

ASIAN PAC HOLDINGS BERHAD

Registration No. 191301000011 (129-T)
("the Company")

MINUTES OF THE 105TH ANNUAL GENERAL MEETING OF THE COMPANY HELD AND HOSTED VIRTUALLY AT THE BROADCAST VENUE AT 12TH FLOOR, MENARA SMI, NO. 6, LORONG P. RAMLEE, 50250 KUALA LUMPUR AND VIA ONLINE MEETING PLATFORM OF [HTTPS://WWW.BINAMANAGEMENT.COM.MY](https://www.binamanagement.com.my) PROVIDED BY BINA MANAGEMENT (M) SDN BHD IN MALAYSIA ("BINA PORTAL") ON WEDNESDAY, 13 SEPTEMBER 2023 AT 11.00 A.M.

PRESENT : Directors present at the Broadcast Venue:

1. Dato' Mustapha Bin Buang
(*Managing Director, in the Chair*)
2. Datuk Mohamed Salleh Bin Bajuri
(*Non-Independent Non-Executive Director*)
3. Mr Chai Yee Choong
(*Independent Non-Executive Director*)
4. Datuk Yunos Bin Abd Ghani
(*Independent Non-Executive Director*)
5. Puan Rahana Binti Abdul Rashid
(*Independent Non-Executive Director*)

Directors present remotely via video conferencing:

Dr Raymond Yu Tat Loong (*Executive Director*)

**ABSENT WITH APOLOGIES : Tan Sri Dato' Seri Hj Megat Najmuddin
Bin Datuk Seri Dr Hj Megat Khas
(*Non-Independent Non-Executive Chairman*)**

**SHAREHOLDERS/
PROXIES : As per online participation lists**

**IN ATTENDANCE : Present at the Broadcast Venue:
Company Secretary
Beh Siew Siew**

Poll Administrator – Bina Management (M) Sdn Bhd
Chew Nee Soon

Independent Scrutineers – Symphony Corporate Services Sdn Bhd
Tan Kai Meng

Present remotely via video conferencing:

Management team

1. Lee Kok Hong (*Chief Operating Officer, Property Development*)
2. Ken Wong Yee Kean (*Financial Controller*)
3. Felix Ng Tiam Chai (*Head of Sales & Marketing*)
4. Yeap Qi Sian (*Manager, Finance*)
5. Ooi Mei Ying (*Company Secretary*)

External Auditors – UHY

1. Lim Yang Yue
2. Lydia Ong

1. **CHAIRMAN AND OPENING ADDRESS**

Dato' Mustapha Bin Buang ("**Dato' Chairman**") presided as Chairman of the virtual 105th Annual General Meeting ("**AGM**" or "**Meeting**") in compliance with Section 327(2) of the Companies Act 2016 which states that the Chairperson must be present at the Broadcast Venue in Malaysia. He welcomed all shareholders and proxies who had logged in to join the AGM and then called the AGM to order.

He extended Tan Sri Dato' Seri (Dr) Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas's ("**Tan Sri Dato' Seri (Dr) Hj Megat Najmuddin**") apology for not being able to attend the Meeting. He informed that he would chair the Meeting on behalf of Tan Sri Megat Najmuddin.

He then proceeded to introduce the Board members and the Company Secretary present at the Broadcast Venue and the Management team who were in attendance virtually. He further introduced the external auditors from Messrs UHY who were in attendance virtually.

2. **CONFIRMATION OF QUORUM**

Dato' Chairman informed that there was sufficient quorum for the AGM based on the confirmation from the Company Secretary.

3. **CONFIRMATION OF NOTICE OF AGM**

Upon enquiry from Dato' Chairman, the Secretary informed that the notice convening the AGM had been duly sent to all shareholders. The notice was also announced to Bursa Malaysia Securities Berhad ("**Bursa Securities**") on 28 July 2023 and advertised in the NST newspaper on 31 July 2023.

Dato' Chairman declared that the notice convening the Meeting which had been sent to all members and published within the prescribed period, be taken as read.

4. **PROCEEDINGS AND POLLING**

Dato' Chairman informed the shareholders and proxies that the voting of resolutions at the AGM would be conducted by way of poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Securities.

He further informed that Bina Management (M) Sdn Bhd had been appointed as the Poll Administrator to conduct the electronic polling process and Symphony Corporate Services Sdn Bhd had been appointed as the Independent Scrutineers to verify the polling results of the Meeting.

