



MUDAJAYA GROUP BERHAD

Registration No. 200301003119 (605539-H)
(Incorporated in Malaysia)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AND CONDUCTED VIRTUALLY FROM THE BROADCAST VENUE AT LEVEL 11, MENARA MUDAJAYA, NO. 12A, JALAN PJU 7/3, MUTIARA DAMANSARA, 47810 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA AND THROUGH THE ONLINE MEETING PLATFORM OF LUMI AGM PROVIDED BY BOARDROOM SHARE REGISTRARS SDN BHD IN MALAYSIA AT [HTTPS://MEETING.BOARDROOMLIMITED.MY](https://meeting.boardroomlimited.my) ON THURSDAY, 20 OCTOBER 2022 AT 2.30 P.M.

PRESENT : **Directors at the Broadcast Venue:**
Eric Lee Eng Leong (*Non-Independent Executive Chairman*)
Dato' Amin Rafie Bin Othman (*Independent Non-Executive Deputy Chairman*)
James Wong Tet Foh (*Group Managing Director & Chief Executive Officer*)

Directors present remotely via video conferencing:
Chew Hoy Ping (*Senior Independent Non-Executive Director*)
Oei Su Lee (*Independent Non-Executive Director*)

SHAREHOLDERS/ PROXIES : As per Attendance Record issued by the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd

IN ATTENDANCE : **Present at the Broadcast Venue:**

Company Secretary
Angelyn Lee

Share Registrar/Poll Administrator
Kenneth Siew (*Boardroom Share Registrars Sdn Bhd*)
Ibnu Sufian Bin Mas'on (*Boardroom Share Registrars Sdn Bhd*)

Scrutineers
Ruzeti Emar Mohd Rosli (*Sky Corporate Services Sdn Bhd*)
Sherlyn Teoh (*Sky Corporate Services Sdn Bhd*)

Present remotely via video conferencing:

Advisers
James Kan (*UOB Kay Hian Securities (M) Sdn Bhd*)
Jimmy Lai (*Deloitte Malaysia*)
Chiam Chee Hooi (*Deloitte Malaysia*)
Ong Tee Chin (*Asia Equity Research Sdn Bhd*)

1. **CHAIRMAN AND OPENING ADDRESS**

Mr Eric Lee Eng Leong (“**the Chairman**”) welcomed all shareholders and proxies who have logged in to join the Extraordinary General Meeting (“**EGM**”) and then called the EGM to order. He informed that this virtual EGM was held to ensure the safety and health of shareholders to limit the spread of Covid-19.

The Chairman introduced the members of the Board and the Company Secretary present at the Broadcast Venue and two directors who were in attendance virtually.

He further introduced the representatives from the Advisers namely UOB Kay Hian Securities (M) Sdn Bhd, Deloitte Malaysia and Asia Equity Research Sdn Bhd, who were in attendance virtually.

2. **QUORUM**

The Chairman informed that there was sufficient quorum for the EGM based on the confirmation from the Company Secretary.

3. **NOTICE OF EGM**

The Chairman informed that the notice convening the EGM had been duly sent to all shareholders. The notice was also announced to Bursa Malaysia Securities Berhad on 30 September 2022 and advertised in the NST newspaper on 3 October 2022. The notice was tabled and taken as read.

4. **PRESENTATION BY GROUP MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER (“MD”)**

The Chairman informed that the Company had received a letter dated 7 October 2022 from the Minority Shareholders Watch Group (“MSWG”).

Before the Chairman proceeded with the business of the EGM, he invited the MD, Mr James Wong Tet Foh (“**Mr James Wong**”) to read out the questions from MSWG and the Company’s reply.

5. **PROCEEDINGS AND POLLING**

The Chairman informed the shareholders and proxies that the voting of the resolution at the EGM would be conducted by way of poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. For this purpose, the Chairman exercised his right as Chairman of the Meeting to demand for a poll in accordance with Clause 72 of the Company’s Constitution in respect of the resolution which would be put to vote at the EGM.

He further informed that the Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd was the appointed Poll Administrator to conduct the electronic polling process and Sky Corporate Services Sdn Bhd was the appointed Scrutineers to verify the poll results.

