

LII HEN INDUSTRIES BHD.
Registration No: 199401015681 (301361-U)
(Incorporated in Malaysia)

Minutes of the Twenty-Seventh Annual General Meeting of the Company or (“AGM” or “Meeting”) held at a full virtual basis via remote participation and voting facilities at the Broadcast Venue, No. 12, 1st Floor, Jalan Mega, Pusat Perdagangan Mega, Jalan Sakeh, 84000 Muar, Johor Darul Takzim on Monday, 6 September 2021, at 11.00 a.m.

Present : The attendance below was as per Attendance List of Directors and Company Secretary in the “Annexure 1” attached herewith.

1. Mr. Lee Min On (Independent Non-Executive Chairman)
2. Mr. Chua Yong Haup (Managing Director)
3. Mr. Chua Lee Seng (Executive Director)
4. Mr. Tok Heng Leong (Executive Director)
5. Mr. Tan Bee Eng (Executive Director)
6. Mr. Chan Wah Chong (Independent Non-Executive Director)
7. Dato’ Mustapha Bin Abd Hamid (Independent Non-Executive Director)
8. Mr. Chik Chan Chee @ Cheok Chan Chee (Independent Non-Executive Director)

In Attendance : Ms. Pang Kah Man (Company Secretary)

: The attendance of shareholders/proxies and others was as per summary of Attendance List in the “Annexure 2” attached herewith.

1. **CHAIRMAN OF THE MEETING**

Mr. Lee Min On, the Board Chairman, presided as Chairman of the Meeting..

2. **QUORUM**

The quorum for the Meeting was confirmed as present by the Company Secretary.

3. **NOTICE OF THE MEETING**

As the Notice convening this Meeting (or “AGM Notice”) had been sent to all shareholders within the prescribed time, the Chairman considered the Notice as read.

4. **PRELIMINARY OF THE MEETING**

4.1 The Chairman briefed that the conduct of this fully virtual meeting was in alignment with the revised Guidance Notes on the Conduct of General Meetings issued by the Securities Commission Malaysia and was also allowed under Section 327 of the Companies Act 2016 (“the Act”). He then introduced the Directors as well as the Company Secretary, the External Auditors and the Management team who joined this Meeting remotely via video conference from the respective locations.

4.2 The Chairman mentioned that a total of thirty-five (35) shareholders, holding 2,925,179 shares or equivalent to 1.62% of the total share capital of the Company, appointed him as their proxy.

4.3 Before the Meeting dealt with the business on hand, the Chairman briefed the Meeting that pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a listed corporation must, among others, ensure that any resolution set out in the notice of any general meeting be voted by poll. For that purpose, Digerati Technologies Sdn. Bhd. (“Digerti”) was appointed as the Poll Administrator and Quantegic Services Sdn. Bhd. Was appointed as the Independent Scrutineer.

- 4.4 The Chairman announced that all resolutions would be put to vote remotely using the Remote Participation and Voting (“RPV”) facilities provided by Digerati. In response to the Practices promulgated by the Updated Malaysian Code on Corporate Governance (“Code”) which took effect from 28 April 2021 on shareholder engagement, shareholders could attend, speak, including posting questions to the Board via real time submission of typed texts, and vote remotely at this Meeting using the RPV facilities.
- 4.5 The Chairman informed that all Agenda items to be transacted at the AGM would be deliberated after the Questions and Answers (“Q&A”) session. For those questions which were not answered during the AGM, the response would be posted on the Company’s website within thirty (30) business days from the date of Meeting based on the new Practice promulgated by the Code.
- 4.6 Before the Meeting dealt with the business on hand, a video clip on the online remote voting process was played. Thereafter, The Chairman proceeded with the business on hand.

5. **AGENDA 1
RECEIPT OF AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2020 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND
AUDITORS THEREON**

Noted : The motion was put for discussion as the provision of Section 340(1)(a) of the Companies Act 2016 (or “the Act”) and the Constitution of the Company (or “Constitution”) did not require a formal approval of the shareholders.

