

**SCH GROUP BERHAD**  
[Registration No. 201101044580 (972700-P)]  
(Incorporated in Malaysia)

**MINUTES OF THE FULLY VIRTUAL NINTH (9TH) ANNUAL GENERAL MEETING ("AGM") OF SCH GROUP BERHAD ("SCH" OR "THE COMPANY") CONDUCTED FROM THE BROADCAST VENUE AT LOT 35, JALAN CJ 1/1, KAWASAN PERUSAHAAN CHERAS JAYA, 43200 CHERAS, SELANGOR ON FRIDAY, 26 FEBRUARY 2021 AT 2.00 P.M.**

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Directors

1. Dato' Chan Choun Sien (Independent Non-Executive Chairman)
2. Mr Ang Sui Aik (Group Managing Director)
3. Mr Wong Kin Seng (Executive Director)
4. Dato' Ong Choo Meng (Non-Independent Non-Executive Director) – participated via Zoom Apps
5. Ms Ong Tzu Chuen (Non-Independent Non-Executive Director)
6. Mr Sim Yee Fuan (Independent Non-Executive Director) – participated via Zoom Apps
7. Mr Gan Khong Aik (Independent Non-Executive Director) – participated via Zoom Apps

Company Secretaries

1. Mr Tan Tong Lang
2. Mr Lee Kok Ping

Shareholders/ Proxies

As per the Attendance List

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**1.0 CONVENING OF MEETING**

- 1.1 The Chairman chaired the meeting and welcomed the shareholders and proxies ("Members") who participated in the meeting remotely from various locations through live streaming, to the 9<sup>th</sup> AGM of the Company.
- 1.2 There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 2.00 p.m.
- 1.3 The Chairman introduced the Directors and Company Secretaries present, and drew attention to some housekeeping matters including manner of posing questions, and poll voting, which would be conducted during the deliberations of all agenda items for the nine (9) resolutions in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Members were informed that Messrs Tricor Investor & Issuing House Services Sdn. Bhd. was appointed as the Poll Administrator to conduct the polling process, whilst Messrs Shareworks Sdn. Bhd. was appointed as the Scrutineers to verify the poll results.
- 1.4 With the consent of the Members, the notice convening the AGM was taken as read. The Chairman then proceeded to the official business of the AGM.

**2.0 AUDITED FINANCIAL STATEMENTS OF THE COMPANY AND OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS**

- 2.1 The Chairman informed that the audited financial statements of the Company and of the Group for the financial year ended 31 August 2020 together with the Reports of the Directors and Auditors thereon ("Audited Financial Statements") was meant for discussion only, and therefore, it would not be put forward for voting, in accordance with Section 340(1)(a) of the Companies Act, 2016.

**3.0 ORDINARY RESOLUTION 1**

**TO RE-ELECT MR GAN KHONG AIK, WHO IS RETIRING PURSUANT TO CLAUSE 103(1) OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION**

- 3.1 The Chairman informed that the next agenda of the AGM was to re-elect Mr Gan Khong Aik, who retires pursuant to Clause 103(1) of the Company's Constitution and being eligible, had offered himself for re-election.
- 3.2 The Chairman proceeded with the next agenda of the AGM.

*[At this junction, the Chairman declared his interest in respect of the next agenda which reflects to himself, and invited Mr Ang Sui Aik ("Mr Benny") to facilitate the said agenda]*

**4.0 ORDINARY RESOLUTION 2**

**TO RE-ELECT DATO' CHAN CHOON SIEN WHO IS RETIRING PURSUANT TO CLAUSE 103(1) OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION.**

- 4.1 Mr Benny informed that the next agenda of the AGM was to re-elect Dato' Chan Choun Sien who retires pursuant to Clause 103(1) of the Company's Constitution and being eligible, had offered himself for re-election.
- 4.2 The Chairman proceeded with the next agenda of the AGM, after thanking Mr Benny for facilitating the agenda temporarily.

**5.0 ORDINARY RESOLUTION 3**

**TO RE-ELECT MS ONG TZU CHUEN WHO IS RETIRING PURSUANT TO CLAUSE 110 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED HERSELF FOR RE-ELECTION.**

- 5.1 The Chairman informed that the next agenda of the AGM was to re-elect Ms Ong Tzu Chuen, who retires pursuant to Clause 110 of the Company's Constitution and being eligible, had offered herself for re-election.
- 5.2 The Chairman proceeded with the next agenda of the AGM.

**6.0 ORDINARY RESOLUTION 4**

**TO RE-ELECT MR ANG SUI AIK, BENNY, WHO IS RETIRING PURSUANT TO CLAUSE 110 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION.**

- 6.1 The Chairman informed that the next agenda of the AGM was to re-elect Mr Ang Sui Aik, who retires pursuant to Clause 110 of the Company's Constitution and being eligible, had offered himself for re-election.
- 6.2 The Chairman proceeded with the next agenda of the AGM.