Boardroom Share Registrars Sdn Bhd then presented a short video to brief the shareholders and proxies on how to submit questions via the message icon as well as the online voting process.

The Chairman announced that the online voting session has commenced and would be open throughout the EGM until the closure of the voting session which he would announce later.

Shareholders and proxies could submit their votes in real-time while the EGM was in progress.

The Chairman proceeded to table the resolution in the agenda of the EGM, as follows:

6. **ORDINARY RESOLUTION**

- **PROPOSED ACQUISITION BY XELMONT LIMITED, AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF MUDAJAYA GROUP BERHAD, OF THE ENTIRE EQUITY INTEREST IN REAL JADE LIMITED FOR AN INDICATIVE PURCHASE CONSIDERATION OF HKD400,000,000 (EQUIVALENT TO RM224,320,000) TO BE SATISFIED ENTIRELY VIA CASH**
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The Chairman tabled the Ordinary Resolution on the proposed acquisition by Xelmont Limited, an indirect wholly-owned subsidiary of Mudajaya Group Berhad, of the entire equity interest in Real Jade Limited for an indicative purchase consideration of HKD400,000,000 (equivalent to RM224,320,000) to be satisfied entirely via cash.

He informed that details of the proposed acquisition were set out in the Circular to Shareholders dated 3 October 2022.

7. **QUESTIONS & ANSWERS SESSION**

With the completion of the agenda, the Chairman opened the session for Questions & Answers, and invited shareholders and proxies to submit their questions by using the message icon on the Lumi AGM site.

The Chairman informed that the Company had received 2 questions from shareholders prior to this EGM which was submitted via the portal of Boardroom Share Registrars Sdn Bhd. He then read out the question (on gift vouchers) and provided the Company's response, as set out below:

Question: *Kindly give us some e-vouchers, food vouchers or e-wallet for being loyal shareholders and attending this Meeting. Times are bad now. Please be considerate to us shareholders during these trying times. Thank you.*

Answer: *There would be no distribution of e-vouchers or e-wallets to shareholders for attending this EGM as the Company needs to contain costs during this recovery period post Covid pandemic.*

The Chairman then read out the questions received from shareholders and proxies during the EGM via the message icon on the Lumi AGM site. The questions were addressed by the Chairman and MD, as set out below:

- Q1: (a) *How much does the Company spend on this virtual EGM?*
(b) *Would the Board kindly consider giving shareholders e-wallet as a token of appreciation for attending today's meeting?*
(c) *May I know what's the rationale for this proposal? Please explain.*

A1: (a) The Chairman replied that the cost for holding this virtual EGM is approximately RM23,000.

- (b) The Chairman responded that this question on e-wallet has been answered earlier.
- (c) The rationale for the proposal was disclosed in the Circular. However for the benefit of shareholders, the Chairman pointed out on page (v) of the Circular, the rationale and justification for the proposed acquisition were set out under the Executive Summary. Mudajaya Group would like to expand its trading and manufacturing segments to include manufacturing, sales and trading of cements, which is the reason for the Group to venture into this new industry. The proposed acquisition also represented an opportunity for the Group to expand into areas of which the Management team has experience and expertise in. For the knowledge of shareholders, Mudajaya's MD, Mr James Wong has a long and successful career in Lafarge, a cement company in Malaysia, hence Management has full confidence on the expertise and knowledge required to venture into this new industry.

Q2: *How does this acquisition benefit the shareholders? Will the Company be able to pay dividend to the shareholders in the coming years?*

A2: Mr James Wong commented that part of the question has been answered in the Company's reply to MSWG. The proposed acquisition would contribute stable earnings to the Company's balance sheet and in the next 4 to 5 years, the Company could start to see returns coming in. In the meantime, Management would have to monitor the progress and performance of this plant together with other businesses of the Company over the coming years.

Q3: *The scale of the cement business is very important. Real Jade Limited seems to be a very small scale player. When the price of cement drop, small scale player will be at a very disadvantage position. Mudajaya is having very high loan, with a possible global recession coming, is the proposed acquisition now good instead of being more defensive?*

A3: Mr James Wong responded that part of the question has been covered in the Company's reply to MSWG. The location of the cement plant and its supporting entities is crucial in making the business successful. As mentioned, Real Jade's assets are located in a province that would see new infrastructure projects being rolled up in the coming years. Being at the right location and supported by Mudajaya Group's own raw material supply chain, Real Jade would continue to produce cement and to maintain its businesses.