Resolved : THAT the Audited Financial Statements of the Company for the financial year ended 31 December 2020 together with the Reports of the Directors and Auditors thereon be hereby received.

6. **AGENDA 2 (ORDINARY RESOLUTIONS NO. 1, 2 AND 3)
RE-ELECTION OF MR. CHUA LEE SENG, MR. TOK HENG LEONG AND MR TAN BEE
ENG AS DIRECTORS RETIRING IN ACCORDANCE WITH CLAUSE 149 OF THE
CONSTITUTION**

Noted : The three (3) items of the Agenda related to the re-election of Mr. Chua Lee Seng, Mr. Tok Heng Leong and Mr. Tan Bee Eng, who retired at the Meeting pursuant to Clause 149 of the Company’s Constitution. The retiring Directors, being eligible, had offered themselves for re-election.

7. **AGENDA 3 (A) (ORDINARY RESOLUTIONS NO. 4)
PAYMENT OF DIRECTORS’ FEES OF UP TO RM20,000 TO THE EXECUTIVE DIRECTORS
FOR FINANCIAL YEAR ENDED 31 DECEMBER 2020**

Noted : This resolution was to approve the payment of Directors’ fees of up to RM20,000 to the Executive Directors for the financial year ended 31 December 2020.

8. **AGENDA 3(B) (ORDINARY RESOLUTION NO. 5)
PAYMENT OF DIRECTORS' FEES OF UP TO RM115,000 FOR FINANCIAL YEAR ENDING
31 DECEMBER 2021**

Noted : This resolution was to approve payment of Directors' fees of up to RM115,000 for FYE 2021 payable monthly in arrears after each month of completed service of the Directors during the subject financial year.

9. **AGENDA 3(C) (ORDINARY RESOLUTION NO. 6)
INDEPENDENT NON-EXECUTIVE DIRECTORS' BENEFITS**

Noted : This resolution was to approve the payment of Independent Non-Executive Directors' benefits of up to RM300,000 during the course of the period from 17 June 2021 until the next Annual General Meeting of the Company.

10. **AGENDA 4 (ORDINARY RESOLUTION NO. 7)
RE-APPOINTMENT OF MESSRS. PETER CHONG & CO. AS AUDITORS AND AUTHORITY
FOR THE DIRECTORS TO FIX THEIR REMUNERATION**

Noted : Based on the Audit Committee's assessment of the performance and independence of Messrs. Peter Chong & Co. as External Auditors for FYE 2020, the Board unanimously recommended their re-appointment for FYE 2021. Messrs. Peter Chong & Co. had earlier indicated their willingness to continue in office.

11. **AGENDA 5 (ORDINARY RESOLUTION NO. 8 - SPECIAL BUSINESS)
AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE SHARES**

Noted : The proposed Ordinary Resolution 8, if passed, would allow a fresh general mandate ("General Mandate") to be granted and for the Directors of the Company to be empowered, pursuant to the Act, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed ten per cent (10%) of the total number of issued shares of the Company for the time being, after excluding treasury shares, if any.

The General Mandate, unless revoked or varied by the Company in general meeting, would expire at the conclusion of the next Annual General Meeting of the Company. The General Mandate would provide flexibility to the Company for the allotment of shares for any possible fundraising activities, including but not limited to placement of shares for the purpose of funding future investment project(s), working capital and/or acquisition(s).

12. **AGENDA 6 (ORDINARY RESOLUTIONS NO. 9 - SPECIAL BUSINESS)
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED
PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPTs")**

Noted : The proposed Ordinary Resolution 9, if passed, would authorise the Company and/or its subsidiaries ("LHIB Group") to enter into RRPTs which were necessary for the LHIB Group's day-to-day operations with the respective specified class of Related Parties, subject to the transactions being entered into on terms which were not more favourable to the Related Parties involved than generally available to the public and were not detrimental to the minority shareholders of the Company.

