

**AMWAY (MALAYSIA) HOLDINGS BERHAD**  
199501011153 (340354-U)

**MINUTES OF THE 29<sup>TH</sup> ANNUAL GENERAL MEETING (“29<sup>TH</sup> AGM”) OF THE COMPANY CONDUCTED ENTIRELY THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT VAN ANDEL & DEVOS TRAINING CENTRE, AMWAY (MALAYSIA) SDN. BHD., 28, JALAN 223, 46100 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA ON THURSDAY, 23 MAY 2024 AT 9.30 A.M.**

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- Present at Broadcast Venue : Encik Abd Malik Bin A Rahman – *Chairman*  
Ms Ho Kim Poi – *Independent Non-Executive Director/Audit Committee Chairperson*  
Mr Michael Jonathan Duong – *Managing Director*  
Mr Scott Russell Balfour – *Non-Independent Non-Executive Director*  
Mr Low Han Kee – *Non-Independent Non-Executive Director*  
Dato’ Abdullah Thalith Bin Md Thani – *Independent Non-Executive Director*  
Datin Seri Azreen Binti Abu Noh – *Independent Non-Executive Director*  
Puan Norhanifah Binti A.Jalil – *Non-Independent Non-Executive Director*  
Ms Ng Ai Lee – *Chief Financial Officer*  
Ms Joanne Toh Joo Ann – *Company Secretary*
- In Attendance via video conferencing (as per Attendance List) : Datuk Harjeet Singh A/L Hardev Singh  
Representatives from Ernst & Young PLT  
Representatives from Public Investment Bank Berhad  
Representatives from Shearn Delamore & Co.

The attendance of members, corporate representatives and proxies is as per the Summary of Attendance List via Remote Participation and Voting (“RPV”).

### **CHAIRMAN**

The Chairman welcomed the members and attendees to the Company’s 29<sup>th</sup> AGM. The Chairman informed that the 29<sup>th</sup> AGM was convened entirely through live streaming from Amway Malaysia’s Corporate Headquarters. He then introduced the Board members, Senior Management, Company Secretary, Datuk Harjeet Singh A/L Hardev Singh, who is standing for appointment as a new Independent Non-Executive Director under proposed Resolution 3, auditors and advisors to the shareholders.

### **NOTICE**

The notice convening the meeting, having been circulated earlier to all members of the Company and advertised in The Star within the prescribed period, was taken as read.

### **QUORUM**

The Chairman advised the meeting that the Constitution of the Company required the presence of at least two (2) members or proxies or corporate representatives to form a quorum. For a virtual general meeting, the quorum shall be determined by the number of members who logged-in at the commencement of the meeting.

The Chairman informed that the quorum requirement had been met at the start of the meeting and called the meeting to order.

The Chairman advised 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 the Company is required to appoint at least one (1) scrutineer to validate the votes cast at the general meeting. Pursuant to the Constitution of the Company, the Chairman declared that Resolutions 1 to 13 in the Notice of the 29<sup>th</sup> AGM shall be voted by poll. The poll would be conducted after all items on the agenda have been dealt with. The Chairman then briefed the shareholders on the flow of the meeting.

The poll administrator was Tricor Investor & Issuing House Services Sdn. Bhd. (“Poll Administrator”) and the independent scrutineer was Coopers Professional Scrutineers Sdn. Bhd. (“Scrutineer”).

At the invitation of the Chairman, Mr Michael Jonathan Duong, the Managing Director of the Company, presented the Business Review of the Group for the financial year ended 31 December 2023 while Ms Ng Ai Lee, the Chief Financial Officer, presented the financial performance of the Group for the financial year ended 31 December 2023.

The Chairman went through the agenda as set out in the Notice of the 29<sup>th</sup> AGM.

