

HEXTAR INDUSTRIES BERHAD
[Registration No. 201101044580 (972700-P)]
(Incorporated in Malaysia)

MINUTES OF THE VIRTUAL EXTRAORDINARY GENERAL MEETING (“EGM”) OF HEXTAR INDUSTRIES BERHAD (“HIB” OR “THE COMPANY”) CONDUCTED FROM THE BROADCAST VENUE AT NO. 64, JALAN BAYU LAUT 4/KS09, KOTA BAYUEMAS, 41200 KLANG, SELANGOR ON WEDNESDAY, 12 OCTOBER 2022 AT 3:00 P.M.

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) – participated via Zoom Apps
6. Dato Sri Chee Hong Leong (Independent Non-Executive Director) – participated via Zoom Apps

Company Secretaries

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

Invitees

1. Representatives from M&A Securities Sdn Bhd
2. Representatives from Messrs Teh & Lee Partners
3. Representatives from Malacca Securities Sdn Bhd
4. Representatives from Eco Asia Capital Advisory Sdn Bhd
5. Representative from Ecovis Malaysia PLT

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 EGM of the Company.
- 1.2 There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 3.00 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 the agenda 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 Scrutineer Solutions Sdn. Bhd. was appointed as the Scrutineers to verify the poll results.
- 1.4 With the consent of the Members, the notice convening the EGM was taken as read. The Chairman then proceeded to the official business of the EGM.

2.0 ORDINARY RESOLUTION 1

PROPOSED ACQUISITION BY HIB FROM HEXTAR HOLDINGS SDN BHD ("HHSB") OF 100% EQUITY INTEREST IN HEXTAR FERTILIZERS LIMITED ("HFL") FOR A TOTAL PURCHASE CONSIDERATION OF RM480,000,000 TO BE SATISFIED VIA THE ISSUANCE AND ALLOTMENT OF 1,600,000,000 NEW ORDINARY SHARES IN HIB ("CONSIDERATION SHARES") AT AN ISSUE PRICE OF RM0.30 PER CONSIDERATION SHARE

- 2.1 The Chairman informed that the only agenda for the EGM was to approve the proposed acquisition by HIB from HHSB of 100% equity interest in HFL for a total purchase consideration of RM480,000,00 to be satisfied via the issuance and allotment of 1,600,000,000 new ordinary shares in HIB at an issue price of RM0.30 per consideration shares ("Proposed Acquisition"). He informed that details information of the proposed acquisition were stated in the Circular to Shareholders dated 27 September 2022, which had already been provided to the Shareholders prior to the EGM.

3.0 ANY OTHER BUSINESS

- 3.1 Upon consulting the Company Secretary, the Chairman informed that no notice was received from any members for tabling any other business at the EGM.
- 3.2 At this juncture, the Chairman informed that the Company had received a letter dated 4 October 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 EGM.
- 3.3 The only question raised by the Shareholder named Mr Teh Peng Tin was as follows: -

Question 1: How much does the Company spent on the virtual EGM and would the Board consider giving some e-vouchers as token of appreciation to the Shareholders for attending the EGM? Also, what is the rationale for the Proposed Acquisition?

The Chairman responded that the cost for the virtual EGM was approximately RM15,000.00 and no e-voucher would be giving out to the shareholders at this EGM. The rationale for the proposed acquisition represents a strategic investment for the Company and is undertaken in-line with the Group's long-term plan to growth in fertilizers business. The Proposed Acquisition will also eliminate the conflict of interest arising from the involvement of the interested Directors and interested major shareholders through their interest in the HFL group. Upon completion of the Proposed Acquisition, HFL group will become subsidiary of HIB thereby enabling the Company to consolidate the financial results and operation of HFL Group. The Proposed Acquisition is expected contribute positively to the Group in future, thus enhancing HIB's shareholders' value. The issuance of the Consideration Shares will also strengthen the HIB Group's capital base to commensurate with its enlarged fertilisers business activities. On the other hand, the Proposed offer for sales by the vendor allow the Company to continue to meet the public spread requirement as a result of the Proposed Acquisition. The Chairman than thanked the shareholders for their continue support and their effort for attending the EGM.

- 3.4 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 3.22 p.m.

4.0 DECLARATION OF RESULTS

- 4.1 Upon completion of the polling process at 3.37 p.m., the Chairman announced the results of the poll voting and declared that the ordinary resolution as set out in the Notice of EGM dated 27 September 2022, carried, as attached hereto as Annexure II:-

"ORDINARY RESOLUTION 1

THAT, subject to fulfilment of the conditions precedent and the approvals of all relevant parties and/or authorities being obtained, where required, approval be and is hereby given for the Company to acquire 100% equity interest in HFL, comprising 5 ordinary shares of USD0.10 from HHSB for a total purchase consideration of RM480,000,000 to be satisfied via the issuance and allotment of 1,600,000,000 new ordinary shares in HIB at an issue price of RM0.30 per Consideration Share, upon the terms and conditions set out in the conditional share sale agreement dated 8 August 2022 entered into between the Company and HHSB in respect of the Proposed Acquisition;

THAT, any statutory pre-emptive rights to the Consideration Shares in respect of the Proposed Acquisition which rank equally to all existing ordinary shares in issue that each shareholder of HIB have pursuant to Section 85 of Companies Act 2016 and the constitution of HIB, be waived;

AND THAT approval be and is hereby given to the Board of Directors of the Company ("Board") to sign, execute and deliver on behalf of the Company all necessary documents and to do all acts and things as may be required for or in connection with and to give full effect to and complete the Proposed Acquisition, with full powers and discretion to assent to or make any modifications, variations and/or amendments in any manner as may be imposed, required or permitted by the relevant authorities or deemed necessary by the Board, and to take all steps and actions as it may deem necessary or expedient in the best interests of the Company to finalise, implement and give full effect to the Proposed Acquisition."

5.0 CLOSURE

- 5.1 There being no other business, the EGM was closed at 3.39 p.m. with a vote of thanks to the Chairman.

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

- Signed -

DATO' CHAN CHOON SIEN
Chairman