

MATANG BERHAD
(201501017043) (1142377-X)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE EIGHTH ANNUAL GENERAL MEETING (“AGM”) OF MATANG BERHAD (“THE COMPANY” OR “MATANG”) CONDUCTED ENTIRELY THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT TRICOR BUSINESS CENTRE, GEMILANG ROOM, UNIT 29-01, LEVEL 29, TOWER A, VERTICAL BUSINESS SUITE, AVENUE 3, BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR ON WEDNESDAY, 23 NOVEMBER 2022 AT 10.00 A.M.

1. CHAIRMAN

The Chairman, Dato’ Foong Chee Meng, welcomed all to the Eighth AGM of the Company.

It was noted that the AGM was held virtually in accordance with Section 327 of the Companies Act 2016 as well as the revised “Guidance and FAQs on the Conduct of General Meetings for Listed Issuers” issued by the Securities Commission Malaysia.

The Chairman then introduced members of the Board of Directors who were present at the broadcast venue and also those were joining the Meeting virtually.

2. QUORUM

The Chairman informed that for a fully virtual general meeting, the quorum would be determined by the number of members who logged-in at the commencement of the meeting. As the requisite quorum was present, the Chairman called the Meeting to order at 10.00 a.m.

3. NOTICE

The Notice convening the AGM having been circulated and advertised in the newspaper was, with the consent of the Meeting, taken as read.

4. POLLING AND PROCEDURES

The Chairman then informed the shareholders that pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), all resolutions as set out in the notice of the AGM would be carried out by poll, which would be taken at the end of the Meeting after all agenda items and questions from shareholders had been dealt with.

The procedures for electronic voting using the remote participation and voting facilities provided by the poll administrators, Tricor Investor & Issuing House Services Sdn Bhd, were presented to the Meeting.

ORDINARY BUSINESS:

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

5.1 Before considering the first agenda item set out in the AGM Notice, the Chairman invited Ms Sophie Tan Theng Hwee, the Chief Financial Officer cum Chief Operating Officer (“CFO cum COO”), to make a brief presentation on the performance of the Company for the financial year ended (“FYE”) 30 June 2022 as well as the progress of the Group’s diversification into durian business.

5.2 The Meeting noted the comparisons of revenue, gross profit and gross profit margin for the FYE 2018 to 2022, Fresh Fruit Bunches (“FFB”) sales tonnage and the average FFB yield/hectare of Matang Estate for the FYE 2018 to 2022, monthly average FFB prices and monthly average Crude Palm Oil (“CPO”) prices for the FYE 2021 and 2022 and the overall snapshot of performance for the FYE 2021 vs 2022.

The CFO cum COO also presented the effort of Matang Group to sustain its production and yield through resolving the labour shortage issue, fund raising exercises for expansion purposes, progress of durian business and the prospect and outlook for oil palm as presented.

5.3 The Meeting then noted the video presentation of the durian plantation of Matang Group as projected.

5.4 The Chairman informed that under Section 340(1) of the Act, the Audited Financial Statements were required to be laid before the Company’s AGM and was not an item that require a resolution to be put to vote. He then declared that the Audited Financial Statements for the financial ended 30 June 2022 have, in accordance with the Act, been properly laid and received.

6. ORDINARY RESOLUTION 1
PAYMENT OF DIRECTORS’ FEES OF RM169,315.00 IN RESPECT OF THE
FINANCIAL YEAR ENDED 30 JUNE 2022

The Chairman proceeded with the second item of the agenda which was to approve the payment of Directors’ Fees amounting to RM169,315.00 in respect of the FYE 30 June 2022.

**7. ORDINARY RESOLUTION 2
PAYMENT OF DIRECTORS' BENEFITS (EXCLUDING DIRECTORS' FEES) OF
UP TO RM202,000.00 FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2023
TO 31 DECEMBER 2023**

The Meeting then proceeded with the next item of the agenda which was to approve the payment of Directors' benefits (excluding Directors' fees) of up to RM202,000.00 for the financial period from 1 January 2023 to 31 December 2023.

The Chairman informed that Directors who were shareholders of the Company would abstain from voting on the proposed resolutions related to directors' fees and benefits, in accordance with the recommendation under the Malaysian Code on Corporate Governance ("MCCG").