13. **OTHER BUSINESS**

- 13.1 The Chairman sought confirmation from the Company Secretary that the Company had not received any notice for transaction of any other business which had been given in accordance with the Act and the Constitution.

14. **Q&A SESSION**

- 14.1 Following that, the Chairman announced the commencement of the Q&A session and informed that to adopt the Practices of good corporate governance, the Board would endeavour to answer as many questions posed which were related to the business of the AGM as well as the operational and financial matters of the Group (“Enquiries”).
- 14.2 The Chairman first walked through the Enquiries from the Minority Shareholders Watch Group via its letter dated 30 August 2021, and also from the shareholders and proxies together with the Board’s replies thereof vide slide presentation as published on the screen, followed by those questions received via the online Q&A box and/or “Raise Hand” button, if any during the Meeting. Accordingly, a video clip on the procedures on raising question via “Raise Hand” button was played. The questions and the Company’s responses thereto were set out in the “Annexures 3-A & 3-B” attached herewith.
- 14.3 The Chairman reminded those who attended the Meeting that they could unmute the online equipment and pose questions to him for responses as highlighted by him before the Meeting commenced. This was in line with Principle C of the Updated Malaysian Code on Corporate Governance 2021 which recommended the Chairman to provide opportunities to shareholders to interact with the Board on areas on financial and non-financial matters which required clarification. With no further questions posed by those who attended the Meeting, the Chairman notified the shareholders on the closure of the Q&A session.

15. **POLL VOTING SESSION**

- 15.1 The Chairman notified the shareholders and proxies on commencement of the poll voting session. He further reminded shareholders and proxies who had yet to submit their votes to proceed to cast and submit their votes via the RPV facilities, during which time, the video clip on the procedure for remote voting via the RPV facilities was replayed to provide guidance for shareholders and proxies to cast their votes accordingly.

16. **ANNOUNCEMENT OF POLL RESULTS**

After the votes had been counted and verified by the Independent Scrutineer, the Chairman then called the Meeting to order at 12.45 p.m. The poll results as shown on screen were as follows:

16.1 Ordinary resolution 1

	No. and Percentage of Shares
For	87,320,727 (99.86%)
Against	118,758 (0.14%)
Total	87,439,485 (100%)
	No. of Shares
Abstained	0

In view thereof, the Chairman declared that Ordinary Resolution 1 was carried as follows:

Resolved : "THAT Mr. Chua Lee Seng, who retires in accordance with Clause 149 of the Company's Constitution, is hereby re-elected as a Director of the Company."

16.2 Ordinary resolution 2

	No. and Percentage of Shares
For	87,320,727 (99.86%)
Against	118,758 (0.14%)
Total	87,439,485 (100%)
	No. of Shares
Abstained	0

In view thereof, the Chairman declared that Ordinary Resolution 2 was carried as follows:

Resolved : "THAT Mr. Tok Heng Leong, who retires in accordance with Clause 149 of the Company's Constitution, is hereby re-elected as a Director of the Company."

16.3 Ordinary resolution 3

	No. and Percentage of Shares
For	86,878,633 (99.86%)
Against	118,758 (0.14%)
Total	86,997,391 (100%)
	No. of Shares
Abstained	0

In view thereof, the Chairman declared that Ordinary Resolution 3 was carried as follows:

Resolved : "THAT Mr. Tan Bee Eng, who retires in accordance with Clause 149 of the Company's Constitution, is hereby re-elected as a Director of the Company."

16.4 Ordinary resolution 4

	No. and Percentage of Shares
For	86,511,271 (99.99%)
Against	10,001 (0.01%)
Total	86,521,272 (100%)
	No. of Shares
Abstained	0

In view thereof, the Chairman declared that Ordinary Resolution 4 was carried as follows:

Resolved : "THAT the payment of Directors' fees of RM20,000 to the Executive Directors of the Company for the financial year ended 31 December 2020, is hereby approved."

