

OSK HOLDINGS BERHAD
[Registration No. 199001015406 (207075-U)]
(Incorporated in Malaysia)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT THE GRAND BALLROOM, SIME DARBY CONVENTION CENTRE, 1A, JALAN BUKIT KIARA 1, BUKIT KIARA, 60000 KUALA LUMPUR, MALAYSIA ON WEDNESDAY, 14 MAY 2025 AT 12:30 P.M.

DIRECTORS : Tan Sri Ong Leong Huat @ Wong Joo Hwa (*Chairman*)
Mr. Ong Ju Yan
Mr. Ong Ju Xing
Dato' Saiful Bahri bin Zainuddin
Mr. Leong Keng Yuen
Ms. Wong Wen Miin
Puan Farah Deba binti Mohamed Sofian
Puan Mazidah binti Abdul Malik

MEMBERS : As per Attendance List

**PROXY HOLDERS/
CORPORATE
REPRESENTATIVES** : As per Attendance List

INVITEES : As per Attendance List

IN ATTENDANCE : Ms. Chua Siew Chuan (*Company Secretary*)
Mr. Tee Zhen Wan (*Assisting the Company Secretary*)
Ms. Teo Shun Ying (*Assisting the Company Secretary*)

CHAIRMAN

Tan Sri Ong Leong Huat @ Wong Joo Hwa ("**Tan Sri Chairman**"), the Executive Chairman of the Company welcomed all present to the Extraordinary General Meeting ("**EGM**" or "**the Meeting**") of the Company.

Tan Sri Chairman then introduced all the Directors, the Group Chief Financial Officer, the Principal Adviser from RHB Investment Bank Berhad, the Company Secretary and the legal due diligence solicitors from Christopher & Lee Ong.

QUORUM

There being requisite quorum pursuant to Clause 76 of the Company's Constitution, Tan Sri Chairman declared the Meeting duly convened and called the Meeting to order at 12:30 p.m.

NOTICE OF MEETING

The Notice convening the Meeting having been circulated within the prescribed period was, with the permission of the Meeting, taken as read.

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PROCEEDINGS AND POLL VOTING

Ms. Chua Siew Chuan (“**Ms. Chua**”), the Company Secretary informed the Meeting that the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has mandated poll voting for all resolutions set out in the notice of general meetings. Pursuant to the above and Section 330 of the Companies Act 2016, Tan Sri Chairman exercised his right to direct the vote on the resolution of the Meeting to be conducted by way of poll.

In line with the MMLR, the proposed resolution set out in the Notice convening the Meeting would be voted by way of poll. Ms. Chua informed the Meeting that the poll voting would be conducted at the end of the Meeting, upon the resolution in the Agenda has been clarified and addressed.

The Meeting further noted that Securities Services (Holdings) Sdn. Bhd. (“**Securities Services**”) was the appointed Poll Administrator whilst Commercial Quest Sdn. Bhd. was the appointed Independent Scrutineer (“**Scrutineer**”) to verify the results of the poll voting.

1.0 ORDINARY RESOLUTION

- PROPOSED BONUS ISSUE OF UP TO 1,047,650,716 NEW ORDINARY SHARES IN OSK (“OSK SHARE(S)” OR “SHARE(S)”) (“BONUS SHARE(S)”) ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) EXISTING OSK SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”) (“PROPOSED BONUS ISSUE OF SHARES”)

Tan Sri Chairman informed that the only item on the Agenda was to approve the Ordinary Resolution in respect of the Proposed Bonus Issue of Shares.

Tan Sri Chairman then invited questions in respect of the Proposed Bonus Issue of Shares from the floor.

Questions/Remarks received from shareholders

Q1) Shareholders who approved and supported the Proposed Bonus Issue of Shares in the Meeting should be entitled for more bonus shares.

Tan Sri Chairman replied as follows:

A1) The Proposed Bonus Issue of Shares will be allotted on a pro-rata basis, at the ratio of one (1) Bonus Share for every two (2) existing OSK Shares held by shareholders.