**8. ORDINARY RESOLUTION 3
RE-ELECTION OF DATUK TEW BOON CHIN**

The Meeting then moved on to the re-election of Datuk Tew Boon Chin, who would be retiring in accordance with Clause 125 of the Constitution of the Company and had offered himself for re-election as a Director of the Company.

**9. ORDINARY RESOLUTION 4
RE-ELECTION OF DATUK IR LOW AH KEONG**

The Meeting then proceeded with the re-election of Datuk Ir Low Ah Keong, who would be retiring in accordance with Clause 125 of the Constitution of the Company and had offered himself for re-election as a Director of the Company.

**10. ORDINARY RESOLUTION 5
RE-ELECTION OF SOPHIA LIM CHIA HUI**

The Chairman proceeded with the next agenda item on the re-election of Ms Sophia Lim Chia Hui, who would be retiring in accordance with Clause 130 of the Constitution of the Company and had offered herself for re-election as a Director of the Company.

11. RETIREMENT OF LIM CHIN HOCK

The Chairman informed that the Company had received notification from Mr Lim Chin Hock who was also due for retirement pursuant to Clause 125 of the Constitution of the Company, expressing his intention not to seek for re-election as Director. Therefore, he would hold office until the conclusion of the AGM.

The Chairman then extended the Board's appreciation to Mr Lim Chin Hock for his services and contributions to the Company and the Group. He also wished the retiring Director every success in his future endeavor.

**12. ORDINARY RESOLUTION 5
RE-APPOINTMENT OF AUDITORS**

The Meeting went on with the next item on the agenda which was the re-appointment BDO PLT, which had indicated their willingness to continue office as the External Auditors of the Company, and to authorise the Directors to fix their remuneration.

SPECIAL BUSINESS:

**13. ORDINARY RESOLUTION 6
PAYMENT OF A FIRST AND FINAL SINGLE-TIER DIVIDEND OF 0.22 SEN PER
ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

The Chairman proceeded with item no. 7 of the agenda which was to approve the payment of the first and final single tier dividend of 0.22 sen per ordinary share for the FYE 30 June 2022. The dividend, if approved, would be paid on 9 January 2023 to shareholders whose names appear in the Record of Depositors on 19 December 2022.

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

The Meeting then proceeded to the next item on the agenda which was the proposed Ordinary Resolution to obtain authority from shareholders to authorise the Directors to allot and issue shares of the Company pursuant to Sections 75 and 76 of the Act ("Proposed General Mandate").

It was highlighted that by voting for this resolution, all existing shareholders of the Company are waiving their pre-emptive rights pursuant to Section 85(1) of the Act, read together with Rule 7.08 of the ACE Market Listing Requirements and Clause 15 of the Constitution of the Company, to be offered the new shares to be allotted and issued under the Proposed General Mandate, which rank equally with the existing issued shares in the Company.

The Chairman informed that the details of the resolution had been set out under the explanatory note in the AGM Notice.

15. ANY OTHER BUSINESS

The Chairman informed that the Company did not receive any notice to transact other matters. He then tabled all the Ordinary Resolutions no. 1 to no. 8 to the Meeting for consideration.

16. QUESTIONS & ANSWERS (“Q&A”) SESSION

The Meeting proceeded to the Q&A session. The Chairman informed that questions posted electronically might be moderated or summarised to avoid repetition.

The Company had received a letter containing questions raised by the Minority Shareholders Watch Group (“MSWG”) prior to the Meeting. Some shareholders/proxies had also posted various questions before and during the Meeting. The Chairman, together with the Directors and the CFO cum COO, had addressed the questions raised accordingly, as summarised below:-

I. Questions from the MSWG

Questions/ Issues raised:

- (i) Operational and Financial Matters
- Capital expenditure (Capex) for the Group’s First Durian Plantation (DP1) and estimated capex for the Second Durian Plantation (DP2); conversion of the remaining oil palm plantation to durian plantation; eventual target plantation area for durian plantation.
 - Land-labour coverage ratio in FYE 2022 and the measures taken to improve labour productivity; additional workers needed to run at optimal capacity.
 - Status of the appeal for Larkin Investment Property’s lease extension; plans if the authorities decide not to extend the lease.
- (ii) Corporate Governance Matters
- Intention and timeline to apply Practice 13.6 of the Malaysian Code on Corporate Governance (“MCCG”)

Replies:

- The capex for DP1 up to and including 31 October 2022 was RM2.58 million. The estimated capex for DP2 is RM4.5 million.

