

CAHYA MATA SARAWAK BERHAD
Registration No. 197401003655 (21076-T)
(Incorporated in Malaysia)

MINUTES OF THE FORTY-SIXTH (46TH) ANNUAL GENERAL MEETING OF CAHYA MATA SARAWAK BERHAD (“CMSB” OR “THE COMPANY”) HELD FULLY VIRTUAL AT THE BROADCAST VENUE AT THE MEETING ROOM TR12-R02, 12TH FLOOR, MENARA SYMPHONY, NO. 5, JALAN PROF. KHOO KAY KIM, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN AND VIA THE REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES ONLINE WEBSITE AT [HTTPS://WEB.LUMIAGM.COM/](https://web.lumiagm.com/) ON MONDAY, 31 MAY 2021 AT 11:00 A.M.

PRESENT AT BROADCAST VENUE:

DIRECTORS

- | | | |
|--|---|-----------------------|
| Y. Bhg. Tan Sri Abdul Rashid bin Abdul Manaf | - | Group Chairman |
| Y. Bhg. Dato Sri Mahmud Abu Bekir Taib | - | Deputy Group Chairman |
| Y. Bhg. Datuk Seri Dr. Michael Yam Kong Choy | - | Director |

OTHERS

- | | | |
|----------------------|---|---|
| Mr. Steven Low | - | Ernst & Young PLT |
| Ms. Cheryl Leong | - | Boardroom Share Registrars Sdn Bhd |
| Ms. Chan Yoke Peng | - | Boardroom Corporate Services Sdn Bhd |
| Mr. Krishman PV John | - | KPMG Management & Risk Consulting Sdn Bhd |

ATTENDANCE VIA VIDEO CONFERENCING AT KUCHING VENUE:

- | | | |
|---------------------------|---|-------------------------------|
| Y. Bhg. Dato Isaac Lugun | - | Group Managing Director |
| Ms. Denise Koo Swee Pheng | - | Group Company Secretary |
| Mr. Shaun Mok Chek Wei | - | Group Chief Operating Officer |
| Madam Tan Mei Fung | - | GM – Group Finance |
| Mr. Sahil Singh Dev | - | Moderator |

ATTENDANCE VIA VIDEO CONFERENCING AT REMOTE LOCATION:

- | | | |
|---|---|----------|
| Y. Bhg. Tan Sri Datuk Amar (Dr.) Haji Abdul Aziz bin Dato Haji Husain | - | Director |
| Y. Bhg. Datuk Ir. Kamarudin bin Zakaria | - | Director |
| Mr. Peter Chin Mui Khiong | - | Director |
| Madam Umang Nangku Jabu | - | Director |
| Dr. Joe Khor Jaw Huei | - | Director |
| Mr. Ho Heng Chuan | - | Director |

The above attendees were as per Attendance List in APPENDIX I. The attendance of Members, Corporate Representatives and Proxies via the RPV facilities online website at <https://web.lumiagm.com/> (“LUMI AGM”) was as per Attendance List in APPENDIX II.

WELCOME ADDRESS BY THE CHAIRMAN

- 1.0 Y. Bhg. Tan Sri Abdul Rashid bin Abdul Manaf (“Tan Sri Chairman”) presided as Chairman of the 46th Annual General Meeting (“AGM” or “Meeting”) and welcomed all members, proxies and invitees to the Meeting. He thanked the participants for attending the Meeting.
- 2.0 Tan Sri Chairman noted that this was the second year of the global pandemic. As a continuation of efforts to break the chain of the COVID-19 infection, the Government had extended the Movement Control Order or MCO nationwide. The Sarawak Government had also implemented the MCO from 29 May 2021 to 11 June 2021. Tan Sri Chairman explained that in view of the increase in the number of positive cases and, given the paramount importance of the health and safety of the Shareholders, the Board of CMSB had decided that the 46th AGM of the Company be conducted fully virtual in line with the latest guidance for conducting a fully virtual meeting as issued by the Securities Commission of Malaysia. Since the Meeting was conducted in a fully virtual environment, only the essential individuals were physically present at the Broadcast Venue in accordance with the Standard Operating Procedures (“SOPs”) issued by the Malaysian National Security Council.

QUORUM AND SUMMARY OF PROXIES RECEIVED

- 1.0 The Group Company Secretary confirmed that quorum for the Meeting was present at the commencement of the Meeting.
- 2.0 The Group Company Secretary informed that based on the report by the Company’s appointed Share Registrar, Boardroom Share Registrars Sdn Bhd (“BSR”), a total of 122 Shareholders representing 1,838,891 ordinary shares which constituted 0.17% of the total issued shares of the Company had registered through the RPV facilities for attendance at the Meeting.
- 3.0 With the requisite quorum being present, Tan Sri Chairman called the Meeting to order at 11:05 a.m.

NOTICE OF MEETING

The Notice of the Meeting which had been sent to all Shareholders, Directors and external auditors on 30 April 2021 was taken as read.

INTRODUCTION OF BOARD MEMBERS AND ATTENDEES

- 1.0 Tan Sri Chairman introduced the essential individuals, including himself, representative from the external auditors, Messrs. Ernst & Young PLT and independent moderator, Messrs. KPMG Management & Risk Consulting Sdn Bhd (“KPMG”), who were present at the Broadcast Venue. Tan Sri Chairman also introduced the Directors and other attendees who attended via video conferencing at the Company’s office at Wisma Mahmud, Kuching and remotely.

- 2.0 Tan Sri Chairman informed the Meeting that the Company had appointed KPMG as the independent moderator for the virtual AGM in line with the better practice advocated by the Minority Shareholders Watch Group (“MSWG”). KPMG would act independently and objectively stream the questions raised by Shareholders during the virtual AGM.
- 3.0 Tan Sri Chairman briefed the members, corporate representatives and proxies present virtually at the Meeting of their right to ask questions and vote on the resolutions set out in the Notice of the Meeting.
- 4.0 The Company had appointed BSR as Poll Administrator to conduct the poll for the Meeting, and Boardroom Corporate Services Sdn Bhd (“BCS”) as Scrutineers to verify the poll results. A short video by BSR was played to demonstrate to the members, corporate representatives and proxies on the process for online voting via LUMI AGM. The voting session had commenced from the start of the Meeting at 11:00 a.m.
- 5.0 Tan Sri Chairman invited participants to raise questions by submitting their questions via the query box of LUMI AGM.

PRESENTATION BY GROUP MANAGING DIRECTOR ON GROUP’S FINANCIAL PERFORMANCE AND OVERVIEW OF BUSINESS OPERATIONS FOR 2020

- 1.0 At the invitation of Tan Sri Chairman, the Group Managing Director, Dato Isaac Lugun (“Dato Isaac”), presented an overview of the Group’s financial performance and Division/businesses for the financial year 2020 (“FY 2020”) as attached and marked herewith as APPENDIX III.
 - 2.0 After the presentation of the overview of the operations and Group’s performance by Dato Isaac, Tan Sri Chairman proceeded with the business of the Meeting.
- 1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (“AFS 2020”) AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**
- 1.1 Tan Sri Chairman tabled the AFS 2020 and the Reports of Directors and Auditors thereon.
 - 1.2 Tan Sri Chairman explained that the AFS 2020 were for discussion only and did not require Shareholders’ approval. Hence, it was not put for voting.
 - 1.3 Tan Sri Chairman declared that the AFS 2020 together with the Reports of Directors and Auditors were received and duly tabled at the 46th AGM in accordance with Section 340 of the Companies Act 2016.

2. DECLARATION OF A FIRST AND FINAL TAX EXEMPT (SINGLE-TIER) DIVIDEND OF 2.0 SEN PER ORDINARY SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

- 2.1 With reference to the Notice of Dividend Entitlement and Payment dated 30 April 2021, Tan Sri Chairman informed that Ordinary Resolution 1 was to seek Shareholders' approval for the declaration of a first and final tax-exempt dividend of 2.0 sen per ordinary share under the single-tier system for the financial year ended 31 December 2020. The dividend, if approved, would be paid to the Shareholders on 30 June 2021 based on the Record of Depositors as at 10 June 2021.

3. RE-ELECTION OF DIRECTOR IN ACCORDANCE WITH ARTICLE 111 OF THE COMPANY'S CONSTITUTION

- 3.1 Tan Sri Chairman informed that Ordinary Resolution 2 was on the re-election of Madam Umang Nangku Jabu who retired as a Director of the Company pursuant to Article 111 of the Constitution of the Company and being eligible, had offered herself for re-election. The details of her profile were set out in the Integrated Annual Report 2020. Madam Umang Nangku Jabu, a Shareholder of the Company, had abstained from voting on the resolution.

4. RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH ARTICLE 113 OF THE COMPANY'S CONSTITUTION

- 4.1 Tan Sri Chairman informed that Ordinary Resolution 3 was on the re-election of Dr. Joe Khor Jaw Huei as a Director, Ordinary Resolution 4 was on the re-election of Y. Bhg. Tan Sri Datuk Amar (Dr.) Haji Abdul Aziz bin Dato Haji Husain as a Director and Ordinary Resolution 5 was on the re-election of Mr. Ho Heng Chuan as a Director. The Directors had retired as Directors of the Company pursuant to Article 113 of the Constitution of the Company and being eligible, had offered themselves for re-election. The details of their profile were set out in the Integrated Annual Report 2020. Y. Bhg. Tan Sri Datuk Amar (Dr.) Haji Abdul Aziz bin Dato Haji Husain, a Shareholder of the Company, had abstained from voting on Ordinary Resolution 4.

