

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

Minutes of the **Tenth Annual General Meeting (“AGM”)** of Matang Berhad (“**the Company**” or “**Matang**”) conducted entirely through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia using the Remote Participation and Voting facilities (“**RPV**”) provided by Tricor Investor & Issuing House Services Sdn Bhd (“**TIIH**”) via TIIH Online website at <https://tiih.online> on Tuesday, 19 November 2024 at 10.00 a.m.

- PRESENT : Board of Directors
Dato’ Foong Chee Meng
Mr Tan Tuan Peng
Dato’ Ng Keng Heng
Ms Sophia Lim Chia Hui
Datuk Tew Boon Chin
Datuk Teoh Sew Hock
- : By Invitation
Ms Tan Theng Hwee, Sophie
(Chief Financial Officer cum Chief Operating Officer) (“**CFO cum COO**”)
Ms Ada Wong (Corporate Secretarial)
*Mr Tan Seong Yuh (BDO PLT)
*Mr Lee Siew Hou (BDO PLT)
- In Attendance
*Ms Lau Yen Hoon, Ann (Company Secretary)
*Pn. Nur Shahfaiza Md Yusoff (Tricor Corporate Services Sdn Bhd)
*Ms Leela A/P. Suresh Kee See Leng (Tricor Corporate Services Sdn Bhd)
* Mr Cheong Yi Heng(Tricor Corporate Services Sdn Bhd)
- : Members/ Corporate Representatives/ Proxies
As per the summary of attendance via the RPV facilities

*Attended via Zoom Meeting

1. CHAIRMAN

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

It was noted that the AGM was held virtually in accordance with Section 327 of the Companies Act 2016 (**‘the Act’**) 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 informed that the Management team including the CFO cum

COO, Company Secretary and representatives from the External Auditors, BDO PLT, were also joining the Meeting remotely.

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 within the statutory period 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 conducted at the end of the Meeting after all agenda items and questions from shareholders had been dealt with.

The Company has appointed TIIH to conduct the poll voting electronically and Ascendserv Capital Markets Services Sdn Bhd as independent scrutineer to verify the poll results.

The procedures for electronic voting using the RPV facilities provided by the poll administrators were presented to the Meeting.

ORDINARY BUSINESS:

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

5.1 Before considering the first agenda item set out in the AGM Notice, the Chairman invited Ms Sophie Tan Theng Hwee, the CFO cum COO of the Company, to make a brief presentation on the performance of the Company for the financial year ended ("**FYE**") 30 June 2024.

5.2 It was highlighted that Matang Group had recorded higher Fresh Fruit Bunches ("**FFB**") production and yield in the FYE 2024, however the FFB prices dropped as a result of lower Crude Palm Oil ("**CPO**") prices.

The Meeting noted the comparisons of financials between the FYE 2024 vs 2023, breakdown of total planted areas for the oil palm plantation and durian plantation respectively, measures to optimize productivity and cost control, as well as the effort of Matang Group to seek opportunities for growth of plantations and expansion through diversification as presented.

- 5.3 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 FYE 30 June 2024 have, in accordance with the Act, been properly laid and received.

6. ORDINARY RESOLUTION 1
PAYMENT OF DIRECTORS' FEES OF RM191,667.00 IN RESPECT OF THE FINANCIAL YEAR ENDED 30 JUNE 2024

The Chairman proceeded with the second item of the agenda which was to approve the payment of Directors' Fees amounting to RM191,667.00 in respect of the FYE 30 June 2024.

7. ORDINARY RESOLUTION 2
PAYMENT OF DIRECTORS' BENEFITS (EXCLUDING DIRECTORS' FEES) OF UP TO RM138,600.00 FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2025 TO 31 DECEMBER 2025

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 RM138,600.00 for the financial period from 1 January 2025 to 31 December 2025.

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 next considered 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 MR TAN TUAN PENG

The Meeting then proceeded with the re-election of Mr Tan Tuan Peng, who would be retiring in accordance with Clause 130 of the Constitution of the Company and had offered himself for re-election as a Director of the Company.

10. 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 BUSINESSES:

11. ORDINARY RESOLUTION 6
PAYMENT OF A FIRST AND FINAL SINGLE-TIER DIVIDEND OF 0.16 SEN PER
ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

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 0.16 sen per ordinary share for the FYE 30 June 2024. The dividend, if approved, would be paid on 8 January 2025 to shareholders whose names appear in the Record of Depositors on 13 December 2024.

