

RHONE MA HOLDINGS BERHAD
[Registration No. 201401040077 (1116225-A)]

MINUTES OF THE POSTPONED SEVENTH ANNUAL GENERAL MEETING OF RHONE MA HOLDINGS BERHAD HELD AS A FULLY VIRTUAL MEETING THROUGH VOTE2U ONLINE MEETING PLATFORM AT [HTTPS://WEB.VOTE2U.MY](https://web.vote2u.my) ON MONDAY, 26 JULY 2021 AT 10.00 A.M.

Directors participating via video conferencing : Dato' Hamzah Bin Mohd Salleh
(*Chairman*)

Dr. Lim Ban Keong
(*Group Managing Director*)

Mr. Foong Kam Weng
(*Executive Director*)

Dr. Yip Lai Siong
(*Executive Director*)

Mr. Martin Jeyaratnam A/L Thiagaraj
(*Independent Non-Executive Director*)

Mr. Teoh Chee Yong
(*Independent Non-Executive Director*)

Puan Rahanawati Binti Ali Dawam
(*Independent Non-Executive Director*)

In Attendance via video conferencing : Evelyn Tan Li Yi
(*Representing the Company Secretary*)

Shareholders and Proxies participate via Remote Participation and Voting facility : As per attendance list

By Invitation via video conferencing : As per attendance list

1. CHAIRMAN

The Chairman, Dato' Hamzah Bin Mohd Salleh welcomed all shareholders and guests to the Postponed Seventh Annual General Meeting (“**Postponed 7th AGM**” or “**the Meeting**”) of the Rhone Ma Holdings Berhad (“**the Company**”) and called the Meeting to order at 10.00 a.m. The Meeting was conducted fully virtual via Vote2U’s online meeting platform with its domain address registered in Malaysia and meets the compliance requirements with Section 327 of the Companies Act 2016 (“**the Act**”)

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and the revised Guidance Note and Frequently Asked Questions of the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 16 July 2021.

The Chairman thereafter introduced the Board of Directors and the Company Secretary to the shareholders and proxies.

The Meeting was presented vide corporate video demonstrated the business activities of the Group.

The Chairman then invited Mr Calvin Chan Yan San, the Finance Director to give a brief presentation on the Group's financial performance, followed by Dr Lim Ban Keong, the Group Managing Director of the Company to give a brief presentation on business updates.

2. QUORUM AND SUMMARY OF PROXIES RECEIVED

The Company Secretary informed that based on the report issued by the Poll Administrator of the Company, a total of sixty five (65) members, comprising shareholders, proxies and corporate representatives for a total of ninety nine million five hundred and seventy eight thousand and fifty eight (99,578,058) ordinary shares representing 49.58% of the total issued shares of the Company have registered through remote participation and voting ("RPV") facilities to participate at the Company's Postponed 7th AGM.

The Company Secretary further informed that a total of three (3) proxy forms received from shareholders for a total of ninety three million nine hundred and ninety nine thousand four hundred and forty three (93,999,443) shares representing 46.80% of the total issued shares of the Company. Out of those, there were no shareholders who have appointed the Chairman of the Meeting as proxy to vote on their behalf.

The Company Secretary confirmed that a quorum was present pursuant to the Constitution of the Company.

With the requisite quorum being present, the Chairman declared the Meeting duly constituted.

3. NOTICE

The Meeting was informed that the Company had on 28 April 2021 issued the Notice of the Seventh Annual General Meeting ("7th AGM") and due to the implementation of the total lockdown by the Government of Malaysia, the Company had on 2 June 2021 issued the Notice of Postponement of the 7th AGM. The Company had subsequently on 24 June 2021 announced the date of convening the Postponed 7th AGM and on 21 July 2021 announced that the Postponed 7th AGM to be conducted via an online meeting platform.

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With the consent of the meeting, the Notice convening the Meeting having been circulated for the prescribed period was taken as read. The Chairman then proceeded with the business of the Postponed 7th AGM.

4. POLLING

In line with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), the voting at the Postponed 7th AGM would be conducted by poll. Pursuant to the Constitution of the Company, the Chairman then demanded for a poll to be taken for the resolution set forth in the Notice of the Postponed 7th AGM.

The Chairman informed that the Company had appointed Agmo Digital Solutions Sdn. Bhd. as Poll Administrator to conduct the poll voting process and Messrs Kalis & Co as the Independent Scrutineers to verify the poll results.

Shareholders and proxies were informed that the questions received during the Meeting via the RPV facilities will be addressed after all the resolutions set out in the Notice of Postponed 7th AGM had been tabled.

Shareholders and proxies were further informed that the voting on the resolutions had commenced and could be done any time throughout the Meeting until the closure of the voting session.