5. PAYMENT OF DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

- 5.1 Tan Sri Chairman informed that Ordinary Resolution 6 was to approve the payment of the Directors' fees amounting to RM 150,000 per annum for the Non-Executive Chairman, RM 150,000 per annum for the Non-Executive Deputy Chairman and RM 120,000 per annum for each of the Non-Executive Directors for the financial year ended 31 December 2020. There was no change to the fees for Chairman and Deputy Chairman from the previous year but the fees for Non-Executive Directors had been revised pursuant to the revised Board Remuneration policy for the Non-Executive Director based on the outcome and recommendations of the Board Remuneration Review conducted by the external consultant, KPMG.

- 5.2 The Non-Executive Directors who are Shareholders had abstained from voting on Ordinary Resolution 6.

6. PAYMENT OF DIRECTORS' REMUNERATION AND BENEFITS TO THE NON-EXECUTIVE CHAIRMAN, NON-EXECUTIVE DEPUTY CHAIRMAN AND NON-EXECUTIVE DIRECTORS FROM 1 JUNE 2021 UNTIL THE NEXT AGM OF THE COMPANY

- 6.1 Tan Sri Chairman informed that Ordinary Resolution 7 was to seek Shareholders' approval on the payment of Directors' remuneration and benefits to the Non-Executive Chairman, Non-Executive Deputy Chairman and Non-Executive Directors up to an amount of RM 2,200,000 from 1 June 2021 until the next AGM of the Company. The details of the Directors' remuneration and benefits were set out in Note 5 of the Notice of the Meeting.
- 6.2 The Non-Executive Directors who are Shareholders had abstained from voting on Ordinary Resolution 7.

7. RE-APPOINTMENT OF AUDITORS

- 7.1 Tan Sri Chairman informed that Ordinary Resolution 8 was on the re-appointment of Messrs. Ernst & Young PLT as external auditors of the Company for the financial year ending 31 December 2021 and authorisation for the Directors to determine their remuneration. The retiring auditors, Messrs. Ernst & Young PLT, had indicated their willingness to accept re-appointment.

8. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 76 OF THE COMPANIES ACT 2016

- 8.1 Tan Sri Chairman informed that Ordinary Resolution 9, under Special Business, was to seek Shareholders' approval for the Directors to issue shares pursuant to Section 76 of the Companies Act 2016. Ordinary Resolution 9, if passed, would provide flexibility to the Directors to undertake fund raising activities by the issuance of shares in the Company to such persons at any time, as the Directors may deem fit, and to avoid any delay and cost in convening a general meeting to specifically approve such an issue of shares. The said authority would expire at the conclusion of the next AGM of the Company unless revoked or varied by the Company in a general meeting.

9. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

- 9.1 Tan Sri Chairman informed that Ordinary Resolution 10, under Special Business, was to seek Shareholders' approval on the proposed renewal of Share Buy-Back authority. The details of the proposal were contained in the Share Buy-Back Statement which was available on the Company's website.

QUESTIONS AND ANSWERS (“Q&A”)

- 1.0 Tan Sri Chairman informed that the Company had received questions from MSWG and the Company has issued responses to them prior to the Meeting. Tan Sri Chairman also informed that the questions from MSWG and the Company’s responses would be uploaded to the Company’s website.
- 2.0 At the invitation of Tan Sri Chairman, Dato Isaac read out the questions and points raised by MSWG in its letter dated 21 May 2021 to the Company and the Company’s reply, as attached and marked herewith as APPENDIX IV.
- 3.0 Dato Isaac informed that the Company had received questions from Shareholders via the Boardroom Smart Investor portal before the Meeting as well as from Shareholders via the LUMI AGM during the Meeting. He read out the questions from Shareholders and the responses. The complete list of questions received before and during the 46th AGM together with the answers thereon was attached and marked herewith as APPENDICES V and VI respectively.
- 4.0 Tan Sri Chairman closed the Q&A session.

VOTING SESSION

- 1.0 At 12:15 p.m., Tan Sri Chairman informed that the poll voting would be opened for ten (10) minutes and followed by verification of the votes by the Scrutineers which would take another ten (10) minutes. Tan Sri Chairman informed that the outcome of the poll would be announced after verification of the votes by the Scrutineers.
- 2.0 At 12:25 p.m., Tan Sri Chairman announced that the voting session for the 46th AGM had ended.

[The poll results were handed over to the Scrutineers for verification and validation].

ANNOUNCEMENT OF POLL RESULTS

At 12:35 p.m., Tan Sri Chairman resumed the Meeting and called the Meeting to order for the declaration of poll results. He informed that he had received the poll results from BSR which had been duly verified and validated by BCS as attached and marked herewith as APPENDIX VII.

Tan Sri Chairman announced the results of the poll as follows:

1. DECLARATION OF A FIRST AND FINAL TAX EXEMPT (SINGLE-TIER) DIVIDEND OF 2.0 SEN PER ORDINARY SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 1 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1	635,385,124	99.998093	12,117	0.001907

Tan Sri Chairman declared that Ordinary Resolution 1 was duly passed as follows:

ORDINARY RESOLUTION 1

It was resolved:

“**THAT** the payment of a first and final tax exempt (single-tier) dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 December 2020 be and is hereby approved.”

2. RE-ELECTION OF DIRECTOR IN ACCORDANCE WITH ARTICLE 111 OF THE COMPANY’S CONSTITUTION

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 2 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 2	574,452,721	90.476673	60,465,320	9.523327

Tan Sri Chairman declared that Ordinary Resolution 2 was duly passed as follows:

ORDINARY RESOLUTION 2

It was resolved:

“**THAT** Madam Umang Nangku Jabu, who retired by rotation in accordance with Article 111 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

3. RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH ARTICLE 113 OF THE COMPANY’S CONSTITUTION

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 3 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 3	601,589,689	94.683656	33,778,352	5.316344

Tan Sri Chairman declared that Ordinary Resolution 3 was duly passed as follows:

ORDINARY RESOLUTION 3

It was resolved:

“THAT Dr. Joe Khor Jaw Huei, who retired in accordance with Article 113 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 4 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 4	623,624,119	99.868584	820,622	0.131416

Tan Sri Chairman declared that Ordinary Resolution 4 was duly passed as follows:

ORDINARY RESOLUTION 4

It was resolved:

“THAT Y. Bhg. Tan Sri Datuk Amar (Dr.) Haji Abdul Aziz bin Dato Haji Husain, who retired in accordance with Article 113 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 5 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 5	601,542,681	94.675363	33,831,360	5.324637

Tan Sri Chairman declared that Ordinary Resolution 5 was duly passed as follows:

ORDINARY RESOLUTION 5

It was resolved:

“THAT Mr. Ho Heng Chuan, who retired in accordance with Article 113 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

4. PAYMENT OF DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 6 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 6	511,861,217	99.976655	119,524	0.023345

Tan Sri Chairman declared that Ordinary Resolution 6 was duly passed as follows:

ORDINARY RESOLUTION 6

It was resolved:

“**THAT** the payment of Directors’ fees amounting to RM 150,000 per annum for the Non-Executive Chairman, RM 150,000 per annum for the Non-Executive Deputy Chairman and RM 120,000 per annum for each of the Non-Executive Directors for the financial year ended 31 December 2020 be and is hereby approved.”

5. PAYMENT OF DIRECTORS’ REMUNERATION AND BENEFITS TO THE NON-EXECUTIVE CHAIRMAN, NON-EXECUTIVE DEPUTY CHAIRMAN AND NON-EXECUTIVE DIRECTORS FROM 1 JUNE 2021 UNTIL THE NEXT AGM OF THE COMPANY

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 7 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 7	509,958,717	99.605059	2,022,024	0.394941

Tan Sri Chairman declared that Ordinary Resolution 7 was duly passed as follows:

ORDINARY RESOLUTION 7

It was resolved:

“**THAT** the payment of Directors’ remuneration and benefits payable to Non-Executive Chairman, Non-Executive Deputy Chairman and Non-Executive Directors up to an amount of RM 2,200,000 from 1 June 2021 until the next AGM of the Company be and is hereby approved.”

6. RE-APPOINTMENT OF AUDITORS

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 8 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 8	575,036,721	90.536299	60,108,220	9.463701

Tan Sri Chairman declared that Ordinary Resolution 8 was duly passed as follows:

ORDINARY RESOLUTION 8

It was resolved:

“**THAT** the re-appointment of the retiring Auditors, Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Board of Directors to determine their remuneration.”

