

## MGB BERHAD

Registration No.: 200201021504 (589167-W)  
(Incorporated in Malaysia)

MINUTES OF THE TWENTIETH ANNUAL GENERAL MEETING OF MGB BERHAD (“MGB” OR “THE COMPANY”) HELD ON A FULLY VIRTUAL BASIS VIA REMOTE PARTICIPATION AND ELECTRONIC VOTING VIA THE ONLINE MEETING PLATFORM AT TIIH ONLINE WEBSITE AT <https://tjih.online> PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD. ON WEDNESDAY, 15 JUNE 2022 AT 10.00 A.M.

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	<u>Directors</u>
PRESENT	: Dato’ Abdul Majit bin Ahmad Khan ( <i>Chairman</i> ) Tan Sri Dato’ Sri Lim Hock San, JP Datuk Wira Lim Hock Guan, JP Datuk Lim Lit Chek Dato’ Beh Hang Kong Puan Nadhirah binti Abdul Karim
SHAREHOLDERS / PROXIES (hereinafter collectively referred to as “Members”)	: As per attendance sheets
BY INVITATION	: Mr Lim Kim Hoe (Deputy Chief Executive Officer) Mr Wong Tack Leong (Deputy Chief Executive Officer)
IN ATTENDANCE	: Mr Chong Voon Wah (Company Secretary) Ms Khoo Wei Lee (Company Secretary)
EXTERNAL AUDITORS	: Mr Tio Shin Young (Representative from Messrs UHY)

### 1. CHAIRMAN

Dato’ Abdul Majit bin Ahmad Khan (“**Dato’ Chairman**”) took the Chair and extended a warm welcome to all present at the Twentieth Annual General Meeting of the Company (“**20<sup>th</sup> AGM**” or “**the Meeting**”) and thanked all for participating in the 20<sup>th</sup> AGM remotely from various locations through live streaming.

Dato’ Chairman highlighted that as part of the safety measures to curb the spread of Coronavirus Disease (COVID-19) to prevent having a mass gathering and taking proactive measures to ensure greater shareholder participation by leveraging technology to facilitate electronic voting and remote shareholder participation in compliance with Guidance to Practice 13.3 of Malaysian Code on Corporate Governance (MCCG), the 20<sup>th</sup> AGM is conducted by way of fully virtual basis via online platform which the domain is registered in Malaysia.

Dato’ Chairman encouraged the shareholders and proxies who were attending the Meeting remotely to use the query box facility in the live stream to raise their questions in relation to the agenda items for the Meeting at any time during the meeting. The Board of Directors shall endeavour to respond to the questions, including those questions which were sent in before the Meeting via the RPV, during the questions and answers session.

Dato’ Chairman then introduced the Directors, Deputy Chief Executive Officers, the Company Secretary and the representatives from Messrs UHY, being External Auditors of the Company, who were present at the 20<sup>th</sup> AGM.

## **2. QUORUM**

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

## **3. NOTICE OF THE MEETING**

With the consent of the shareholders and proxies present, the Notice convening the Meeting having been circulated within the prescribed period to shareholders, was taken as read.

## **4. POLLING**

In line with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the voting at the AGM would be conducted by poll.

Dato' Chairman informed that the Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. ("**Tricor**") as the Poll Administrator to conduct the polling process and Asia Securities Sdn. Bhd. ("**Asia Securities**") as the independent scrutineers to validate the poll results. The polling process for the resolutions would be conducted upon completion of the deliberation of all agenda items to be transacted at the 20<sup>th</sup> AGM.

Before proceeding with the agendas of the meeting, a short system briefing on the voting procedures using the remote participation and voting application was shown during the Meeting and duly noted by the shareholders. The Chairman informed that voting on the resolutions could be done at any time during the Meeting until the conclusion of the questions and answers session.

## **5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS**

The Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and Auditors ("**AFS 2021**") which had been previously circulated to all shareholders were laid at the meeting for discussion.

Dato' Chairman informed that the first item on the agenda was to receive the Audited Financial Statements of the Company for the financial year ended 31 December 2021 together with the Directors' and Auditors' Reports thereon. He explained that as provided by the Companies Act 2016 ("**the Act**") the Audited Financial Statements of the Company for the financial year ended 31 December 2021 together with the Directors' and Auditors' Reports were meant for discussion only and did not require shareholders' approval. As such, the Chairman then declared that the AFS 2021 laid at the 20<sup>th</sup> AGM in accordance with Section 340(1)(a) of the Act was duly noted and received.