At this stage, the Company is still assessing such suitable opportunities for additional durian hectarage including additional potential areas within Matang Estate, if any. The eventual target plantation area for durian plantation of the Group shall be subject to amongst others, the outcome of Board’s deliberation and approval. The market conditions and prospect for durian plantations at the relevant times in future will also be considered.

- The land-labour coverage ratio as at 31 October 2022 is 1:16 (i.e., 1 worker for 16 ha). Amongst the measures taken to improve

MATANG BERHAD (201501017043) (1142377-X)
SUMMARY OF KEY MATTERS DISCUSSED AT THE EIGHTH ANNUAL GENERAL MEETING
HELD ON 23 NOVEMBER 2022

productivity are the introduction of cantas, mechanical cutter and the introduction of mechanical buffalo for FFB in-field collection.

The additional number of workers to run at optimal capacity shall be 36.

- The appeal to further extend the lease period is still under consideration of the authorities. The Management shall continue to follow-up with the authorities.
- The Company shall look into the Practice 13.6 of MCCG and decide in due course.

II. Questions received prior to the Meeting

Questions/ Issues raised:

- Minimum wage implemented by the Malaysian Government.
- Windfall tax in FYE 2022, whether the Company could maintain good profit and the decrease in CPO and FFB price.
- Whether the lower gross profit margin in FYE 2022 was affected by foreign currencies or the market value of the plantation output.
- Whether the Company will be able to distribute dividend of 10 sen.
- Planning by the Company to increase revenue.
- Whether the Company plans to convert to the Main Board (Market).
- Measures to overcome the raining season and annual flood.
- Risk management for logistic issues and natural disaster prevention.
- Rating for environmental, social and governance (ESG) as a plantation company.
- Vision and mission for getting more business partners to gain more revenue.
- Support by Malaysian Government bodies to the Company in its initiatives in the past 40 years before listing.
- The expected timeframe for the durian plantation to start bearing fruits and generate income and sustainable profits.
- Completion stage of durian seedlings planting and the percentage of failure and replacement before reaching maturity stage.
- Yearly Capex to maintain the durian plantation.

MATANG BERHAD (201501017043) (1142377-X)
SUMMARY OF KEY MATTERS DISCUSSED AT THE EIGHTH ANNUAL GENERAL MEETING
HELD ON 23 NOVEMBER 2022

- Acreage that will be added/converted.
- The extent of durian plantation business plans/targets achievement, targeted Capex and timing for completion.
- Marketing for durian and whether there is any plan to setup a separate subsidiary for direct sales, distribution and exports of durians.
- Expected durian segment contribution.

Replies:

- The increase in labour cost was due to the increase in minimum wages implementation and higher rate paid to outsourced contractors following the labour shortage issues in the country.
- Windfall tax is at a rate of 3% on CPO prices above RM3,000 per tonne in Peninsular Malaysia. The CPO and FFB prices are correlated.
- The lower Gross Profit margin in FYE 2022 vs FYE 2021 was due to the increase in cost of sales.
- It is unlikely that the Company will be able to distribute 10 sen in the near future. Besides, it is speculative to confirm or predict the dividend of any specific level in future, the dividend level of which shall depend amongst others on the future profit of the Group.
- The Group has undertaken diversification into durian business to enhance the source of income and cash flows to the Group with additional plantation crop. In addition, as announced under various private placement exercises undertaken by the Group in 2021 and 2022, the Group intends to utilise the proceeds from the placements for acquisition of viable oil palm and/or durian plantations as well as new land bank to grow and ultimately enhance revenue and profitability of the Group.
- There is no plan for conversion. Matang's profit level is still falling short of the requirements for listing on the Main Market of Bursa Malaysia Securities Berhad.
- To mitigate flash flood issues, the Company had carried out the routine maintenance of drainage and culvert to ensure good water flow during the raining season.
- Matang Estate will divert the FFBs to other mill(s) in the event of flood issue at any particular palm oil mill.