Dato' Chairman emphasized that all the resolutions tabled in the Meeting required a simple majority of more than 50% votes from those members present virtually or by proxies and voting at the Meeting. He further informed that if there is equality of votes, he as Chairman of the Meeting, will then exercise his casting vote as provided under Clause 29.6(b) of the Company's Constitution

Dato' Chairman highlighted that shareholders had the right to ask questions and vote on all the resolutions of the Meeting. Shareholders could submit their questions online by typing their questions vide the Q&A platform during the Meeting. The Board and Management

would endeavour to answer all the questions raised. If the Board and Management were not able to respond to the questions due to time constraints, the answers would be replied to by email soonest possible after the Meeting.

Bina Management (M) Sdn Bhd then presented a short video to brief the shareholders and proxies on the steps to cast remotely.

Dato' Chairman announced that the online voting session has commenced and would be open throughout the AGM until the closure of the voting session which he would announce later. Shareholders and proxies could submit their votes in real-time while the AGM was in progress.

Dato' Chairman proceeded to table all the resolutions in the agenda of the AGM, as follows:

5. AUDITED FINANCIAL STATEMENTS, DIRECTORS' AND AUDITORS' REPORTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The Audited Financial Statements of the Company for the financial year ended 31 March 2023 together with the Directors' and Auditors' Reports thereon were tabled to the shareholders.

Dato' Chairman informed that the Audited Financial Statements were required to be laid before the shareholders pursuant to Section 340(1)(a) of the Companies Act 2016 and the Audited Financial Statements did not require formal approval by the shareholders. Hence, it was not put forward for voting.

Dato' Chairman then declared that the Audited Financial Statements for the financial year ended 31 March 2023 together with the Directors' and Auditors' Reports thereon were received and duly tabled at this AGM.

6. ORDINARY RESOLUTION 1

- **Re-election of Tan Sri Dato' Seri (Dr) Hj Megat Najmuddin pursuant to Clause 23.4 of the Company's Constitution**
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Dato' Chairman tabled Ordinary Resolution 1 on the re-election of Tan Sri Dato' Seri (Dr) Hj Megat Najmuddin who retired by rotation pursuant to Clause 23.4 of the Company's Constitution. Tan Sri Dato' Seri (Dr) Hj Megat Najmuddin, being eligible, has offered himself for re-election.

7. ORDINARY RESOLUTION 2

- **Re-election of Dr Yu Tat Loong pursuant to Clause 23.4 of the Company's Constitution**
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Dato' Chairman tabled Ordinary Resolution 2 on the re-election of Dr Yu Tat Loong who retired by rotation pursuant to Clause 23.4 of the Company's Constitution. Dr Yu Tat Loong, being eligible, has offered himself for re-election.

8. ORDINARY RESOLUTION 3

- **Re-election of Datuk Yunus Bin Abd Ghani pursuant to Clause 23.3 of the Company's Constitution**
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Dato' Chairman tabled Ordinary Resolution 3 on the re-election of Datuk Yunos Bin Abd Ghani who retired by rotation pursuant to Clause 23.3 of the Company's Constitution. Datuk Yunos Bin Abd Ghani, being eligible, has offered himself for re-election.

8. **ORDINARY RESOLUTION 4**

- **Re-election of Puan Rahana Binti Abdul Rashid pursuant to Clause 23.3 of the Company's Constitution**
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Dato' Chairman tabled Ordinary Resolution 4 on the re-election of Puan Rahana Binti Abdul Rashid who retired by rotation pursuant to Clause 23.3 of the Company's Constitution. Puan Rahana Binti Abdul Rashid, being eligible, has offered herself for re-election.

9. **ORDINARY RESOLUTION 5**

- **Payment of Directors' Fees and Benefits**
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Dato' Chairman tabled Ordinary Resolution 5 on the payment of Directors' fees and Directors' benefits comprised meeting allowance to the Non-Executive Directors of the Company for the period from 14 September 2023 until the conclusion of the next AGM of the Company.

He informed that Datuk Mohamed Salleh Bin Bajuri and Tan Sri Dato' Seri (Dr) Hj Megat Najmuddin had undertaken to abstain from voting on Ordinary Resolution 5. Details of the remuneration were set out under Explanatory Note 4 in the Notice of AGM.

10. **ORDINARY RESOLUTION 6**

- **Re-appointment of Messrs UHY as Auditors**
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Dato' Chairman tabled Ordinary Resolution 6 on the re-appointment of Messrs UHY as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

He informed that Messrs UHY have indicated their willingness to continue in office for the ensuing year.