7. AUTHORITY TO DIRECTORS TO ISSUE SHARES

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 9 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 9	500,927,931	90.550908	52,272,410	9.449092

Tan Sri Chairman declared that Ordinary Resolution 9 was duly passed as follows:

ORDINARY RESOLUTION 9

It was resolved:

“**THAT** subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 76 of the Companies Act 2016, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued does not exceed 10% of the total number of issued 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 such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”

8. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

Tan Sri Chairman announced the poll result in respect of Ordinary Resolution 10 as follows:

Resolution	Votes in favour		Votes against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 10	635,108,834	99.994126	37,307	0.005874

Tan Sri Chairman declared that Ordinary Resolution 10 was duly passed as follows:

ORDINARY RESOLUTION 10

It was resolved:

“**THAT** subject to Section 127 of the Companies Act 2016, provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other relevant authorities, the Company be and is hereby authorised to renew the approval granted by the shareholders of the Company at the Forty-Fifth Annual General Meeting of the Company held on 18 June 2020, authorising the Directors of the Company to exercise the power of the Company to purchase such amount of ordinary shares in the Company from time to time through Bursa Securities subject further to the following:

- (a) the aggregate number of shares purchased does not exceed 10% of the total number of issued shares of the Company (“Purchased Shares”) at the point of purchase;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing the Purchased Shares shall not exceed the Company’s audited retained profits as at 31 December 2020 amounted to RM 79,509,598; and
- (c) the authority conferred by this resolution will commence immediately upon passing of this resolution and will continue to be in force until:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the expiration of the period within the next Annual General Meeting of the Company subsequent to the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“the Act”) but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
 - (iii) revoked or varied by a resolution passed by the shareholders in general meeting,whichever occurs first.
- (d) Upon the completion of the purchase(s) of the Purchased Shares, the Directors of the Company be and are hereby authorised to deal with the Purchased Shares in the following manner:
 - (i) to cancel the Purchased Shares so purchased; or
 - (ii) to retain the Purchased Shares so purchased as treasury shares for distribution as dividend to the shareholders, resell in accordance with the relevant rules of Bursa Securities, transfer for the purposes of or under an employees’ share scheme, transfer as purchase consideration, cancel the shares and/or sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; or
 - (iii) to retain part of the Purchased Shares so purchased as treasury shares and cancel the remainder; or
 - (iv) to deal in such other manner as Bursa Securities and such other relevant authorities may allow from time to time.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities and with fullest power to do all such acts and things thereafter as the Directors may deem fit and expedient in the best interest of the Company.”

Tan Sri Chairman declared that all the resolutions as set out in the Notice of the Meeting were duly carried.

ANY OTHER BUSINESS

Tan Sri Chairman informed that there was no other business to be transacted of which due notice had been given in accordance with the Companies Act 2016.

CLOSE OF MEETING

Tan Sri Chairman informed that Mr. Peter Chin Mui Khiong had retired by rotation in accordance with Article 111 of the Company's Constitution did not offer himself for re-election. As such, Mr. Peter Chin Mui Khiong retired as a Director of the Company at the conclusion of the 46th AGM on 31 May 2021. Tan Sri Chairman recorded the Company's appreciation to Mr. Peter Chin Mui Khiong for his invaluable contribution and service to the Company.

Tan Sri Chairman expressed his appreciation to Shareholders, proxies and corporate representatives who participated at the Meeting.

There being no other business to be transacted, Tan Sri Chairman concluded the Meeting at 12:40 p.m.

SIGNED AS A CORRECT RECORD



**Y. BHG. TAN SRI ABDUL RASHID BIN ABDUL MANAF
CHAIRMAN**

Date: 4 June 2021



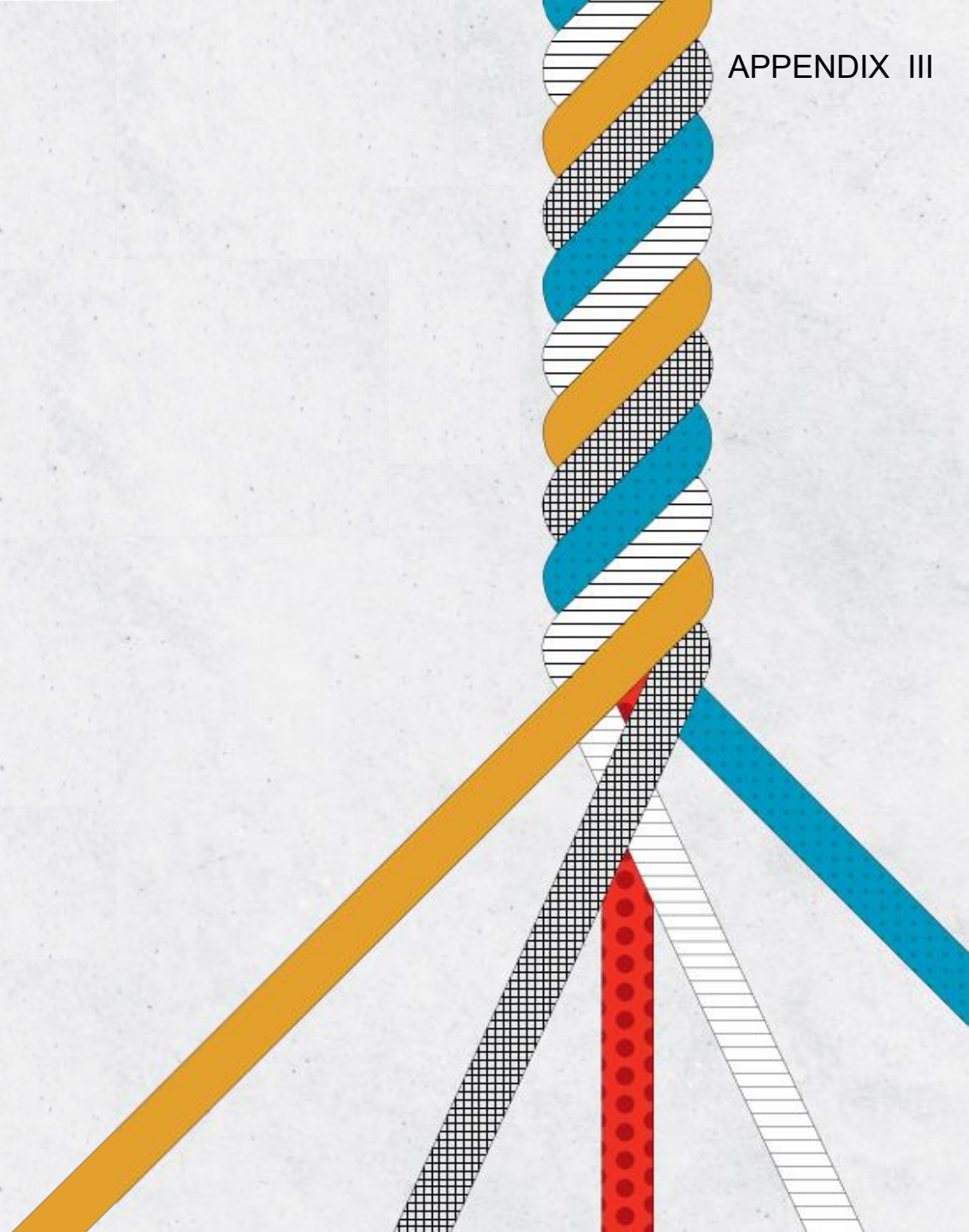
CAHYA MATA SARAWAK
Registration No :197401003655 (21076-T)

46th Annual General Meeting

COLLABORATE TO REINVIGORATE

Presentation by GMD
YBhg. Dato Isaac Lugun

APPENDIX III



CMSB At A Glance



CAHYA MATA SARAWAK

Traditional Core Businesses



Cement

Clinker, cement & concrete products



Construction Materials & Trading

Quarrying, premix manufacturing, wire production & trading activities



Construction

Infrastructure construction



Road Maintenance

State roads maintenance



Property Development

Township development in Sarawak



Strategic Investments



25%

OM Materials (Sarawak)

Ferrosilicon & Manganese Alloys smelter



MPAS

60%

Malaysian Phosphate Additives (Sarawak)

Integrated phosphate complex



SACOFA

50%

SACOFA

Information & Communication Technology



kenanga

18.75%

Kenanga

Investment Banking
Listed on Bursa Malaysia



k kb

20%

KKB Engineering

Oil & Gas and Utilities Engineering
Listed on Bursa Malaysia

FY2020 HIGHLIGHTS



COVID 19 PANDEMIC

Unprecedented COVID19 pandemic requiring the shutdown of all our businesses during MCO stage.



FINANCIALS

Closed financial year with PATNCI of RM194.81 million compared to RM159.46 million in 2019 despite highly challenging operating environment.



