

JIANKUN INTERNATIONAL BERHAD
[Registration No. 198301015973 (111365-U)]
(Incorporated in Malaysia)

MINUTES OF THE THIRTY-NINTH ANNUAL GENERAL MEETING (“39TH AGM”) OF JIANKUN INTERNATIONAL BERHAD (“JIANKUN” OR “THE COMPANY”) CONDUCTED ON VIRTUAL BASIS VIA REMOTE PARTICIPATION AND VOTING FROM THE BROADCAST VENUE AT L21-03, LEVEL 21, PJX-HM SHAH TOWER, NO.16A, PERSIARAN BARAT, 46050 PETALING JAYA, SELANGOR ON THURSDAY, 15 JUNE 2023 AT 10.00 A.M.

DIRECTORS	:	Tan Sri Dato’ Sri Haji Mohamed Apandi Bin Haji Ali – Independent Non-Executive Chairman Mr Edwin Silvester Das – Executive Director / Chief Executive Officer Dato’ Ir Lim Siang Chai – Executive Director Mr P Ellango A/L Ponramu – Independent Non-Executive Director En Azmi Bin Osman – Non-Independent Non-Executive Director Madam Chew Huey Yen – Independent Non-Executive Director Mr Terence Cheah Eu Lee – Independent Non-Executive Director
ABSENT WITH APOLOGIES	:	Dato’ Saiful Nizam Bin Mohd Yusoff – President Dato’ Yong Chong Long – Non-Independent Non-Executive Director
MEMBERS	:	As per Attendance List
PROXY HOLDERS	:	As per Attendance List
INVITEES/OTHERS	:	As per Attendance List
IN ATTENDANCE	:	Ms Low Ven Sin (Company Secretary)

1. CHAIRMAN

Tan Sri Dato’ Sri Haji Mohamed Apandi Bin Haji Ali (“Tan Sri Chairman”) chaired the 39th AGM. Tan Sri Chairman welcomed all present to the 39th AGM of the Company.

Tan Sri Chairman then proceeded to introduce the members of the Board and Company Secretary of the Company to the meetings.

2. QUORUM

The requisite quorum being present pursuant to the Company’s Constitution, Tan Sri Chairman declared the Meeting duly convened at 10.00 a.m.

3. NOTICE

With the consent of the meeting, the Notice convening the meeting having been circulated within the prescribed period was taken as read.

4. PRELIMINARY

Before proceeding with the agendas of the meeting, Tan Sri Chairman explained to the meeting how a resolution is determined. He informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll. At the same time, the Company must appoint at least one (1) scrutineer to validate the votes cast at the general meeting. Such scrutineer must not be an officer of the Company or its related corporation and must be independent of the person undertaking the polling process.

Tan Sri Chairman further informed the meeting that Aldpro Corporate Services Sdn. Bhd. has been appointed as Poll Administrator to conduct the polling process and CSC Securities Services Sdn. Bhd. ("Scrutineers") was appointed as Scrutineer to verify the poll results.

With the consent and approval of the meeting, the Chairman informed that the polling process for all the resolutions would be conducted upon the start of the meeting until the closure of the voting session.

Tan Sri Chairman notified that the shareholders had the right to raise questions and submit their questions via the real time submission of typed texts in the query box. The Board would endeavor to answer the questions raised. If the Board were not able to respond to the questions due to time constraints, the responses would be provided to you at the earliest possible after the meeting.

The meeting was then briefed on the electronic and remote poll voting process via video presentation.

5. TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

Tan Sri Chairman informed that the first item on the Agenda was to receive the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2022, together with the Reports of the Directors and Auditors thereon ("Audited Financial Statements").

Tan Sri Chairman informed the meeting that the Audited Financial Statements of the Company is meant for discussion only as Section 340(1)(a) of the Companies Act, 2016 provides that the Audited Financial Statements are to be laid in the general meeting and does not require formal approval of the shareholders. In relation thereto, the Audited Financial Statements of the Company are not put forward for voting.

Tan Sri Chairman informed that the Company has received a letter from the Minority Shareholders Watch Group ("MSWG") on 6 June 2023 and the Company presented the questions and answers.

Operational and Financial Matters

Question

- 1) The Group reported RM80,000 rental income in FY 2022 as compared to RM120,000 in FY 2021, a drop of RM40,000 or 33.3%. (Page 18 of AR)

The investment properties are situated in Huizhou, China under long leases. (Page 117 of AR).