**1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (“AFS 2023”) TOGETHER WITH THE DIRECTORS’ AND THE AUDITORS’ REPORTS THEREON**

The Chairman informed that the AFS 2023 together with the Directors’ and the Auditors’ Reports was meant for discussion only as the Companies Act 2016 did not require a formal approval of the shareholders for the AFS 2023. Therefore, the item was not put forward for voting.

The Chairman declared the AFS 2023 together with the Directors’ and the Auditors’ Reports thereon be received.

**2. RESOLUTION 1**  
**RE-ELECTION OF EN ABD MALIK BIN A RAHMAN WHO RETIRES BY ROTATION PURSUANT TO CLAUSE 76(3) OF THE CONSTITUTION OF THE COMPANY**

As Resolution 1 concerned the re-election of the Chairman, En Abd Malik Bin A Rahman passed the chair to Ms Ho Kim Poi, the Audit Committee Chairperson, to take the meeting through the resolution.

Ms Ho Kim Poi put the following motion to the meeting for consideration:

*“THAT En Abd Malik Bin A Rahman retiring pursuant to Clause 76(3) of the Constitution of the Company and who being eligible, be re-elected Director of the Company.”*

She then passed the chair back to the Chairman.

3. **RESOLUTION 2**  
**RE-ELECTION OF PN NORHANIFAH BINTI A.JALIL WHO RETIRES BY ROTATION PURSUANT TO CLAUSE 78 OF THE CONSTITUTION OF THE COMPANY**

The Chairman then moved on to Resolution 2 on the agenda. He put the following motion to the meeting for consideration:

*“THAT Pn Norhanifah Binti A.Jalil retiring pursuant to Clause 78 of the Constitution of the Company and who being eligible, be re-elected Director of the Company.”*

4. **RESOLUTION 3**  
**APPOINTMENT OF DATUK HARJEET SINGH A/L HARDEV SINGH AS THE INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

The Chairman proceeded to the next item on the agenda which was on the appointment of Datuk Harjeet Singh A/L Hardev Singh. The Chairman informed that the profile of Datuk Harjeet Singh and the information pertaining to his appointment can be found in the Statement Accompanying the Notice of 29<sup>th</sup> AGM.

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

*“THAT the appointment of Datuk Harjeet Singh A/L Hardev Singh as the Independent Non-Executive Director of the Company be approved with immediate effect.”*

5. **RESOLUTION 4**  
**DIRECTORS’ FEE OF UP TO RM132,000 PAYABLE TO EN ABD MALIK BIN A RAHMAN, THE CHAIRMAN AND THE SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR, FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024**

As Resolution 4 concerned the payment of Directors’ fee to the Chairman, En Abd Malik Bin A Rahman passed the chair to Ms Ho Kim Poi, the Audit Committee Chairperson, to take the meeting through the resolution.

Ms Ho Kim Poi put the following motion to the meeting for consideration:

*“THAT the Directors’ fee of up to RM132,000 payable to En Abd Malik Bin A Rahman, the Chairman and the Senior Independent Non-Executive Director, for the financial year ending 31 December 2024 be approved.”*

She then passed the chair back to the Chairman.

6. **RESOLUTION 5**  
**DIRECTORS’ FEE OF UP TO RM35,600 PAYABLE TO DATO’ ABDULLAH THALITH BIN MD THANI, THE NOMINATING COMMITTEE CHAIRMAN AND THE INDEPENDENT NON-EXECUTIVE DIRECTOR FOR THE PERIOD FROM 1 JANUARY 2024 TO 23 MAY 2024**

The Chairman proceeded to the next item on the agenda which was on payment of Directors’ fee to Dato’ Abdullah Thalith Bin Md Thani. He informed that Dato’ Abdullah Thalith Bin Md Thani who is retiring pursuant to Clause 76(3) of the Constitution of the Company had indicated

that he would not seek for re-election and therefore, he would retire as Director of the Company at the conclusion of 29<sup>th</sup> AGM. As such, the Director's fees payable to him is for the period from 1 January 2024 to 23 May 2024.

