



MUDA HOLDINGS BERHAD

(Company No. 197101000036/10427-A)

Minutes of the 51st Annual General Meeting of Muda Holdings Berhad (“the Company” or “Muda”) held entirely on a virtual basis on Tuesday, 28th June 2022 at 11.00 a.m. through Online Meeting Platform in Malaysia @ <https://agm.digerati.com.my/muda-online>.

Members of the Board of Directors who participated remotely:

1. Tan Sri Lim Guan Teik
(Non-Independent, Non-Executive Chairman)
2. Dato' Azaman Bin Abu Bakar
(Non-Independent, Executive Deputy Chairman)
(Also, as Chairman of the Meeting)
3. Datuk Wira Lim Chiun Cheong
(Non-Independent, Managing Director)
4. Datuk Nik Ibrahim Bin Nik Abdullah
(Senior Independent, Non-Executive Director)
5. Mr Lee Khim Sin
(Independent, Non-Executive Director)
6. Mr Wong Choong Yee
(Independent, Non-Executive Director)
7. Ms Lim Siew Ling
(Non-Independent, Non-Executive Director)
8. Ms Lim Yen Wee
(Non-Independent, Non-Executive Director)

Other Remote Attendees

Ms Goh Ching Yee, Company Secretary
Ms Lam Yoke Teng, Company Secretary
Mr Chan Wei Khuen, Chief Financial Officer
Mr Desmond Tan] From Grant
Mr Kishan Jasani] Thornton Malaysia
Mr Gerald Lee Yik Loong] PLT
Ms Cheang Siow Voon } From Quantegic Services
Ms Yap Chon Yoke } Sdn Bhd, Scrutineers

Attendance of Shareholders:

157 shareholders and/or proxies participated in the 51st Annual General Meeting ("51st AGM").

Chairman of Meeting

Dato' Azaman Bin Abu Bakar being the Chairman of the Meeting, welcomed the shareholders, proxies, the Board of Directors and external auditors of the Company to the 51st AGM.

The Chairman of the Meeting informed that for the safety of all concern, the Board has decided that the 51st AGM of the Company be conducted on a fully virtual basis through live streaming and online remote voting via online meeting platform at <https://agm.digerati.com.my/muda-online>.

He emphasised that the meeting venue for the 51st AGM is through the Online Meeting Platform in Malaysia which is recognized as the meeting venue or place under Section 327 (2) of the Companies Act, 2016 if the platform is located in Malaysia.

Thereafter, the Chairman of the Meeting proceeded to introduce the members of the Board and informed that Chief Financial Officer, the Company Secretaries and three (3) representatives from Messrs Grant Thornton Malaysia PLT also participated in the 51st AGM remotely.

Quorum

The Company Secretary confirmed that a quorum was present and that 50 proxy forms from shareholders for a total of 209,030,495 ordinary shares representing 68.52% of the issued share capital were received and out of which 35 shareholders appointed the Chairman of the Meeting as proxy to vote on their behalf for a total of 119,220,295 ordinary shares.

As the requisite quorum was present, the Chairman of the Meeting called the meeting to order.

Notice of 51st AGM

The Notice of 51st AGM dated 29 April 2022 which was circulated within the statutory period, was taken as read.

Resolutions to be voted on by Poll

The Chairman of the Meeting then informed that in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions tabled at the 51st AGM would be voted on by poll which would be conducted electronically via the Remote Participation and Voting facilities provided by Digerati Technology Sdn Bhd, the appointed poll administrators and would be verified by Quantegic Services Sdn Bhd who has been appointed as independent scrutineers.

Demand for a Poll

The Chairman of the Meeting demanded for a poll to be taken for all the resolutions in accordance with the Company's Constitution.

Agenda of the 51st AGM As Ordinary Business

The Chairman of the Meeting presented the agenda of the 51st AGM as follows:-

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Directors' and Auditors' Report thereon

The Chairman of the Meeting informed that the first item on the Agenda was for discussion only as Section 340 of the Companies Act, 2016 does not require a formal approval of shareholders and hence would not be put to a vote.

The Chairman of the Meeting declared that the Audited Financial Statements for the financial year ended 31 December 2021 together with the Directors' and Auditors' Report thereon had been properly laid and received by shareholders and proxy holders.

**2. Ordinary Resolution 1
To approve the payment of a First and Final Single Tier Dividend of 5.0 sen per share for the financial year ended 31 December 2021**

The Chairman of the Meeting tabled Ordinary Resolution 1 to approve the payment of a First and Final Single Tier Dividend of 5.0 sen per share for the financial year ended 31 December 2021 to be voted on by poll.

