



MATRIX CONCEPTS HOLDINGS BERHAD

**[414615-U]
(Incorporated in Malaysia)**

MINUTES OF THE TWENTY-FIRST ANNUAL GENERAL MEETING HELD ON THURSDAY, 16 AUGUST 2018 AT 10.30 AM AT HALIA ROOM, d'TEMPAT COUNTRY CLUB, PT 12653, JALAN PUSAT DAGANGAN SENDAYAN 1, 71950 BANDAR SRI SENDAYAN, NEGERI SEMBILAN DARUL KHUSUS

Present : As per Attendance List

In Attendance : Ms Carmen Loo Kah Boon (Group Company Secretary)

CHAIRMAN

Dato' Haji Mohamad Haslah Bin Mohamad Amin was the Chairman of the Meeting.

QUORUM

Having confirmed that a quorum was present, the Chairman called the meeting to order.

NOTICE

The notice of the meeting was taken as read.

TO RECEIVE THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY

The first Agenda of the Meeting was to receive the Audited Financial Statements of the Company for the financial year ended 31 March 2018 together with the reports of the Directors and Auditors thereon.

The Chairman opened the floor for questions from the shareholders. A summary of the key matters raised by shareholders were annexed herewith as Appendix A.

After responding to all the questions from the floor and in accordance with Section 340(1) of the Companies Act 2016, there was no requirement for a formal approval from the shareholders on the Audited Financial Statements. In this respect, the said Audited Financial Statements having being laid before the Company in this general meeting, was duly received by the members at the Meeting.

The Chairman then informed the Meeting that all resolutions as set out in the Notice of the meeting shall be put to vote by poll. The Meeting noted that Wensen Consulting Asia (M) Sdn Bhd was appointed as the Scrutineer to verify the votes cast at the meeting.

The Chairman further informed that all the resolutions shall be put through the process of electronic polling. A polling device was given to every member who was present at the meeting for the voting process. A test run was conducted to ensure that all the members understood and familiarized with the usage of the polling device prior to the commencement of the polling process. Upon confirmation from the members that they understood the procedure and usage of the said device, the Chairman then proceeded with the Meeting.

TO APPROVE THE PAYMENTS TO DIRECTORS

The Ordinary Resolution 1 relating to the approval of the payment of Directors' fees amounting to RM354,000 for the financial year ended 31 March 2018 was proposed by Ng Kok Kiong and seconded by Randy Lee Eng Wei as follows:-

Ordinary Resolution 1

To approve Directors' fees

“THAT the payment of Directors' Fees of RM354,000.00 for the financial year ended 31 March 2018 be and is hereby approved”.

The above motion was put to vote at the meeting and was declared *Carried* with the results of **495,336,667 shares (99.96%)** voted in favour and **204,444 shares (0.04%)** voted against.

The next Agenda, was to approve the payment of Directors' Benefits of up to RM430,000.00 from the date of this 21st Annual General Meeting (“AGM”) until the next AGM of the Company to be held in the year 2019. The Meeting noted that the Directors' benefits of up to RM430,000.00 which comprise of meeting allowances, club memberships and leave passage, if approved by the shareholders will be made by the Company as and when incurred.

The Ordinary Resolution 2 was proposed by Ng Kok Kiong and seconded by Soo Wai Ngan as follows:-

Ordinary Resolution 2

To approve Directors' Benefits

“THAT the payment of Directors' Benefits of up to RM430,000.00 from the date of this 21st AGM until the next AGM of the Company be and is hereby approved”.

The above motion was put to vote at the meeting and was declared *Carried* with the results of **386,557,279 shares (99.11%)** voted in favour and **3,468,811 shares (0.89%)** voted against.

RE-ELECTION OF DIRECTORS

The members present noted that pursuant to Clause 103 of the Company's Constitution which denotes that, one-third of the Directors for the time being of the Company, or if their number is not three or multiple of three, then the number nearest to one-third shall retire from office and be eligible for re-election.

Dato' Haji Mohamad Haslah Bin Mohamad Amin, Dato' Hon Choon Kim and Dato' Hajah Kalsom Binti Khalid are due for retirement in pursuance of Clause 103 and being eligible, have offered themselves for re-election.

As the Ordinary Resolution 3 relates to the re-election of Chairman as the Director of the Company, the Chairman thereby declared his interest and Dato' Lee Tian Hock was requested to temporarily chair the meeting for this particular resolution.

Dato' Lee took over the meeting and informed that the retiring Directors, namely Dato' Haji Mohamad Haslah Bin Mohamad Amin, Dato' Hon Choon Kim and Dato' Hajah Kalsom Binti Khalid had confirmed that they shall abstained from deliberation with regards to the respective resolution relating to themselves at this meeting.