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

*“THAT the Directors’ fee of up to RM35,600 payable to Dato’ Abdullah Thalith Bin Md Thani, the Nominating Committee Chairman and the Independent Non-Executive Director for the period from 1 January 2024 to 23 May 2024 be approved.”*

On behalf of the Board, the Chairman expressed appreciation to Dato’ Abdullah Thalith Bin Md Thani for his contributions to the Company during his tenure as a member of the Board, Chairman of the Nominating Committee and member of the Audit Committee.

**7. DIRECTORS’ FEE OF UP TO RM94,300 PAYABLE TO MS HO KIM POI, THE AUDIT COMMITTEE CHAIRPERSON AND THE INDEPENDENT NON-EXECUTIVE DIRECTOR, FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024**

The Chairman proceeded to the next item on the agenda which was on payment of Directors’ fee to Ms Ho Kim Poi. He put the following motion to the meeting for consideration:

*“THAT the Directors’ fee of up to RM94,300 payable to Ms Ho Kim Poi, the Audit Committee Chairperson and the Independent Non-Executive Director, for the financial year ending 31 December 2024 be approved.”*

**8. DIRECTORS’ FEE OF UP TO RM82,100 PAYABLE TO MR LOW HAN KEE, THE NON-INDEPENDENT NON-EXECUTIVE DIRECTOR, FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024**

The next item on the agenda was on the payment of Directors’ fee to Mr Low Han Kee.

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

*“THAT the Directors’ fee of up to RM82,100 payable to Mr Low Han Kee, the Non-Independent Non-Executive Director, for the financial year ending 31 December 2024 be approved.”*

**9. DIRECTORS’ FEE OF UP TO RM94,800 PAYABLE TO DATIN SERI AZREEN BINTI ABU NOH, THE INDEPENDENT NON-EXECUTIVE DIRECTOR, FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024**

The Chairman moved on to the next item on the agenda i.e. Resolution 8, which was on the payment of Directors’ fee to Datin Seri Azreen Binti Abu Noh. He put the following motion to the meeting for consideration:

*“THAT the Directors’ fee of up to RM94,800 payable to Datin Seri Azreen Binti Abu Noh, the Independent Non-Executive Director, for the financial year ending 31 December 2024 be approved.”*

10. **RESOLUTION 9**  
**DIRECTORS' FEE OF UP TO RM75,100 PAYABLE TO PN NORHANIFAH BINTI A.JALIL, THE NON-INDEPENDENT NON-EXECUTIVE DIRECTOR, FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024**

The Chairman moved on to Resolution 9 on the payment of Directors' fee to Pn Norhanifah Binti A.Jalil. He put the following motion to the meeting for consideration:

*"THAT the Directors' fee of up to RM75,100 payable to Pn Norhanifah Binti A.Jalil, the Non-Independent Non-Executive Director, for the financial year ending 31 December 2024 be approved."*

11. **RESOLUTION 10**  
**DIRECTORS' FEE OF UP TO RM53,200 PAYABLE TO DATUK HARJEET SINGH A/L HARDEV SINGH, THE INCOMING INDEPENDENT NON-EXECUTIVE DIRECTOR, FOR THE PERIOD FROM 23 MAY 2024 TO 31 DECEMBER 2024**

The Chairman proceeded to the next item on the agenda i.e. Resolution 10 on payment of Directors' fee to Datuk Harjeet Singh A/L Hardev Singh, who is standing for appointment as new Independent Non-Executive Director of the Company. He put the following motion to the meeting for consideration:

*"THAT subject to passing of Ordinary Resolution 3 on the appointment of Datuk Harjeet Singh A/L Hardev Singh as the Independent Non-Executive Director of the Company, the Directors' fee of up to RM53,200 payable to Datuk Harjeet Singh A/L Hardev Singh, the incoming Independent Non-Executive Director, for the period from 23 May 2024 to 31 December 2024 be approved."*

12. **RESOLUTION 11**  
**DIRECTORS' BENEFITS OF UP TO RM138,400 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024**

Resolution 11 was on the payment of Directors' benefits. The Chairman put the following motion to the meeting for consideration.

