

**MGB BERHAD**  
(Company No.: 589167-W)  
(Incorporated in Malaysia)

**MINUTES OF THE SEVENTEENTH ANNUAL GENERAL MEETING** of MGB Berhad (“**MGB**” or “**the Company**”) held at Ballroom III, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 18 June 2019 at 10.00 a.m.

---

**PRESENT** : Directors  
Dato’ Abdul Majit bin Ahmad Khan (Chairman)  
Datuk Lim Lit Chek  
Mr Lim Kim Hoe  
Mr Chin Sui Yin  
Dato’ Beh Hang Kong  
Puan Nadhirah binti Abdul Karim

**ABSENT WITH APOLOGIES** : Tan Sri Lim Hock San, JP  
Datuk Wira Lim Hock Guan, JP

**SHAREHOLDERS/ PROXIES** : As per attendance sheets  
(hereinafter collectively referred to as “**Members**”)

**IN ATTENDANCE** : Mr. Yeo Wee Ching - Company Secretary

**1. CHAIRMAN**

Dato’ Abdul Majit bin Ahmad Khan (“**Dato’ Chairman**”) took the Chair and welcomed the Members to the Seventeenth Annual General Meeting (“**17<sup>th</sup> AGM**” or “**the Meeting**”) of the Company.

Dato’ Chairman extended his apology on behalf of Tan Sri Lim Hock San, the Group Managing Director and Datuk Wira Lim Hock Guan, the Executive Director of the Company who unable to attend the Meeting.

Dato’ Chairman then introduced the Directors and the representatives from Messrs. UHY and Messrs. Mah Kamariyah & Philip Koh, being Auditors of the Company and the appointed solicitors respectively, who were present at the 17<sup>th</sup> AGM.

**2. QUORUM**

The requisite quorum being present pursuant to Article 53 of the Company’s Constitution of the Company, Dato’ Chairman declared the Meeting was duly convened.

**3. NOTICE OF THE MEETING**

The Notice of the Meeting having been circulated within the stipulated statutory period to shareholders, was taken as read.

Before proceeding with the agenda of the Meeting, Dato' Chairman explained to the Meeting on the procedure of voting on a resolution where all the resolutions set out in the Notice of 17<sup>th</sup> AGM would be voted by poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Dato' Chairman further informed the Meeting that the Company had appointed Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") as the Poll Administrator to conduct the polling process and Scrutineer Solutions Sdn Bhd ("**Scrutineer Solutions**") as the independent scrutineers to validate the poll results. The voting process for the resolutions would be conducted upon completion of the deliberation of all agenda items to be transacted at the 17<sup>th</sup> AGM.

#### **4. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS**

The Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors ("**AFS 2018**") were tabled for discussion.

Dato' Chairman then invited questions from the floor on the AFS 2018. The Meeting deliberated on this item. In summary, the questions raised were responded by the Management as follows:

- (i) Mr Ho Yueh Weng ("**Mr Ho**"), a proxy, enquired on (1) the outlook of the Company; (2) the challenges / competitions that lie ahead within the business environment; (3) business plans/strategies to drive company's performance; (4) the reasons for the increase in expenditure and staffs costs; (5) concerns over hike in cement and steel prices as well as (6) to provide an update on the Group's Industrialised Building System ("**IBS**") plants.

Datuk Lim Lit Chek ("**Datuk Richard Lim**"), the Executive Director and Chief Executive Officer of the Company, responded that there is no change in the Company's business plan/strategy and the Group shall continue to focus on its business strategies by leveraging on the adoption of IBS technology to actively tender for more construction projects, particularly on affordable home projects. However, the progress has been delayed for a year mainly due to the uncertainty over the major policies and political shifts arising from the change of government. With the clearer policy direction from the Federal and State Government is taking place, the Group has successfully been selected and identified by the Selangor State Government as collaboration partner in delivering affordable houses, which is known as "*Rumah Idaman*". In this regard, the Group has secured a Rumah Idaman project in Shah Alam and the Group hopes more to come.

With reduced activity level, the competition for construction industry remains intense domestically and thus resulting in lower margins. In addressing it, we differentiate from our competitors being an innovative total solution design and build expert in providing full range of services from the initial stage of planning and design until the final stage operation and management coupled with the capability to self-supply IBS precast concrete components. Furthermore, instead

of relying solely on market, our focus is always making ourselves more efficient by exploring for new innovative and sustainable methods of construction to preserve/improve profit margin i.e. adoption of IBS Precast Concrete System.