**7.0 ORDINARY RESOLUTION 5**

**TO APPROVE THE DIRECTORS' FEES AMOUNTING OF UP TO RM200,000.00 FOR THE PERIOD FROM 27 FEBRUARY 2021 UNTIL THE CONCLUSION OF THE 10TH AGM OF THE COMPANY**

7.1 The Chairman informed that the next agenda of the AGM was to approve the Directors' fees amounting up to RM200,000.00 for the period from 27 February 2021 until the conclusion of the 10<sup>th</sup> AGM of the Company.

7.2 The Chairman proceeded with the next agenda of the AGM.

**8.0 ORDINARY RESOLUTION 6**

**TO APPROVE THE PAYMENT OF DIRECTORS' BENEFITS OF UP TO RM50,000.00 FOR THE PERIOD FROM 27 FEBRUARY 2021 UNTIL THE CONCLUSION OF THE 10TH AGM OF THE COMPANY.**

8.1 The Chairman informed that the next agenda of the AGM was to approve other benefits payable of up to RM50,000.00 for the period from 27 February 2021 until the conclusion of the 10<sup>th</sup> AGM of the Company.

8.2 The Chairman proceeded with the next agenda of the AGM.

**9.0 ORDINARY RESOLUTION 7**

**TO RE-APPOINT MESSRS ECOVIS MALAYSIA PLT AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

9.1 The Chairman informed that the next agenda of the AGM was to re-appoint Messrs Ecovis Malaysia PLT as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company. Messrs Ecovis Malaysia PLT had expressed their willingness to accept the re-appointment as the Company's auditors for the ensuing year.

9.2 The Chairman proceeded with the next agenda of the AGM.

**10.0 ORDINARY RESOLUTION 8**

**AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

10.1 The Chairman informed that the next agenda of the AGM under special business was to seek shareholders' approval to authorise Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.

10.2 The Chairman explained that upon passing this resolution, the Directors would be provided with the flexibility to allot and issue shares from time to time for such purposes as the Directors in their absolute discretion consider to be in the best interest of the Company, without having to convene separate general meetings, subject to the limitation that the shares to be allotted and issued does not exceed 10% of the issued number of shares of the Company for the time being. This authority, unless revoked or varied by the Company in general meeting, shall be in force until the conclusion of the next AGM of the Company.

10.3 The Chairman proceeded with the next agenda of the AGM.

**11.0 ORDINARY RESOLUTION 9**

**PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

- 11.1 The Chairman informed that the next agenda of the AGM under special business was to seek shareholders' approval for the proposed new and renewal shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("Proposed RRPTs Mandate").
- 11.2 The Chairman informed that the detailed information of the Proposed RRPTs Mandate was stated in the Circular to Shareholders dated 31 December 2020, which had already been provided to the shareholders prior to the AGM.
- 11.3 The Chairman proceeded with the next agenda of the AGM.

**12.0 SPECIAL RESOLUTION 1**

**PROPOSED CHANGE OF NAME OF THE COMPANY FROM "SCH GROUP BERHAD" TO "HEXTAR INDUSTRIES BERHAD"**

- 12.1 The Chairman informed that the next agenda of the AGM under special business was to seek shareholders' approval on the proposed change of name of the Company from "SCH Group Berhad" to "Hextar Industries Berhad" ("Proposed Change of Name"). He informed that the proposed Change of Name is to reflect a new corporate identity under the Company flagship and to further enhance the marketability of the products. He further informed that the proposed name "Hextar Industries Berhad" was approved and reserved by the Companies Commission of Malaysia ("CCM") on 12 October 2020 ("Validity Period"). Subsequently, the Validity Period, at the request of the Company, was extended by the CCM on 6 November 2020. This Special Resolution 1, if passed, would allow the Company to change its name from "SCH Group Berhad" to "Hextar Industries Berhad", with effect from the date of the issuance of the Notice of Registration of New Name by the Companies Commission of Malaysia.
- 12.2 The Chairman proceeded with the next agenda of the AGM.

**13.0 ANY OTHER BUSINESS**

- 13.1 Upon consulting the Company Secretary, the Chairman informed that no notice was received from any members for tabling any other business at the AGM.
- 13.2 At this juncture, the Chairman informed that the Company had received a letter dated 17 February 2021 from the Minority Shareholders Watch Group ("MSWG"). The questions and the responses from the Company were projected on the screen for the Members' information and a copy of the same annexed thereto as "Annexure I". Since there was no further question from MSWG, the Chairman proceeded with the Q&A session of the AGM.
- 13.3 The following were the key matters discussed at the AGM:-

**Question 1**

**What kind of collaboration between SCH Group Berhad and Hextar Global Berhad on the Fertilizers segment and whether SCH Group Berhad have any merger and acquisition plans to expand its current business?**

The Chairman referred the shareholder to Company's responses to MSWG's questions, where it had addressed the details of the collaboration between SCH Group Berhad and Hextar Global Berhad in fertilizers' segment. The Chairman informed that SCH Group Berhad does not undertake any merger and acquisition activities for the time being. However, SCH Group Berhad might consider it should opportunities arose.