11. **ORDINARY RESOLUTION 7**

- **Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**
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Dato' Chairman tabled Ordinary Resolution 7, which was to empower the Directors to issue up to 10% of the issued share capital of the Company, to facilitate capital raising in a timely and cost-effective manner. This mandate was sought to avoid any delay and cost involved in convening a general meeting merely to approve such issue of shares. This authority, unless revoked or varied at a general meeting, would expire at the conclusion of the next AGM.

12. **ANY OTHER BUSINESS**

Dato' Chairman proceeded to the last agenda of this Meeting which was to transact any other business for which due notice has been given in accordance with the Company's Constitution and the Companies Act 2016.

No business was discussed under this Agenda as the Secretary confirmed that no notice was received from the members in accordance with the Companies Act 2016 and the Company's Constitution.

13. **QUESTIONS & ANSWERS SESSION**

With the completion of all the agenda items, Dato' Chairman opened the session for Questions & Answers, and invited shareholders and proxies to submit their questions by using the Q&A platform.

Dato' Chairman informed that the Company had received 3 questions from Mr Ong Leong Huat prior to this AGM which were submitted via the BINA portal. He then read out the questions and the Company's responses, as set out below:

Q1. What is the outstanding unbilled sales as at financial year ended 2023 and please give a breakdown by projects?

The Company responded that as at the end of financial year 2023, the Group's total unbilled sales amounted to RM577.4 million, which comprised:

- i. Rimba Hills : RM60 million;
- ii. Mahogany Residences: RM83 million;
- iii. Dwitara Residences: RM318.9 million; and
- iv. LikasVue Residences: RM115.5 million

Q2. Please update us on the latest take-up rates of LikasVue and Mahogany.

The Company responded that the latest take-up rates for LikasVue and Mahogany were 63% and 69% respectively.

Q3. What are the reasons for the low take-up rates of the said 2 projects as at financial year ended 2023?

The Company responded that the reasons for the slow take-up rates of Mahogany Residences were:

- i) as the price point of RM641,000 to RM913,000 (RM708 psf to RM775 psf) for a build-up of 905 to 1,178 sqft, with 2+1 bedrooms layout, buyers are spoilt with other choices, that affect and delay their buying decision. Moreover, currently, buyers are still adopting the wait-and-see buying behaviour, as there are no urgencies in property purchase, due to the last interest rate hike that has affected their overall commitments and eligibility for loans; and
- ii) the last 6 states' election has also affected the overall consumer sentiments.

Whereas for LikasVue, the reasons for the slow take-up rates were:

- i) competition from other new project launches such as Bay Suites, 88 Avenue, Agate @ The Peninsula, Vetro 11 and Sutera Bay where these projects offered lower entry level in terms of entry level price of RM300,000 – RM500,000, as opposed to LikasVue of RM515,000;

- ii) LikasVue is a commercial service suite and is deemed an investment property, prospective buyers typically shop around for best deals before making a commitment; and
- iii) the continuous increase in interest rates has impacted prospective buyers' loan eligibility, leading many to adopt a cautious "wait-and-see" approach before committing to any property purchases.

Dato' Chairman informed that in addition to the above, the Company had received questions from Ms Tee Beng Hee, Ms Tee Beng Choo and Ms Tee Beng Ngo regarding the door gifts/ e-Vouchers/ e-Wallets for attending this virtual AGM prior to this AGM which were submitted via the BINA portal. He then informed that, as the global economy was expected to slow, the Group continues to undertake prudent measures on cost management. Therefore, no vouchers were given to shareholders for attending this virtual AGM. However, the Company would review this once the economy regains its strength.

Dato' Chairman subsequently read out the questions received from shareholders and proxies during the AGM via the real time Q&A platform on the BINA AGM site. The questions were addressed by the Board of Directors and Management team, as set out below:

- Q1. *Profitability level compared to pre-covid time, and by segment? (by shareholder, Cheah Yong Khaw)*

Dato' Chairman responded the Company is positive on the future outlook despite the persistent global economic uncertainty and the currency market volatility. Despite these challenges, the Company believes that the improving domestic economy and a moderated local inflation would ultimately lead to positive results.

Compared to pre-covid time, the property development segment which currently boasts four ongoing active projects, has exhibited stronger sales momentum. Additionally, the footfall of Mall operations has rebounded by approximately 80%, driven by stronger retail rental from higher occupancy rates. Furthermore, the revenue from car park operations has also recovered, reaching approximately 80% to 90% of its pre-covid levels.