Datuk Richard Lim further elaborated that the increase in staffs cost was in correspondence with the increased in headcount to support the business expansion which the Group have invested approximately RM20 million and RM40 million for both manufacturing IBS precast concrete plants in Alam Perdana and Nilai respectively. Both plants possess the combined production capability of producing 4,000 units of properties annually, which were operational in May 2018 and March 2019 respectively. It is expected that the increase in production volume will help to achieve economies of scale when both manufacturing plants operate at their full swing in 2019.

Following the implementation of the initiative, the reliance of manual labour is being reduced and we have successfully produced and supplied for our pilot IBS precast concrete project for 673 units of double storey terrace houses at LBS Alam Perdana township, which has achieved IBS score of approximately 90%.

In respect of the concern over hike in cement and steel prices, it is learnt that Government is looking into it and will discuss with industry players on strategies to mitigate the adverse impact of higher cement prices. As for the steel prices, our usage will be lower by adopting precast concrete system thus our impact will be relatively lower compared to competitors.

There being no further questions raised, the AFS 2018 thereon was received as properly laid before the 17<sup>th</sup> AGM.

Dato' Chairman then informed the Meeting that in accordance to Section 340 of the Companies Act, 2016, the AFS 2018 were laid before the Meeting for discussion only. As the formal approval of the Members were not required for this agenda item, the matter was not put forward for voting.

With that, the Chairman concluded the question and answers session for the item 1 of the Agenda and proceeded to the next agenda item.

**5. ORDINARY RESOLUTION 1  
APPROVAL ON PAYMENT OF DIRECTORS' FEES AND ALLOWANCE**

The Chairman referred to item no. 2 of the Agenda which was to approve the payment of Directors' Fees and Allowance of RM167,450.00 for the financial year ended 31 December 2018.

The Chairman then proceeded to invite a Member to propose and to second the Ordinary Resolution 1 as follows:

“THAT the payment of Directors' Fees and Allowance of RM167,450.00 for the financial year ended 31 December 2018 be and is hereby approved.”

Upon the proposal by Mr Lee Tec Minn and duly seconded by Mr Thavarajan A/L Muthiah Pillai, Dato' Chairman put the motion to vote by way of poll which would be conducted upon completion of the remaining businesses of the Meeting.

**6. ORDINARY RESOLUTION 2  
RE-APPOINTMENT OF DATO' ABDUL MAJIT BIN AHMAD KHAN**

At this juncture, Dato' Chairman declared his interest in Ordinary Resolution 2 in respect of his re-appointment as Director of the Company. Since Dato' Chairman is an interested Director in this resolution, he then invited Datuk Richard Lim to chair the Meeting for the Ordinary Resolution 2 in relation to his re-appointment as a Director of the Company in accordance to Article 89(g) of the Company's Constitution.

Datuk Richard Lim then took over the Chair from Dato' Chairman and invited a Proposer and a Secunder for the motion in relation to the Ordinary Resolution 2 as follows:

“THAT Dato' Abdul Majit bin Ahmad Khan who is retiring in accordance with Article 89(g) of the Company's Constitution, be and is hereby re-appointed as a Director of the Company.”

Upon the proposal by Ms Soon Jo Ann and duly seconded by Mr Thavarajan A/L Muthiah Pillai, Datuk Richard Lim put the motion to vote by way of poll which would be conducted upon completion of the remaining businesses of the Meeting.

Datuk Richard Lim then handed over the Chair back to Dato' Chairman for the remaining agendas of the Meeting.

**7. ORDINARY RESOLUTION 3  
RE-ELECTION OF DATO' BEH HANG KONG**

Dato' Chairman referred to item no. 4(i) of the Agenda and informed the Meeting that Dato' Beh Hang Kong who retires in accordance with Article 90 of Constitution of the Company and being eligible, has offered himself for re-election.

Dato' Chairman then proceeded to invite a Member to propose and to second the Ordinary Resolution 3 as follows:

“THAT Dato' Beh Hang Kong who is retiring in accordance with Article 90 of the Company's Constitution, be and is hereby re-elected as a Director of the Company.”