**Question 2**

**How many dump truck has SCH Group Berhad sold and what is the profit margin for the dump truck?**

The Chairman responded that dump truck is not the core product of the Company with less than ten (10) units of dump trucks were sold in the financial year ended 31 August 2020 at margin of less than 30%.

**Question 3**

**What is the reason for change the Company name to Hextar Industries Berhad?**

The Chairman responded that "Hextar" is a long and well-established brand name with over 30 years of history in the agrochemical industry. The Board is of the opinion that the renaming exercise will allow better position and market its products and services under the Hextar brand in our largest and fastest growing core business of fertilisers.

**Question 4**

**How many tons of Fertilizers have SCH Group Berhad sold in financial year 2020?**

The Chairman responded that approximately 80 thousand metric tons of Fertilizers were sold in the financial year 2020.

**Question 5**

**Hextar Global Berhad with stock code 5151 is listed on Bursa Malaysia Securities Berhad, would there be any confusion with the change of name of the Company to Hextar Industries Berhad?**

The Chairman responded that the Company stock code would remain same as 0161 but the stock name will be change to HEXIND, which are clearly distinct from Hextar Global Berhad.

- 13.4 As there were no further questions raised by the Members, the Chairman then invited the Poll Administrator and the Scrutineer to do the necessary to ensure full compliance of the voting procedures. The polling process took place at 2.30 p.m.

**14.0 DECLARATION OF RESULTS**

- 14.1 Upon completion of the polling process at 2.50 p.m., the Chairman announced the results of the poll voting and declared that all the following resolutions set out in the Notice of AGM dated 31 December 2020, carried, as attached hereto as Annexure II:-

**"Ordinary Resolution 1**

*THAT Gan Khong Aik, the Director retiring in accordance with Clause 103(1) of the Constitution of the Company, be hereby re-elected as Director of the Company.*

**Ordinary Resolution 2**

*THAT Dato' Chan Choun Sien, the Director retiring in accordance with Clause 103(1) of the Constitution of the Company, be hereby re-elected as Director of the Company.*

**Ordinary Resolution 3**

*THAT Ong Tzu Chuen, the Director retiring in accordance with Clause 110 of the Constitution of the Company, be hereby re-elected as Director of the Company.*

**Ordinary Resolution 4**

*THAT Ang Sui Aik, the Director retiring in accordance with Clause 110 of the Constitution of the Company, be hereby re-elected as Director of the Company.*

**Ordinary Resolution 5**

*THAT the payment of Directors' fees to the Directors of the Company up to an amount of RM200,000.00 for the period from 27 February 2021 until the conclusion of the 10th AGM be hereby approved.*

**Ordinary Resolution 6**

*THAT the payment of other benefits payable of up to RM50,000.00 for the period from 27 February 2021 until the conclusion of the 10th AGM of the Company be hereby approved.*

**Ordinary Resolution 7**

*THAT the re-appointment of Messrs Ecovis Malaysia PLT as Auditors of the Company for the ensuing year and that the Directors be authorised to fix their remuneration be hereby approved.*

**Ordinary Resolution 8**

*THAT subject to Sections 75 and 76 of the Companies Act 2016 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered 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 to be issued does not exceed ten per centum (10%) of the total issued share capital of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company.*

**Ordinary Resolution 9**

*THAT, subject to the provisions of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.3 of the Circular to Shareholders dated 31 December 2020 ("Proposed Mandate") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-*

- (a) *the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;*

- (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 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or*
- (c) *revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;*  
*whichever is the earlier;*

*AND THAT the estimated aggregate value of the transactions conducted pursuant to the Proposed Mandate during a financial year will be disclosed, in accordance with the Listing Requirements, in the Annual Report of the Company for the said financial year;*

*AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution.*

**Special Resolution 1**

*THAT the name of the Company be changed from "SCH Group Berhad" to "Hextar Industries Berhad" with effect from the date of the Notice of Registration of New Name issued by the Companies Commission of Malaysia and the Constitution of the Company be hereby amended accordingly, wherever the name of the Company appears.*

*AND THAT the Board of Directors of the Company be and is hereby authorised to carry out all the necessary steps and formalities in affecting the Proposed Change of Name."*

**15.0 CLOSURE**

- 15.1 There being no other business, the AGM was closed at 2.55 p.m. with a vote of thanks to the Chairman.

**Confirmed as a correct record of  
the proceedings held thereat**

**- Signed -**

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DATO' CHAN CHOUN SIEN  
Chairman