STRENGTHENED COLLABORATION

Strengthen collaboration with the State via disposal of 2% equity interest in CMS Resources Sdn Bhd & PPES Works (Sarawak) Sdn Bhd to SEDC



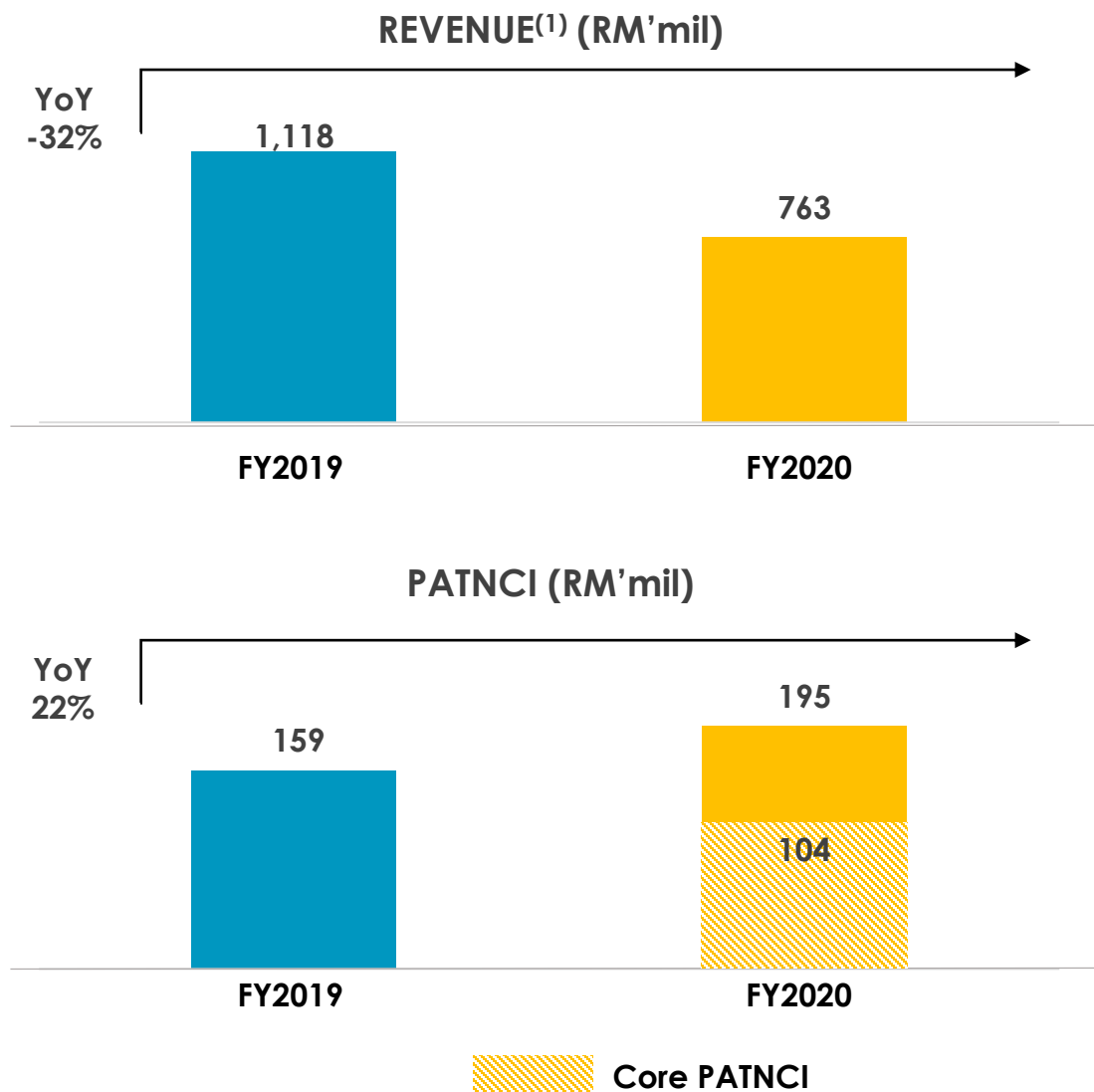
RENEWED LEADERSHIP

Renewed our leadership team with addition of highly-experienced leadership personnel at the board and senior management.

FY2020 Financial Highlights



CAHYA MATA SARAWAK



FY2020 FINANCIAL RESULTS COMMENTARY

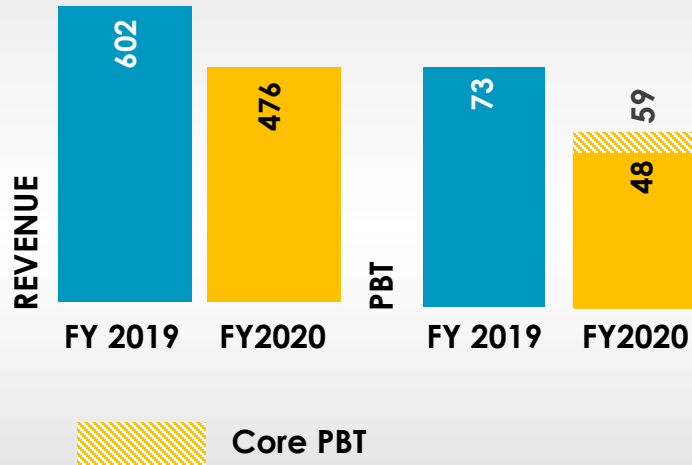
- Revenue from continued operations dropped 32% YoY to RM762.8 million due to the COVID-19 pandemic but PATNCI increased by 22% YoY to RM194.8 million.
- PATNCI improvement was mainly due to recognition of remeasurement gain and gain on disposals amounting to RM162.95 million.
- Excluding the remeasurement gain and various impairments made, core PATNCI was RM104.1 million

Traditional Core Businesses - Cement



CAHYA MATA SARAWAK

FY2020 RESULTS (RM' mil)



- Revenue dropped by 21% to RM476.0 million in FY2020 from RM601.6 million in FY2019 mainly due to impact of the COVID-19 pandemic.
- PBT dropped by 34% to RM48.4 million in FY2020 from RM73.1 million in FY2019.
- Despite the lower PBT, the GP margin improved mainly due to various cost efficiency initiatives.

MOVING FORWARD

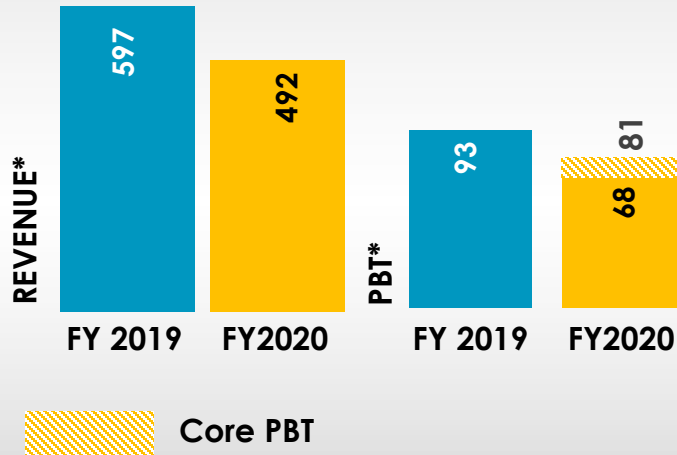
- Key is to stabilise Clinker plant's operation to gradually increase annual production to 700,000 metric tonnes, and eventually to around 800,000 MT annually by 2023.
- Supply 400k of cement for construction of the Baleh Hydro Dam over 3 years from 2020 to 2022.
- The Division is well positioned to capitalize on opportunities in the potential spike of major infrastructure projects in the State.

Traditional Core Businesses - Construction Materials & Trading



CAHYA MATA SARAWAK

FY2020 RESULTS (RM' mil)



- Revenue dropped 18% to RM491.8 million in FY2020 from RM597.0 million in FY2019 mainly due to the impact of COVID-19 pandemic.
- PBT dropped by 26% to RM68.3 million in FY2020 from RM92.7 million in FY2019.

MOVING FORWARD

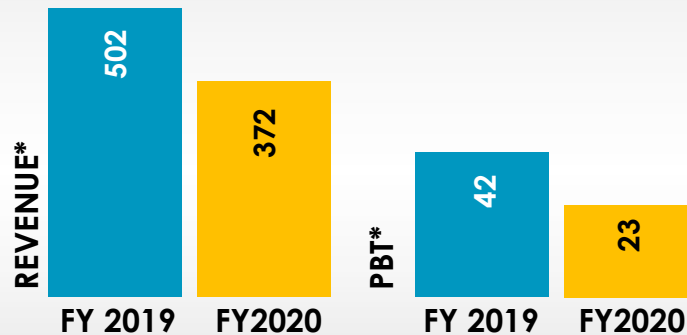
- Focus is to continue to cement the collaboration with SEDC to bring it to full fruition.
- Currently only 3 quarries are in operation. Through SEDC a 4th quarry will be operational in 3rd Quarter of 2021 and a 5th quarry in Northern Sarawak by 4th Quarter 2022.
- Exploring mining of silica sand and other minerals with SEDC

Traditional Core Businesses - Construction & Road Maintenance



CAHYA MATA SARAWAK

FY2020 RESULTS (RM' mil)



- Revenue decreased by 26% to RM372.3 million in FY2020 from RM502.5 million in FY2019 due to impact of the COVID-19 pandemic.
- Road Maintenance business revenue dropped due to only 3,300km road under maintenance compared to 6,000 km previously.
- PBT dropped by 45% to RM23.3 million in FY2020 from RM42.3 million in FY2019.