The investment properties were valued at RM24.2 million and RM27.6 million as of FYs 2022 and 2021 respectively. This indicates the investment properties suffered impairment loss.

- a) Why did the Group invest in investment properties in Huizhou, China?
- b) What was the reason for the sharp drop in rental income in FY 2022?
- c) Please provide the net rental yields from the investment properties for both FYs 2022 and 2021.
- d) What were the occupancy rates of the investment properties for both FYs 2022 and 2021?
- e) What is the Company's strategic plan on the investment properties that have low rental income and frequent impairment loss in the value.
- f) What is the rental income outlook for the investment properties in FY 2023?

Response

- a) *This investment properties in Huizhou, China was the contra properties from a joint venture project. This investment was concluded in year 2012 whereby the Company invested in a joint venture construction in China.*
- b) *The sharp drop in rental income in FY2022 was due to China's Government implementing a close border policy due to the COVID-19 pandemic.*
- c) *The net rental yield from the investment properties for FYs 2022 and 2021 was 0.9% and 1.4% respectively.*
- d) *The occupancy rate for the investment properties for FY 2022 was 15% and FY 2021 36%.*
- e) *In March 2023 China re-open its doors. The Company now sourcing suitable tenants to rent the properties in accordance to current market price. The impairment loss in value for the investment properties has been adopted from MFRS 140 fair value method and fluctuation of the China currency which is the Renminbi.*
- f) *The Company foresee that the rental income outlook for the investment properties in FY2023 will remain challenging.*

Question

- 2) During the financial year, goodwill amounting to RM3,271,484 arising from the acquisition of subsidiary companies, Embon Global Venture Sdn. Bhd. ("EGVSB") and Menara Rezeki Properties Sdn. Bhd. ("MRPSB"), principally engaged in property development activities, was written off.

In the previous financial year, goodwill amounting to RM2,399,998 arising from the acquisition of a subsidiary company, Limpah Restu Development Sdn. Bhd. ("LRDSB") was also written off in the financial year.

It appears that the Company has overpaid for the acquisitions of LRDSB, EGVSDB and MRPSB as the recoverable amounts of these subsidiaries were lower than carrying amount of the goodwill. (Page 116 of AR)

What measures have been taken to ensure that there is no overpayment for the acquisition of new companies in the future?

Response

The Company did not overpay in its investment in subsidiaries. The Company have an internal teams to study every investment and taking into consideration of the opportunity where the process need time to convert into economical value. Under current accounting standard MFRS 136, require purchase goodwill has to written off.

Question

- 3) In the segment reporting, Property Investment and Investment Holding segment reported a loss before tax of RM45.2 million in FY 2022, a much higher loss as compared to a loss before tax of RM9.9 million in FY 2021. (Pages 156 & 158 of AR)
- a) Please explain the higher loss before tax of RM45.2 million in FY 2022.
 - b) What is the breakdown of the loss before tax of RM45.2 million attributable to the Property Investment and Investment Holding segments respectively.

Response

The higher loss before tax of RM45.2 million in FY 2022 was mainly due to exception expenses as follows:

- Impairment in loss of Goodwill: RM3.3 million
- Impairment in loss on inter-company debts: RM35.1 million
- Share based payment expenses: RM2.1 million
- Head office expenses: RM5.0 million

Corporate Governance Matters

Question

- 1) The Company has departed from Practice 5.9 as the Board does not comprise at least 30% women directors. Currently, the Board has one female

Response

The Company did not set a specific timeline in compliant with Practice 5.9. The Company will look into this and has not obtain any specific candidate to fill up the position.

Tan Sri Chairman then declared that the Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Reports of the Directors and the Auditors thereon, be received.

6. ORDINARY RESOLUTION 1

TO APPROVE THE PAYMENT OF DIRECTORS' FEES UP TO RM650,000 AND OTHER BENEFITS OF UP TO RM50,000 TO BE DIVIDED AMONGST THE DIRECTORS IN SUCH MANNER AS THE DIRECTORS MAY DETERMINE FOR THE PERIOD COMMENCING FROM THE CONCLUSION OF THE 39TH AGM UNTIL THE CONCLUSION OF THE NEXT AGM OF THE COMPANY

Tan Sri Chairman informed that the next item on the Agenda was the payment of Directors' fees up to RM650,000 and other benefits of up to RM50,000 to be divided amongst the directors in such manner as the Directors may determine for the period commencing from the conclusion of the 39th AGM until the conclusion of the next AGM of the Company.