**6. ORDINARY RESOLUTION 1  
APPROVAL OF THE PAYMENT OF DIRECTORS' FEES AND ALLOWANCE  
OF RM169,450.00 TO THE NON-EXECUTIVE DIRECTORS IN RESPECT OF  
THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

Dato' Chairman informed that Ordinary Resolution 1 is to approve the payment of Directors' fees and allowance of RM169,450.00 to the Non-Executive Directors in respect of the financial year ended 31 December 2021. Explanations on Directors' fees and allowance to the Non-Executive Directors are available in the Explanatory Note 2 of the Notice of 20<sup>th</sup> AGM.

The Chairman further informed that the interested Directors would abstain from voting on this resolution.

Dato' Chairman then put the motion to vote the following Ordinary Resolution 1 by way of poll upon completion of the remaining businesses of the Meeting:

“THAT the payment of Directors' fees and allowance of RM169,450.00 to the Non-Executive Directors in respect of the financial year ended 31 December 2021 be and is hereby approved.”

**7. ORDINARY RESOLUTION 2  
APPROVAL OF THE DIRECTORS' BENEFITS OF UP TO RM29,700.00 TO THE  
NON-EXECUTIVE DIRECTORS FOR THE PERIOD COMMENCING FROM 15  
JUNE 2022 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE  
COMPANY**

Dato' Chairman informed that Ordinary Resolution 2 is to approve the payment of Directors' benefits of up to RM29,700.00 to the Non-Executive Directors for the period commencing 15 June 2022 until the next annual general meeting of the Company. Explanations on Directors' benefits to the Non-Executive Directors are available in the Explanatory Note 3 of the Notice of 20<sup>th</sup> AGM.

The Chairman further informed that the interested Directors would abstain from voting on this resolution.

Dato' Chairman then put the motion to vote the following Ordinary Resolution 2 by way of poll upon completion of the remaining businesses of the Meeting:

“THAT the payment of Directors' benefits of up to RM29,700.00 to the Non-Executive Directors for the period commencing 15 June 2022 until the next annual general meeting of the Company be and is hereby approved.”

**8. ORDINARY RESOLUTION 3  
APPROVAL FOR THE PAYMENT OF A FINAL SINGLE-TIER DIVIDEND OF  
RM0.00493 PER SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 31  
DECEMBER 2021**

Dato' Chairman informed that Ordinary Resolution 3 is to approve the payment of a final single-tier dividend of RM0.00493 per share in respect of the financial year ended 31 December 2021. Explanations on payment of final single-tier dividend of RM0.00493 per share are available in the Explanatory Note 4 of the Notice of 20<sup>th</sup> AGM.

Dato' Chairman then put the motion to vote the following Ordinary Resolution 3 by way of poll upon completion of the remaining businesses of the Meeting:

“THAT the payment of a final single-tier dividend of RM0.00493 per share in respect of the financial year ended 31 December 2021 be and is hereby approved.”

**9. ORDINARY RESOLUTION 4  
RE-ELECTION OF TAN SRI DATO' SRI LIM HOCK SAN, JP**

Dato' Chairman informed that Tan Sri Dato' Sri Lim Hock San, JP who retires in accordance with Article 90 of the Company's Constitution and being eligible, has offered himself for re-election.

Dato' Chairman then put the motion to vote the following Ordinary Resolution 4 by way of poll upon completion of the remaining businesses of the Meeting:

“THAT Tan Sri Dato' Sri Lim Hock San, JP who is retiring in accordance with Article 90 of the Company's Constitution, and being eligible, be and is hereby re-elected as Director of the Company.”

**10. ORDINARY RESOLUTION 5  
RE-ELECTION OF DATO' BEH HANG KONG**

Dato' Chairman informed that Dato' Beh Hang Kong who retires in accordance with Article 90 of the Company's Constitution and being eligible, has offered himself for re-election.

Dato' Chairman then put the motion to vote the following Ordinary Resolution 5 by way of poll upon completion of the remaining businesses of the Meeting:

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

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

Dato' Chairman informed that Ordinary Resolution 6 is to approve the re-appointment of Messrs UHY as Auditors of the Company. He highlighted that the retiring Auditors, Messrs UHY have indicated their willingness to accept re-appointment and continue to serve as Auditors of the Company.

Dato' Chairman then put the motion to vote the following Ordinary Resolution 6 by way of poll upon completion of the remaining businesses of the Meeting:

“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 AND THAT the Directors be and is hereby authorised to fix their remuneration for and on behalf

of the Company.”

**12. SPECIAL BUSINESS – ORDINARY RESOLUTION 7**

**AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

Dato’ Chairman informed that Ordinary Resolution 7 is relating to the authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Act.