The Ordinary Resolution 3 relating to the re-election of Dato' Haji Mohamad Haslah Bin Mohamad Amin as director of the Company was proposed by Choong Merrill and seconded by Ragunathan A/L Govindaraju as follows:-

Ordinary Resolution 3

Re-election of Dato' Haji Mohamad Haslah Bin Mohamad Amin as a Director of the Company

“THAT Dato' Haji Mohamad Haslah Bin Mohamad Amin be hereby re-elected as a Director of the Company”.

The above motion was put to vote by poll at the meeting and was declared ***Carried*** with the results of **481,283,890 shares (99.81%)** voted in favour and **908,321 shares (0.19%)** voted against.

Dato' Lee Tian Hock then handed over the chair back to the Chairman to continue with the rest of the meeting.

Ahmad Saifuddin Ezzuddin proposed the Ordinary Resolution 4 and seconded by Loo Kah Lee as follows:-

Ordinary Resolution 4

Re-election of Dato' Hon Choon Kim as a Director of the Company

“THAT Dato' Hon Choon Kim be hereby re-elected as a Director of the Company”.

The above motion was put to vote by poll at the meeting and was declared ***Carried*** with the results of **478,655,211 shares (99.81%)** voted in favour and **919,275 shares (0.19%)** voted against.

Ng Hooi Ting proposed the Ordinary Resolution 5 and seconded by Lim Kar Gee as follows:-

Ordinary Resolution 5

Re-election of Dato' Hajah Kalsom Binti Khalid as a Director of the Company

“THAT Dato' Hajah Kalsom Binti Khalid be hereby re-elected as a Director of the Company”.

The above motion was put to vote by poll at the meeting and was declared ***Carried*** with the results of **478,264,014 shares (99.59%)** voted in favour and **1,962,416 shares (0.41%)** voted against.

TO RE-APPOINT AUDITORS

The Meeting proceeded to the next agenda on the re-appointment of the auditors, Messrs Crowe Malaysia (formerly known as Crowe Horwath). The Chairman informed the Meeting that Messrs Crowe Malaysia (formerly known as Crowe Horwath) had indicated their willingness to be re-appointed as the auditors of the Company. The Board of Directors had also reviewed their suitability and independence and had recommended that they be retained as auditors for the ensuing year ending 31 March 2019.

At the invitation of the Chairman, Khaw Yee Hui proposed the Ordinary Resolution 6 and seconded by Loo Kah Lee as follows:-

Ordinary Resolution 6

To re-appoint Messrs Crowe Malaysia (formerly known as Crowe Horwath) as auditors of the Company

“THAT Messrs Crowe Malaysia (formerly known as Crowe Horwath) be and are hereby re-appointed as Auditors of the Company for the ensuing year and shall hold office until the conclusion of the next AGM and that the Directors of the Company be and hereby authorized to fix their remuneration”.

The above motion was put to vote by poll at the meeting and was declared *Carried* with the results of **495,367,655 shares (99.97%)** voted in favour and **154,725 shares (0.03%)** voted against.

SPECIAL BUSINESS – TO GRANT AUTHORITY TO THE DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

The Meeting proceeded to the Special Business under Agenda 5, which is to consider and if thought fit to pass the Ordinary Resolution 7 for the granting of authority to the Directors to allot and to issue shares in the Company not exceeding 10% of the total number of issued shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016.

The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the issue of new shares, the Directors, under certain circumstance when the opportunity arises, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the total number of issued shares of the Company. The same applies to any shares private placement for fund raising process.

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares when such needs may arise during the financial year, it is thus considered appropriate that the Directors be empowered to issue shares in the Company, up to any amount not exceeding in total, 10% of the total number of issued shares of the Company for the time being, for such purpose. This authority, unless revoked or varied by the shareholders of the Company in General Meeting will expire at the conclusion of the next AGM.

With the invitation of the Chairman, Randy Lee Eng Wei proposed the Ordinary Resolution 7 and seconded by Loo Kah Lee as follows:

Ordinary Resolution 7

To grant authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company and the approvals of the relevant authorities, the Directors be and hereby empowered pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purpose as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next AGM of the Company.”

The above motion was put to vote by poll at the meeting and was declared *Carried* with the results of **468,524,884 shares (94.68%)** voted in favour and **26,317,787 shares (5.32%)** voted against.

SPECIAL BUSINESS - PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE AND NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Chairman proceeded to Ordinary Resolution 8 which is to consider the Proposed Renewal of Shareholders’ Mandate and New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (the **“Proposed Mandate”**).

The Chairman informed the Meeting that the Proposed Mandate under Ordinary Resolution 8 is intended to renew the shareholders’ mandate granted by the shareholders of the Company at the 20th AGM held on 16 August 2017 as well as to seek the shareholders’ approval for a new mandate for new Recurrent Related Party Transaction. The details of the recurrent related party transactions are as described in the Circular dated 18 July 2018 which had been circulated to the shareholders earlier.