**3. Ordinary Resolution 2
To approve the payment of Directors' fees of RM480,000.00 to Directors of the Company in respect of financial year ended 31 December 2021**

The Chairman of the Meeting tabled Ordinary Resolution 2 to approve the payment of Directors' fees of RM480,000.00 to Directors of the Company in respect of financial year ended 31 December 2021 to be voted on by poll.

**4. Ordinary Resolution 3
To approve the payment of benefits to Non-Executive Directors of up to an amount of RM1,540,000.00 from this annual general meeting until the next annual general meeting of the Company**

The Chairman tabled Ordinary Resolution 3 to approve the payment of benefits to Non-Executive Directors of up to an amount of RM1,540,000.00 from this annual general meeting until the next annual general meeting of the Company to be voted on by poll.

5. Ordinary Resolution 4

To re-elect Datuk Wira Lim Chiun Cheong as Director who retires in accordance with Article 81 of the Company's Constitution

The Chairman of the Meeting tabled Ordinary Resolution 4 for the re-election of Datuk Wira Lim Chiun Cheong as Director who retired in accordance with Article 81 of the Company's Constitution to be voted on by poll.

6. Ordinary Resolution 5

To re-elect Mr Wong Choong Yee as Director who retires in accordance with Article 81 of the Company's Constitution

The Chairman of the Meeting tabled Ordinary Resolution 5 for the re-election of Mr Wong Choong Yee as Director who retired in accordance with Article 81 of the Company's Constitution to be voted on by poll.

7. Ordinary Resolution 6

To re-appoint Messrs Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next annual general meeting and to authorize the Directors to fix their remuneration

The Chairman of the Meeting tabled Ordinary Resolution 6 for the re-appointment of Messrs Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next annual general meeting and to authorize the Directors to fix their remuneration to be voted on by poll.

As Special Business

8. Ordinary Resolution 7

Authority to issue shares pursuant to Section 75 and 76 of the Companies Act, 2016

The Chairman of the Meeting tabled Ordinary Resolution 7 pursuant to Section 75 and 76 of the Companies Act, 2016 and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, PROVIDED ALWAYS that the number of shares to be issued pursuant to this resolution does not exceed twenty percent (20%) of the total number of issued shares of the Company for the time being to be utilized until 31 December 2022 as empowered by Bursa Malaysia Securities Berhad ("Bursa Securities") pursuant to Bursa Malaysia Berhad's letter dated 23 December 2021 to grant an extension for the additional temporary relief measures to listed issuers and thereafter does not exceed ten percent (10%) of the total number of issued shares of the Company for the time of issuance and such authority under this resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or when it is required by law to be held, whichever is earlier, AND THAT the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities to be voted on by poll.

9. Ordinary Resolution 8

To retain Datuk Nik Ibrahim Bin Nik Abdullah as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next annual general meeting.

The Chairman of the Meeting tabled Ordinary Resolution 8 for Datuk Nik Ibrahim Bin Nik Abdullah to be retained as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next annual general meeting to be voted on by poll.

Question & Answer Session

The Chairman of the Meeting informed that the Company had received questions during the AGM. The Chairman of the Meeting invited the Managing Director and Chief Financial Officer to address some of the questions received from the shareholders/proxies.

A summary of the questions from shareholders/proxies together with the summarized responses by the Company were annexed hereto and marked as Annexure A.

Electronic Voting

The meeting then proceeded with electronic voting and shareholders/proxies were given 10 minutes to cast their vote electronically.

Announcement of Poll Results

At 11.40 a.m., the Chairman reconvened the meeting for the declaration of poll results which have been verified by the independent scrutineers, as follows:-

Resolution	Vote FOR		Vote AGAINST	
	No. of Shares	%	No. of Shares	%
1	210,761,371	99.999524	1,003	0.000476
2	210,535,890	99.989037	23,084	0.010963
3	210,376,062	99.913130	182,912	0.086870
4	210,548,795	99.898664	213,579	0.101336
5	210,752,195	99.995170	10,179	0.004830
6	210,485,099	99.868442	277,275	0.131558
7	210,749,894	99.994079	12,480	0.005921
8 – Tier 1	119,545,813	100.00000	0	0.000000
8 – Tier 2	90,849,780	99.598228	366,481	0.401772

Based on the poll results, the Chairman of the Meeting declared that all the resolutions tabled at the 51st AGM were carried:-

It was **RESOLVED** as follows:-

Ordinary Resolution 1

THAT the payment of a First and Final Single Tier Dividend of 5.0 sen per share for the financial year ended 31 December 2021 be approved.

Ordinary Resolution 2

THAT the payment of Directors' fees of RM480,000.00 to Directors of the Company in respect of financial year ended 31 December 2021 be approved.

Ordinary Resolution 3

THAT the payment of benefits to Non-Executive Directors of up to an amount of RM1,540,000.00 from this annual general meeting to the next annual general meeting of the Company be approved.

