can be a blessing at a time where a steady income remains uncertain. It only involves a small capital investment and can be considered as a source of secondary income at a time of increase layoffs and unemployment.



6) Can you share with us how much Capex you have spent to develop your online infrastructure and your continuous improvement efforts? Is this investment an annual venture?

Answer to Q6:

Thus far, the Company has invested more than RM2 million on its online infrastructure. We will continue to invest in technology to further strengthen the operations, especially to facilitate the business of our MLM distributors whereby they can do their business any where and anytime and meet the market needs while improving the company's competitiveness. For the wholesale & retail segments, we have recently extended our ecommerce presence via e-market platform such as via Lazada & Shopee to reach out to wider group of customers. Also, the Group is revamping its e-store platform, to enhance its integrated ordering system and to incorporate additional features to improve the customers' buying experience. The upgraded version is expected to be launched during this financial year.



7) Referring to MD&A statement, it was noted that “FY2020 was not an easy year for Hai-O, and Company has made strategic adjustments to strike an optimal balance between short term priorities and long-term growth”. Under the hardship of current economy and the Covid-19 pandemic, could you please enlighten us about the Prospect of the Group?

Answer to Q7:

We are of the view that the current financial year would be another challenging year for the Group given the uncertainties surrounding the US-China trade disputes and impact from Covid-19 pandemic. Apart from the ongoing strategies undertaken by the respective business units, the Group will continue to enhance its digital marketing strategies across all major business segments to tap on opportunities and wider market coverage under the “new normal”. We believe that with dedicated efforts to increase our operational efficiencies and the on-going business strategies that are on track, we should have what it takes to drive the Group forward.

We remain optimistic to deliver positive results amidst the challenging business environment.



8) The Dividend payout ratio was up to 90% in FY2020 and in average 72% for past 10 years. Would the Board considered to change Dividend Policy to reward shareholders by setting higher dividend payout to reward shareholders?

Answer to Q8:

We will maintain the Dividend policy to distribute at least 50% of the profit for the year as dividend.

Dividend payout of 90% in FY 2020 was proposed after taking into consideration of our financial performance, capital management and also our philosophy “reward to shareholders”.



9) Good morning Mr Chairman and other Board Members. I am a hard core loyal shareholder of Hai O Enterprise Berhad. I will not sell the shares any time because I am absolutely confident our Directors will deliver when the time comes, as they have done previously. Only thing is that we cannot shake hands and talk with our Directors this time around. Very sad indeed. I sincerely hope our Chairman will provide some e- vouchers for us to buy our products online. Thank you very much.

Answer to Q9:

Thank you for your support. The e-voucher code and discount voucher was attached together with the notice of AGM which distributed to shareholders on 26 Aug 2020.

Promo Code : SP2020, HAIORM20. (validity period : 26/8/2020 – 25/10/2020)

You can either redeem these voucher through:

Hai-O E-store;

Shopee; or

Lazada Lazmall Hai-O



THANK YOU

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 Tel/ Fax: +603 7498 0875
 Website: www.governaceadvisory.com

Date: 1st October 2020

The Chairman of the Meeting
 HAI-O Enterprise Berhad

Dear Sirs,

Independent Scrutineer Report for the conduct of poll for HAI-O Enterprise Berhad's Annual General Meeting held on 1st October 2020

We, GovernAce Advisory & Solutions Sdn. Bhd., as the appointed independent scrutineer in attendance at the Annual General Meeting (AGM) of HAI-O Enterprise Berhad held on 1st October 2020 have performed the procedures as listed in our letter of engagement dated 20th July 2020.

The results of the poll, as casted by the shareholders and proxy holders present and voting based on the results generated by the Polling System provided by Boardroom Share Registrars Sdn. Bhd. are as attached.

Thank you.

Yours sincerely,
 For and on behalf of
 GovernAce Advisory & Solutions Sdn. Bhd.



Independent Scrutineer



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The results of the poll as follows:

	VOTES FOR	NO OF RECORDS	%	VOTES AGAINST	NO OF RECORDS	%	VOTES TOTAL
RESOLUTION 1	82,397,488	340	99.990611	7,737	13	0.009389	82,405,225
RESOLUTION 2	93,404,669	340	99.991891	7,575	12	0.008109	93,412,244
RESOLUTION 3	94,733,970	341	99.992005	7,575	12	0.007995	94,741,545
RESOLUTION 4	49,875,093	321	99.867484	66,180	24	0.132516	49,941,273
RESOLUTION 5	93,253,112	326	99.938772	57,132	24	0.061228	93,310,244
RESOLUTION 6	94,789,120	345	99.995332	4,425	9	0.004668	94,793,545
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RESOLUTION 9	94,735,579	342	99.938850	57,966	12	0.061150	94,793,545