7. ORDINARY RESOLUTION 2

TO RE-ELECT TAN SRI DATO' SRI HAJI MOHAMED APANDI BIN HAJI ALI, WHO RETIRES IN ACCORDANCE WITH CLAUSE 105(1) OF THE COMPANY'S CONSTITUTION

Tan Sri Chairman informed that the next item on the Agenda was to re-elect himself then he passed the Chair to Mr. Edwin Silvester Das to proceed with the Agenda. Mr Edwin Silvester Das informed that the Ordinary Resolution 2 was to re-elect Tan Sri Chairman, who retires in accordance with Clause 105(1) of the Company's Constitution and being eligible, had offered himself for re-election.

Thereafter, Mr Edwin Silvester Das passed the Chairmanship back to Tan Sri Chairman.

8. ORDINARY RESOLUTION 3

TO RE-ELECT DATO' SAIFUL NIZAM BIN MOHD YUSOFF, WHO RETIRES IN ACCORDANCE WITH CLAUSE 105(1) OF THE COMPANY'S CONSTITUTION

Tan Sri Chairman informed that the next item on the Agenda was to re-elect Dato' Saiful Nizam Bin Mohd Yusoff, who retires in accordance with Clause 105(1) of the Company's Constitution and being eligible, had offered himself for re-election.

**9. ORDINARY RESOLUTION 4
TO RE-ELECT DATO' YONG CHONG LONG, WHO RETIRES IN ACCORDANCE WITH CLAUSE 114 OF THE COMPANY'S CONSTITUTION**

Tan Sri Chairman informed that the next item on the Agenda was to re-elect Dato' Yong Chong Long, who retires in accordance with Clause 114 of the Company's Constitution and being eligible, had offered himself for re-election.

**10. ORDINARY RESOLUTION 5
TO RE-ELECT P ELLANGO A/L PONRAMU, WHO RETIRES IN ACCORDANCE WITH CLAUSE 114 OF THE COMPANY'S CONSTITUTION**

Tan Sri Chairman informed that the next item on the Agenda was to re-elect Mr P Ellango A/L Ponramu, who retires in accordance with Clause 114 of the Company's Constitution and being eligible, had offered himself for re-election.

**11. ORDINARY RESOLUTION 6
TO RE-ELECT TERENCE CHEAH EU LEE WHO RETIRES IN ACCORDANCE WITH CLAUSE 114 OF THE COMPANY'S CONSTITUTION**

Tan Sri Chairman informed that the next item on the Agenda was to re-elect Mr Terence Cheah Eu Lee, who retires in accordance with Clause 114 of the Company's Constitution and being eligible, had offered himself for re-election.

**12. ORDINARY RESOLUTION 7
TO RE-APPOINT MESSRS. UHY AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The meeting was informed that the next item on the Agenda was to re-appoint Messrs. UHY as Auditors of the Company for the financial year ending 31 December 2023.

**13. SPECIAL BUSINESS - ORDINARY RESOLUTION 8
AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

Tan Sri Chairman informed that the Ordinary Resolution 8 under special business relates to the authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.

14. SPECIAL BUSINESS - ORDINARY RESOLUTION 9

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

Tan Sri Chairman informed that the Ordinary Resolution 9 relates to the Proposed renewal of Share Buy-Back authority for the Company to purchase its own shares. The full details and rationale of the Proposal was set out in the Statement to Shareholders dated 28 April 2023, which can be obtained from the Company's website.

15. Q&A SESSION

There being question received from shareholders

1. Why are there so many Armani Residence problems issued, not resolved and not attended to?

Answer

The Management is currently addressing all rectification works and assures that they will be resolved. It was highlighted that the owners of the units should form a Joint Management Committee (JMC) under the Strata Act. The Company has requested that the owners obtain their strata titles as soon as possible, allowing the residences to manage the property effectively. Currently, less than 5% of the residents have obtained their titles, while the government requirement of 25%. Therefore, residents are urged to obtain their strata titles promptly and establish the JMC to maintain the building and expedite contractor work. If residents have any concerns, they should raise them at the management office on-site.

There being no any other questions, Tan Sri Chairman informed that the Q&A session is closed.

16. ANY OTHER BUSINESS

Tan Sri Chairman informed that the Company had not received any notice to deal with any other business for which due notice was required to be given pursuant to the Companies Act, 2016.