Ordinary Resolution 4

THAT Datuk Wira Lim Chiun Cheong who retired in accordance with Article 81 of the Company's Constitution, be hereby re-elected as Director of the Company.

Ordinary Resolution 5

THAT Mr Wong Choong Yee who retired in accordance with Article 81 of the Company's Constitution, be hereby re-elected as Director of the Company.

Ordinary Resolution 6

THAT the re-appointment of Messrs Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next annual general meeting and to authorize the Directors to fix their remuneration be approved.

Ordinary Resolution 7

That pursuant to Section 75 and 76 of the Companies Act, 2016 and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, PROVIDED ALWAYS that the number of shares to be issued pursuant to this resolution does not exceed twenty percent (20%) of the total number of issued shares of the Company for the time being to be utilized until 31 December 2022 as empowered by Bursa Malaysia Securities Berhad ("Bursa Securities") pursuant to Bursa Malaysia Berhad's letter dated 23 December 2021 to grant an extension for the additional temporary relief measures to listed issuers and thereafter does not exceed ten percent (10%) of the total number of issued shares of the Company for the time of issuance and such authority under this resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or when it is required by law to be held, whichever is earlier, AND THAT the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

Ordinary Resolution 8

THAT Datuk Nik Ibrahim Bin Nik Abdullah be retained as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next annual general meeting.

Closure of Meeting

There being no other business, the meeting was duly concluded at 11.45 a.m.

Signed as correct record of proceedings:-

SIGNED

DATO' AZAMAN BIN ABU BAKAR
Chairman of the Meeting



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(Company No. 197101000036/10427-A)

Annexure A

To Minutes of the 51st Annual General Meeting of Muda Holdings Berhad

Summary of Shareholders' Questions Received and Company's Responses

1. The issues raised by shareholders/proxies/corporate representatives and responded by the Company were as follows:-
 - (a) On the question of how the price of raw material such as pulp and recycle material would affect the Company's profit in year 2022, the Managing Director informed that pulp price has increased from USD900/mt in January 2022 to USD1,200/mt currently. The Muda Group uses only 1,000mt per month of pulp to produce MG paper and increase in pulp price has been compensated by an increase the selling price of MG paper. The price of imported Old Corrugator Carton ("OCC") from Europe has fluctuated from USD240/mt in January 2022 to USD300/mt at the end of April 2022 and declined to USD250/mt as of today. The price of local OCC has increased by RM100/mt from RM950/mt in January 2022 to RM1,050/mt currently.
 - (b) In reply to the question on demand forecast for year 2022, the Managing Director informed that the demand for the Group's corrugated carton for the past three months has been affected by the 30% decline in export sales of rubber gloves, decline in sales in electronic and electrical industry due to supply chain disruption and decline in sales of the Furniture Industry which was affected by rising inflation and Ukraine war. The decline in demand for corrugated cartons from the three abovenamed industries would affect the Group's carton sales which would in turn affect the sales of corrugated medium and test liner.
 - (c) In response to the question on the Company's business growth, the Managing Director informed that the Group would increase sales in the next two to three years from the new capacity from the two subsidiaries acquired in 2021, the two-fold increase in capacity from the new corrugating machine in Melaka installed at the end of last year and the 30% increase in capacity from the upgrading of the corrugating machine in Penang.
 - (d) With regards to the enquiry on how would the presence of Nine Dragons Paper (Holdings) Limited ("Nine Dragons") in Malaysia affect the Company's business, the Managing Director explained that Nine Dragons' new paper mill in Pahang would not have an impact on local market and Muda Group as they import OCC from overseas for the manufacture of recycled pulp which would not be in competition with Muda. Nine Dragons' other paper mill in Banting, Selangor would only be operational in 2023.

- (e) On the question of total capital expenditure of RM150.8 million, the Chief Financial Officer clarified that capital expenditure incurred in 2021 amounted to RM72.682 million which consisted of RM32.294 million from Property, Plant and Equipment and RM40.388 million from Capital Work-in-Progress as shown on Page 74 and 77 of the Annual Report 2021 respectively.
- (f) As to whether the operation in Singapore and China were profitable and plans to grow revenue and profitability, the Managing Director informed that both the operations in Singapore and China were profitable. The core business in Singapore is that of trading in wastepaper and stationaries. The Muda Group divested part of its equity interest in the wastepaper trading company in Singapore in 2021 and hence future profit contribution from this sector would be reduced. Going forward, the Singapore operations would focus on expanding the business of its stationary division. The carton plant in China has been profitable but there were no plans for further investment in China as the corrugated carton industry in China is extremely competitive.
- (g) In response to the several questions on e-wallet and e-vouchers for remote participants, the Chairman of the Meeting informed that e-vouchers would not be given to participants of virtual annual general meetings.