12. 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").

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

13, ORDINARY RESOLUTION 8
PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS
OWN SHARES UP TO TEN PER CENT (10%) OF THE TOTAL NUMBER OF ISSUED
SHARES

The Meeting proceeded to the next agenda, which was regarding the proposed resolution to obtain a renewal of mandate from shareholders for the Company to purchase its own shares up to 10% of the issued and paid up share capital at any given point in time during the authorised period.

The Chairman informed that the details of this proposal could be found in the Statement to Shareholders dated 21 October 2024.

14. ORDINARY RESOLUTION 9
RETENTION OF INDEPENDENT DIRECTOR IN ACCORDANCE WITH THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

At this juncture, Mr Tan Tuan Peng took the chair for the forthcoming item of the agenda.

The Meeting next considered the retention of Dato' Foong Chee Meng, an Independent Non-Executive Director who has served in the Company for a cumulative term of more than nine (9) years, as an Independent Director, in line with the MCCG.

Upon completion of the above matter, the chair was passed back to the Chairman.

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. 9 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 list of Q&A addressed at the AGM was annexed hereto and marked as Annexure A.

17. POLL PROCESS

There being no further question raised, the Meeting proceeded to the voting session at 10.35 a.m..

The Meeting then proceeded to vote and was adjourned at 10.45 a.m. for the counting of votes.

18. ANNOUNCEMENT OF POLL RESULTS

The Chairman reconvened the Meeting at 11.10 a.m. for the declaration of the following poll results, which had been verified by the independent scrutineers:-

Ordinary Resolutions	Vote For			Vote Against		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
Resolution 1	146	623,857,439	73.7998	32	221,479,705	26.2002
Resolution 2	144	623,793,139	73.7922	34	221,544,005	26.2078

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Resolution 3	153	634,008,239	74.1206	27	221,365,905	25.8794
Resolution 4	153	634,008,239	74.1206	27	221,365,905	25.8794
Resolution 5	158	634,094,939	74.1307	21	221,278,905	25.8693
Resolution 6	158	634,094,939	74.1307	21	221,278,905	25.8693
Resolution 7	149	633,960,639	74.1150	30	221,413,205	25.8850
Resolution 8	154	634,073,939	74.1283	25	221,299,905	25.8717
Resolution 8	151	634,007,839	74.1205	29	221,366,305	25.8795

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 RM191,667.00 in respect of the Financial Year Ended 30 June 2024

"THAT the payment of Directors' Fees amounting to RM191,667.00 in respect of the financial year ended 30 June 2024 be hereby approved."

Ordinary Resolution 2

Payment of Directors' Benefits (excluding Directors' Fees) of up to RM138,600.00 for the financial period from 1 January 2025 to 31 December 2025

"THAT the payment of Directors' benefits (excluding Directors' fees) of up to RM138,600.00 for the financial period from 1 January 2025 to 31 December 2025 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 Mr Tan Tuan Peng

"THAT Mr Tan Tuan Peng, 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 5

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 6

Payment of a First and Final Single-Tier Dividend of 0.16 sen per Ordinary Share for the Financial Year Ended 30 June 2024

“THAT the first and final single-tier dividend of 0.16 sen per ordinary share for the financial year ended 30 June 2024 be hereby approved for payment on 8 January 2025 to members of the Company who are registered in the Record of Depositors on 13 December 2024.”

Ordinary Resolution 7

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 Companies Act 2016 (“**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 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.

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.”

Ordinary Resolution 8

Proposed Renewal of Authority for the Company to Purchase Its Own Shares Up to Ten Per Cent (10%) of the Total Number of Issued Shares

“THAT subject always to the Companies Act 2016 (“**the Act**”), the Constitution of the Company, the ACE Market Listing Requirements (“**the Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities pursuant to the Listing Requirements upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- a. the aggregate number of issued shares in the Company (“**Shares**”) purchased (“**Purchased Shares**”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- b. the maximum fund to be utilised by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

(“**Proposed Share Buy-Back**”).

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- b. the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- c. revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;
- v. To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and/or
- viii. To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient, including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties, to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

Ordinary Resolution 9
Retention of Independent Director in accordance with the Malaysian Code on Corporate Governance

“THAT Dato’ Foong Chee Meng, an Independent Director who has served in the Company for more than nine (9) years, be hereby retained as an Independent Director and to hold office until the next Annual General Meeting.”