Q2) What is the rationale for the Proposed Bonus Issue of Shares?

Tan Sri Chairman replied as follows:

A2) The rationale for the Proposed Bonus Issue of Shares, as outlined in the Circular to Shareholders, is intended to enhance market liquidity and serve as a reward to shareholders, given that the Company’s reserves exceeded the proposed distribution amount. By issuing bonus shares, shareholders

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receive additional shares, allowing them to either sell part of their holdings or increase their investment at a more accessible price. Tan Sri Chairman further clarified that the Company has adequate reserves to undertake the Proposed Bonus Issue without compromising its prudent approach to capital management or overextending its distributions.

Nonetheless, Mr. Ong Ju Yan ("**Mr. Ong JY**") clarified that under the current regulatory regime, there is no need to capitalise reserves, and the issuance of new shares pursuant to the bonus issue will not affect the company's paid up capital and reserves. This was confirmed by Mr. Tommy Har ("**Mr. Tommy**").

Q3) When will the Proposed Bonus Shares be issued?

Mr. Tommy, the Principal Adviser from RHB Investment Bank Berhad, replied as follows:

A3) The announcement on the entitlement date of the Proposed Bonus Issue of Shares was expected to be made in mid of June 2025, with the issuance of Bonus Shares anticipated by the end of June 2025.

Q4) What is the necessity of the Proposed Bonus Issue of Shares given that the current low share price of RM1.75 per share and the board lots had been reduced from 1,000 to 100 shares? This Proposed Bonus Issue of Shares might further reduce the share price.

Mr. Ong JY replied as follows:

A4) Under the current regulatory framework, bonus issues no longer require capitalisation of reserves and now function similarly to stock splits. While the market capitalisation remains unchanged, the lower ex-share price creates a more affordable entry point for investors, enhancing market accessibility and liquidity.

Mr. Ong JY further explained that the Proposed Bonus Issue of Shares is a common practice among many listed companies, as market psychology generally favours such exercise due to the resulting adjustment in share price. The initiative was intended as a proactive measure to enhance shareholder value; however, its effectiveness would ultimately be subject to market response, which lies beyond the Company's control.

Tan Sri Chairman further emphasised that the primary objective of the Proposed Bonus Issue of Shares was to enhance market liquidity, thereby enabling shareholders to buy or sell shares with greater ease.

Mr. Tommy explained that with changes in the accounting framework from par to non-par value, the distinction between a bonus issue of shares and a share split is largely a legacy matter. He reiterated, in line with earlier remarks by Mr. Ong JY and Tan Sri Chairman, that the primary reason for the Bonus Issue was to enhance market liquidity. He then further explained that increased liquidity would facilitate better price discovery, providing a

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clearer and fairer basis for investors to determine the appropriate share value.

Q5i) Noting that the previous dividend payout was approximately RM0.08, what is the Company's dividend policy after the Proposed Bonus Issue of Shares? Would it be maintained, increased, or reduced?

Q5ii) Bonus Issue of Shares is generally perceived as a positive sign and suggested that the dividend payout be maintained or increased.

Mr. Ong JY replied as follows:

A5i) It was acknowledged that generally shareholders prefer higher dividends, but the Company needs to balance short-term returns with long-term growth. He further shared that the Company had been prudent in managing its resources, as demonstrated in the presentation at the Annual General Meeting held earlier, which showed the effective use of reserves to grow the Company's various businesses over the years. Despite challenges such as COVID-19, intense competition, and property market slowdowns in both Malaysia and Australia, the Company had continued to grow across all business segments.

Mr. Ong JY then responded that retaining capital through reserves is essential for sustaining future growth. Regarding dividends, he stated that the Company benchmarks itself against competitors and has consistently ranked in the top quartile in its sector.

A5ii) In response to the feasibility of maintaining the RM0.08 dividend after a 50% increase in the share base arising from the Proposed Bonus Issue of Shares, Mr. Ong JY explained that achieving such a dividend payout per sen in the short term would be unrealistic, but the company will endeavour to maintain the quantum of dividends paid, which will result in a lower dividend per share even though the actual total amount received by shareholders is still the same. Nonetheless, he affirmed that paying more dividends an aspiration and a long-term goal that the Company aims to pursue in collaboration with its shareholders.

