

HEXTAR INDUSTRIES BERHAD
(FORMERLY KNOWN AS SCH GROUP BERHAD)
[Registration No. 201101044580 (972700-P)]
(Incorporated in Malaysia)

MINUTES OF THE FULLY VIRTUAL TENTH (10TH) ANNUAL GENERAL MEETING (“10TH AGM”) OF HEXTAR INDUSTRIES BERHAD (FORMERLY KNOWN AS SCH GROUP BERHAD) (“HIB” OR “THE COMPANY”) THROUGH LIVE STREAMING AND ONLINE REMOTE VOTING FROM THE ONLINE MEETING PLATFORM VIA TIIH ONLINE WEBSITE AT [HTTPS://TIIH.ONLINE](https://tiih.online) OR [HTTPS://TIIH.COM.MY](https://tiih.com.my) ON MONDAY, 14 FEBRUARY 2022 AT 10.30 A.M.

Directors (participated via Zoom Apps)

1. Dato’ Chan Choun Sien (Independent Non-Executive Chairman) – 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)
5. Ms Ong Tzu Chuen (Non-Independent Non-Executive Director)
6. Mr Sim Yee Fuan (Independent Non-Executive Director)
7. Dato Sri Chee Hong Leong (Independent Non-Executive Director)

Company Secretaries

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

Shareholders/ Proxies

As per the Attendance List

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 10th AGM of the Company.
- 1.2 There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 10.32 a.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 eleven (11) 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 Asia Securities Sdn. Berhad 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 2021 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 2021 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 APPROVE THE DIRECTORS' FEES AMOUNTING OF UP TO RM200,000 FOR THE PERIOD FROM 10TH AGM UNTIL THE CONCLUSION OF THE 11TH AGM OF THE COMPANY

3.1 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 10th AGM until the conclusion of the 11th AGM of the Company.

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

4.0 ORDINARY RESOLUTION 2

TO APPROVE THE PAYMENT OF DIRECTORS' BENEFITS OF UP TO RM50,000 FOR THE PERIOD FROM 10TH AGM UNTIL THE CONCLUSION OF THE 11TH AGM OF THE COMPANY

4.1 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 10th AGM until the conclusion of the 11th AGM of the Company.

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

5.0 ORDINARY RESOLUTION 3

TO RE-ELECT DATO' ONG CHOO MENG WHO IS RETIRING PURSUANT TO CLAUSE 103(1) OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION

5.1 The Chairman informed that the next agenda of the AGM was to re-elect Dato' Ong Choo Meng, who retires pursuant to Clause 103(1) of the Company's Constitution and being eligible, had offered himself for re-election

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

6.0 ORDINARY RESOLUTION 4

TO RE-ELECT MR SIM YEE FUAN WHO IS RETIRING PURSUANT TO CLAUSE 103(1) 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 Sim Yee Fuan, who retires pursuant to Clause 103(1) 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 RE-ELECT DATO SRI CHEE HONG LEONG WHO IS RETIRING PURSUANT TO CLAUSE 110 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION

7.1 The Chairman informed that the next agenda of the AGM was to re-elect Dato Sri Chee Hong, who retires pursuant to Clause 110 of the Company's Constitution and being eligible, had offered himself for re-election.

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

8.0 ORDINARY RESOLUTION 6

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

8.1 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.

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

9.0 ORDINARY RESOLUTION 7

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

9.1 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.

9.2 The Chairman said that the Bursa Malaysia Securities Berhad had issued a letter dated 16 April 2020 and its subsequent letter dated 23 December 2021 on the extension of implementation of the 20% General Mandate, an increase in general mandate limit for new issues of securities to not more than 20% of the total number of issued shares of the Company. The 20% General Mandate shall be utilized before 31 December 2022 and thereafter, the 10% general mandate will be reinstated.

9.3 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 20% 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.

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

10.0 ORDINARY RESOLUTION 8

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

- 10.1 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").
- 10.2 The Chairman informed that the detailed information of the Proposed RRPTs Mandate was stated in the Circular to Shareholders dated 31 December 2021, which had already been provided to the shareholders prior to the AGM.
- 10.3 The Chairman proceeded with the next agenda of the AGM.