19. CLOSURE

At this juncture, the Chairman informed that Datuk Teoh Sew Hock (“**Datuk Teoh**”), who was due for retirement pursuant to Clause 125 of the Constitution of the Company, was not seeking re-election as Director. Therefore, he would hold office until the conclusion of the AGM.

The Chairman then extended his appreciation to Datuk Teoh for his services and contributions to the Company and the Group. On behalf of the Board of Directors and shareholders, he also wished Datuk Teoh every success in his future endeavors.

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There being no other business, the Meeting was closed at 11.15 a.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD,

CHAIRMAN

Date:

Questions addressed during the Questions and Answers Session

I. Questions from the Minority Shareholders Watch Group (“MSWG”)

The Chairman informed that the Company had received a letter containing questions raised by the MSWG prior to the Meeting. The following questions from MSWG and responses from the Company were projected on the screen:-

Operational and Financial Matters

- (i) The Group's Oil Palm Business is expected to show growth in FY2025 considering the recovery in labour supply conditions, higher yield per hectare and heightened demand from key export destinations. The Group has also carried out several measures to optimise the production yield. (page 18 of AR 2024).

- (a) What is the Group's projected growth in fresh fruit bunches (FFB) production for FY2025? Where is the growth expected to come from?

Replies:

The FFB production is projected to drop slightly by 2%, with the 1st phase of replanting works for 77.2 hectares starting in July 2024. However, the yield per hectare is projected to increase by more than 5%.

- (b) What percentage of the Group's current workforce are earning minimum wage? How much additional labour cost per year will the Group incur from the increase in minimum wage from RM1,500 to RM1,700 a month?

Replies:

47.33% of the Group's current workforce earns minimum wages. With the increase in minimum wages from RM1,500 to RM1,700 a month, the Group will incur additional labour costs of approximately RM370,000 per year.

- (c) What is the outlook for FFB yield?

Replies:

The FFB yield is projected to increase by more than 5% in FY2025.

- (ii) The Group has commenced the first phase of the scheduled four-year replanting works for 312.29 hectares of oil palm plantation in Segamat Estate, Johor. The initial phase covers 77.2 hectares and started in July 2024. (page 18 of AR 2024).

- (a) What is the budgeted capex to replant 77.2 hectares?

Replies:

The budgeted capex to replant 77.2 hectares is approximately RM950,000 for the planting & development works and 1st year of upkeep & maintenance.

- (b) What is the timeline for completing each phase of the replanting works, and how will delays be managed if they arise?

Replies:

The timeline to complete the first phase of replanting works is 7 months, and it is expected to be completed in January 2025. The estate operation team is working closely with the contractor to manage any foreseeable delays. As stated in the Letter of Award, the Contractor must always ensure sufficient workers and machinery on-site.

The second, third, and fourth phases of the replanting work are scheduled to be carried out in FY2026, FY2027, and FY2028.

- (c) Does the Group expect higher earnings contribution from DP Yong Peng in the coming years and why?

Replies:

The Group expects that the contribution from DP Yong Peng to the Group will be more than the fixed lease rental received by GFSB prior to the acquisition by Matang.

- (iii) The Group has completed the acquisition of GreenCode Farm Sdn. Bhd (GFSB) on 25 July 2023. The acquisition includes 17.09 hectare of durian plantation. Most of the durian trees are about 40 years old. GFSB was renamed as Matang Agriculture and Plantation (Yong Peng) Sdn. Bhd. (MAPYP) on 8 September 2023.

- (a) What was the average yield per hectare during the first year of harvesting? What was the average selling price per kg?

Replies:

The average yield per hectare for the first year of harvesting is 3,625.6kg/ha. The average selling price per kg is RM7.11.

- (b) Is the durian plantation under MAPYP profitable in FY2024? What was the operating profit or loss in FY2024?

Replies:

In FY2024, the durian plantation under MAPYP is in the loss position of RM750,500. The loss is derived from the high depreciation charges of RM453,000 recorded and the initial rehabilitation expenses, mainly the cultivation expenditure of RM412,000, which mainly involved clearing epiphytes on the durian trees.

- (c) What specific measures has the Group implemented after taking over the durian plantation? Are there any measures to improve the durian yield?