MOVING FORWARD

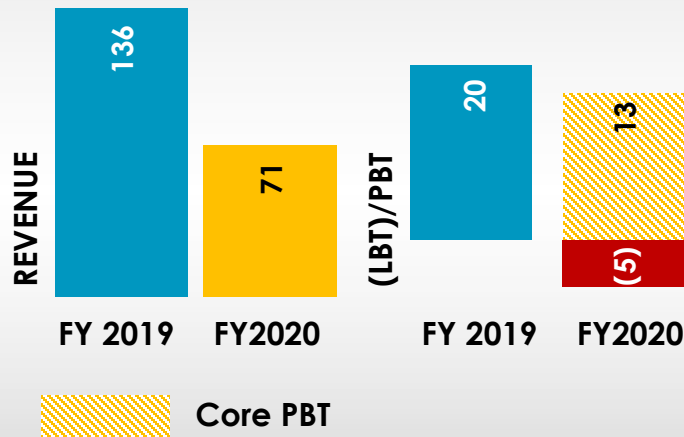
- For Construction the focus is to cement the collaboration with SEDC to bring it to full fruition.
- Target to grow the order-book to RM2 billion in two years.
- For Road Maintenance the focus is to increase efficiency for better margin and build up the road length for maintenance back to 6,000km.

Traditional Core Businesses - Property Development



CAHYA MATA SARAWAK

FY2020 RESULTS (RM' mil)



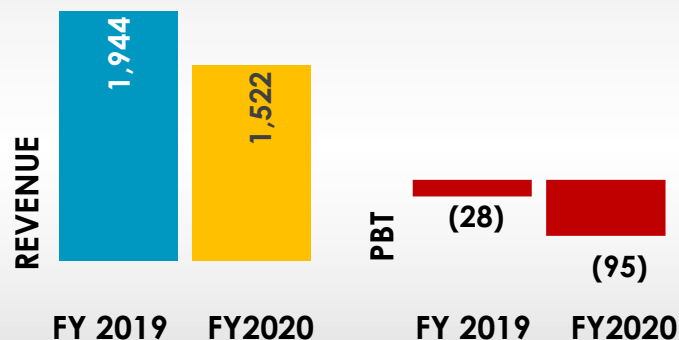
- Revenue decreased by 48% to RM70.91 million in FY 2020 from RM135.8 million in FY2019 due to poorer sales of properties, lower land sale revenue and higher construction costs.
- PBT dropped by 127% to loss before tax of RM5.3 million in FY2020 from RM20.0 million in FY2019 mainly due to impairment of assets at Samalaju Hotel and project cost write offs for Samalaju Properties.
- Excluding these impairments PBT would have been RM12.7 million in FY2020.

MOVING FORWARD

- Embarking on the following strategies to counter subdued property market outlook:
 - ✓ Leverage on the demand of landed affordable home segment (<RM500,000) in Bandar Samariang with consistent sales take-up rate of c.70%;
 - ✓ Unlock potential value of RM1.4 billion in major landbanks at Bandar Samariang and The Isthmus, through renewed master plan and clearance of overhanging stock; and
 - ✓ Disposal of non-strategic land or assets.

Strategic Investments - OM Materials (Sarawak)

FY2020 RESULTS (RM' mil)



- Revenue dropped by 22% to RM1.52 billion in FY2020 from RM1.94 billion in FY2019
- PBT dropped by 240% to loss before tax of RM94.9 million in FY2020 from RM27.9 million in FY2019 due to a slump in commodity prices
- Travel restriction due to the COVID-19 pandemic led to inavailability of skilled workers from China and forced a shutdown of 4 out of 16 furnaces.

MOVING FORWARD

- Prices of all products have improved from US\$1000 to US\$1,450 for ferrosilicon and to US\$1,300 for Silicon Manganese.
- Key is to appeal to the State Government to ease travel restrictions on specialist workers from China.
- To complete Phase 2:
 - I. Modification of 2 existing ferrosilicon furnaces to produce Silicomanganese; and
 - II. Modification of 2 existing ferrosilicon furnaces to produce Metallic Silicon; and
 - III. Construction of up to 4 more manganese alloy furnaces targeted for completion by 2022.



CAPACITY & CAPEX

- **Project is implemented in 2 phases**
- **Phase One** - 3 manufacturing plants
- **Products & Capacity-**
 - 48,000 MT of Yellow Phosphorous
 - 75,000MT of Technical Grade Phosphoric Acid
 - 60,000 MT of Food Grade Phosphoric Acid
- **Targeted commissioning** – Mid-June 2021
- **Investment cost-** ~RM898 million

PROGRESS

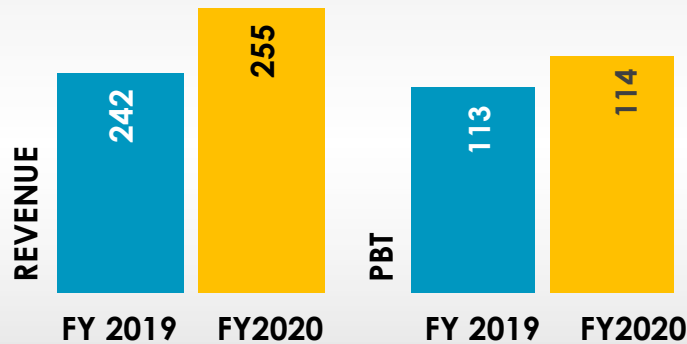
- Completion of construction and commissioning delayed due to non-availability of specialist workers from China because of COVID19 travel restrictions.
- Full commercial operation was scheduled for March 2021 but now delayed to August 2021 with commissioning starting in mid-June 2021.
- The Board is exploring all options to mitigate impact of the delay.

Strategic Investments - SACOFA



CAHYA MATA SARAWAK

FY2020 RESULTS (RM' mil)

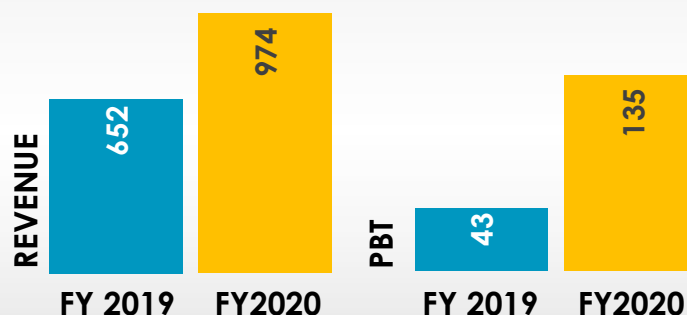


- SACOFA provides an essential service and continued to operate through the COVID19 lockdown period.
- Revenue increased by 5% to RM254.7 million in FY2020 from RM242.3 million in FY2019
- PBT increased by 2% to RM114.3 million in FY2020 from RM112.6 million in FY2019.
- New competitors started to emerge in 2019 but SACOFA will remain dominant by virtue of its first mover advantage.

MOVING FORWARD

- Continue to grow on its total of 1,800 towers and 11,000 km of fibre optics in the State.
- In strong position to capitalize on the State's initiatives to invest RM1.15 billion for telecommunication infrastructure development and Federal Government's 5 year Jalinan Digital Negara (JENDELA) plan for 742 towers in the State.
- Expand business outside of Sarawak: Kalimantan and West Malaysia.

FY2020 RESULTS (RM' mil)



- Kenanga's FY2020 revenue improved by 50% to RM973.8 million in FY2020 from RM652 million in FY2019 mainly due to higher net interest income, net brokerage income, management fees income and higher contributions from its joint ventures company.
- PBT increased by 214% to RM134.7 million in FY2020 from RM43.0 million in FY2019.
- Kenanga contributed PBT of RM26.8 million in FY2020 compared to RM6.9 million in FY2019.

MOVING FORWARD

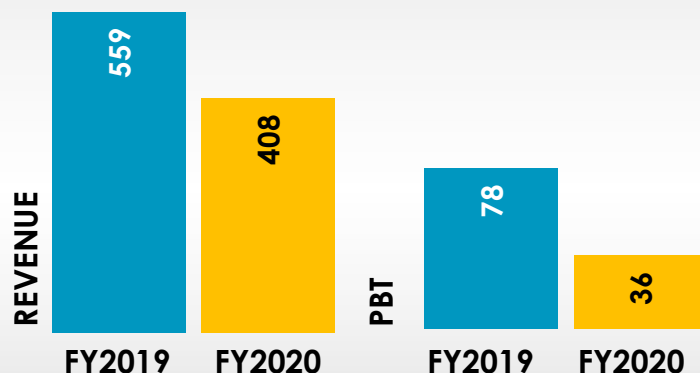
- Kenanga is expected to continue to benefit from higher brokerage income, trading investment and fee income which could be curtailed from stricter SOPs with new COVID-19 spikes.
- The join-venture with Rakuten is expected to be profitable in 2021.
- Focus on innovation & digitalization of its core products to diversify revenue streams, increase market share and capture new market segment while continues to increase its cost effectiveness.

Strategic Investments - KKB Engineering



CAHYA MATA SARAWAK

FY2020 RESULTS (RM' mil)



- KKB Engineering's revenue dropped by 27% to RM407.9 million in FY2020 from RM559.3 million in FY 2019.
- PBT dropped by 54% to RM35.5 million in FY2020 from RM77.9 million in FY2019.
- The lower performance in FY2020 was mainly due the impact of COVID-19 pandemic.
- KKB Engineering contributed PBT of RM3.4 million in FY2020 compared to RM9.7 million in FY2019.