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2020 together with the Directors’ and Auditors’ Report thereon were tabled at the meeting for discussion.

The Chairman informed the Meeting that the Audited Financial Statements for the financial year ended 31 December 2020 were meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval from the shareholders of the Company.

**6. ORDINARY RESOLUTION 1
FINAL SINGLE-TIER DIVIDEND OF 1.0 SEN PER ORDINARY SHARE**

The Meeting was informed that the first resolution of the agenda was to approve the payment of a final single-tier dividend of 1.0 sen per share in respect of the financial year ended 31 December 2020.

The Meeting was further informed that the Company had on 4 June 2021 made an announcement to Bursa Securities for the reclassification of the proposed final single-tier dividend of 1.0 sen per ordinary share to an interim single-tier dividend and shareholders' approval is no longer required to be obtained. Hence, the proposed resolution would not be put forward for shareholders' voting.

**7. ORDINARY RESOLUTION 2
DIRECTORS' FEES AND BENEFITS PAYABLE TO THE NON-EXECUTIVE
DIRECTORS OF THE COMPANY AND ITS SUBSIDIARIES**

The Meeting was informed the next resolution on the agenda was to approve the Directors' fees and benefits payable to the Non-Executive Directors of the Company and its subsidiaries amounting to Ringgit Malaysia Two Hundred Ninety Nine Thousand and Two Hundred (RM299,200.00) per annum until the next Annual General Meeting ("AGM") of the Company.

The Meeting was further informed that the interested Directors has abstained from voting on this resolution.

**8. ORDINARY RESOLUTION 3
RE-ELECTION OF DIRECTOR - DR YIP LAI SIONG**

The Meeting was informed that in accordance with Clause 95 of the Constitution of the Company, Dr Yip Lai Siong retired from the Board and being eligible, offered herself for re-election.

**9. ORDINARY RESOLUTION 4
RE-ELECTION OF DIRECTOR - MR TEOH CHEE YONG**

The Meeting was informed that in accordance with Clause 95 of the Constitution of the Company, Mr Teoh Chee Yong retired from the Board and being eligible, offered himself for re-election.

**10. ORDINARY RESOLUTION 5
RE-ELECTION OF DIRECTOR - MR MARTIN JEYARATNAM A/L
THIAGARAJ**

The Meeting was informed that in accordance with Clause 95 of the Constitution of the Company, Mr Martin Jeyaratnam A/L Thiagaraj retired from the Board and being eligible, offered himself for re-election.

**11. ORDINARY RESOLUTION 6
RE-APPOINTMENT OF AUDITORS**

The Meeting was informed that the next resolution on the agenda was to approve the re-appointment of Messrs BDO PLT as auditors of the Company and to authorise the Directors to fix their remuneration.

The Meeting was further informed that the Audit and Risk Management Committee and the Board of Directors had reviewed the effectiveness of Messrs BDO PLT and had recommended the re-appointment of Messrs BDO PLT as auditors of the Company.

**12. ORDINARY RESOLUTION 7
AUTHORITY UNDER SECTION 76 OF THE COMPANIES ACT 2016 FOR
THE DIRECTORS TO ALLOT AND ISSUE SHARES**

The Meeting was informed that the special business to be transacted at the Meeting was to consider and if thought fit, pass an ordinary resolution to renew the general mandate from shareholders to authorise the Directors to issue an aggregate number of shares not exceeding ten per cent (10%) of the issue share capital of the Company pursuant to Section 76 of the Act.

**13. ORDINARY RESOLUTION 8
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR
TRADING NATURE ("RRPT") AND PROPOSED NEW SHAREHOLDERS'
MANDATE FOR ADDITIONAL RRPT ("PROPOSED SHAREHOLDERS'
MANDATE")**

The Meeting was informed that the next special business to be transacted at the Meeting was to consider and if thought fit, pass an ordinary resolution to renew the general mandate from shareholders for the Group to enter into the existing RRPT and to approve the proposed new shareholders' mandate for additional RRPT, details of which were set out in the circular dated 28 April 2021.

The Meeting was further informed that the interested Directors and their persons connected have abstained from voting on this resolution.

**14. SPECIAL RESOLUTION 1
PROPOSED AMENDMENT TO THE CONSTITUTION**

The Meeting was informed that the last special business to be transacted at the Meeting was to consider and if thought fit, pass a special resolution to approve the proposed amendment to the Constitution of the Company, details of which were set out in the circular dated 28 April 2021.

15. ANY OTHER BUSINESS

The Meeting was informed that there was no other business to be transacted of which due notice had been given in accordance with the Constitution of the Company and the Act.