Overall, the Company has made a significant recovery from its pre-covid performance and maintains an optimistic outlook for the remainder of the financial year.

- Q2. *Will 2023 be better than 2022? Strategy in the next 6-12 months? (by shareholder, Teh Kian Liang)*

The Company anticipates an unbilled sales total of RM577 million, which is poised to make a favourable contribution to the upcoming financial year. This positive outlook was supported by ongoing sales efforts for Mahogany and LikasVue, as well as preparations for new launches, including Taman Medan Phase 2B, currently in the pipeline. Moreover, the Mall operations have demonstrated enhanced occupancy rates through the addition of new tenants, buoyed by the resurgence of tourists and the overall improvement in the local economy, resulting in increased tenant revenue. Additionally, the Company aims to bolster its standard operating procedures (SOP) and streamline car park operations for further optimization.

In general, the Company anticipates favourable results for the current financial year.

Q3. How to address high gearing? Right Issue? (by shareholder, Teh Kian Liang)

The Company responded that the right issue was a viable option, however, it may not be well-received by the current share market sentiment of the stock market. The Management has been constantly reviewing and managing the capital requirements of the Group and the Board concurred with Management to strengthen its internal operations growth and profitability to improve the Group's debt position by paring down borrowings, hence improving the gearing ratio.

Q4. Explain the impairment on property development cost of RM5.86 million. (by shareholder, Ong Leong Huat)

The Company explained that given the slow outlook for the current Penang property market, as indicated by an internal market study, the Board has concurred with Management to postpone the property development temporarily. This decision was made in the best interests of the Group. It was prudent to wait for a more favourable market environment before proceeding with the property development project in addition to optimising the project's potential and ensuring a more successful outcome when the timing is more favourable for property development in Penang.

Q5. How do you see the growth prospect of Imago Mall? Is it fair to say it has limited growth prospects as it is already matured? If not, where will its growth be? (by shareholder, Ong Leong Huat)

Dr. Raymond responded that the potential prospects of Imago Mall in Sabah extend beyond the current market conditions. With the reopening of international borders and the resumption of tourism, particularly with the reopening of the Chinese and South Korean market, there has been a noticeable resurgence in visitor numbers. While it's true that the market remains somewhat sluggish at the moment, there are promising signs of improvement. Notably, there have been indications of increased tenant sales and turnover rents, suggesting that the mall is poised for growth as the tourism industry continues to recover.

As a standard practice, rental renewals occur every three years, and during these intervals, rental rates are subject to review. Over the course of three-year tenures, rental rates progressively increase. Furthermore, the Management sees these renewal periods as opportunities to invigorate the tenant mix by introducing the latest international brands to the Mall. Dr. Raymond highlighted some recent additions to Imago Mall's tenant roster, including prominent international names such as MLB and Rituals further enhancing the Mall's appeal. Additionally, brands like Tommy Hilfiger, Sacoor Brothers, Sacoor Blue amongst others have also joined the tenant lineup. The introduction of these new international brands at Imago Mall holds significant potential to boost the revenue generated from Mall operations.

The Company was currently studying an expansion plan to increase the Mall's leasable space over the next 2 to 3 years, aiming to boost the Group's rental income.

In the long-term strategic vision, Management was focusing on 2nd tier and 3rd tier cities in Malaysia, particularly in Sabah. The Management is confident that these areas offer significant opportunities to enhance Imago's performance, leveraging the expertise

and knowledge of East Malaysia which the team had gained in the retail industry over the years.

Q6. *Do the Company has plan to put the portfolio like shopping mall and parking operation into REIT. (by shareholder, Ong Leong Huat)*

Dato' Chairman responded that there was no current plan to do so, however, the Company may contemplate it as a long-term possibility.

With no further questions from the shareholders and proxies, Dato' Chairman concluded the Questions & Answers session.

14. **POLLING PROCESS**

Dato' Chairman reminded the shareholders and proxies to cast their votes on all the resolutions via the electronic voting facility, as the voting session would continue for another 5 minutes.

Dato' Chairman informed that he has been appointed to act as proxy for a number of shareholders and he would vote in accordance with their instructions given. He then adjourned the AGM at 11.25 p.m. for the polling process, followed by verification of votes by the Scrutineers.

The Independent Scrutineers then verified the poll results at the end of the voting session.