MOVING FORWARD

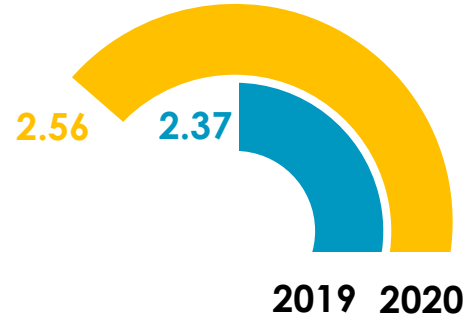
- Despite potentially lower capital expenditure in the O&G industry this year, KKB is set to maintain its growth due to its strong order book of RM780 million as at end 2020.
- KKB is well positioned to benefit from the major on-going and new water related infrastructure projects in the State especially as a leading producer of steel pipes in the State.

Key Financial Highlights

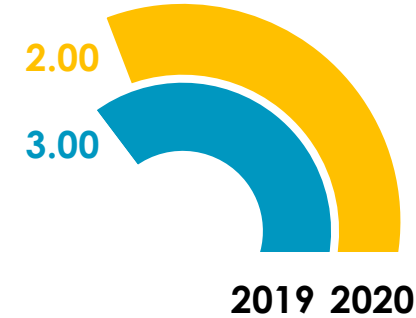


CAHYA MATA SARAWAK

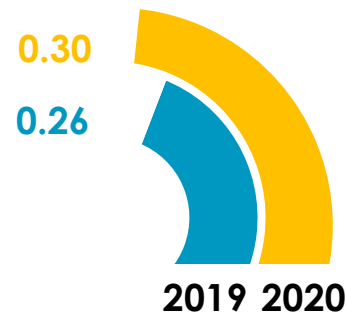
Net Tangible Asset Per Share (RM)



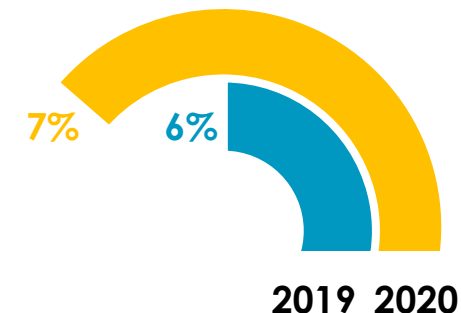
Dividend Per Share (SEN)



Gross Gearing (x)



Return On Equity (%)



Sustainability & Governance Achievements



CAHYA MATA SARAWAK

SUSTAINABILITY & GOVERNANCE



FTSE4Good

The only company from Sarawak to be made a constituent of the **FTSE4Good index** and one out of 75 companies in Malaysia

Score improved by 21% in FY2019



The only company from Sarawak to qualify as member of **Bursa Malaysia's Green Lane Policy** due to our good track record of public disclosure



Australasian Reporting Agency

Finalist for 'Report of the Year Award' & Gold Award for Integrated Annual Report



34th ARC Awards International (New York)

Silver Award - Integrated AR & CSR: Non-Traditional Format sub-category under the Specialised Annual Reports Category

AWARDS & RECOGNITION



10th Malaysia Investor Relations Awards 2020

- Best CFO for Investor Relations (Mid Cap), Malaysia 2019 & 2020 - Syed Hizam Alsagoff
- Best IR Website (Mid Cap) 2020



Ranked as **Top 4 employer in Sarawak** by JobStreet



12th Global CSR Summit & Awards and The Global Governance Awards

- CSR Leadership Award - Bronze
- Best CEO Award - Bronze
- Best CFO Award - Platinum
- Best Governed and Transparent Company Award - Silver
- Best Corporate Communication and Investor Relations Award - Gold



SHEDA Excellence Awards

Strata Development (High Rise) category - CMS Property Development

EMPLOYEE VOLUNTEERISM

2017: 48,428 man-hours

2018: 50,421 man-hours

2019: 43,894 man-hours

2020: 17,185 man-hours

Creating Future Value



CAHYA MATA SARAWAK

OUR 5-YEAR TARGETS

Grow the Group's profit after tax and non-controlling interests (PATNCI) to RM500 mil

Be the most admired public-listed company in Sarawak

OUR THREE-PRONGED STRATEGY

1

Reposition & Fortify all Traditional Core Businesses

PATNCI ~RM250m in 5 years

2

Fully implement & Grow Strategic Businesses

PATNCI ~RM250m in 5 years

3

Reposition & Strengthen the CMSB Brand

Strengthen sustainability practices

KEY FOUNDATION STONES

- Forging visionary, unified and **engaging leadership**.
- Introducing **transformational efficiencies** into all business focusing on innovation quality, cost and delivery through the employment of digital technology.
- Embedding **sustainability as a culture** in CMS emphasizing on care for the customers, environment, employees and the community.
- Fostering a **high performance culture**



THANK YOU

Stock Code: 2852
www.cmsb.my

For investor relations enquiries, please contact:



Cahaya Mata Sarawak Berhad
investor.relations@cmsb.my



iBES Advisory Sdn Bhd
ir@ibes-advisory.com





CAHYA MATA SARAWAK

BY EMAIL

27 May 2021

Badan Pengawas Pemegang Saham Minoriti Berhad
Tingkat 11, Bangunan KWSP
No. 3, Changkat Raja Chulan
Off Jalan Raja Chulan
50200 Kuala Lumpur

Attn: Mr Devanesan Evanson, Chief Executive Officer

Dear Sirs

46TH ANNUAL GENERAL MEETING (AGM) OF CAHYA MATA SARAWAK BERHAD ("CMS OR THE GROUP OR THE COMPANY") TO BE HELD ON MONDAY, 31 MAY 2021

Thank you for your letter dated 21 May 2021 on the subject matter. We are pleased to provide the following responses to the points raised in your letter:

Operational & Financial Matters

1. As the Covid-19 pandemic continues to spread, what is the expected impact of the pandemic on the Group's operations and financial position in FY2021? How is the Board planning to mitigate the impact of the pandemic on the Group's overall business activities?

Response:

Following the MCO in the first half of 2020, the focus of the Board has been on catch-up plans in all our affected businesses. This focus has yielded positive results as can be seen from the Q1 results where all the businesses in the Group have exceeded their budgets except for the Road Maintenance Division.

For Q1 2021, the Group had also performed better than the corresponding quarter in 2020. This is laudable because all our plants are currently operating based on very strict SOPs including only 50% manning being permitted.

However, going forward we are cautious because further imposition of more restrictive SOPs to address new waves of the pandemic will adversely impact the Group's performance.

Page 1 of 8

2. Continuing Operations

The Group recorded a loss after tax from its continuing operations of RM17,250,000 in FY2020 compared to a profit after tax of RM118,253,000 in FY2019, representing a decline of RM135,503,000 or 114.59%. All the Divisions under continuing operations reported lower results in FY2020 (Page 28 of the Integrated Annual Report 2020).

- a) How will the Board address the unfavourable bottom-line result of the Group's continuing operations?

Response:

As explained under Question (1) above, the focus of the Group continues to be on catch-up plans and continue to keep strong discipline on maintaining a strong cash and low gearing positions.

- b) Are any of the Divisions expected to perform better in FY2021?

Response:

With our catch-up plans, we expect all Divisions to do better in 2021 but are cautiously optimistic as we continue to see further surges in Covid-19 infections.

- c) When does the Board expect to turnaround the performance of its continuing operations?

Response:

We are already seeing a turn-around in the performance of our continuing operations in the 1st Quarter of 2021. However, the Board is cautiously optimistic as we continue to see further surges in Covid-19 infections.

3. The significant increase in other expenses was mainly due to impairments on property, plant and equipment (PPE), trade receivables and a write-off of intangibles across CMS businesses, particularly in its Property Development and Phosphate Divisions (Page 28 of the Integrated Annual Report 2020).

- a) Are there any impairments on PPE, trade receivables, and write-off of intangible expected in FY2021? If so, how much is the expected amount?

Response:

Management do not expect any significant impairments on PPE, trade receivables and write-off of intangible assets in FY2021.

- b) What are the measures taken to collect the trade receivables?

Response:

Property Development

Trade receivables are trade debtors and this is not applicable to the Property Division. The Property Development Division's "Other Expenses" are mainly due to the impairments of assets at Samalaju Hotel Management Sdn Bhd of RM11.26 million and project costs of RM5.19 million written-off by Samalaju Properties Sdn Bhd.

Phosphate Division (MPAS)

MPAS has not commenced operations yet. It is still at the pre-commissioning stage. Hence, it does not have any trade receivables. An impairment of RM50 million was made for the financial year ended 31 December 2020 in respect of the advances paid to a contractor for Phase 2 of the project.

- c) How much of the impairment loss on the receivables have been recovered to-date?

Response:

Out of the impairment loss of RM12.97 million on trade receivables in FY2020, RM2.14 million have been received to-date.

