

TALAM TRANSFORM BERHAD
[Company No. (192001000012 (1120-H))]
(Incorporated in Malaysia)

Extract of the Minutes of the 96th Annual General Meeting of Talam Transform Berhad (“TTB” or “the Company”) held fully virtual via online meeting platform of Securities Services e-Portal at <https://sshsb.net.my> provided by SS E Solutions Sdn Bhd in Malaysia on Wednesday, 29 September 2021 at 11.30 a.m.

PRESENT : Board of Directors
Mr Tsen Keng Yam (*Chairman/Independent Non-Executive Director*)
Tan Sri Dato’ (Dr) Ir Chan Ah Chye @ Chan Chong Yoon (*Non-Independent Non-Executive Director*)
Dato’ Kamaruddin Bin Mat Desa (*Independent Non-Executive Director*)
Datuk Dr Ng Bee Ken (*Independent Non-Executive Director*)
Ms Chua Kim Lan (*Executive Director*)
Mr Yaw Chun Soon (*Executive Director*)
Mr Chan Tet Eu (*Executive Director*)

Group Chief Executive Officer
Dato’ Mohamad Razali Bin Mohamad Rahim

Shareholders (including corporate representatives) and proxies
Total shareholders (including corporate representatives): 57 representing 5,166,400 ordinary shares
Total proxies: 44 representing 1,374,732,939 ordinary shares

By Invitation
Mr Ong Teng Yan, Partner, Baker Tilly Monteiro Heng PLT (“BTMH”)

IN ATTENDANCE : Mr Soo Kah Pik – Company Secretary

1.0 OPENING AND INTRODUCTION OF DIRECTORS, OFFICERS AND EXTERNAL AUDITORS

Mr Tsen Keng Yam as the Chairman, took the Chair and welcomed everyone present to the 96th Annual General Meeting of the Company (“AGM”).

The Chairman introduced himself and other members of the Board of Directors, Group Chief Executive Officer, Company Secretary and External Auditors who attended the AGM via live streaming.

2.0 QUORUM

Upon confirmation by the Secretary that the requisite quorum has been met, the Chairman called the AGM to order.

3.0 NOTICE OF MEETING

The notice convening the AGM (“Notice”) which was circulated to all members within the prescribed period and in accordance with the Company’s Constitution, was taken as read.

4.0 POLL VOTING

The Chairman informed that the voting for all the resolutions set out in the Notice would be conducted by way of poll in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Hence, he exercised his rights as the Chairman of the meeting to demand for a poll in accordance with Section 330 of the Companies Act 2016, to demonstrate shareholder democracy of one-share one-vote.

For Resolutions 7 and 8, shareholders' votes were casted under the two-tier voting process:-

- Tier 1 is the Large Shareholders(s) of the Company votes; and
- Tier 2 is the shareholders other than Large Shareholder(s) votes.

The decision for each resolution would be based on the vote of Tier 1 and the simple majority of Tier 2. The resolutions would be deemed successful if voters of both Tier 1 and Tier 2 votes in favour of the said resolutions. However, the resolutions would be deemed to be defeated when the vote between the two tiers differs or when Tier 1 abstained from voting.

The Chairman requested the Company Secretary to brief the shareholders and proxies on the proceeding of the meeting including the voting process.

The Company Secretary informed that while going through all the items in the agenda, the shareholders and proxies can transmit their questions during the meeting and the Company will respond accordingly. Thereafter, the shareholders and proxies can cast their vote electronically via the online remote voting module within the e-Portal.

SS E Solutions Sdn Bhd acted as the Poll Administrator and the poll results were verified by the Independent Scrutineer from Commercial Quest Sdn Bhd ("CQSB").

5.0 TO RECEIVE THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Chairman informed that as provided in Section 340(1)(a) of the Companies Act 2016, the Audited Financial Statements of the Company for the financial year ended 31 March 2021 and the Reports of the Directors and Auditors thereon ("Audited Financial Statements") does not require formal approval from the shareholders and therefore, the first item of the agenda was meant for discussion only and is not put forward for voting.

Before the meeting proceeded further, the Chairman informed that a letter dated 17 September 2021 was received from the Minority Shareholder Watch Group ("MSWG"). He requested Mr Yaw Chun Soon, the Executive Director to present the questions raised by MSWG and the replies given by the Company in relation to operational and financial matters as per Appendix 1 attached hereto. Mr Yaw welcomed Mr Lee Chee Meng from MSWG to the meeting and then proceeded to present the questions and replies in a slide presentation.