17. POLLING PROCESS

Tan Sri Chairman adjourned the Meeting for approximately five (5) minutes for the polling and voting counting process to be completed.

The computation of votes then took place immediately after all the members had cast their votes and the Meeting was adjourned at 10.30 a.m. for 5 minutes for this purpose.

Tan Sri Chairman welcomed all the shareholders and proxies back to the Meeting for declaration of poll results. He announced the results of voting by poll.

The results of the polls are as follow:-

Resolution	Voted For		Voted Against	
	No of Shares	%	No of Shares	%
Ordinary Resolution 1	139,383,607	99.9110	124,122	0.0890
Ordinary Resolution 2	139,403,257	99.9954	6,472	0.0046
Ordinary Resolution 3	139,506,246	99.9989	1,483	0.0011
Ordinary Resolution 4	139,507,159	99.9996	570	0.0004
Ordinary Resolution 5	139,507,257	99.9997	472	0.0003
Ordinary Resolution 6	139,507,259	99.9997	470	0.0003
Ordinary Resolution 7	139,507,259	99.9997	470	0.0003
Ordinary Resolution 8	139,506,146	99.9996	572	0.0004
Ordinary Resolution 9	139,507,257	99.9997	472	0.0003

Based on the above poll results, Tan Sri Chairman declared that Ordinary Resolution 1 to 9 were all carried.

It was RESOLVED as follows:

Ordinary Resolution 1

THAT the payment of Directors' fees RM650,000 and other benefits of up to RM50,000 to be divided amongst the Directors in such manner as the Directors may determine for the period commencing from the conclusion of the 39th AGM until the conclusion of the next AGM of the Company.

Ordinary Resolution 2

THAT Tan Sri Dato' Sri Haji Mohamed Apandi Bin Haji Ali, who retires by rotation in accordance with Clause 105(1) of the Company's Constitution, be hereby re-elected as Director of the Company.

Ordinary Resolution 3

THAT Dato' Saiful Nizam Bin Mohd Yusoff, who retires by rotation in accordance with Clause 105(1) of the Company's Constitution, be hereby re-elected as Director of the Company.

Ordinary Resolution 4

THAT Dato' Yong Chong Long, who retires pursuant to 114 of the Company's Constitution, be hereby re-elected as Director of the Company.

Ordinary Resolution 5

THAT P Ellango A/L Ponramu, who retires pursuant to 114 of the Company's Constitution, be hereby re-elected as Director of the Company.

Ordinary Resolution 6

THAT Terence Cheah Eu Lee, who retires pursuant to 114 of the Company's Constitution, be hereby re-elected as Director of the Company.

Ordinary Resolution 7

THAT Messrs. UHY, having indicated their willingness to continue in office, be hereby re-appointed as Auditors of the Company for the ensuing year at a remuneration to be fixed by the Directors.

Ordinary Resolution 8

THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 ("the Act") and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company 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 do not exceed 10% of the issued share capital of the Company for the time being. This proposal is in line with Listing Requirements of Bursa Malaysia Securities Berhad.

In connection with the above, pursuant to section 85 of the the Act, read in conjunction with Clause 61 of the Company's Constitution, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with existing issued shares in the Company.

This authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of next Annual General Meeting of the Company.

Ordinary Resolution 9

THAT, subject to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements ("MMLR") of Bursa Securities and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- i) The aggregate number of shares purchased or held as treasury shares does not exceed 10% of the total number of issued and paid-up shares of the Company as quoted on Bursa Securities as at the point of purchase;*
- ii) The maximum fund to be allocated by the Company for the purpose of purchasing the shares be backed by an equivalent amount of retained profits; and*
- iii) The Directors of the Company may decide either to retain the shares purchased as treasury shares, or cancel the shares, or retain part of the shares so purchased as treasury shares and cancel the remainder, or resell the shares, or transfer the shares or distribute the shares as dividends;*

AND THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:-

- i) The conclusion of the next AGM at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- ii) The expiration of the period within which the next AGM of the Company is required by law to be held; or
- iii) Revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;


Whichever occurs first.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto."

18. CLOSURE OF MEETING

There being no other business, Tan Sri Chairman, on behalf of the Board thanked all present for their attendance at the Meeting and declared the 39th AGM duly closed at 10:55 a.m.

CONFIRMED AS A CORRECT RECORD:



EDWIN SILVESTER DAS
EXECUTIVE DIRECTOR / CHIEF EXECUTIVE OFFICER