

CLASSIC SCENIC BERHAD

[Registration No. 200301031466 (633887-M)]
(Incorporated in Malaysia)

Minutes of the Twentieth Annual General Meeting (“20th AGM”) of the Company held at Putra Court, Kelab Rahman Putra Malaysia, Jalan BRP 2/1, Bukit Rahman Putra, 47000 Sungai Buloh, Selangor Darul Ehsan on Tuesday, 23 May 2023 at 10.00 a.m.

Present	: <u>Shareholders</u> As per Attendance List
	<u>Directors</u>
	Datuk Iskandar Bin Sarudin Independent Non-Executive Chairman
	Mr Lim Chee Beng Managing Director
	Mr Vo Nghia Huu Executive Director
	Ms Lim Kim Lee Executive Director cum Chief Financial Officer
	Ms Ooi Youk Lan Non-Independent Non-Executive Director
	Mr Lew Chong Kiat Senior Independent Non-Executive Director
	Mr Teh ZiYang Independent Non-Executive Director
	<u>External Auditors</u>
	Ms Florence Chua Representative from Messrs KPMG PLT
	Ms Ng Chay Jing Representative from Messrs KPMG PLT
	<u>Principal Advisers</u>
	Mr Yap Siew Thee Representatives from Malacca Securities Sdn Bhd
	Mr Matthew Lim
By Invitation	: As per Attendance List
In Attendance	: Ms Elaine Sin May Peng Representing the Company Secretary, Ms Wong Youn Kim

1. CHAIRMAN, QUORUM AND NOTICE OF MEETING

The meeting was convened with Datuk Iskandar Bin Sarudin in the Chair who welcomed everyone to the 20th AGM of the Company.

Upon confirmation by Ms Elaine Sin, representative of Ms Wong Youn Kim, the Company Secretary that a quorum was present at the commencement of the meeting pursuant to Clause 70 of the Company’s Constitution, the Chairman called the meeting to order.

The Chairman proceeded to introduce the Board of Directors, External Auditors and Principal Advisers for the Proposed Share Buy-Back. He then declared that the Notice of the meeting was taken as read as the Notice of the AGM dated 19 April 2023 had been circulated to all members of the Company in accordance with the Company’s Constitution.

Before proceeding with the Agenda of the AGM, Ms Lim Kim Lee, the Executive Director cum Chief Financial Officer was invited to make a presentation on the Group’s performance, i.e. Financial Performance/Position FY2022 vs FY2021, CAPEX FY2022, Cash Flows and Financial - 5 years at a Glance, Completion of Bidor Plant Acquisition, Sustainability and Green Energy - Solar PV Power Generation, Growth Strategies, Group Strategies and Business Outlook for 2nd Half 2023 for the information of those present at the 20th AGM.

After the presentation had concluded, the following questions were raised by a shareholder, Mr Dinesh Kumar A/L Bachulal present at the 20th AGM; and answers provided by Ms Lim Kim Lee, the Executive Director cum Chief Financial Officer in response to those questions are as stated below:

Q1. The Company had paid dividend of 5.5 sen per share and given bonus shares which were good for the shareholders. But the bonus issue had burdened the Company in terms of costs. To increase revenue, why not expand to Europe, Africa and China which have huge markets and not just focused on USA. The Company should also have more automation in its production. How many hours and shifts are production running at currently? With the Group's healthy cash flows, the Company should place excess funds in banks which are giving good interest rates.

A1. The Company is running in 1 shift. In compliance with the amended Employment Act, the Company has shortened production hours to run 9 hours per day and 5 days per week, with current utilization rate of approximately 60%.

In terms of automation, there is IoT smart factory project in the pipeline where engineers would install sensors in machines for collection of data to enable them to analyse the overall equipment effectiveness in order to optimize and improve efficiency.

As for the excess funds, the management have always been careful and would not place the Company's funds in high-risk funds but only place the funds with financial institutions to earn interest. The recent hike in the OPR has been good for the Company.

In terms of the costs incurred for the bonus issue, the Board and the management team will take into consideration the views expressed by shareholders in the next corporate exercise.

Q2. Are the sawn timbers from Bidor Plant solely for own consumption?