After taking back the chair from Mr Yaw, the Chairman informed that the Company would only respond to the questions transmitted by shareholders, proxies and corporate representatives via the text box after having gone through all the items on the agenda first. Thereafter, he declared that the Audited Financial Statements have been duly received.

**6.0 RESOLUTION 1
TO APPROVE THE PAYMENT OF DIRECTORS' FEES OF RM25,000 FOR
EACH DIRECTOR FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

The Chairman informed that Resolution 1 was on the approval to pay Directors' fees of RM25,000.00 for each Director in respect of the financial year ended 31 March 2021.

**7.0 RESOLUTION 2
TO APPROVE THE PAYMENT OF NON-EXECUTIVE DIRECTORS'
REMUNERATION (EXCLUDING DIRECTORS' FEES) UP TO AN AMOUNT OF
RM312,000 FROM 30 SEPTEMBER 2021 UNTIL THE NEXT ANNUAL
GENERAL MEETING OF THE COMPANY TO BE HELD IN THE YEAR 2022**

The Chairman informed that Resolution 2 was on the approval to pay the Non-Executive Directors' remuneration (excluding directors' fees) up to an amount of RM312,000.00 from 30 September 2021 until the next annual general meeting of the Company to be held in the year 2022.

**8.0 RESOLUTION 3
TO RE-ELECT THE DIRECTOR, DATUK DR NG BEE KEN WHO IS RETIRING
IN ACCORDANCE WITH CLAUSE 110 OF THE CONSTITUTION OF THE
COMPANY**

The Chairman informed that Resolution 3 was on the re-election of Datuk Dr Ng Bee Ken as a Director of the Company who retired in accordance with Clause 110 of the Company's Constitution and being eligible, Datuk Ng had offered himself for re-election.

**9.0 RESOLUTION 4
TO RE-ELECT THE DIRECTOR, MR YAW CHUN SOON WHO IS RETIRING
IN ACCORDANCE WITH CLAUSE 110 OF THE CONSTITUTION OF THE
COMPANY**

The Chairman informed that Resolution 4 was on the re-election of Mr Yaw Chun Soon as a Director of the Company who retired in accordance with Clause 110 of the Company's Constitution and being eligible, Mr Yaw had offered himself for re-election.

**10.0 RESOLUTION 5
TO RE-ELECT THE DIRECTOR, MR CHAN TET WHO IS RETIRING IN
ACCORDANCE WITH CLAUSE 110 OF THE CONSTITUTION OF THE
COMPANY**

The Chairman informed that Resolution 5 was on the re-election of Mr Chan Tet Eu as a Director of the Company who retired in accordance with Clause 110 of the Company's Constitution and being eligible, Mr Chan had offered himself for re-election.

**11.0 RESOLUTION 6
TO RE-APPOINT MESSRS BAKER TILLY MONTEIRO HENG PLT AS
AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO
FIX THEIR REMUNERATION**

The Chairman informed that Resolution 6 was on the re-appointment of Messrs Baker Tilly Monteiro Heng PLT ("BTMH") as Auditors of the Company and to authorise the Directors to fix their remuneration. He said that BTMH has indicated their willingness to continue in office as Auditors of the Company.

12.0 SPECIAL BUSINESS

12.1 RESOLUTION 7

ORDINARY RESOLUTION - PROPOSED RETENTION OF MR TSEN KENG YAM AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

The Chairman passed the chair to Mr Yaw Chun Soon in view that this agenda item was in relation to the retention of himself as an Independent Non-Executive Director of the Company.

Mr Yaw informed that Resolution 7 was on the retention of the Chairman, Mr Tsen Keng Yam as an Independent Non-Executive Director (“INED”) of the Company and to continue to act as an INED until the conclusion of the next AGM of the Company notwithstanding that he had been in that capacity for a cumulative term of more than 12 years. He said that pursuant to the Malaysian Code on Corporate Governance 2017, the Company will apply the two-tier voting process for this resolution.

He also informed that the Nomination Committee and the Board had assessed the independency of Mr Tsen and the Board had recommended the retention of Mr Tsen as an INED of the Company. Thereafter, Mr Yaw passed the chair back to Mr Tsen.