Replies:

After taking over the durian plantation, the Group rehabilitated the durian trees, which included clearing epiphytes on the durian trees, among other catching up of pest and disease control and manuring programs. As for the measures to improve the durian yield, the Group is looking into both short term and long term measures. For the short term measures, ongoing upkeep and maintenance activities are carried out as per the program, and for the long term measures, the Group is looking into installing irrigation system and carrying out new planting in vacant points to optimize land use.

Corporate Governance Matters

- (iv) Practice 1.4 of the Malaysian Code of Corporate Governance (MCCG) stipulates that the Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

MATANG's response: Departure. Although Dato' Foong Chee Meng is also a member of the Audit and Risk Management Committee ("ARMC") and the Chairman of the Nomination Committee ("NC"), he did not dominate any discussions in both Committees. Recommendations made by the Committees are tabled to the Board for a collective decision by the Board.

The Board has on 9 October 2024 combined NC and RC into a single committee known as "Nomination and Remuneration Committee". Dato' Foong was appointed as the Chairman of the Nomination and Remuneration Committee.

MSWG's comments: Dato' Foong's presence in the meetings could impair the objectivity and independence of the board committees.

Guidance G1.4 states that having the same person assume the positions of Chairman of the board, and Chairman of the AC, NC or RC gives rise to the risk of self-review and may impair the objectivity of the Chairman and the board when deliberating on the observations and recommendations put forth by the board committees. Thus, the Chairman of the board should not be involved in these committees to ensure there is check and balance as well as objective review by the board.

When does the Company intend to adopt Practice 1.4 to further enhance the independence and objectivity of the board committee?

Replies:

Currently, the Board comprises six (6) members. However, with the retirement of Datuk Teoh Sew Hock, a Non-Independent Non-Executive Director, effective upon the conclusion of the Tenth Annual General Meeting on 19 November 2024, the Board will be reduced to five (5) members. Amongst these, three (3) are Independent Non-Executive Directors and two (2) are Executive Directors.

The Board recognizes the potential risks to objectivity and independence as outlined in Guidance G1.4 and remains committed to addressing these concerns. However, due to challenges in sourcing suitable and qualified Independent Directors, the Company has not yet fully adopted Practice 1.4.

The Board also acknowledges MSWG's comments on the importance of enhancing the independence and objectivity of board committees. To address these concerns, the Board reviewed the composition of its committees on 18 November 2024 and appointed Datuk Tew Boon Chin as Chairman of the Nomination and Remuneration Committee. Efforts to identify and recruit additional Independent Directors are ongoing to further strengthen the independence and effectiveness of the Board and its committees.

- (v) Practice 5.3 of the MCG stipulates that an independent director's tenure should not exceed a cumulative term limit of nine years. If the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval through a two-tier voting process.

MATANG's response: Departure. Dato' Foong Chee Meng was appointed as a director of the Company on 1 September 2015 and has served the Board for a cumulative term of more than nine years. The Board being satisfied with the justifications and criteria met by Dato' Foong, shall be seeking the Shareholders' approval at the forthcoming 10th AGM of the Company to retain Dato' Foong as an Independent Director of the Company.

The voting rights of Shareholders are enshrined under the Company's Constitution and the Companies Act 2016, i.e. every Shareholder has a voting right of one (1) vote per share and resolutions can be passed with a simple majority for ordinary resolutions or seventy-five per centum (75%) for special resolutions. Based on this framework, the Board is not recommending the two-tier voting process for the resolution to retain Datuk Foong as an ID at the upcoming 10th AGM.

MSWG's comments: MSWG wishes to highlight that the Securities Commission Malaysia ("SC") has explained that the two-tier voting process does not contradict any provision under the Companies Act 2016 (particularly Section 291) and is consistent with the rights and powers attached to shares as accorded in the Companies Act 2016. In exercising the votes under the two-tier voting process, each shareholder continues to have only one vote for each share held.

For further clarification, please refer to the Frequently Asked Questions on the MCG issued by the SC on 26 April 2017 (Revised: 23 March 2023), which is available on the SC's website.

Replies:

The Board upholds its decision not to have a two-tier voting process. This decision is based on the fact that the resolution to retain Dato' Foong Chee Meng ("Dato' Foong") as an Independent Director of the Company is to be passed as a single Ordinary Resolution, consistent with all other Ordinary Resolutions to be considered at this AGM. Also, it aligns with the principle of equal voting rights vested in each member as stipulated in the Constitution, i.e. one share, one vote.