*"THAT the payment of Directors' benefits of up to RM138,400 for the financial year ending 31 December 2024 be approved."*

13. **RESOLUTION 12**  
**RE-APPOINTMENT OF ERNST & YOUNG PLT AS AUDITORS OF THE COMPANY**

The Chairman moved on to Resolution 12 on the re-appointment of Auditors. He put the following motion to the meeting for consideration:

*"THAT Ernst & Young 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."*

14. **RESOLUTION 13**  
**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("Proposed Renewal of Shareholders' Mandate")**

The Chairman moved on to the Special Business of the meeting on the Proposed Renewal of Shareholders' Mandate.

The Chairman informed that the details on the Proposed Renewal of Shareholders' Mandate were set out in Section 2.4 of the Circular to Shareholders dated 23 April 2024.

The related parties who were deemed interested in the Proposed Renewal of Shareholders' Mandate have abstained and would continue to abstain from all deliberations and voting on the resolution.

The Chairman put the following motion as set out in the Notice of the 29<sup>th</sup> AGM to the meeting for consideration:

*"THAT approval be and is hereby given for the Company and/or its subsidiaries ("Group") to enter into recurrent transactions of a revenue or trading nature with Access Business Group International LLC ("ABGIL") and Amway (Singapore) Pte. Ltd. ("Amway (S)") as set out in Section 2.4 of the Circular to shareholders dated 23 April 2024, which are subject to the approval of the Proposed Renewal of Shareholders' Mandate, provided that such recurrent transactions are necessary for the day-to-day operations and are carried out in the ordinary course of business and at arms-length basis on normal commercial terms which are consistent with the Group's normal business practices and policies and on terms not more favourable to the related parties than those generally available to the public and on terms not to the detriment of the minority shareholders;*

*AND THAT such approval shall be in force until:*

- (i) the conclusion of the next Annual General Meeting of the Company ("AGM") at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed;*
- (ii) the expiration of the period within which the next AGM is required to be held under Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed under Section 340(4) of the Companies Act 2016); or*
- (iii) revoked or varied by ordinary resolution passed by the shareholders in a general meeting,*

*whichever is the earlier;*

*AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including, without limitation, to execute all such documents and to assent to any conditions, variations and/or amendments) in the interest of the Company to give effect to the aforesaid shareholders' mandate."*

**ANY OTHER BUSINESS**

The Chairman informed that no notice for other business pursuant to the Companies Act 2016 and the Constitution of the Company had been received.

**QUESTION & ANSWER (“Q&A”) SESSION**

The Chairman invited Mr Michael Jonathan Duong to address the questions submitted prior and during the 29<sup>th</sup> AGM by the shareholders. Questions that could not be addressed during the Q&A session due to time constraint would be posted on the Company’s website.

The Q&A Session marked as “Appendix A” and attached hereto, shall form part of these minutes.

**CONDUCT OF POLL**

Having dealt with all the items on the agenda, the meeting then proceeded to vote on Resolutions 1 to 13 by poll. The Chairman adjourned the meeting at 10.57 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 11.19 a.m. for the declaration of the results of the poll.

Based on the poll results (attached to these minutes as “Appendix B”), the Chairman declared Resolutions 1 to 13 carried.

**CLOSURE**

The Chairman thanked those present for their attendance and closed the meeting at 11.20 a.m.

AMWAY (MALAYSIA) HOLDINGS BERHAD (“AMWAY” OR “COMPANY”)

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QUESTION AND ANSWER SESSION OF THE 29<sup>TH</sup> ANNUAL GENERAL MEETING (“29<sup>TH</sup> AGM”) OF THE COMPANY HELD ON THURSDAY, 23 MAY 2024 AT 9.30 A.M.