15. **ANNOUNCEMENT OF POLL RESULTS**

Upon computation of the poll results, Dato' Chairman called the Meeting to order for declaration of the poll results.

The poll results of the Meeting were shown on the screen as follows:-

Resolution	Voted	No. of Shareholders	No. of Shares	% of Shares	Abstain* No. of shares
Ordinary Resolution 1	For	53	690,830,796	99.453873	294,900
	Against	9	3,793,530	0.546127	
Ordinary Resolution 2	For	56	691,142,046	99.456472	100
	Against	7	3,777,080	0.543528	
Ordinary Resolution 3	For	56	691,142,046	99.456472	100
	Against	7	3,777,080	0.543528	
Ordinary Resolution 4	For	55	691,141,946	99.456458	100
	Against	8	3,777,180	0.543542	
Ordinary Resolution 5	For	46	689,739,846	99.404146	1,044,900
	Against	15	4,134,480	0.595854	
Ordinary Resolution 6	For	57	691,149,636	99.457550	0
	Against	7	3,769,590	0.542450	
Ordinary Resolution 7	For	49	687,987,516	99.002544	200
	Against	13	6,931,510	0.997456	

Note: * These votes refer to holders who have pre-determined abstain from voting in the Proxy Form or holders who refrained from voting due to a conflict of interest.

Based on the poll results, Dato' Chairman declared that all the resolutions tabled at the AGM were duly carried.

It was RESOLVED as follows:-

(a) **ORDINARY RESOLUTION 1**

- **Re-election of Tan Sri Dato' Seri (Dr) Hj Megat Najmuddin pursuant to Clause 23.4 of the Company's Constitution**
-

THAT Tan Sri Dato' Seri (Dr) Hj Megat Najmuddin who retired by rotation pursuant to Clause 23.4 of the Company's Constitution, be hereby re-elected as Director of the Company.

(b) **ORDINARY RESOLUTION 2**

- **Re-election of Dr Yu Tat Loong pursuant to Clause 23.4 of the Company's Constitution**
-

THAT Dr Yu Tat Loong who retired by rotation pursuant to Clause 23.4 of the Company's Constitution, be hereby re-elected as Director of the Company.

(c) **ORDINARY RESOLUTION 3**

- **Re-election of Datuk Yunos Bin Abd Ghani pursuant to Clause 23.3 of the Company's Constitution**
-

THAT Datuk Yunos Bin Abd Ghani who retired by rotation pursuant to Clause 23.3 of the Company's Constitution, be hereby re-elected as Director of the Company.

(d) **ORDINARY RESOLUTION 4**

- **Re-election of Puan Rahana Binti Abdul Rashid pursuant to Clause 23.3 of the Company's Constitution**
-

THAT Puan Rahana Binti Abdul Rashid who retired by rotation pursuant to Clause 23.3 of the Company's Constitution, be hereby re-elected as Director of the Company.

(e) **ORDINARY RESOLUTION 5**

- **Payment of Directors' Fees and Benefits**
-

THAT the payment of Directors' fees and benefits to the Non-Executive Directors of the Company for the period from 14 September 2023 until the conclusion of the next AGM of the Company, be hereby approved.

(f) **ORDINARY RESOLUTION 6**

- **Re-appointment of Messrs UHY as Auditors**
-

THAT Messrs UHY be hereby re-appointed as Auditors of the Company for the ensuing year and the Directors be authorised to fix their remuneration.

(g) **ORDINARY RESOLUTION 7**

- **Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**
-

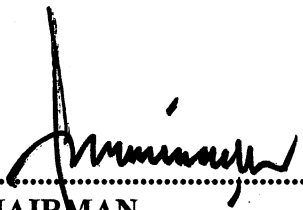
THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and all other applicable

laws, regulations and guidelines, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue shares in the Company, at any time and upon such terms and conditions and for such purposes and to such person or persons whomsoever, whether or not a shareholder of the Company, as the Directors may determine in their absolute discretion, is in the best interest of the Company and its shareholders, and subject further to such terms and conditions as the Directors in their absolute discretion may deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued capital of the Company for the time being and that the Directors be and are also empowered to obtain 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 AGM of the Company.

16. **CONCLUSION**

The AGM was declared closed by Dato' Chairman at 12.05 p.m. Dato' Chairman thanked all shareholders and proxies for their participation in the virtual AGM.

Confirmed as a true and correct record:-


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CHAIRMAN

Date: 13 September 2023