16. QUESTION AND ANSWER SESSION

After tabling all the resolutions as set out in the Notice of Postponed 7th AGM, the Chairman invited Dr Lim Ban Keong, the Group Managing Director to address questions submitted by shareholders and proxies via the RPV facilities during Meeting. The questions raised were succinctly addressed by the Group Managing Director as set out below:-

A. In respect of the cattle/cow operations, will it cause a huge loss to the Company if there is an outbreak of a cattle/cow disease and are the cattle/cows insured for any diseases.

- The cattle/cow are not protected under any insurance plans as there is no insurance provider in Malaysia which provides protection for Livestock Risk Protection.

Nonetheless, the Company has in place quality and standard operating procedures as well as adopted preventive measures to mitigate the risk of disease outbreak in livestock farm. The adoption of these practices and procedures had been proven effective as the Company's poultry farming was well-managed throughout the years.

B. Provision of E-wallet credits to shareholders who has voted today.

- The Company expressed its appreciation to shareholders for their continuous support. However, the Company would like to conserve funds for meeting the increased requirements of working capital or future expansion of the Company, which in turn would increase shareholder value.

C. Plans of the Group in the next 3 to 5 years.

The Group will focus on expanding its footprint in the business of animal health and human healthcare, dairy farming, ruminant, and its research and development.

D. Utilisation rate of the new Good Manufacturing Practices-compliant ("GMP") Plant in Nilai, Negeri Sembilan and timing to have it be fully utilised.

- The current utilisation rate for the GMP Plant is approximately 14% due to the Movement Control Order ("MCO") imposed. Nonetheless, the

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Company expects that the utilisation rate to improve to 40% by end of the year 2021.

- E. When will the Group start to import 200 cows from Australia?
- The Company had imported an additional 100 impregnated cows from Australia this year and herd of 250 cattle thus far. The Company's aim is to have 350 cattle by end of the year 2021.
- F. Reason for the decline of Group's gross profit margin, profit before tax margin and profit after tax margin since financial year 2016 and ways of improvement.
- The Group's gross profit margin from the financial years 2016 to 2020 was range bound within 27% to 29%. Hence, there is no indication of decline in gross profit margin.
- G. Percentage of the Group's own brand product contributed to total revenue of animal health product.
- Revenue from the Group's own brand products have contributed approximately 17.6% of the total revenue of the animal health products segment during the financial year 2020.
- H. Is the Group's operations being affected during Full MCO?
- The Company is listed as essential service sector under the National Security Council and had obtained the letter of approval from Ministry of International Trade and Industry (MITI) to be allowed to operate during MCO subject to standard operating procedures.
- I. Is the Group facing any shortage in foreign labour issue?
- The Group did not face any foreign labour shortage issue as majority of its employees are Malaysians.
- J. When will the Group venture downstream in the dairy sector?
- The Group is looking at its own brand of A2 protein milk which would involve downstream processing. The Group is currently focused on expanding its herd and is not excluding other dairy products should the opportunities exist.
- K. Is the profit guarantee from newly acquired subsidiaries i.e. One Lazuli Sdn. Bhd., Nor Lazuli Nutrition Sdn. Bhd. and Nor Livestock Farm Sdn. Bhd. on track?
- Dr Lim Ban Keong responded in affirmative.

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After having addressed all the questions, the Chairman informed the attendees of the Meeting to proceed with voting. Shareholders and proxies were given another ten (10) minutes to vote if they have not done so earlier.

The Chairman declared the polling closed at 11.18am for votes to be tabulated by the Poll Administrator and verified by the Scrutineers. The Meeting resumed at 11.45 a.m. for the declaration of the results of the poll.

17. ORDINARY RESOLUTION 2
DIRECTORS' FEES AND BENEFITS PAYABLE TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY AND ITS SUBSIDIARIES

Ordinary Resolution 2 was voted by poll and the results of the poll were presented to the Meeting as follows:-

Votes in Favour		Votes Against	
No of Votes	%	No of Votes	%
102,932,114	99.9990	992	0.0010

Based on the above result, the Chairman declared that Ordinary Resolution 2 was carried and RESOLVED:-

That the Directors' Fees and Benefits Payable to the Non-Executive Directors of the Company and its subsidiaries up to an aggregate amount of Ringgit Malaysia two hundred ninety nine thousand and two hundred (RM299,200.00) only per annum until the next AGM of the Company be and is hereby approved for payment to the Non-Executive Directors.

18. ORDINARY RESOLUTION 3
RE-ELECTION OF DIRECTOR – DR YIP LAI SIONG

Ordinary Resolution 3 was voted by poll and the results of the poll were presented to the Meeting as follows:-

Votes in Favour		Votes Against	
No of Votes	%	No of Votes	%
103,097,984	99.9999	122	0.0001

Based on the above result, the Chairman declared that Ordinary Resolution 3 was carried and RESOLVED:-

That the retiring Director, Dr Yip Lai Siong who retired pursuant to Clause 95 of the Constitution of the Company be and is hereby re-elected as Director of the Company.