Question	The Company’s response
<p><b>1. Any guidance on revenue and profit growth, as well as profit margin for the financial year 2024 (“FY 2024”)? Based on the current situation and barring any unforeseen circumstances, does management expect to achieve profit growth for FY 2024?</b></p>	<p>In terms of revenue, the Company will continue to monitor closely the impact of inflationary pressure on consumer spending and consumer sentiment. Additionally, the Company will assess the potential implications of the recent implementation of EPF Account 3 withdrawal the increase in civil servants’ salary increment rates.</p> <p>While managing these ongoing economic challenges, the Company will focus on striking a balance between investments in the current and long-term initiatives centred around “Health and Wellbeing” in ensuring profitability that supports shareholders’ value and growth.</p> <p>This is the best guidance that the Company could provide at the moment related to the performance for FY 2024 until the release of the financial results for the first quarter of FY 2024.</p>
<p><b>2. With the Limited Risk Distributor (“LRD”) transfer pricing methodology, will stronger Malaysian Ringgit (“MYR”) benefit the Company’s profit?</b></p> <p><b>LRD methodology will be valid for how long, is it permanent?</b></p>	<p>The LRD is one of the transfer pricing methodologies which is an internationally acceptable approach under the Organisation for Economic Co-Operations (“OECD”) guidelines. Under the LRD methodology, the Company’s target operating margin is benchmarked against comparable third-party companies within the industry. By using the benchmarked operating margin, the prices of the products purchased from Amway Headquarters (Amway “HQ”) are negotiated to reflect an arms-length result. This methodology provides the Group with greater certainty and stable operating margin and thus, the Group will continue adopting the LRD method.</p> <p>As for the question about the potential benefit of stronger MYR on the Company’s profits, under the transfer pricing mechanism, products purchased from Amway HQ are invoiced and paid in MYR. Hence, the Group is not exposed to foreign exchange risk.</p>



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<p><b>3. Since the pandemic, Amway’s Annual General Meeting (“AGM”) have been on a virtual basis. As the COVID-19 situation is under control, perhaps face-to-face AGMs can be reintroduced.</b></p> <p><b>Loyal shareholders have not received any door gifts since the pandemic. Amway should reintroduce door gifts even when AGMs are held virtually. The door gifts can be sent to shareholders’ registered address. This is being done by a Company where I am also a shareholder.</b></p>	<p>The Company places a high priority on the safety of its shareholders attending the AGM. While the COVID-19 cases in Malaysia are under control, the potential for spikes in cases can happen at any time.</p> <p>The Company also recognises the importance of engaging with as many shareholders as possible. The virtual AGM has shown a higher participation levels and increased engagement with shareholders. This is evidenced by the greater number of participants and questions received, as well as the geographical base of the participants.</p> <p>Virtual AGM provides an optimal balance, enabling the Company to provide shareholders with an understanding of its direction and updates on its performance while also allowing them to provide valuable inputs.</p> <p>Although the cost of convening a virtual AGM is higher than holding a physical AGM, this reflects the Board and the Company’s commitment to providing shareholders with the best possible opportunity for AGM participation.</p>
<p><b>4. Recommend having hybrid AGM and providing door gifts in the form of e-voucher/e-wallet as token of appreciation (The cost of virtual meeting is less than physical meeting). Also, the Company can skip questions for virtual meeting, which can be a disadvantage to the shareholders.</b></p>	<p>The Company’s primary focus of an AGM is on engaging shareholders in discussions about the business, particularly on topics pertinent to shareholder value and returns. The cost of a virtual AGM is higher compared with holding a physical AGM.</p> <p>At the virtual AGM, the Board and Management team are committed to addressing all questions raised within the allocated time.</p>
<p><b>5. Any dividend policy provided?</b></p>	<p>Based on the Company’s dividend policy, the Board is committed to distributing a gross dividend of not less than 80% of the annual net earnings.</p> <p>The Company paid a special single tier interim dividend of 40 sen, in addition to the ordinary single tier interim dividends of 20 sen for FY 2023 based on</p>