Tan Sri Chairman shared that the Company has a long-standing history of paying dividends that exceed the returns of one-year fixed deposits. Tan Sri Chairman further noted that even with a share split, as long as the Company continues to grow, it would be able to sustain a reasonable investment yield for shareholders. The importance of investment yield was emphasised, with capital appreciation recognised as an additional benefit of investing.

Q6) On timing of the Company's share buyback, would it be taking place before or after the Proposed Bonus Issue of Shares? It was observed that historically, share prices tend to rise ahead of a bonus issue or share split. However, there was concern that, given the current share price being below RM2/-, the resulting post-bonus price might classify the shares as penny stocks, potentially increasing market volatility. It was further noted that

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shareholders generally prefer more stable stocks, and thus, the rationale for proceeding with the bonus issue at the current price level was questionable.

Tan Sri Chairman replied as follows:

- A6) He emphasised that share price ultimately depends on investor judgement. The Company's responsibility is to maintain strong operational performance and to deliver satisfactory dividends and returns to shareholders. He noted that investors typically make decisions based on key financial metrics such as price-to-earnings (PE) ratios and expected returns. The Company remains committed to diligently fulfilling its responsibilities by generating returns that are at least comparable to secure investments, such as fixed deposits, while also offering the potential for capital appreciation, subject to prevailing market sentiment.
- Q7) The current Initial Public Offering (IPO) prices are significantly lower, raising concerns about whether aligning the Company's share price to such levels would be advantageous. It was highlighted that purchasing a small number of shares at these lower prices could result in disproportionately high transaction fees, making such investments less justifiable. There were some apprehensions that some listed companies issued bonus shares but subsequently underperformed, potentially misleading investors. While bonus shares increase the number of shares float, the share price does not necessarily improve correspondingly.

Mr. Ong JY replied as follows:

- A7) He acknowledged that while some listed companies with penny stocks experience high volatility and underperformance, the Company is committed to avoiding the creation of a volatile penny stock or misleading investors. The primary objective is to enhance liquidity for investors, with the hope of a positive market reception. However, it was also recognised that the outcome remains subject to market dynamics and investor sentiment.

He recognised the diversity of opinions on this matter and respected those views. He referenced portfolio and financial market theories that explain why many companies globally pursue stock splits and bonus issues. While Management cannot predict the stock price's movement post-bonus issue, the Company believes it will remain above RM1/-, thus avoiding classification as a penny stock. The hope is that consistent performance will eventually be acknowledged by the market.

Tan Sri Chairman reminded that the Company was listed on 31 May 1991 with a paid-up capital of 60 million shares. Since then, the Company has consistently paid dividends over RM2 billion in cash dividends, while the share base has grown to nearly 2.1 billion shares. Tan Sri Chairman emphasised the importance of creating market liquidity for shareholders as the Company continues to expand.

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With an after-tax profit of over RM500 million and a post-bonus share base of 3 billion shares, the Company's earnings per share remain competitive, as affirmed by the investment advisor.

Tan Sri Chairman reiterated that share price ultimately depends on investor judgement, and the Company's primary duty is to deliver strong results. Regardless of whether a bonus issue is implemented, consistent performance and dividend payouts will remain key drivers for generating income for shareholders.

Mr. Tommy highlighted the fundamentals of the Proposed Bonus Issue of Shares, underscoring its primary objective as a reward to shareholders and a means to enhance market liquidity to facilitate better price discovery. He further explained that, assuming the Company maintains consistent performance, the Proposed Bonus Issue of Shares would strengthen the Company's market position and improve trading dynamics, ultimately supporting the establishment of a fair market value for its shares.

Mr. Tommy further noted that the post-bonus share price is expected to remain above RM1/-, thus avoiding classification as a penny stock. He highlighted that the Proposed Bonus Issue of Shares complies with all relevant regulatory requirements, including Bursa Securities' rule that share prices must not fall below RM0.50. In conclusion, the Bonus Issue is positioned as a strategic initiative to strengthen the Company's market standing without compromising shareholder value.