MATANG BERHAD (201501017043) (1142377-X)
SUMMARY OF KEY MATTERS DISCUSSED AT THE EIGHTH ANNUAL GENERAL MEETING
HELD ON 23 NOVEMBER 2022

- Matang is in the process of streamlining and putting in place a holistic ESG framework and approach which will ensure systematic measures can be undertaken for sustainability in its businesses and operations.
- The Group's primary avenue to gain more revenue shall be through acquisition of viable oil palm and or durian plantations. Alternatively, the Group could consider viable joint ventures and/or business arrangements to enhance revenue.
- Malaysian Government has been helpful to Matang as with other companies within the plantation sector or oil palm plantation companies. However the Company is not able to pin point any specific initiatives or actions of the Government prior to the listing of Matang shares on the ACE Market of Bursa Securities in January 2017.
- DP1.0 is expected to bear fruits in first quarter of 2026 and DP2.0 is expected to bear fruits in the last quarter of 2027, barring unforeseen circumstances.
- The survival rate for DP1.0 is 95% as of now. For DP2.0 with durian seedlings planted in October 2022, the Estate is still monitoring the outcome of planting.
- For DP1.0, the current maintenance fee is approximately RM480,000 per year. For DP2.0, the current maintenance charges are about RM740,000 for the first 12 months contract and then RM370,000 in total for the subsequent 6 months.
- The eventual target plantation area for durian plantation of the Group shall be subject to amongst others, the outcome of Board's deliberation and approval. The market conditions and prospect for durian plantations at the relevant times in future will also be considered.
- The Group considered that the plan for diversification into durian business has taken off successfully for its DP1.0. For DP2.0, the Group has just completed the planting of durian seedlings in October this year. It is premature for the Group to identify if the planting has been successful.

The Group estimates that the remaining Capex required for DP1.0 until maturity shall be RM2 million; and the entire Capex for DP2.0 is RM4.5 million.

- The Company recognises the importance of various channels of distribution of its durian fruits harvested in future and shall make the decision in due course.
- The Group expects positive contribution from durian segment. However, the Company is of the view that it is premature to indicate the contribution level.

III. Live questions posted during the AGM

Questions/ Issues raised:

- The risk management and action plan of the Company to overcome fear at this moment with the uncertainty of government, farming and plantation sector in Malaysia, new sector law and regulations to be formed.
- The way to increase output on export to gain more revenue since China (high demand in frozen durian business) is having risk of state lock down.
- Action plan to manage flood risk other than purchasing flood insurance.
- Share price of Matang was below 10 sen when other plantation companies' shares have gone up more.
- The reason for not tabling the request from a substantial shareholder to be appointed as a Non-Executive Director of the Company at the Meeting.
- Delay by the Company to carry out further investment plan with its substantial cash.
- The reasons for not offering the substantial shareholder for private placement and the low price for the previous private placement exercises of the Company.
- Improvement on the Company's interaction with shareholders i.e. verbal interaction would be more effective to facilitate online participants.

Replies:

- The Company would continue to focus on strategies to enhance FFB production and yield, manage and control cost, operate business in a sustainable manner while continuing to observe and pay attention to market movements. Further, the Company is certified under the Malaysian Sustainable Palm Oil and has complied with all relevant laws and regulations.
- The Company would be looking into 3 main areas in relation to the durian project: farming, processing, branding and exporting durian overseas.
- The Company has put in place routine maintenance of drainage to ensure good water flow. There is no flood issue with terrain.
- Share price is determined by market forces. The Company's share price has been moving in tandem with other plantation companies and having the same trend over the past 6 months, with a peak in April to June 2022 due to the significant increase in CPO prices.

MATANG BERHAD (201501017043) (1142377-X)
SUMMARY OF KEY MATTERS DISCUSSED AT THE EIGHTH ANNUAL GENERAL MEETING
HELD ON 23 NOVEMBER 2022

- It was clarified that the Company did not receive any formal written request from the substantial shareholder and if the latter would like to submit any request to the Company, he could do so after the AGM.
- The Company has been evaluating various proposals/ opportunities for investment in new plantations and land bank. The priority is to utilise shareholders' fund to secure viable investment deals. Should there be any development on the matter, the Company would make the necessary announcements accordingly.
- On queries related to private placement exercises, the Chairman suggested that the substantial shareholder write to the Company or contact any Board members to address his concerns in due course.
- The Company thanked the shareholder for his comment and welcomed any further suggestion for improvement.

17. POLL PROCESS

There being no further question raised, the Meeting proceeded to the voting session.

The Meeting then proceeded to vote and was adjourned at 10.55 a.m. for the counting of votes.