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	<p>the Company's profit and commitment to delivering value and return to its shareholders.</p>
<p><b>6. I would like to know whether there will be any bonus issue exercise in FY 2024.</b></p> <p><b>Any mergers or acquisitions to be undertaken in FY 2024?</b></p>	<p>The Company has no plan for any merger or acquisition in FY 2024 and has not undertaken such exercises since its inception.</p> <p>The Company currently has no plan to undertake a bonus issue exercise. The Company will remain focused on managing the impact of the ongoing economic headwinds on sales and profitability to ensure an optimum return on shareholders' value.</p>
<p><b>7. May I know whether EPF Account 3 can help Amway business?</b></p> <p><b>What is the current volume of Amway Business Owner ("ABO") in Malaysia?</b></p>	<p>The Company hopes that the recent implementation of the EPF Account 3 withdrawal and the increase in civil servant's salary increment rates will help to stimulate consumer spending in Malaysia. The Company will monitor the situation and how it will support the ABOs in reaching out to their customers.</p> <p>There are currently about 800,000 ABOs and Amway Privileges Customers ("APC") in Malaysia. The Company continues to observe a strong momentum in terms of monthly buyers, with approximately 180,000 distinct monthly buyers.</p>
<p><b>8. As a customer of Amway, I had encountered numerous problems with Amway website when ordering Amway products. For example, I realised that the website is only designed for one type of browser (i.e. Chrome), while it cannot work properly in other popular browsers (i.e. Firefox), and it does not have a proper message to warn users about it. When this issue is highlighted to the staff, I was quite shocked that they think there is no problem with this narrow-minded design.</b></p>	<p>The Company will continue to assess this matter, prioritising the optimisation of resources to identify the most widely used browser for supporting and optimising configurations and landing pages. The Company will continue investing in infrastructure by optimising browsers and exploring future possibilities such as next-generation eCommerce and the development of a mobile application.</p> <p>Currently, Firefox users are less than 2% of the market share in Malaysia, while Chrome has over 70% of the market share. Therefore, Chrome, being the most commonly used and user-friendly browser, has been selected for Amway's website.</p>

<p><b>9. Please justify on the high Directors' fees and benefits as per vote.</b></p> <p><b>What can the esteemed retired shareholders expect from Amway especially on the dividend (is it increasing per share?), share price, bonus issue etc.</b></p>	<p>In terms of the justification of Directors' fees and benefits, the Remuneration Committee of the Company conducts a benchmarking process against other listed companies' Directors' fees and benefits in Malaysia. This ensures that the Directors are appropriately compensated for their time, expertise and governance responsibilities while aligning with other multinational companies or fast-moving consumer goods companies.</p> <p>The commitment of the Board and the Management towards dividends is reflected through the total payout of ordinary and special single tier interim dividends in respect of FY 2023, marking the highest dividend in the last 10 years. The commitment is also further reflected in the growth of the Company's share price.</p>
<p><b>10. Referring to fourth quarter of the FY 2023 results, which it is good to see Amway able to report higher profit, from increased product price and lower payout on commission. However, lower revenue that dropped from RM397 million in 2022 to RM358 million in 2023, seems to suggest this has resulted in sales volume dropping. With lower commission payout and higher product price, will the profit be sustainable? Will these moves affect future businesses?</b></p>	<p>It is difficult to compare and measure quarter-to-quarter financial results due to various factors i.e timing of promotions etc.</p> <p>Based on the full-year financial result for FY 2023, the Group reported a 7% decline in revenue compared to the previous year. This reflected an exhale following two years of extraordinary sales growth, coupled with the impact of the ongoing inflationary pressure and weaker consumer spending and sentiment. In addition, there was also a decline in new ABO sponsoring and application which resulted in reduced sales volume and activities.</p> <p>In terms of profitability, the Company focuses on ensuring the adequacy of the infrastructure and services are provided to support ABOs and fulfill the Company's long-term commitment to overall business sustainability and profitability. The Company's key focus is on promoting healthy lifestyles and for ABOs to build sustainable communities.</p>

