

**PCCS GROUP BERHAD**  
[Registration No. 199301026191 (280929-K)]  
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTY-SIXTH ("26<sup>th</sup>") ANNUAL GENERAL MEETING OF THE COMPANY HELD AT PCCS GROUP BERHAD'S CORPORATE OFFICE, LOT 1376, GM 127, MUKIM SIMPANG KANAN, JALAN KLUANG, 83000 BATU PAHAT, JOHOR DARUL TAKZIM ON MONDAY, 24 AUGUST 2020 AT 10:30 A.M.

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At the 26<sup>th</sup> Annual General Meeting held on 24 August 2020, all the resolutions as set out in the Notice of the 26<sup>th</sup> Annual General Meeting dated 24 July 2020, were duly passed by way of poll by the shareholders and proxies of the Company.

The following are the key questions that were raised from the floor, which were adequately responded and addressed by Management and the Board:-

**Question 1**

What is the Group's strategies moving forward in light of the COVID-19 pandemic?

**The Company's Responses:**

Mr. David Chan Wee Kiang, the Deputy Group General Manager ("Mr. David") responded that the Group has shifted its operation in China back to local market focusing on sportswear. It was also noted that Chinese market has seen some recovery recently. In relation to operations in Cambodia, Mr. David commented that there was insignificant operation for the time being and most of the staff are currently on paid leave with subsidies from the local government. Back in Malaysia, operations have improved for the past two (2) months and now performing closer to budget set earlier.

**Question 2**

Possibility of declaring dividends to shareholders?

**The Company's Responses:**

Mr. David responded that the Board has decided that should performance of the Group reaches the benchmark set, dividends would be given to reward shareholders. He also added that benefits of staff and shareholders of the Company are one of the main priorities of the Company.

**Question 3**

In view of the competitive Chinese market, whether the Group has strategies in place to drive operations forward and generate more growth for the Group?

**The Company's Responses:**

Mr. David responded that as compared to some other international brands that are facing difficulties, the Group performed relatively well thus far. He added that the Group has strong cashflow and did not have any customers default thus far. He also added that the Management would continue to exercise caution in customers selection and would focus on building good business relationship with customers.

**Question 4**

Whether the Group capitalise on the COVID-19 pandemic by venturing into the related industries?

**The Company's Responses:**

Mr. David responded that the Group has been supplying medical suits to the local hospitals. He added that the Company had also set up a company in Singapore with intention to venture into medical distribution business in the near future.

Mr. Chan Wee Boon, the General Manager for Mega Label (Malaysia) Sdn. Bhd., informed the Meeting that Mega Label (Malaysia) Sdn. Bhd. will focus in growing businesses in Kuala Lumpur and Penang region.

Mr. Tang Lai Huat, the Corporate Controller, informed the Meeting that relevant mitigation plans for COVID-19 were already put in place before the pandemic transpired.