12.2 RESOLUTION 8

ORDINARY RESOLUTION - PROPOSED RETENTION OF DATO' KAMARUDDIN BIN MAT DESA AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr Tsen took over the chair and informed that Resolution 8 was on the retention of Dato' Kamaruddin Bin Mat Desa as an Independent Non-Executive Director (“INED”) of the Company and to continue to act as an INED until the conclusion of the next AGM of the Company notwithstanding that he had been in that capacity for a cumulative term of more than 12 years. He said that pursuant to the Malaysian Code on Corporate Governance 2017, the Company will apply the two-tier voting process for this resolution.

The Chairman also informed that the Nomination Committee and the Board had assessed the independency of Dato' Kamaruddin and the Board had recommended the retention of Dato' Kamaruddin as an INED of the Company.

12.3 RESOLUTION 9

ORDINARY RESOLUTION - PROPOSED RETENTION OF DATUK DR NG BEE KEN AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

The Chairman informed that Resolution 9 was on the retention of Datuk Dr Ng Bee Ken as an Independent Non-Executive Director (“INED”) of the Company and to continue to act as an INED until the conclusion of the next AGM of the Company notwithstanding that he had been in that capacity for a cumulative term of more than 9 years.

He also informed that the Nomination Committee and the Board had assessed the independency of Datuk Ng and the Board had recommended the retention of Datuk Ng as an INED of the Company.

**12.4 RESOLUTION 10
ORDINARY RESOLUTION - AUTHORITY TO ISSUE SHARES PURSUANT TO
SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

The Chairman informed that Resolution 10 was on the authority given to the Directors to issue and allot shares in the Company provided that the aggregate number of the shares issued does not exceed 20% of the total number of issued shares of the Company for the time being to be utilised until 31 December 2021 as empowered by Bursa Malaysia Securities Berhad pursuant to its letter dated 16 April 2020 to grant additional temporary relief measures to listed issuers and thereafter, does not exceed 10% of the total number of issued shares of the Company for the time being. Such authority shall commence immediately upon the passing of this resolution and Special Resolution 13 and shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

The new General Mandate would give the Company additional fund raising flexibility and would enable the Directors to take swift action for the allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisitions and to avoid delay and cost in convening general meetings to approve such issue of shares.

The Chairman informed that the next 2 special businesses were to approve Resolutions 11 and 12 in relation to the Proposed Renewal Shareholders' Mandate for existing recurrent related party transactions of a revenue or trading nature ("RRPT") involving TTB Group and the Directors and Major Shareholders of TTB and person connected with them, the details of which are set out in the Circular to Shareholders dated 30 August 2021 ("Circular"). He said that the Proposed Shareholders' Mandate would enable the Group in its ordinary course of business, to enter into transactions with the related parties, provided that such transactions are in the ordinary course of business and undertaken at arms' length, on normal commercial terms of the TTB Group which are 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.

There are 2 ordinary resolutions for the Proposed Shareholders' Mandate because 2 classes of related parties will be seeking mandate for the RRPT involving their respective interest ie. Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon, Directors of the Company and person connected with them under Proposed Shareholders' Mandate I and Ms Chua Kim Lan & Mr Yaw Chun Soon and person connected with them under Proposed Shareholders' Mandate II.

The Chairman also reminded that all interested Directors and Major Shareholders of TTB and person connected with them as disclosed in Section 2.4 of the Circular are to abstain from voting in respect of these 2 resolutions.

**12.5 RESOLUTION 11
ORDINARY RESOLUTION - PROPOSED RENEWAL OF SHAREHOLDERS'
MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS'
MANDATE I")**

The Chairman informed that Resolution 11 was to consider the Proposed Shareholders' Mandate I for the Company and its subsidiary companies to enter into recurrent transactions of a revenue or trading nature with related parties.

12.6 RESOLUTION 12
ORDINARY RESOLUTION - PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE II")

The Chairman informed that Resolution 12 was to consider the Proposed Shareholders' Mandate II for the Company and its subsidiary companies to enter into recurrent transactions of a revenue or trading nature with related parties.