11.0 ORDINARY RESOLUTION 9

PROPOSED CONTINUATION IN OFFICE OF SIM YEE FUAN AS INDEPENDENT NON-EXECUTIVE DIRECTOR ("INED")

- 11.1 The Chairman informed that the next agenda of the AGM was to seek shareholders' approval on the proposed continuation in office of Mr Sim Yee Fuan as INED.
- 11.2 The Chairman further informed that the Ordinary Resolution 9 is made in line with the Malaysian Code on Corporate Governance wherein the Code recommends that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. In view that the Company would like to retain Ms Sim Yee Fuan as an INED, this resolution shall be voted through a two-tier voting process.
- 11.3 The Chairman then proceeded with the next agenda of the AGM.

12.0 SPECIAL RESOLUTION 1

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

- 12.1 The Chairman informed that the next agenda under special business was to seek shareholders' approval on the proposed amendments to the Constitution of the Company. The proposed special resolution, if passed, would enhance administrative efficiency and provide more flexibility for the Company and to ensure compliance with the Companies Act 2016 and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.
- 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 29 January 2022 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". The Chairman then proceeded with the Q&A session of the

AGM and invited the Group Managing Director, Mr Ang Sui Aik, Benny (“Mr Benny”) to attend the questions raised by the Members.

13.3 The following were the key matters discussed at the AGM:-

Question 1

Both Hextar Global Berhad and Hextar Industries Berhad involved in Fertilizers business, would there be any conflict of interest? How does the Company mitigate the Conflict of interest, if any.

Mr Benny responded that there is no conflict of interest between Hextar Global Berhad and Hextar Industries Berhad as Hextar Global Berhad was in the Agrochemical Industry.

Question 2

Could the Management elaborate more on the batteries rental business and the prospect of the business?

Mr Benny responded that prospect of the batteries business remain positive and referred the shareholder to the Company’s responses to MSWG’s questions for the prospect of batteries business.

Question 3

What is the cost of the Company spending on this AGM?

Mr Benny responded that the Company spent approximately RM20,000.00 in this AGM.

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 11.12 a.m.

14.0 DECLARATION OF RESULTS

14.1 Upon completion of the polling process at 11.35 a.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 2021 were carried, as attached hereto as Annexure II:-

“Ordinary Resolution 1

THAT the payment of Directors’ fees to the Directors of the Company up to an amount of RM200,000 for the period from 10th AGM until the conclusion of the 11th AGM be hereby approved.

Ordinary Resolution 2

THAT the payment of other benefits payable of up to RM50,000 for the period from 10th AGM until the conclusion of the 11th AGM of the Company be hereby approved.

Ordinary Resolution 3

THAT Dato’ Ong Choo Meng, 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 4

THAT Sim Yee Fuan, 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 5

THAT Dato Sri Chee Hong Leong, 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 6

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 7

THAT subject to passing of the Special Resolution 1 of the Notice of AGM dated 31 December 2021, and subject to the Companies Act, 2016 ("the Act"), the Constitution of the Company, the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), Additional Temporary Relief Measures to Listed Corporations for Covid-19, issued by Bursa Securities on 16 April 2020, its subsequent letter dated 23 December 2021 on extension of implementation of the 20% General Mandate and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed twenty per centum (20%) of the total number of issued shares of the Company (excluding treasury shares) at any point in time ("20% General Mandate"); AND THAT the Directors be and are hereby also empowered to obtain approval from the Bursa Securities for the listing and quotation of the additional shares so issued pursuant to the 20% General Mandate on Bursa Securities which would be utilised before 31 December 2022 and thereafter, the 10% general mandate will be reinstated; AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

Ordinary Resolution 8

THAT subject to the provisions of the Listing Requirements of 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 2021 ("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;

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Minutes of 10th Annual General Meeting held on 14 February 2022 at 10.30 a.m.

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.

THAT approval be and is hereby given to Sim Yee Fuan who has served as an INED of the Company which will reach the nine (9) year term limit on 12 March 2022 to continue to act as an INED of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance.

THAT the proposed amendments to the Constitution of the Company be and are hereby approved and adopted; AND THAT the Board of Directors and Secretaries of the Company be and are hereby authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the proposed amendments to the Constitution of the Company.”

15.0 CLOSURE

- 15.1 There being no other business, the AGM was closed at 11.40 a.m. with a vote of thanks to the Chairman.

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

- Signed -

DATO' CHAN CHOUN SIEN
Chairman