The Proposed Shareholders’ Mandate is to facilitate transactions in the normal course of business of the Company and its subsidiaries (referred to as **“the Group”**) which are transacted from time to time with the specified classes of related parties, provided that they are carried out on an arm’s length basis and on the Group’s normal commercial terms and are not prejudicial to the shareholders on terms not more favorable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Meeting noted that all the related parties as named in the Circular had confirmed that they had abstained and will continue to abstain from all deliberations and voting relating to the Ordinary Resolution 8 of this Meeting.

There being no questions from the floor, at the invitation of the Chairman, Muhammad Aqil Faizol proposed the Ordinary Resolution 8 and seconded by Ahmad Saifuddin Ezzuddin as follows:-

Ordinary Resolution 8

Proposed renewal of Shareholders' Mandate and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

“THAT approval be hereby given for the renewal of the mandate granted by the shareholders of the Company on 16 August 2017 and new shareholders' mandate pursuant to paragraph 10.09 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, authorising the Company and/or its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature as set out in Section 2.1.4 and 2.1.5 in the Circular to Shareholders dated 18 July 2018, with the related parties mentioned therein which are necessary, for the Company and/or its subsidiaries' for day-to-day operations which are carried out in the ordinary course of business on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of minority shareholders.

THAT the authority conferred by such mandate shall commence upon the passing of this resolution and continue to be in force until :-

- (i) the conclusion of the next AGM of the Company following the 21st AGM at which such mandate will lapse, unless by an ordinary resolution passed at an AGM whereby the authority is renewed, either unconditionally or subject to conditions;**
- (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or**
- (iii) revoked or varied by resolution passed by the shareholders in a general meeting;**

whichever is earlier.

THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorized by this resolution.”

The above motion was put to vote at the meeting and was declared *Carried* with the results of **182,946,158 shares (99.95%)** voted in favour and **97,633 shares (0.05%)** voted against.

CONCLUSION OF MEETING

There being no other business, the Meeting ended at 12.00 noon with a vote of thanks to the Chair.

CONFIRMED AS TRUE AND CORRECT



CHAIRMAN

Dated: ✓ 10 SEP 2018

SUMMARY OF KEY MATTERS DISCUSSED AT THE 21ST AGM HELD ON 16 AUGUST 2018

The following are the key questions raised by the floor and addressed by the Board / Management:-

1. PROGRESS OF JOINT VENTURE WITH THE INDONESIAN CONSORTIUM

Query

Mr Khaw enquired on the progress of the Joint Venture for the joint development of an Islamic Financial District in Pantai Indah Kapuk 2, Jakarta.

Response

The Chairman informed that further to the MOU signed on 14 May 2018, the parties are negotiating in good faith on the terms and conditions of the Joint Venture and endeavour to execute the Joint Venture Agreement within 6 months from the date of the MOU. In addition, the Chairman advised that the Company will only act as an investing party and will not be involved in all respects of the project.

2. STATEMENTS OF CASH FLOWS

Query

Mr Khaw further raised his concerns on the followings as contained in the Statements of Cash Flows (pages 155 and 156 of Annual Report 2018):-

- i) bad debts written off amounting to RM78,000
- ii) impairment loss on trade receivables of RM408,000
- iii) effects of foreign exchange translation of RM5.426 million

Response

The Chief Financial Officer responded with the following replies:-

- i) The bad debts arose from the non-recoverable of school fees incurred by Matrix Global Schools. In pursuance to the prudent accounting concept, the Management decided to write off the bad debts of RM78,000.
- ii) The impairment loss on trade receivables is merely a provision and there is possibility of recovering the debt in due course.
- iii) The effects of foreign exchange translation arose from the difference in the exchange rate for the Company's Australia development project.

3. INCREASE IN STAFF COST

Query

Mr William Ang raised his concerns on the increase of staff cost to RM61.313 million (2017: RM47.564 million).

Response

The Chief Financial Controller explained that the increase is mainly due to the increase in manpower for the current financial year. In addition, the Company also rewards the employees in view of the better performance achieved as compared to year 2017.

4. EMPLOYEES SHARE OPTION SCHEME (“ESOS”)

Query

Mr William Ang further noted that the ESOS has expired in May 2018 and enquired on the response from the employees and whether the Company will implement a new ESOS scheme.

Response

Dato’ Lee Tian Hock responded that the ESOS received a good response from the staff. However, due to the fluctuation of share price in the market, the ESOS exercise price occasionally is higher than that of the market price and consequently, there is still balance of unexercised ESOS and were lapsed on the expiry date. In addition, the Company has no intention to implement a new ESOS scheme at this moment.

5. INCREASE IN INVENTORIES

Query

Mr William Ang also noted that there is an increase in the inventories and requested for its justification.

Response

The Chief Financial Officer explained that the inventories are actually consist of properties held for future development (land bank), properties under development for sale and completed properties held for sale.

6. DIVIDEND REINVESTMENT PLAN

Query

Mr William Ang further enquired on the possibility of a dividend reinvestment plan by the Company.

Response

Dato’ Lee Tian Hock responded that there is no economy of scale in implementing the dividend reinvestment plan and thus, the Company has no such planning in the near future.