A2. Timbers from the in-house sawmilling plant in Bidor are wholly for the Group's own consumption. With production now running at full swing, the management would look into various measures and optimize all costs cutting measures. The management would also closely monitor the macro environment to mitigate impacts to the Company's bottom line and adjust the Group's policy accordingly.

Q3. What is the Company's dividend policy?

A3. Currently, the Company has a policy of declaring 50% of profit after taxation as dividend. As the Company had paid interim dividend of 5.5 sen per share, any further dividend would be based on the performance of the Company.

The representative of the Company Secretary was then called upon to explain the proceedings of the meeting and voting procedures to the shareholders.

She informed the shareholders that the businesses to be transacted in the 20th AGM involved the moving and passing of 7 proposed Ordinary Resolutions and that each of the proposed Ordinary Resolution would require the approval of a simple majority of the members or their proxies present and voting in this meeting.

She said each motion would require one proposer and a seconder before the motions were put to the floor to vote and that in order to have smooth proceedings, the meeting would proceed with the questions and answers session first and after having each of the motions properly proposed and seconded accordingly, the poll voting would commence immediately thereafter.

2. **AUDITED FINANCIAL STATEMENTS, DIRECTORS' AND AUDITORS' REPORTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Before the Company's Audited Financial Statements for the year ended 31 December 2022 together with the Reports of the Directors and Auditors pursuant to Section 340(1)(a) of the Companies Act 2016 were tabled before the Members and to be received by the Members present at the meeting, the following questions were raised by a shareholder, Mr Dinesh Kumar A/L Bachulal present at the 20th AGM; and answers provided by Ms Lim Kim Lee, the Executive Director cum Chief Financial Officer in response to those questions are as stated below:

- Q4. The Directors' fees paid to the Non-Executive Directors had increased the past few years. May I know why?
- A4. The Company has benchmarked the Directors' fees payable to the Non-Executive Directors against the market to attract and retain talent. Due to some enhancements to the MCCG, the Company has provided some buffer and increased the total amount of directors' fees for this year which is reasonable based on the market benchmarking.
- Q5. How many years have Messrs KPMG PLT been the Company's Auditors? It may be good to change.
- A5. Messrs KPMG PLT have been the Company's Auditors since it was listed in 2004. Based on the annual assessment and evaluation conducted by the Audit Committee which included assessment on the independence, Messrs KPMG PLT have been found to have the capabilities and resources to continue serving the Company and Group. Messrs KPMG PLT also have policies to ensure their independence in auditing their clients. Shareholders would feel comfortable as Messrs KPMG is a reputable audit firm that has been willing to continue providing services to the Company and Group.

Upon the completion of the questions and answers session, the Chairman declared that the Audited Financial Statements for the financial year ended 31 December 2022 together with the Directors' and Auditors Reports were taken as laid before the shareholders pursuant to Section 340(1)(a) of the Companies Act 2016.

3. **PAYMENT OF DIRECTORS' FEES TO THE NON-EXECUTIVE DIRECTORS UP TO AN AMOUNT OF RM200,000 FROM 23 MAY 2023 UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY**

Ordinary Resolution 1 – Approval of payment of Directors' fees to the Non-Executive Directors up to an amount of RM200,000 from 23 May 2023 until the conclusion of the next Annual General Meeting (“Payment of Directors' fees”) was tabled before the meeting.

Upon Ordinary Resolution 1 being duly proposed by Mr Dinesh Kumar A/L Bachulal and seconded by Mr Lim Joo Hock, the motion to approve the Payment of Directors' fees would be voted by way of poll.

4. **PAYMENT OF DIRECTORS' BENEFITS TO THE NON-EXECUTIVE DIRECTORS UP TO AN AMOUNT OF RM30,000 FROM 23 MAY 2023 UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY**

Ordinary Resolution 2 – Approval of payment of Directors' benefits to the Non-Executive Directors up to an amount of RM30,000 from 23 May 2023 until the conclusion of the next Annual General Meeting ("Payment of Directors' benefits") was tabled before the meeting.

Upon Ordinary Resolution 2 being duly proposed by Mr Chiu Kok Soon and seconded by Mr Lim Joo Hock, the motion to approve the Payment of Directors' benefits would be voted by way of poll.

5. **RE-ELECTION OF DIRECTORS**

Ordinary Resolution 3 – Re-election of Ms Ooi Youk Lan was tabled before the meeting.