On the last question i.e. whether the acquisition is good in light of the global recession, Mr James Wong explained that the type of acquisition and the correct timing are important factors in any investments or business ventures. Recession offers an opportunity to pick up good assets if the valuation is right and competitive. The Board believed this is the case for Real Jade.

The Chairman pointed out to the shareholders on pages 24 & 25 of the Circular, there was a writeup by an Independent Market Researcher, Protégé Associates on the overview and outlook of China's economy. No doubt in the first 8 months of 2022, the property market in China had been sluggish and the national investment in real estate development (including for residential buildings) had declined, which resulted in the

drop of real estate construction activities. Protégé has projected the national investment in real estate development to return to the current level (in 2021) by 2024 and reach 16 trillion yuan in 2026. The Board viewed timing as an important factor and believed that Mudajaya is taking the opportunity at the right timing and this would certainly add future returns to the Group.

With no further questions from the shareholders and proxies, the Chairman concluded the Questions & Answers session.

8. **POLLING PROCESS**

The Chairman reminded the shareholders and proxies to cast their votes on the resolution via the electronic voting facility, as the voting session would continue for another 10 minutes. He informed that the verification of votes by the Scrutineers would take approximately 10 minutes after the conclusion of the voting session.

The Chairman informed that he has been appointed to act as proxy for a number of shareholders and he would vote in accordance with their instructions given. He then adjourned the EGM at 3.10 p.m. for the polling process, followed by verification of votes by the Scrutineers.

9. **ANNOUNCEMENT OF POLL RESULTS**

Having received the poll results from the Scrutineers, the Chairman called the EGM to be resumed at 3.30 p.m. for the announcement of the poll results. The poll results were compiled by the Poll Administrator, Boardroom Share Registrars Sdn Bhd and verified by the Scrutineers, Sky Corporate Services Sdn Bhd. Ms Sherlyn Teoh, the representative from Sky Corporate Services Sdn Bhd, was invited by the Chairman to read out the poll results, which were also projected on the screen as follows:

Polling Results

RESOLUTION	Vote FOR			Vote AGAINST			TOTAL Vote	
	REC	UNITS	%	REC	UNITS	%	REC	UNITS
ORDINARY RESOLUTION 1	121	783,373,099	99.9882	26	92,659	0.0118	147	783,465,758

Based on the poll results, the Chairman declared that the resolution tabled at the EGM was duly carried. It was RESOLVED as follows:-

ORDINARY RESOLUTION

- **PROPOSED ACQUISITION BY XELMONT LIMITED, AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF MUDAJAYA, OF THE ENTIRE EQUITY INTEREST IN REAL JADE LIMITED FOR AN INDICATIVE PURCHASE CONSIDERATION OF HKD400,000,000 (EQUIVALENT TO RM224,320,000) TO BE SATISFIED ENTIRELY VIA CASH (“PROPOSED ACQUISITION”)**

THAT subject to and conditional upon the approvals of all relevant regulatory authorities and/or third parties being obtained, where required, and the conditions precedent in the conditional

share sale and purchase agreement dated 30 June 2022 entered into between Xelmont Limited (purchaser), Minyi Holdings Limited (vendor), Mudajaya and Real Jade Limited for the Proposed Acquisition of Real Jade Limited being fulfilled or waived, approval be and is hereby given to Mudajaya, through its wholly-owned subsidiary namely Xelmont Limited, to acquire the entire equity interest in Real Jade Limited at a purchase consideration of HKD400,000,000 (equivalent to RM224,320,000) to be fully satisfied via cash.

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all acts, deeds and things as may be required to give effect to and to complete the Proposed Acquisition with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things for and on behalf of the Company in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Acquisition.

10. **CONCLUSION**

The EGM was declared closed by the Chairman at 3.35 p.m. The Chairman thanked all shareholders and proxies for their participation in the virtual EGM.

Confirmed as a true and correct record:-

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LEE ENG LEONG
Chairman

Date: 20 October 2022