Dato’ Chairman briefed that the above proposal if passed, would provide flexibility for the Company and empower the Directors to allot and issue new shares speedily for the purpose of funding future investment, working capital and/or acquisitions. Dato’ Chairman further briefed that the Directors of the Company will be authorised to allot and issue shares when the need arise up to the maximum amount of 10% of the total number of issued share of the Company. In relation thereto, the Members’ approval would be appreciated as this will eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the Members for such issuance of shares.

Dato’ Chairman then put the motion to vote the following Ordinary Resolution 7 by way of poll upon completion of the remaining businesses of the Meeting:

“THAT subject always to the Companies Act, 2016 (“**the 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 allot and 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 person 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 issued share capital of the Company for the time being;

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 (“**Bursa Malaysia**”);

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

**13. SPECIAL BUSINESS – 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 informed that Ordinary Resolution 8 is to seek Members’ approval for the Proposed Shareholders’ Mandate. The details and rationale of the Proposed Renewal of Existing Shareholders’ Mandate were set out in Part A of the Circular to Shareholders dated 29 April 2022.

Dato’ Chairman then put the motion to vote the following Ordinary Resolution 8 by way of poll upon completion of the remaining businesses of the Meeting:

“THAT approval be and is hereby given pursuant to Chapter 10.09 of the Main Market Listing Requirements of Bursa Malaysia for the Company and its subsidiaries (“**the Group**”) to enter into the specified recurrent transactions of a revenue or trading nature with the related parties

as stated in Section 2.4 of the Circular to Shareholders dated 29 April 2022 (“**the Circular**”) which is necessary for its day-to-day operations, in its ordinary 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;

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 Act, (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act), whichever is earlier;

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:

- (i) the type of transactions made; and
- (ii) the names of the related parties involved in each type of transactions made and their relationship with the Group.

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.”

**14. SPECIAL BUSINESS – ORDINARY RESOLUTION 9  
PROPOSED PURCHASE BY THE COMPANY OF UP TO 10 PER CENTUM  
(10%) OF ITS ISSUED AND PAID-UP SHARE CAPITAL (“PROPOSED SHARE  
BUY-BACK”)**

Dato’ Chairman informed that Ordinary Resolution 9 is to seek Members’ approval for the Proposed Share Buy-Back. The details and rationale of the Proposed Share Buy-Back were set out in the Part B, Statement to the Shareholders of the Company’s Circular dated 29 April 2022.

Dato’ Chairman then put the motion to vote the following Ordinary Resolution 9 by way of poll upon completion of the remaining businesses of the Meeting:

“THAT, subject to the Act, the Constitution of the Company, the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia and the approval of such relevant government and/or regulatory authorities where necessary, the Company be and is hereby authorised to purchase its own ordinary shares (“**Purchased Shares**”) on Bursa Malaysia (“**Proposed Share Buy-Back**”) at any time, upon such terms and conditions as the Board of Directors (“**Board**”) shall in their discretion deem fit and expedient in the best interest of the Company provided that:

- (a) The aggregate number of Shares in the Company which may be purchased and/ or held by the Company shall not exceed ten percent (10%) of the prevailing total number of

issued shares of the Company at the time of purchase and the compliance with the public shareholding spread requirements as stipulated in Paragraph 8.02(1) of the Listing Requirements or such other requirements as may be determined by Bursa Malaysia from time to time;

- (b) The maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the retained profits of the Company as well as the availability of the financial resources available to our Company at the time of purchase;
- (c) The authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:-
  - (i) the conclusion of the next Annual General Meeting (“AGM”) at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
  - (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
  - (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting; whichever occurs first; and
- (d) Upon the purchase by the Company of its own Shares, the Board be and is hereby authorised:-
  - (i) to cancel the Purchased Shares; and/or
  - (ii) to retain the Purchased Shares as treasury shares for distribution as share dividends to the shareholders and/or resell through Bursa Malaysia in accordance with the relevant rules of Bursa Malaysia and/or transfer the treasury shares for the purposes of or under an employees’ share scheme and/or as purchase consideration and/or cancel subsequently; and/or
  - (iii) to retain part of the Purchased Shares as treasury shares and cancel the remainder of the shares; and/or
  - (iv) In such manner as may be permitted pursuant to Section 127 of the Act, the provision of Listing Requirements and any other relevant authorities for the time being in force.

AND THAT authority be and is hereby given to the Board to take all such steps as necessary to implement, finalise and give full effect to and to implement the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be required or imposed by the relevant authorities from time to time and to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

## **15. ANY OTHER BUSINESS**

After verified and confirmed with the Company Secretary, Dato’ Chairman informed that there was no other business to be transacted at the 20<sup>th</sup> AGM.

## **16. QUESTIONS AND ANSWERS SESSION**

Dato’ Chairman then invited Datuk Lim Lit Chek (“**Datuk Lim**”), the Executive Director &

Chief Executive Officer of the Company, to address the questions received from the shareholders and proxies relating to the resolutions tabled at the 20<sup>th</sup> AGM.