4. **Cement Division**

From an operational perspective, excluding the stoppages and disruptions due to Covid-19 SOPs, all plants operated with improved stability and productivity. Though all the plants were still mid-way through their respective rejuvenation programmes (Page 41 of the Integrated Annual Report 2020).

- a) What is the latest capacity utilisation rates for the Division's plants? Given Covid-19 pandemic, what is the planned optimal utilisation rates that the Division expects for the plants in FY2021?

Response:

The utilisation of the cement plant as at Q1 2021 averages at 47% owing mainly to cement demand remaining soft. For 2020, the average was 46%. For the full year, looking at the current Covid-19 situation and that the vaccination programme may not be completed within Q3 2021, we expect the utilisation rate for the Cement plants to remain at below 50%.

Clinker utilisation factor is improving to 72% vs. below 60% from 2020. We expect the rate to further improve in 2H 2021 after the plant carries out its major scheduled maintenance shutdown in July. The target for the year, taking into account the Covid-19 restrictions on our plant operations for much of May and possibly June, is to push the utilisation rate to above 80%.

- b) What is the current progress of the abovementioned rejuvenation programmes?

Response:

The Asset Replacement Plan was scheduled for a period of 5 years (from 2018) with a total CAPEX of RM25 million. Covid-19, however, has impacted our progress.

Lockdowns, manpower restriction and travelling difficulties have caused us to delay much of the programme scheduled for 2020. With restrictions very much still in place to date, we now expect the completion of the Asset Replacement Plan to be delayed by at least 1 to 1.5 years.

5. Construction & Road Maintenance Division

In line with its efforts to grow its current construction order book, the Construction Division is bidding for new projects related to Sarawak's Coastal Road Network and Second Trunk Road projects, as well as other large infrastructure projects being rolled out in the State (Page 46 of the Integrated Annual Report 2020).

- a) What is the Division's current construction order book? What is the targeted order book replenishment in the next two financial years?

Response:

The current construction order book is RM0.954 billion as at April 2021.

As of now, the majority of targeted projects are infrastructure-based based with project value in excess of RM500 million. However, due to the uncertainties stemming from Covid-19 and the impending State elections, none of these projects have been awarded. It is anticipated that announcement/award of these projects will be made post-State elections.

- b) What has been the Division's success rate of winning tenders?

Response:

Over the last quarter, the Division has won a total of three (3) projects. The Division has always been better positioned at delivering large/complex or State-significant projects. These are not always necessarily awarded via competitive tenders due to the limited contractors' pool (i.e. contractors who are able to deliver such large scale projects) within the State.

- c) As the Division is bidding for new projects, what is the Division's competitive edge over its peers?

Response:

The Division has delivered some of the State's most iconic projects such as the Dewan Undangan Negeri (DUN) and Sarawak Museum Complex projects. This unique portfolio stands above the other local contractors. Any client can rest assured that PPES Works (PPESW) will deliver projects of the highest quality. Furthermore, the Divisions/Group's financial strength ensures that projects will always be seen through to completion.

6. Construction Materials & Trading Division

- a) What are the latest capacity utilisation rates for the quarries? What are the planned optimal utilisation rates that the Division expects for the quarries in FY2021?

Response:

As at 30 April 2021, we achieved a combined utilisation rate of 79%. Upon resuming normal working conditions, we aim to achieve a combined utilisation rate of 85%.

Note:

The dip comes from Sebuyau Quarry which is not in operation at the moment. Sebuyau Quarry resumption is anticipated by June 2021.

- b) For the year 2020, the Division made a specific impairment of RM7.7 million on a long outstanding debtor and provided a goodwill impairment of RM5.0 million in its investment in Borneo Granite Sdn Bhd (Page 44 of the Integrated Annual Report 2020).

- (i) Which debtor is involved in the specific impairment loss exercise? Is the amount recoverable?

Response:

The specific impairment of RM7.7 million was due to a premix buyer for Pan Borneo Highway. As of today, we have collected RM2 million and the Management is earnestly working towards recovering the entire amount.

- (ii) Is there any goodwill impairment expected in FY2021? If so, how much is the expected amount?

Response:

At this present juncture there are no impairments planned for 2021. However, it remains to be seen as the pandemic is still prevalent and has impacted the Group operationally.

7. What is the business prospect of the Group's Property Development Division in FY2021?

Response:

Despite the on-going impact of the Covid-19 pandemic on the property market, the Property Development Division recorded a stronger sales performance in Q1 2021 compared to Q4 2021.

The Division remains steadfast in its efforts to deliver continuous performance in the affordable home segment of <RM500,000 in FY2021. The demand of this segment is met at the Division's Projek Bandar Samariang residential developments, with a consistent sales take-up rate of around 70%.

In addition, the Division continues its efforts to clear overhanging stock and has plans to dispose of non-core assets such as non-strategic land parcels. Simultaneously, the Division will work on planning future pipeline and unlocking potential value in the major landmarks of Bandar Samariang, The Isthmus and Samalaju.

Corporate Governance Matters

1. Conflict of interest allegations against Deputy Group Chairman and former Chief Information Officer

On 22 April 2021, the Board made a press statement that the Group has received conflict of interest allegations against the Deputy Group Chairman and former Chief Information Officer through the Group's whistleblower channel.

On 6 May 2021, the Board made another press statement stating that among others, "the Board is completely satisfied that the allegations of conflict of interest made against Dato Sri Mahmud and Karl Vink, former CMS chief information officer (CIO), in relation to the award of the contract by CMS I-Systems Sdn Bhd, a wholly owned subsidiary of CMS, to Vienna Advantage GmbH are without any basis whatsoever."

- a) Has there been a proper formal investigation internally by the Board using independent parties? Who are the independent parties used, if any? What was the independent party conclusion?

Response:

The Board had set up a Board of Inquiry Committee which was made up of only Independent Directors. Copies of the findings of the Committee had been submitted to the authorities and therefore at this point we are not at liberty to make further comments.

- b) The Board has concluded that the allegations of conflict of interest made against the abovementioned parties are without any basis whatsoever. Was the Board decision unanimous?

Response:

Yes, the Board's decision was unanimous.

- c) Has there been any feedback from the regulators on these allegations?

Response:

We are liaising with the authorities and are not at liberty to make further comments.

2. Allegation of possible financial mismanagement in relation to the Company's investments and operations.

On 5 May 2021, CMS has announced on Bursa Malaysia that it has suspended its Group Chief Financial with immediate effect for a period of 30 days to facilitate investigations into allegation of possible financial mismanagement in relation to the Company's investments and operations.

What is the progress of the investigation exercise? When is the investigation expected to be completed?

Response:

An independent consultant has been appointed and is endeavouring to conclude the investigation within one month.

3. The Company in its Corporate Governance Report (Page 19) states that it has applied Step Up 4.3 of the Malaysian Code on Corporate Governance.

However, under item 3.6 of the Board Charter of CMS, it states that “the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve the Board subject to the Director’s re-designation as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine (9) years, it shall justify and seek annual shareholders’ approval”.

This is contrary to Step Up 4.3 which does not provide for any extension of tenure beyond the 9-year tenure of Independent Directors.

Please take note of this.

Response:

The Board takes note of the MSWG’s comment with regards to application of Step Up 4.3.

4. As disclosed on Page 129 of the Integrated Annual Report 2020, the amount paid for non-audit services, including tax services provided by the Auditors amounted to RM1,096,000. This was 146.72% (FY2019: 107.36%) of the audit fees of RM747,000 in FY2020.

- a) Please provide the breakdown of the non-audit services, including tax services provided by the Auditors.

Response:

The breakdown of the non-audit services is as below:

Service Provider	Area of work	RM
EY Assurance	Review of Statement of Risk Management and Internal Control, impairment review on investments in associates and goodwill in subsidiaries, review of fair value of warrants, confirmation on debt-to-equity ratio in relation to sukuk program and MFRS16 implementation assistance	232,700.00
EY Tax Consultants	Annual tax compliance fees (RM305,300), GST refund assistance, Real Property Gain Tax advisory on disposal of shares and tax advisory on deductability of expenses/charges for ERP	613,683.00
EY Advisory Services	Indicative share valuation and review of purchase price allocation on goodwill in a subsidiary	250,000.00
		1,096,383.00

- b) What is the audit committee's policy when it comes to non-audit fees paid to the external auditor? Is there a percentage limit?

Response:

In 2020, CMS Group Audit Committee ("Group AC") agreed to a policy that any cumulative non-audit fees incurred (excluding tax compliance fees) in excess of 100% of prior year's approved audit fees would require approval.

The Group AC noted that Management shall endeavour to obtain quotations from comparable firms for special non-routine non-audit services and exercise due diligence in engaging the firms for services based on deadlines, efficiency, suitability and complexity.

The audit fees for FY2019 was RM1,006,000 (as reflected in the Audited Financial Statements 2019). The non-audit fees (excluding tax compliance fees) for FY2020 amounting to RM791,083 was 79% of the 2019's approved audit fees, which did not exceed the threshold requiring approval.