18. ANNOUNCEMENT OF POLL RESULTS

The Chairman reconvened the Meeting at 11.15 a.m. for the declaration of the following poll results, which had been verified by the independent scrutineers, Coopers Professional Scrutineers Sdn Bhd:-

Ordinary Resolutions	Vote For			Vote Against		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
Resolution 1	112	979,880,540	99.9980	9	19,305	0.0020
Resolution 2	105	777,997,340	79.3956	16	201,902,505	20.6044
Resolution 3	108	786,897,840	79.4889	16	203,049,005	20.5111
Resolution 4	109	786,898,840	79.4890	15	203,048,005	20.5110
Resolution 5	109	786,898,840	79.4890	15	203,048,005	20.5110
Resolution 6	114	989,917,440	99.9970	10	29,405	0.0030
Resolution 7	115	989,927,540	99.9980	9	19,305	0.0020
Resolution 8	105	786,747,740	79.4737	19	203,199,105	20.5263

**MATANG BERHAD (201501017043) (1142377-X)
SUMMARY OF KEY MATTERS DISCUSSED AT THE EIGHTH ANNUAL GENERAL MEETING
HELD ON 23 NOVEMBER 2022**

Based on the poll results, the Chairman declared that all the Ordinary Resolutions tabled at the Meeting were carried.

It was **RESOLVED** as follows:-

**Ordinary Resolution 1
Payment of Directors' Fees of RM169,315.00 in respect of the Financial Year
Ended 30 June 2022**

"THAT the payment of Directors' Fees amounting to RM169,315.00 in respect of the financial year ended 30 June 2022 be hereby approved."

**Ordinary Resolution 2
Payment of Directors' Benefits (excluding Directors' Fees) of up to
RM202,000.00 for the Financial Period from 1 January 2023 to 31 December
2023**

"THAT the payment of Directors' benefits (excluding Directors' fees) of up to RM202,000.00 for the financial period from 1 January 2023 to 31 December 2023 be hereby approved."

**Ordinary Resolution 3
Re-Election of Datuk Tew Boon Chin**

"THAT Datuk Tew Boon Chin, a Director retiring in accordance with Clause 125 of the Constitution of the Company, be hereby re-elected as Director of the Company."

**Ordinary Resolution 4
Re-Election of Datuk Ir Low Ah Keong**

"THAT Datuk Ir Low Ah Keong, a Director retiring in accordance with Clause 125 of the Constitution of the Company, be hereby re-elected as Director of the Company."

**Ordinary Resolution 5
Re-Election of Sophia Lim Chia Hui**

"THAT Sophia Lim Chia Hui, a Director retiring in accordance with Clause 130 of the Constitution of the Company, be hereby re-elected as Director of the Company."

**Ordinary Resolution 6
Re-Appointment of Auditors**

"THAT the retiring auditors, BDO PLT, having indicated their willingness to continue in office, be hereby re-appointed as the Auditors of the Company and the Directors be hereby authorised to fix their remuneration."

Ordinary Resolution 7

Payment of a First and Final Single-Tier Dividend of 0.22 sen per Ordinary Share for the Financial Year Ended 30 June 2022

“THAT the first and final single-tier dividend of 0.22 sen per ordinary share for the financial year ended 30 June 2022 be hereby approved for payment on 9 January 2023 to members of the Company who are registered in the Record of Depositors on 19 December 2022.”

Ordinary Resolution 8

Authority to Allot and Issue Shares Pursuant to Section 75 and 76 of the Companies Act 2016

“THAT pursuant to Sections 75 and 76 of the Act, ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed General Mandate”).

THAT the existing shareholders of the Company do hereby waive their pre-emptive rights pursuant to Section 85(1) of the Companies Act 2016 read together with Rule 7.08 of the Listing Requirements and Clause 15 of the Constitution of the Company to be offered the New Shares to be allotted and issued under the Proposed General Mandate, which rank equally with the existing issued shares in the Company.

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;
 - b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
 - c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting,
- whichever is the earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the ACE Market of Bursa Securities.

MATANG BERHAD (201501017043) (1142377-X)
SUMMARY OF KEY MATTERS DISCUSSED AT THE EIGHTH ANNUAL GENERAL MEETING
HELD ON 23 NOVEMBER 2022

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

19. CLOSURE

There being no other business, the Meeting was closed at 11.25 a.m. with a vote of thanks to the Chair.