Datuk Lim informed that there was no pre-meeting question raised by the shareholders. The following questions were raised by the shareholders / proxies during the live streaming and duly replied by Datuk Lim as follows:

**Q1 : How does MGB overcome construction labour shortage challenge in the market?**

Through our Industrialised Building Systems (“IBS”) precast technology, the MGB Group would be able to reduce the labour costs and construction time which lead to reduction on total on site labour cost indefinitely. With the effectiveness of the said IBS precast technology, the MGB Group managed to deliver 6,000 units of properties per year.

However, like other industries, the Group also faces the challenge of sourcing the labours for the painting and tiling works. To retain the workforce, MGB group will offers attractive salary to labours, good safety in construction sites, providing clear-cut career paths and offering skilled labour training programs in order to attract and retain skilled labour for the MGB Group.

**Q2 : What is the Major Movement in Loans and Borrowings which has decreased by approximately RM85.24 Million?**

The decrease in the Group’s Loan and Borrowing was mainly due to a better cash management with settlement of revolving credit and the progressive repayment and settlement of several loans during the financial year. At the same time, the prompt collection from the Group’s debtors also helps in reducing the utilisation of the trade facilities.

**Q3 : Have much does the rising on construction material cost affect the Group’s earnings in FY2021?**

For the financial year ended 31 December 2021, there was no material impact on the Group’s earnings. However, the management expects the cost will be further increased in the year 2022 which may affect the Group’s earnings for the current financial year. The management will mitigate the increase in the construction material cost via a more stringent cost rationalization process and improvement in project management efficiency.

**Q4 : What is MGB expectation and outlook on construction and development on affordable housing for the coming years under the current challenging economy landscape??**

The property development division will continue to be the core driver of the Group for the next couple of years. With the Government’s initiative designed to support homebuyers looking to purchase property, particularly in urban areas, the management remains optimistic and foreseen the property-buying sentiments will return to pre-pandemic levels.

**Q5 : Please approve door gift in form of e-wallet to shareholders attending this AGM.**

The Board appreciates and values active participation by all shareholders at our AGMs and your contribution to the future success of the Company, and takes note of the request by certain shareholders for e-vouchers to be given to shareholders who participate in the AGM.



However, to be consistent with the conduct of the Company's past AGMs, no vouchers will be provided. The Board had instead given a better reward to the shareholders with declaration of an interim single tier dividend of RM0.00422 per share in February 2022 and proposing declaration of a final single tier dividend of RM0.00493 per share in this AGM.

After dealing with the questions raised by the shareholders, Datuk Lim handed over the chair back to the Dato' Chairman for the remaining agendas of the Meeting.

## **17. POLL PROCESS**

After the shareholders casted their votes, Dato' Chairman then declared to proceed with the vote polling process for the above 9 resolutions.

The Chairman, with the consent of the shareholders and proxies present, adjourned the Meeting at 10.40 a.m. for the counting and verification of the poll results while the Company's corporate video was played.

## **18. ANNOUNCEMENT OF POLL RESULTS**

At 10.58 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 as follows:

<b>Resolutions</b>	<b>Vote in Favour</b>		<b>Vote Against</b>		<b>Results</b>
	<b>No. of Votes</b>	<b>%</b>	<b>No. of Votes</b>	<b>%</b>	
<b>Ordinary Resolution 1</b>	523,659,793	99.9998	992	0.0002	Carried
<b>Ordinary Resolution 2</b>	523,659,893	99.9998	822	0.0002	Carried
<b>Ordinary Resolution 3</b>	527,199,878	99.9998	822	0.0002	Carried
<b>Ordinary Resolution 4</b>	526,123,078	99.9998	822	0.0002	Carried
<b>Ordinary Resolution 5</b>	523,659,893	99.9998	822	0.0002	Carried
<b>Ordinary Resolution 6</b>	527,200,078	99.9999	622	0.0001	Carried
<b>Ordinary Resolution 7</b>	527,200,078	99.9999	622	0.0001	Carried
<b>Ordinary Resolution 8</b>	176,950,649	99.9996	622	0.0004	Carried
<b>Ordinary Resolution 9</b>	527,200,084	99.9999	616	0.0001	Carried

Based on the above poll results, Dato' Chairman declared that Ordinary Resolutions 1 to 9 on the Agenda were duly carried.

**19. TERMINATION**

There being no other business to be transacted, the Meeting concluded at 11.00 a.m. with a vote of thanks to Dato' Chairman. Dato' Chairman thanked all present again for their support and attendance.

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

**SIGNED**

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

**Dated : 6 July 2022**