

CONNECTCOUNTY HOLDINGS BERHAD
[Registration No. 200301016513 (618933-D)]
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT SKYVIEW 7, LEVEL 29, THE GARDENS HOTEL & RESIDENCES, MID VALLEY CITY, LINGKARAN SYED PUTRA, 59200 KUALA LUMPUR, WILAYAH PERSEKUTUAN ON TUESDAY, 28 JULY 2020 AT 10:00 A.M.

The following are the questions raised from the floor and were adequately responded and addressed by Mr. Ang Chuang Juay, the Executive Deputy Chairman, Mr. Vivek a/l Sasheendran, the Independent Non-Executive Director and Mr. Lim Yew Chai, the Group Accountant of the Company:

1.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

Encik Ahmad Bin Ibrahim, *a shareholder*, raised the following question:-

- Please clarify on the item – other income as stated under the Statement of Comprehensive Income on page 67 of the Annual Report 2019 of the Company.

Mr. Lim Yew Chai, the Group Accountant, replied that the other income mainly consisted of sub-let rental income, reversal of loss allowance on receivables and interest income.

2.0 ANY OTHER BUSINESS

At this juncture, the Company Secretary informed the Meeting that the Company had received the following questions from Encik Emirul Faris bin Mohd Wahi, *a shareholder*, via an email dated 21 July 2020:-

- What is the action plan that the Management would implement to improve the performance of the Company pre and post Coronavirus Disease (“**COVID-19**”)?
- How long will it take to see the improvement of the performance of the Company?

Mr. Ang Chuang Juay (“**Mr. CJ Ang**”) informed that the Company is not performing and in fact losing major customer due to the COVID-19 outbreak. He further elaborated that the Company has been implementing various mitigation plans includes cutting cost, downsizing the operations, and reducing headcount by outsourcing the workers via contract.

Mr. CJ Ang further added that the Management was not able to provide a promising timeline for the Company’s performance improvement in view of the unprecedented COVID-19 outbreak and Movement Control Order in Malaysia and restrictions in other countries. However, Management has the following action plans in the pipeline:-

- (i) To secure a business contract in Latin America worth approximately RM12.0 million;
- (ii) To venture into automotive business; and
- (iii) To do away with traditional business.

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(Summary of Key Matters Discussed at the Seventeenth Annual General Meeting held on 28 July 2020 - cont'd)

Encik Ahmad Bin Ibrahim, *a shareholder*, then raised the following questions:-

- Is it a significant downsizing in operation?
- Is the reduction of headcount by way of dismissal?

Mr. CJ Ang informed that the downsizing in operation affected most of the subsidiaries, with the major downsize in China subsidiary due to the 2 months lock-down consequent to the COVID-19 pandemic. In terms of manpower, the Group has outsourced to sub-contractors to cushion the supply and demand as the labour's fixed cost is rather high.

Encik Mohd Nasaie bin Ismail, *a shareholder*, raised the following questions:-

- Please explain on the huge volatility of trading during 14 June 2020 to 16 June 2020?
- Please provide insight on the latest development of proposed reverse takeover by S5 Systems Sdn. Bhd.?
- What is the business contract in Latin America regarding?

Mr. CJ Ang responded that the Company was not able to provide an answer in view that the share price was beyond the control of Management and the Company.

In relation to the latest development of proposed reverse takeover, Mr. Vivek a/l Sasheendran informed that the Company is still in the midst of negotiations with the relevant parties. The Company would make the relevant announcement(s) on the proposed reverse takeover in due course.

For the business contract in Latin America, Mr. CJ Ang updated that the Company was awarded with a business contract in Latin America which would commence in year 2021.

For the rest of the items on the Agenda, there were no questions raised by the shareholders at the Meeting.