Yours faithfully
for and on behalf of the Board of
CAHYA MATA SARAWAK BERHAD



DATO ISAAC LUGUN
Group Managing Director

cc: Chairman and Board of Directors

CAHYA MATA SARAWAK BERHAD
Registration No. 197401003655 (21076-T)
(Incorporated in Malaysia)

APPENDIX V OF THE MINUTES OF THE FORTY-SIXTH (46TH) ANNUAL GENERAL MEETING OF CAHYA MATA SARAWAK BERHAD (“CMSB” OR “THE COMPANY”) HELD FULLY VIRTUAL AT THE BROADCAST VENUE AT THE MEETING ROOM TR12-R02, 12TH FLOOR, MENARA SYMPHONY, NO. 5, JALAN PROF. KHOO KAY KIM, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN AND VIA THE REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES ONLINE WEBSITE AT [HTTPS://WEB.LUMIAGM.COM/](https://web.lumiagm.com/) ON MONDAY, 31 MAY 2021 AT 11:00 A.M.

QUESTIONS RECEIVED FROM THE SHAREHOLDERS OF THE COMPANY OR THEIR PROXIES/ CORPORATE REPRESENTATIVES BEFORE THE 46TH AGM

No.	Question/Comment from Shareholder/Proxy/Corporate Representative	Response/Answer by CMSB
1.	Were the alleged financial mismanagement acts by the Chief Financial Officer of Cahya Mata Sarawak Berhad identified by the external auditors and reflected accordingly? Were the alleged financial mismanagement decisions made without the prior approval of the Board?	We are not at liberty to share more information on this matter beyond what we have announced to Bursa Malaysia as investigations by the consultant are ongoing. The Board and Management will await the outcome of the consultant’s investigations and, in due course, provide an update to our shareholders through our Media Announcement or Bursa Malaysia portal.
2.	Is Cahya Mata Sarawak Berhad considering disposing of some of its concerned investments that have been subjected to the alleged financial mismanagement acts?	There are no disposal plans in place as a result of the investigations of the CFO.
3.	Is Cahya Mata Sarawak Berhad proceeding with its phosphate venture and still looking to expand its ferro metal operations?	Yes, the MPAS project is at 98% completion. COVID has been a great impairment to the progress of this project. Yes, our associate OM Sarawak has plans for Phase 2 which entails a minimum of 2 manganese alloy furnaces and completion is slated for 2023.

CAHYA MATA SARAWAK BERHAD
Registration No. 197401003655 (21076-T)
(Incorporated in Malaysia)

APPENDIX VI OF THE MINUTES OF THE FORTY-SIXTH (46TH) ANNUAL GENERAL MEETING OF CAHYA MATA SARAWAK BERHAD (“CMSB” OR “THE COMPANY”) HELD FULLY VIRTUAL AT THE BROADCAST VENUE AT THE MEETING ROOM TR12-R02, 12TH FLOOR, MENARA SYMPHONY, NO. 5, JALAN PROF. KHOO KAY KIM, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN AND VIA THE REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES ONLINE WEBSITE AT [HTTPS://WEB.LUMIAGM.COM/](https://web.lumiagm.com/) ON MONDAY, 31 MAY 2021 AT 11:00 A.M.

QUESTIONS RECEIVED FROM THE SHAREHOLDERS OF THE COMPANY OR THEIR PROXIES/CORPORATE REPRESENTATIVES DURING THE 46TH AGM

No.	Question/Comment from Shareholder/Proxy/Corporate Representative	Response/Answer by CMSB
1.	How is Cahya Mata Sarawak Berhad addressing the escalating negative media coverage on the Company recently?	In line with our active investor relations engagement programme, we continue to maintain quarterly briefing to the institutional shareholders and issue press releases to the media. Shareholders of the Group are able to contact our Investor Relations Unit through our website. This practice ensures a consistent dissemination of key information.
2.	Will CMSB be providing e-vouchers to shareholders participating in this RPV today?	We regret to say we are unable to provide it for this AGM. However, we are seriously considering this seeing that virtual AGMs are the way forward.
3.	What are the attributable factors that led to the loss of RM54 million under the Group’s Phosphate business segment given that business has yet to commence operations? What is the projected earning of this business segment for the next 2 years?	An impairment loss of RM51.8 million was recognised on the construction in relation to phase 2 of the integrated phosphate complex project due to the decision by the Board of Directors of the subsidiary not to proceed with the construction of phase 2 of the project given the challenging market condition and the uncertainties surrounding the COVID-19 situation globally. Due to the severe ongoing impact of the pandemic, the projected earnings for the business are still being prepared and it is premature to provide forecasts at this stage.

APPENDIX VI OF THE MINUTES OF THE FORTY-SIXTH (46TH) ANNUAL GENERAL MEETING OF CAHYA MATA SARAWAK BERHAD (“CMSB” OR “THE COMPANY”) HELD FULLY VIRTUAL AT THE BROADCAST VENUE AT THE MEETING ROOM TR12-R02, 12TH FLOOR, MENARA SYMPHONY, NO. 5, JALAN PROF. KHOO KAY KIM, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN AND VIA THE REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES ONLINE WEBSITE AT [HTTPS://WEB.LUMIAGM.COM/](https://web.lumiagm.com/) ON MONDAY, 31 MAY 2021 AT 11:00 A.M.

QUESTIONS RECEIVED FROM THE SHAREHOLDERS OF THE COMPANY OR THEIR PROXIES/CORPORATE REPRESENTATIVES DURING THE 46TH AGM

No.	Question/Comment from Shareholder/Proxy/Corporate Representative	Response/Answer by CMSB
4.	Has the Board evaluated KPMG’s role in light of the Serba Dinamik Holdings Berhad case?	KPMG Management & Risk Consulting Sdn Bhd is acting as an independent moderator for the purpose of this Annual General Meeting. The entity or its affiliate, KPMG PLT is not the external auditor of Cahya Mata Sarawak’s financial statements. KPMG Management & Risk Consulting Sdn Bhd has been evaluated for its credentials in relation to the conduct of moderation exercise for the Annual General Meeting. Ernst & Young PLT is the external auditor of Cahya Mata Sarawak Bhd.
5.	CMSB’s share price is trading at a steep discount currently. What is the Board’s plan to strengthen the share price to protect shareholder interest?	We are not able to comment on share price movement which is also determined by external factors such as macro-economic conditions such as industry performance and investor sentiments. We uphold an active IR engagement programme. Shareholders of the Group are able to contact our Investor Relations Unit through our website. This practice ensures a consistent dissemination of key information.
6.	What is the cost of this virtual Annual General Meeting?	The total cost for the 2021-AGM is RM60,000 which includes payment to the share registrar for Remote Participation and Voting (RPV) facilities and payment to the independent scrutineer and moderator.
7.	Why did Cahya Mata Sarawak Berhad not undertake a share buyback exercise when the price dropped to the current level?	Given the current challenging business environment, the company will be prudent in exercising the share buyback programme.

CAHYA MATA SARAWAK BERHAD

Level 6, Wisma Mahmud
Jalan Sungai Sarawak
93100 Kuching, Sarawak
Malaysia

Our Ref JC/TPS/CYN/CAHMA001(21)

Contact Ext 03-7890 4878/4877/4875

Attn: Chairman of the Meeting

Date: 31 May 2021

Re: Independent Scrutineers Report for the conduct of poll for Cahya Mata Sarawak Berhad's 46th Annual General Meeting ("AGM") held on 31 May 2021

We, Boardroom Corporate Services Sdn. Bhd. as the appointed independent scrutineers in attendance at the 46th AGM of Cahya Mata Sarawak Berhad held on 31 May 2021 have performed the procedures as listed in our letter of engagement dated 5 February 2021.

The results of the poll, as casted by the shareholders and proxy holders present and voting, based on the results generated by the Polling System provided by Boardroom Share Registrars Sdn. Bhd. are as per enclosed.

Thank you,

For and on behalf of
Boardroom Corporate Services Sdn. Bhd.



Independent Scrutineers



CAHYA MATA SARAWAK BERHAD

46th ANNUAL GENERAL MEETING

POLL RESULTS

	VOTES FOR	NO OF RECORDS	%	VOTES AGAINST	NO OF RECORDS	%	VOTES TOTAL
RESOLUTION 1	635,385,124	215	99.998093	12,117	6	0.001907	635,397,241
RESOLUTION 2	574,452,721	120	90.476673	60,465,320	96	9.523327	634,918,041
RESOLUTION 3	601,589,689	156	94.683656	33,778,352	62	5.316344	635,368,041
RESOLUTION 4	623,624,119	191	99.868584	820,622	18	0.131416	624,444,741
RESOLUTION 5	601,542,681	155	94.675363	33,831,360	64	5.324637	635,374,041
RESOLUTION 6	511,861,217	175	99.976655	119,524	27	0.023345	511,980,741
RESOLUTION 7	509,958,717	162	99.605059	2,022,024	40	0.394941	511,980,741
RESOLUTION 8	575,036,721	114	90.536299	60,108,220	103	9.463701	635,144,941
RESOLUTION 9	500,927,931	176	90.550908	52,272,410	40	9.449092	553,200,341
RESOLUTION 10	635,108,834	208	99.994126	37,307	10	0.005874	635,146,141



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31/5/2021