Furthermore, as outlined in the Explanatory Notes in the Notice of AGM dated 21 October 2024, the proposed retention of Dato' Foong as an Independent Director follows an assessment and recommendation by the Nomination and Remuneration Committee. The rest of the Board members also unanimously agreed that Dato'

Foong should continue to serve as an Independent Non-Executive Director, based on the justification provided.

The Board has taken note of MSWG's comment and will continue to monitor and evaluate the adoption of MCCG recommendations and requirements regarding the retention of independent directors and the two-tier voting process in the coming years.

- (vi) Practice 5.9 of the MCCG stipulates that the Board should comprise at least 30% women directors.

MATANG's response: Departure. The Board currently comprises one women director, representing 16.7% of the Board. Looking ahead, the Board is desirous to enhance gender diversity in boardroom and shall embark effort to shortlist additional Directors of varying gender in future appointment.

MSWG's comments: What challenges are the Company facing in sourcing women directors? When does the Company expect to adopt Practice 5.9?

Replies:

As mentioned in our response to MSWG's Question 4, the Company faces challenges in sourcing suitable and qualified Independent Directors, including female candidates.

The Board acknowledges the MCCG's recommendation of having at least 30% women on the Board. We remain committed to achieving this target and are actively working toward ensuring greater gender diversity within the Board in the near future.

Sustainability

- (vii) Electricity consumption increased by 40% in FY2024. (page 57 of AR 2024)

- (a) In contrast, figures on page 60 of the Annual Report showed that electricity consumption declined by 0.09% to 616,941 kWh. Please explain the discrepancy.

Replies:

The electricity consumption that increased by 40% in FY2024, as reported on page 57 of AR2024, refers to the consumption at the estates under the Group.

- a) Figures on page 60 of the Annual Report that showed the decline in electricity consumption of 0.09% refer to the Group's energy consumption.
- (viii) By implementing practical energy management strategies, MATANG aims to lower costs, reduce its environmental impact, and explore renewable energy options such as solar panels and biomass.

The Group has established a 5% reduction target for electricity consumption by FY2029 to bolster its sustainability efforts. (page 60 of AR 2024)

- (a) What steps is the Group taking to explore renewable energy options like solar panels and biomass? And what challenges are encountered in this exploration?

Replies:

The Group has not yet implemented renewable energy solutions such as solar panels or biomass. However, we recognize the growing importance of sustainability and are in the early stages of exploring these options.

At this point, the Group is gathering information on the feasibility of integrating renewable energy into its operations. This exploration phase considers several challenges, such as the initial investment and costs, site and infrastructure limitations, technical expertise, and regulatory and policy considerations.

While the Group has not yet made specific commitments, it is dedicated to sustainability and actively monitors developments in renewable energy technologies.

- (b) What is the baseline year for the 5% reduction target?

Replies:

The baseline year for electricity consumption reduction is FY2024.

II. Questions from Shareholders/ Proxies

The following questions were received and addressed:-

- (i) Requests for door gifts e.g. e-vouchers / e-wallet credits

Replies:

The Company is pleased to inform that it would be providing RM10.00 Touch and Go e-wallet credit to the meeting participants as a token of appreciation.

- (ii) Requests for printed copies of Annual Report

Replies:

The Share Registrar of the Company would be sending the hard copies of Annual Report 2024 to the requestors accordingly.

- (iii) Questions from Mr Kow Lih Shih:

- (a) Dividends in the past were higher (0.2 sen per share). Would the upcoming dividend be at 0.2 sen per share or higher?

Replies:

It was clarified that the first and final dividend for both financial years 2023 and 2024 were 0.16 sen per share.

- (b) Whether the Company would conduct hybrid meeting in 2025 since the Securities Commission Malaysia ("SC") is mandating physical meetings. However hybrid meeting would enable more participants.

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Replies:

The SC ruling would be enforced in March 2025. The Company would conduct its Annual General Meeting 2025 in compliance with the mandatory requirements of Bursa Malaysia Securities Berhad and the SC.

- (iv) Question from Mr Liew Chee Seng - How much is the yield per acre generated by the Company's oil palm plantation?

Replies:

As stated in the presentation earlier, the yield for the financial year 2024 was 20.33 mt/ha.

- (v) Question from Mr Wee Ton Wang – Which expert was employed by the Company for durian planting and maintenance?

Replies:

The Company has engaged a durian consultant i.e. Dr Tree Consultation to advise and guide its internal employees on durian planting and maintenance.