Upon Ordinary Resolution 3 being duly proposed by Ms Chew Tze Yee and seconded by Mr Dinesh Kumar A/L Bachulal, the motion to re-elect Ms Ooi Youk Lan who was retiring pursuant to Clause 97 of the Company's Constitution, would be voted by way of poll.

Upon Ordinary Resolution 4 being duly proposed by Mr Dinesh Kumar A/L Bachulal and seconded by Mr Kong Chew Kwok, the motion to re-elect Datuk Iskandar Bin Sarudin who was retiring pursuant to Clause 97 of the Company's Constitution would be voted by way of poll.

6. **RE-APPOINTMENT OF AUDITORS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2023 AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

Ordinary Resolution 5 – Re-appointment of Auditors of the Company for the financial year ending 31 December 2023 and to authorise the Directors to fix their remuneration was tabled before the meeting.

Upon Ordinary Resolution 5 being duly proposed by Mr Dinesh Kumar A/L Bachulal and seconded by Ms Chew Tze Yee, the motion to re-appoint Messrs KPMG PLT who have indicated their willingness to continue in office as Auditors of the Company for the financial year ending 31 December 2023 at a remuneration to be fixed by the Directors would be voted by way of poll.

SPECIAL BUSINESS

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

Ordinary Resolution 6 – Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 was tabled before the meeting.

Upon Ordinary Resolution 6 being duly proposed by Mr Kong Chew Kwok and seconded by Mr Lim Joo Hock, the motion to authorise the Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 as set out in the notice of meeting would be voted by way of poll.

8. **PROPOSED SHARE BUY-BACK OF UP TO 10% OF THE TOTAL ISSUED ORDINARY SHARES OF CLASSIC SCENIC BERHAD (“CSCENIC” OR “COMPANY”) (“CSCENIC SHARE(S)” OR “SHARE(S)”) THROUGH BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) IN ACCORDANCE WITH SECTION 127(1) OF THE COMPANIES ACT 2016 (“ACT”) (“PROPOSED SHARE BUY-BACK”)**

Ordinary Resolution 7 – Proposed Share Buy-Back of up to 10% of the total issued ordinary shares of the Company through Bursa Malaysia Securities Berhad in accordance with Section 127(1) of the Companies Act 2016 as set out in the notice of meeting (“Proposed Share Buy-Back”) was tabled before the meeting.

Upon Ordinary Resolution 7 being duly proposed by Mr Kong Chew Kwok and seconded by Ms Chew Tze Yee, the motion to approve the Proposed Share Buy-Back as set out in the notice of meeting would be voted by way of poll.

The Chairman informed the shareholders that as the Company did not receive any notice to transact any other business, the meeting would proceed with the poll for the Ordinary Resolutions as set out in the Notice of 20th AGM and called upon the representative of the Company Secretary to brief the shareholders on the polling procedures.

9. **BRIEFING ON POLLING PROCEDURES**

The representative of the Company Secretary informed the shareholders that Boardroom Share Registrars Sdn Bhd would conduct the poll and Boardroom Corporate Services Sdn Bhd has been appointed as the Scrutineer to verify the poll results.

She then briefed all present at the meeting on the voting procedures which was conducted manually and the said polling would commence immediately after the briefing.

10. **ADJOURNED OF MEETING FOR POLL VOTING**

The meeting was adjourned at 10.55 a.m. for the poll voting to commence immediately.

11. **RE-CONVENING OF MEETING AND ANNOUNCEMENT OF RESULTS**

The meeting re-convened at 11.30 a.m. for the announcement of the results of the poll voting by the Chairman as follows:

Ordinary Resolution	Votes For			Votes Against		
	No. of Shares	No. of Shareholders	%	No. of Shares	No. of Shareholders	%
Resolution 1	129,687,560	34	100.0000	0	0	0.0000
Resolution 2	129,687,560	34	100.0000	0	0	0.0000
Resolution 3	129,687,560	34	100.0000	0	0	0.0000
Resolution 4	129,686,060	33	99.9988	1,500	1	0.0012
Resolution 5	129,657,560	33	100.0000	0	0	0.0000
Resolution 6	129,569,060	32	99.9317	88,500	1	0.0683
Resolution 7	129,599,060	33	99.9318	88,500	1	0.0682

The Chairman declared that all seven (7) Ordinary Resolutions were approved by the shareholders.