12.7 RESOLUTION 13
SPECIAL RESOLUTION - PROPOSED ALTERATION TO THE CONSTITUTION OF THE COMPANY

The Chairman informed that the last item under special business was to approve Resolution 13 in relation to the Proposed Alteration to Clause 14 of the Constitution of the Company.

13.0 QUESTION AND ANSWER SESSION

The Chairman informed that the next session will be the Questions and Answer ("Q&A") segment and Ms Chua Kim Lan, the Executive Director will respond to the questions received from the shareholders, proxies and corporate representatives through the text box facility during the meeting. He said that for those relevant questions that have not been answered, the Company will respond via email after this meeting.

13.1 QUESTION 1

Please consider giving e-voucher/e-wallet to participating shareholders as a token of appreciation?

RESPONSE TO QUESTION 1

The Company will consider the request after the AGM and revert to the participating shareholders.

13.2 QUESTION 2

Please post me a printed copy of the 2021 Annual Report of the Company?

RESPONSE TO QUESTION 2

We have requested for the 2 shareholders' address so that we can arrange to send the 2021 Annual Report in hardcopy to them.

13.3 QUESTION 3

What is your unbilled sales as of today?

RESPONSE TO QUESTION 3

We have embarked into “Build Then Sell” projects and target to sell the completed properties within this financial year with sales amounting to RM48 million. Therefore, we do not have any unbilled sales at this moment.

However, we have a balance construction order book of RM80 million which will be completed within 1½ years’ time.

13.4 QUESTION 4

Our Company is making losses but our Company is generous with the Directors’ fees. If I am a Director, I would be shy to accept the fees as I am unable to deliver?

RESPONSE TO QUESTION 4

It would not be fair to only focus on the current losses and turnover incurred by the Group but we should also consider the Company’s background of the achievements made. Several years ago, the Group’s total liabilities amounted to approximately RM5 billion but is now only left with approximately RM400 million. The Directors have really worked hard to pay down such substantial amount of liabilities.

~~Furthermore, the total liabilities that we have paid down is even lower than many other listed companies’ liabilities.~~

As for the Directors’ fee, the quantum that we are paying them is very much lower than many other listed companies and even though our shareholders have approved it at the AGM, our Directors always get their fees paid late or as and when cash flow permits.

13.5 QUESTION 5

In the previous AGMs, the Company had expressed confidence in its recovery but to date things have not improved but further deteriorated.

When does our BOD expect real progress towards growth and profitability?

What new initiatives the BOD has put into place so far and what initiatives have brought positive results and what on-going initiatives that have been derailed, if any, due to the pandemic MCOs?

With fast depleting cash flows, further worsen by the pandemic, is our Company’s survival at stake now?

RESPONSE TO QUESTION 5

We have submitted many revised layout plans to the authorities for our developments. However, due to the MCOs, we had to relook into the type of development that the current purchasers will be interested or afford to buy. Therefore, we decided to go for affordable housing and hence, amended the layout plan on our land bank of approximately 700 acres with estimated GDV of RM7-8 billion.

Due to the pandemic, the approval process was very slow and we also cannot submit our layout plan in hardcopy to the authorities except via online. However, we are required to submit the hardcopy version to the authorities before they could process it for approval and that submission was only allowed to be made recently. The delay in getting the approval was also due to the restriction imposed on inter-district travelling due to the MCO ~~that prevented us from because as we cannot submitting submit~~ our layout plan application to the relevant authorities. Even though the recent MCO was only for 3 months but as early as last year, we have already been facing difficulties in getting our layout application approved.

In view of the soft property market, we have decided to embark into the agriculture business and have submitted our application for approval to the relevant authorities to construct green houses as mentioned by Mr Yaw earlier in our respond to MSWG's letter. We hope that this sector will help to contribute cash flow and profit to the Group by next financial year.

13.6 QUESTION 6

How much did the Company spend on this virtual AGM?

RESPONSE TO QUESTION 6

We incurred approximately RM18,000 for this virtual AGM.

14.0 POLL RESULTS

The Chairman informed that all the resolutions tabled at the AGM and voted upon by poll were duly passed by the shareholders. He said that the results of the poll voting have been verified by the Scrutineers.

Based on the polling results attached hereto as Appendix 2, he announced that all the 13 resolutions as set out in the Notice were carried.

15.0 CONCLUSION

There being no other business, the Chairman declared the meeting closed at 12.50 p.m. and thanked everyone present at the meeting.