- Q8) Follow-up question regarding the Company's capital reserves and share buyback plans, would it be taking place before or after the Proposed Bonus Issue of Shares; noting that buyback reduces the number of shares and liquidity, which could conflict with the bonus issue's purpose of increasing liquidity.

Tan Sri Chairman replied as follows:

- A8) Tan Sri Chairman explained that while the Company has the capacity to undertake share buybacks, it has deliberately chosen to prioritise capital preservation for business expansion and future growth initiatives. He highlighted that the Company's consistent track record of providing decent dividends, reflecting its commitment to delivering satisfactory returns to shareholders.

Tan Sri Chairman emphasised long-term value creation and sustainable development as principles that have enabled the Company to grow from a modest stockbroking firm into a diversified conglomerate with total assets of over RM11 billion and shareholder equity of over RM6 billion. Tan Sri Chairman stressed that the intention is not to influence or manipulate share prices through buybacks, but to continue building shareholder value through prudent management and strategic growth.

Mr. Ong JY clarified that there are no restriction preventing the Company from undertaking share buyback either before or after the Proposed Bonus

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Issue of Shares. However, he highlighted that the Company has not carried out any share buybacks since 2020.

Q9) Would treasury shares be entitled to the Proposed Bonus Issue of Shares?

Mr. Ong JY, with the affirmation from Mr. Tommy, the Principal Adviser, replied as follows:

A9) Treasury shares would also be eligible to the Proposed Bonus Issue of Shares on the same basis of one (1) Bonus Share for every two (2) existing OSK shares.

2.0 **POLLING PROCESS**

At this juncture, Ms. Chua briefed the Meeting on the electronic poll voting process and shared a short video clip on Securities Services electronic voting procedure. Shareholders and proxy holders were given fifteen (15) minutes to cast and submit their votes. Thereafter, the Scrutineer verified the poll results.

3.0 **DECLARATION OF POLLING RESULTS**

The Meeting resumed and Tan Sri Chairman then called the Meeting to order at 1:20 p.m. for the declaration of the poll voting results. The poll results were displayed on the screen.

The poll voting results were as follows:-

Resolution	Voted in Favour		Voted Against		Results
	No. of Shares	%	No. of Shares	%	
<u>Ordinary Resolution</u> Proposed Bonus Issue of Shares	1,261,327,684	99.9969	38,648	0.0031	Carried

Tan Sri Chairman then declared that Resolution was **CARRIED** and the Meeting **RESOLVED**:

ORDINARY RESOLUTION - PROPOSED BONUS ISSUE OF SHARES

The Meeting (on a poll) **RESOLVED** that the following Ordinary Resolution be **CARRIED**: -

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THAT subject to the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board of Directors of the Company ("**Board**") to issue and allot up to 1,047,650,716 Bonus Shares, issued as fully paid, at no consideration and without capitalisation of the Company's reserves, on the basis of 1 Bonus Share for every 2 existing OSK Shares held, to the shareholders of the Company whose names appear in the Register of Members and Record of Depositors of the Company as at 5:00 p.m. on the Entitlement Date to be determined by the Board and announced by the Company at a later date;

THAT the Board be and is hereby authorised to deal with any fractional entitlements arising from the Proposed Bonus Issue of Shares, if any, including disregarding the fractional entitlements, in such manner at its absolute discretion as the Board may deem fit and expedient and in the best interest of the Company;

THAT the Bonus Shares will, upon issuance and allotment, rank equally in all respects with the then existing OSK Shares;

AND THAT the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Bonus Issue of Shares with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as the Board may consider necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Shares.

4.0 CONCLUSION OF MEETING

Tan Sri Chairman concluded the Meeting and thanked all present for their attendance. The Meeting ended at 1:23 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

- Confirmed -

**TAN SRI ONG LEONG HUAT @
WONG JOO HWA
CHAIRMAN**

Dated: 14 May 2025