Upon the proposal by Ms Chan Swee Yee and duly seconded by Mr Toh Chiew Kian, Dato' Chairman put the motion to vote by way of poll which would be conducted upon completion of the remaining businesses of the Meeting.

**8. ORDINARY RESOLUTION 4  
RE-ELECTION OF MR CHIN SUI YIN**

Dato' Chairman informed the Meeting that the item no. 4(ii) of the Agenda is in relation to the re-election of Mr Chin Sui Yin who retires in accordance with Article 90 of Constitution of the Company and being eligible, has offered himself for re-election.

Dato' Chairman then proceeded to invite a Member to propose and to second the Ordinary Resolution 4 as follows:

“THAT Mr Chin Sui Yin who is retiring in accordance with Article 90 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

Upon the proposal by Mr Ng Mun Ngan and duly seconded by Mr Yap Kuan Hee, Dato’ Chairman put the motion to vote by way of poll which would be conducted upon completion of the remaining businesses of the Meeting.

**9. ORDINARY RESOLUTION 5  
RE-ELECTION OF PUAN NADHIRAH BINTI ABDUL KARIM**

Dato’ Chairman informed the Meeting that the item no. 5 of the Agenda is in relation to the re-election of Puan Nadhirah binti Abdul Karim who retires in accordance with Article 95 of Constitution of the Company and being eligible, has offered herself for re-election.

Dato’ Chairman then proceeded to invite a Member to propose and to second the Ordinary Resolution 5 as follows:

“THAT Puan Nadhirah binti Abdul Karim who is retiring in accordance with Article 90 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

Upon the proposal by Mr Lee Tec Minn and duly seconded by Ms Lee Chye Ying, Dato’ Chairman put the motion to vote by way of poll which would be conducted upon completion of the remaining businesses of the Meeting.

**10. ORDINARY RESOLUTION 6  
RE-APPOINTMENT OF MESSRS UHY AS AUDITORS OF THE COMPANY  
AND TO AUTHORISE DIRECTORS TO FIX THEIR REMUNERATION**

Dato’ Chairman highlighted that the retiring Auditors, Messrs. UHY have indicated their willingness to accept re-appointment and continue to serve as Auditors of the Company.

He then invited a Proposer and a Secunder for the motion in relation to the Ordinary Resolution 6 as follows:

“THAT Messrs. UHY be and is hereby re-appointed as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company, at a remuneration to be determined by the Directors.”

Upon the proposal by Mr Toh Chiew Kian and duly seconded by Mr Lee Tec Minn, Dato’ Chairman put the motion to vote by way of poll which would be conducted upon completion of the remaining businesses of the Meeting.

**11. ORDINARY RESOLUTION 7  
AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76  
OF THE COMPANIES ACT, 2016**

Dato’ Chairman referred to item no. 7(a) on the Agenda with regards to the authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 as follows:-

“THAT subject always to the Companies Act, 2016 (“Act”), the Constitution of the Company and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being;

AND THAT the Directors be also empowered to obtain the approval for the listing and quotation of the additional shares so issued on the Bursa Malaysia Securities Berhad;

AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

Upon the proposal by Mr Liew Jun Meng and duly seconded by Mr Thavarajan A/L Muthiah Pillai, Dato’ Chairman put the motion to vote by way of poll which would be conducted upon completion of the remaining businesses of the Meeting.

**12. ORDINARY RESOLUTION 8  
PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR  
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR  
TRADING NATURE (“PROPOSED SHAREHOLDERS’ MANDATE”)**

Dato’ Chairman referred to the item no. 7(b) of the Agenda which was to seek Members’ approval for the renewal of Proposed Shareholders’ Mandate for Recurrent Related Party Transactions as follows: -

“THAT approval be and is hereby given pursuant to Chapter 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad for the Company, its subsidiaries or any one of them to enter into the specified recurrent transactions of a revenue or trading nature with the related parties stated in Section 2.4 of the Part A of the Circular to Shareholders dated 25 April 2019 (“**the Circular**”) which is necessary for its day-to-day operations, in its ordin course of business, made on an arm’s length basis and on normal commercial terms of the Group and on such terms which are no more favourable to the related party than those generally available to the public and which are not detrimental to the minority shareholders of the Company;