Ordinary Resolution 1

It was resolved that the Directors' fees payable to the Non-Executive Directors up to an amount of RM200,000 from 23 May 2023 until the conclusion of the next Annual General Meeting of the Company be and is hereby approved.

Ordinary Resolution 2

It was resolved that the Directors' benefits payable to the Non-Executive Directors up to an amount of RM30,000 from 23 May 2023 until the conclusion of the next Annual General Meeting of the Company be and is hereby approved.

Ordinary Resolution 3

It was resolved that Ms Ooi Youk Lan who is retiring pursuant to Clause 97 of the Company's Constitution be and is hereby re-elected as Director of the Company.

Ordinary Resolution 4

It was resolved that Datuk Iskandar Bin Sarudin who is retiring pursuant to Clause 97 of the Company's Constitution be and is hereby re-elected as Director of the Company.

Ordinary Resolution 5

It was resolved that Messrs KPMG PLT who have indicated their willingness to continue in office as Auditors of the Company, be and are hereby appointed as Auditors of the Company for the financial year ending 31 December 2023 at a remuneration to be fixed by the Directors.

Ordinary Resolution 6

It was resolved that subject always to the Companies Act 2016 ("**Act**"), Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and approvals of the relevant governmental/regulatory bodies (if applicable), the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue new shares in the Company from time to time and upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued during the preceding twelve (12) months pursuant to this resolution, does not exceed 10% of the total number of the issued shares (excluding treasury shares) 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 Securities.

AND THAT pursuant to Section 85 of the Act read together with Clause 54 of the Company's Constitution, approval be and is hereby given to waive the statutory preemptive rights of the shareholders of the Company to be offered new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Act **AND THAT** the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company.

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 Annual General Meeting ("**AGM**") of the Company, or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, unless revoked or varied by an ordinary resolution of the Company at a general meeting, whichever is the earlier.

Ordinary Resolution 7

It was resolved that subject to the Act, rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, Main Market Listing Requirements of Bursa Securities and any other relevant authority or approval for the time being in force or as may be amended from time to time, the Board of Directors of CScenic ("**Board**") be and is hereby authorised to purchase the Company's Shares as may be determined by the Board from time to time through Bursa Securities upon such terms and conditions as the Board may deem fit, necessary and expedient in the interest of the Company, provided that:

- (a) the maximum number of Shares which may be purchased by the Company shall not exceed 10% of the total issued Shares at any point in time;
- (b) the maximum fund to be allocated by the Company for the purpose of purchasing its Shares shall not exceed the total retained profits of the Company at the time of purchase; and
- (c) the authority conferred by this resolution shall continue to be in force until:
 - (i) the conclusion of the next annual general meeting ("**21st AGM**") of the Company following the 20th AGM, at which such resolution was passed at which time the said authority will lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (ii) the expiration of the period within which the 21st AGM of the Company after that date is required by law to be held; or
 - (iii) revoked or varied by ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first,

but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT upon completion of the purchase by the Company of its own Shares, the Board be and is hereby authorised to deal with the Shares so purchased ("**Purchased Shares**") in their absolute discretion in the following manner:

- (a) to cancel the Purchased Shares;
- (b) to retain the Purchased Shares as treasury shares for:
 - (i) distribution to the shareholders of CScenic as share dividends;
 - (ii) resale through Bursa Securities in accordance with the relevant rules of Bursa Securities;
 - (iii) transfer under employees' share scheme or as purchase consideration;
 - (iv) cancellation subsequently; or
 - (v) sale, transfer or otherwise use for such other purposes as may be prescribed by the relevant authorities; or

- (c) to retain part of the Purchased Shares as treasury shares and cancel the remainder of the Purchased Shares.

AND THAT the Board be and is hereby authorised to take all such steps as necessary (including the opening and maintaining of depository account(s) under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Board may in their absolute discretion deem necessary and to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.

12. **TERMINATION OF MEETING**

There being no other business, the meeting ended at 11.35 a.m. with a vote of thanks to the chair.

Confirmed as correct record,

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DATUK ISKANDAR BIN SARUDIN
Chairman