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Ordinary Resolution 4 was voted by poll and the results of the poll were presented to the Meeting as follows:-

Votes in Favour		Votes Against	
No of Votes	%	No of Votes	%
103,097,984	99.9999	122	0.0001

Based on the above result, the Chairman declared that Ordinary Resolution 4 was carried and RESOLVED:-

That the retiring Director, Mr Teoh Chee Yong who retired pursuant to Clause 95 of the Constitution of the Company be and is hereby re-elected as Director of the Company.

20. ORDINARY RESOLUTION 5**RE-ELECTION OF DIRECTOR – MR MARTIN JEYARATNAM A/L THIAGARAJ**

Ordinary Resolution 5 was voted by poll and the results of the poll were presented to the Meeting as follows:-

Votes in Favour		Votes Against	
No of Votes	%	No of Votes	%
103,097,984	99.9999	122	0.0001

Based on the above result, the Chairman declared that Ordinary Resolution 5 was carried and RESOLVED:-

That the retiring Director, Mr Martin Jeyaratnam A/L Thiagaraj who retired pursuant to Clause 95 of the Constitution of the Company be and is hereby re-elected as Director of the Company.

21. ORDINARY RESOLUTION 6**RE-APPOINTMENT OF AUDITORS**

Ordinary Resolution 6 was voted by poll and the results of the poll were presented to the Meeting as follows:-

Votes in Favour		Votes Against	
No of Votes	%	No of Votes	%
103,097,984	99.9999	122	0.0001

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Based on the above result, the Chairman declared that Ordinary Resolution 6 was carried and RESOLVED:-

That the retiring Auditors, Messrs BDO PLT, having indicated their willingness to accept re-appointment, be hereby re-appointed as Auditors of the Company for the ensuing year until the conclusion of the next AGM and that the Directors be and are hereby authorised to fix their remuneration.

22. ORDINARY RESOLUTION 7
AUTHORITY UNDER SECTION 76 OF THE ACT FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES

Ordinary Resolution 7 was voted by poll and the results of the poll were presented to the Meeting as follows:-

Votes in Favour		Votes Against	
No of Votes	%	No of Votes	%
103,097,104	99.9990	1,002	0.0010

Based on the above result, the Chairman declared that Ordinary Resolution 7 was carried and RESOLVED:-

That pursuant to Section 76 of the Act, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose 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 does not exceed ten per centum (10%) of the total number of issued shares/ total number of voting shares of the Company (excluding treasury shares) at the time of issue and that the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Securities and that such authority shall continue to be in force until the conclusion of the next AGM of the Company.

23. ORDINARY RESOLUTION 8
PROPOSED SHAREHOLDERS' MANDATE

Ordinary Resolution 8 was voted by poll and the results of the poll were presented to the Meeting as follows:-

Votes in Favour		Votes Against	
No of Votes	%	No of Votes	%
4,709,711	99.9974	122	0.0026

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Based on the above result, the Chairman declared that Ordinary Resolution 8 was carried and RESOLVED:-

That subject to the provision of the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries (collectively referred to as “**the Group**”) to enter into any of the transactions falling within the types of existing and additional RRPT of a revenue or trading nature with specified classes of related parties which are necessary for the day to day operations and are in the ordinary course of business and are carried out at arms’ length basis on normal commercial terms of the Group on terms not more favourable to the related parties than those generally available to the public and are not, in the Company’s opinion, detrimental to minority shareholders of the Company and that such approval shall continue to be in force until:

- i) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

And that the Directors be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the Proposed Shareholders’ Mandate.

24. SPECIAL RESOLUTION 1
PROPOSED AMENDMENT TO THE CONSTITUTION

Special Resolution 1 was voted by poll and the results of the poll were presented to the Meeting as follows:-

Votes in Favour		Votes Against	
No of Votes	%	No of Votes	%
103,097,994	99.9999	112	0.0001

Based on the above result, the Chairman declared that Special Resolution 1 was carried and RESOLVED:-

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That the proposed amendment to the Constitution of the Company as set out in Appendix II of the Circular to Shareholders dated 28 April 2021 be and is hereby approved and adopted with immediate effect.

And that the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as are necessary and/or expedient in order to implement, finalise and give full effect to the above transaction with full power to assent to any conditions, modifications, variations and/or amendments in any manner as the Directors may deem fit.

25. CONCLUSION

There being no other business to be transacted, the meeting concluded at 11.46 a.m. with a vote of thanks to the Chair.

CONFIRMED AS CORRECT RECORD
OF THE PROCEEDINGS THEREAT

- signed -

DATO' HAMZAH BIN MOHD SALLEH
Chairman