AND THAT the approval given in the aforesaid paragraph, unless revoked or varied by the shareholders of the Company in its general meeting, shall continue to be in force until the conclusion of the next Annual General Meeting of the Company, following this general meeting at which this mandate is passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed or the expiration of the period within which the next Annual General Meeting after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Company Act, 2016), whichever is earlier;

AND THAT the aggregate value of the transactions conducted pursuant to the Proposed Shareholders’ Mandate during the financial year of the Company be disclosed in the annual report by providing a breakdown of the aggregate value of the transaction, amongst others, based on the following information: -

- (a) the type of transactions made; and
- (b) the names of the related parties involved in each type of transactions made and their relationship with the Company and its subsidiaries

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required or approved or permitted by the relevant authorities) as they may consider expedient or necessary or in the interests of the Company to give effect to the Proposed Shareholders' Mandate described in the Circular and/or this resolution."

Upon the proposal by Ms Lee Chye Ying and duly seconded by Ms Soon Jo Ann, Dato' Chairman put the motion to vote by way of poll which would be conducted upon completion of the remaining businesses of the Meeting.

**13. SPECIAL RESOLUTION  
PROPOSED ALTERATION OR AMENDMENT OF THE CONSTITUTION  
OF THE COMPANY**

Dato' Chairman referred to last item on the Agenda which was to seek Members' approval for the Proposed Alteration or Amendment of the Company's Constitution as follows: -

"THAT approval be and is hereby given to alter or amend the whole of the existing Constitution of the Company by the replacement thereof with a new Constitution of the Company as set out in Appendix II of the Circular to Shareholders dated 25 April 2019 with immediate effect;

AND THAT the Directors of the Company be and are hereby authorised to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."

Upon the proposal by Ms Samantha Louis and duly seconded by Mr Liew Jun Meng, Dato' Chairman put the motion to vote by way of poll which would be conducted upon completion of the remaining businesses of the Meeting.

**14. POLL PROCESS**

There being no other business to be transacted at the Meeting, Dato' Chairman declared to proceed with the electronic vote polling process for the above nine (9) resolutions.

Dato' Chairman then adjourned the Meeting at 10.30 a.m. for the electronic poll voting process and vote count, and the Meeting resumed at 10.50 a.m. for the declaration of poll results in respect of the above resolutions.

**15. ANNOUNCEMENT OF POLL RESULTS**

At 10.50 a.m., Dato' Chairman called the Meeting to order for the declaration of the poll results. He informed the Meeting that he had received the poll results from the independent scrutineers and the Poll Administrator.

The representative of independent scrutineers, Scrutineer Solutions was invited to read out the poll results. The poll result in respect of Ordinary Resolutions 1 to 8 and Special Resolution were reported as follows: -

Resolutions	Vote in Favour		Vote Against		Results
	No. of votes	%	No. of votes	%	
<b>Ordinary Resolution 1</b>	422,274,880	100.000	0	0.000	Carried
<b>Ordinary Resolution 2</b>	424,136,284	100.000	0	0.000	Carried
<b>Ordinary Resolution 3</b>	424,136,284	100.000	0	0.000	Carried
<b>Ordinary Resolution 4</b>	419,178,784	98.831	4,957,500	1.169	Carried
<b>Ordinary Resolution 5</b>	424,136,284	100.000	0	0.000	Carried
<b>Ordinary Resolution 6</b>	424,136,284	100.000	0	0.000	Carried
<b>Ordinary Resolution 7</b>	419,176,784	98.831	4,959,500	1.169	Carried
<b>Ordinary Resolution 8</b>	121,112,669	99.998	2,000	0.002	Carried
<b>Special Resolution</b>	424,136,284	100.000	0	0.000	Carried

Based on the above poll results announced, Dato' Chairman declared that Ordinary Resolutions 1 to 8 and Special Resolution on the Agenda were duly carried.

#### **16. ANY OTHER BUSINESS**

There being no other business to be transacted, the Meeting ended at 10.55 a.m. with a vote of thanks to Dato' Chairman. Dato' Chairman also thanked the Members for the support and attendance.

**Confirmed as a correct record  
of the proceedings thereat,**

SIGNED

**Dato' Abdul Majit bin Ahmad Khan  
Chairman**

Date : 18 June 2019