16.5 Ordinary resolution 5

	No. and Percentage of Shares
For	86,511,271 (99.99%)
Against	10,001 (0.01%)
Total	86,521,272 (100%)
	No. of Shares
Abstained	0

In view thereof, the Chairman declared that Ordinary Resolution 5 was carried as follows:

Resolved : "THAT the payment of Directors' fees of up to RM115,000 in aggregate to the Directors of the Company for the financial year ending 31 December 2021, is hereby approved."

16.6 Ordinary resolution 6

	No. and Percentage of Shares
For	86,321,846 (98.81%)
Against	1,041,520 (1.19%)
Total	87,363,366 (100%)
	No. of Shares
Abstained	0

In view thereof, the Chairman declared that Ordinary Resolution 6 was carried as follows:

Resolved : "THAT the payment of Directors' benefits of up to RM300,000 in aggregate to the Independent Non-Executive Directors of the Company during the course of the period from 17 June 2021 until the next Annual General Meeting of the Company, is hereby approved."

16.7 Ordinary resolution 7

	No. and Percentage of Shares
For	86,860,366 (99.38%)
Against	538,474 (0.62%)
Total	87,363,366 (100%)
	No. of Shares
Abstained	0

In view thereof, the Chairman declared that Ordinary Resolution 7 was carried as follows:

Resolved : "THAT Messrs. Peter Chong & Co. is hereby re-appointed as the Company's Auditors for the ensuing year and the Directors are hereby authorised to fix the Auditors' remuneration."

16.8 Ordinary resolution 8

	No. and Percentage of Shares
For	87,260,984 (99.80%)
Against	176,001 (0.20%)
Total	87,436,985 (100%)
	No. of Shares
Abstained	0

In view thereof, the Chairman declared that Ordinary Resolution 8 was carried as follows:

Resolved : “THAT subject to the Act, the Constitution of the Company, and the approvals from Bursa Malaysia Securities Berhad (“Bursa Securities”) and any relevant governmental/regulatory authority, the Directors of the Company be hereby empowered, pursuant to the Act, to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per cent (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 of and quotation for the additional shares so issued on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

16.9 Ordinary resolution 9

	No. and Percentage of Shares
For	6,874,886 (99.41%)
Against	41,001 (0.59%)
Total	6,915,887 (100%)
	No. of Shares
Abstained	0

In view thereof, the Chairman declared that Ordinary Resolution 9 was carried as follows:

Resolved : “THAT pursuant to paragraph 10.09 of the Main Market Listing Requirements of Bursa Securities, approval be hereby given for the renewal of the shareholders’ mandate for the Company and its subsidiaries (the “LHIB Group”) to enter into and to give effect to specified RRPTs and with specified class of the Related Parties as stated in Section 2.3 of the Circular to Shareholders dated 29 June 2020, which are necessary for the day-to-day operations, to be entered into by the LHIB Group on the basis that these transactions are entered into on terms which are not more favourable to the Related Parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company (hereinafter referred to as the “Proposed Renewal of Shareholders’ Mandate”);

THAT the Proposed Renewal of Shareholders’ Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Renewal of Shareholders’ Mandate shall only continue to be in force until:

(a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which time the Proposed Renewal of Shareholders’ Mandate has been passed, at which time they will lapse, unless by a resolution passed at the meeting, the authority is renewed; or

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") (but shall not extend to such extension as may be "allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by a resolution passed by the shareholders in general meeting, whichever is the earlier;

AND FURTHER THAT the Directors of the Company and/or any of them be hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed Renewal of Shareholders' Mandate."

17. **CONCLUSION OF MEETING**

There being no further business, the Meeting ended at 12.55 p.m. with a vote of thanks to the Chairman.

The Chairman thanked the shareholders and proxies for their presence and continuous support.

Confirmed as correct records:

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LEE MIN ON
Chairman of the Meeting

Dated this 18 October 2021