<p><b>11. How many terms can Directors hold office?</b></p> <p><b>What is the succession planning of the Company?</b></p>	<p>In accordance with Practice 5.3 of the Malaysian Code on Corporate Governance (“MCCG”), the tenure of an independent director should not exceed a term limit of nine years. If the board intends to retain an independent director beyond nine years but not more than twelve years, it should provide justification and seek annual shareholders’ approval through a two-tier voting process. However, there is no tenure limit for non-independent director.</p> <p>None of the Independent Directors of the Company has exceeded a tenure of nine years.</p> <p>There are movements in the composition of the Company’s Board of Directors in FY2023 to align with the said practice of MCCG. In early 2024, a due diligence process was conducted on the nomination of a new Independent Director, which was proposed for shareholders’ approval at this AGM to replace a long-serving Independent Director. During the nomination process, the Board assessed the balance of its composition, including expertise, the Company’s future direction and commitment towards health and wellbeing, to identify any gaps in expertise needed. This ensures that the Board continues to provide appropriate governance, expertise and support for the management to fulfill its commitment to shareholders’ value and returns.</p>
<p><b>12. Please briefly explain how the sales growth affect the incentives payout ratio? As in FY 2023, fourth quarter compared to third quarter, fourth quarter recorded higher revenue but lower profit due to higher incentive payout.</b></p>	<p>Incentives payout is affected by the timing of payment. There are various types of incentives with some payments made on a yearly and monthly basis. Yearly incentive payments are usually made in the fourth quarter of the financial year. Hence, the accounting adjustments for the incentives will have an impact on the results of that quarter.</p> <p>Comparison of sales from quarter to quarter is difficult due to the timing of promotions and uptake of the promotions. Consequently, incentive payments may not fully correlate with quarter-to-quarter sales performance.</p>

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	<p>The Company has a robust sales and marketing plan that is competitive to ensure that ABOs are properly compensated, motivated and rewarded for their hard work and efforts. Part of the incentives are attributable to multiple aspects such as business volume or leadership growth, and some incentives are growth-driven.</p>
<p><b>13. Are Amway’s products being sold on Shopee or any other online platform? What is the countermeasure to solve this problem because they might be counterfeit products and the price might be lower than normal distribution channels?</b></p>	<p>The online marketplace is a free marketplace that allows companies to sell products via channels other than their website and for individuals to sell products. Thus, there are hundreds or thousands of sellers on the online market platforms, increasing the risk of counterfeit products being sold.</p> <p>To address the issue of counterfeit Amway products, the Company actively monitors and identifies them through direct encounters or reports received. Upon identification of the counterfeit products, the Company notifies the online platform and collaborates with them to remove the sellers and products. The Company also investigates individuals selling products below the distributors’ price approved by the government to ensure compliance with pricing and promotion regulations. The Company also collaborates with the government and direct selling industry to address these issues.</p> <p>When the source of counterfeit products is traced, appropriate actions, including sanctions, are taken against the responsible parties. Amway has a Business Conduct and Rules team wherein matters are investigated and brought up to the review panel, which may include the head of sales, general management and in-house legal, depending on the situation and nature of the issue. This ensures that the Company has appropriate processes in place and takes necessary action against those who circumvent the rules, involve in unauthorised selling both online and offline, and any other misconduct.</p>

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<p><b>14. Since ABO incentives plan is designed for growth, sales growth will affect the incentives payout ratios. Will the profit margin be very volatile in the future, like the fluctuations in the second, third quarter and fourth quarter in FY 2023? The profit margin jump up so much in third quarter, and then declined so much in fourth quarter.</b></p>	<p>The volatility in profit was mainly attributed to the nature and timing of the incentive payouts, particularly the annual bonuses to ABOs made in the fourth quarter in respect of the result for the performance year from September 2022 to August 2023. The bonus computation takes into account not only the ABO's local Malaysia sales but also bonuses from multinational businesses. This resulted in volatility in the profit, particularly for the fourth quarter.</p>
<p><b>15. For the ABO incentives plan, is the ABO sales growth based on Year-to-Year comparison or Quarter-to-Quarter, or monthly comparison with the last month.</b></p>	<p>There are multiple incentives available for ABOs. Monthly incentives are designed to reward ABOs for their work and volume generated in the month. In addition, bonuses are also provided for building the structure of the group or organisation, as well as annual bonuses.</p>
<p><b>16. If revenue hit new high, then will profit be lower as Amway need to pay higher ABO incentives?</b></p>	<p>The Company experienced record high revenue during the COVID-19 pandemic in FY2020 and FY2021 and profit was impacted by ABO incentives. During those years, under the LRD methodology, there were no increase in transfer pricing for products purchased from Amway HQ despite facing inflationary pressures, global supply chain issues and other challenges to support the Company's target operating margin.</p>

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(340354-U)

**29TH Annual General Meeting**  
Van Andel & DeVos Training Centre, Amway (Malaysia) Sdn. Bhd., 28, Jalan 223,  
46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia  
On 23-May-2024 at 09:30AM

**Result On Voting By Poll**

Resolution(s)	Vote For				Vote Against				Total Votes			
	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%
Ordinary Resolution 1	141,306,404	99.8575	297	77.9528	201,692	0.1425	84	22.0472	141,508,096	100.0000	381	100.0000
Ordinary Resolution 2	141,490,704	99.9847	301	78.3854	21,692	0.0153	83	21.6146	141,512,396	100.0000	384	100.0000
Ordinary Resolution 3	141,311,002	99.8577	300	78.1250	201,394	0.1423	84	21.8750	141,512,396	100.0000	384	100.0000
Ordinary Resolution 4	141,301,348	99.8539	282	74.0157	206,748	0.1461	99	25.9843	141,508,096	100.0000	381	100.0000
Ordinary Resolution 5	141,480,648	99.9776	285	74.2188	31,748	0.0224	99	25.7813	141,512,396	100.0000	384	100.0000
Ordinary Resolution 6	141,480,648	99.9776	285	74.2188	31,748	0.0224	99	25.7813	141,512,396	100.0000	384	100.0000
Ordinary Resolution 7	141,480,948	99.9778	286	74.4792	31,448	0.0222	98	25.5208	141,512,396	100.0000	384	100.0000
Ordinary Resolution 8	141,480,648	99.9776	285	74.2188	31,748	0.0224	99	25.7813	141,512,396	100.0000	384	100.0000
Ordinary Resolution 9	141,480,506	99.9775	284	73.9583	31,890	0.0225	100	26.0417	141,512,396	100.0000	384	100.0000
Ordinary Resolution 10	141,300,806	99.8505	284	73.9583	211,590	0.1495	100	26.0417	141,512,396	100.0000	384	100.0000
Ordinary Resolution 11	141,475,107	99.9767	280	73.4908	32,989	0.0233	101	26.5092	141,508,096	100.0000	381	100.0000
Ordinary Resolution 12	141,494,369	99.9873	311	80.9896	18,027	0.0127	73	19.0104	141,512,396	100.0000	384	100.0000
Ordinary Resolution 13	56,501,312	99.9632	306	79.8956	20,801	0.0368	77	20.1044	56,522,113	100.0000	383	100.0000

