

HAILY GROUP BERHAD

Registration No. 202001006412 (1362732-T)

(Incorporated in Malaysia)

MINUTES of the 2nd Annual General Meeting (“2nd AGM”) of **HAILY GROUP BERHAD** (“the Company”) duly convened and held at Maharani 1 (Level 1), Impiana Hotel Senai, Jalan Impian Senai Utama 2, Taman Impian Senai, 81400 Senai, Johor on Wednesday, 25 May 2022 at 9.30 a.m.

Present : Directors
Tuan Haji Mohd Jaffar Bin Awang (Ismail) (*Chairman/ Independent Non-Executive Chairman*)
Mr See Tin Hai (*Executive Director*)
Mr Yoong Woei Yeh (*Executive Director/ Chief Executive Officer*)
Ms See Swee Ling (*Executive Director*)
Mr Tan Sui Huat (*Senior Independent Non-Executive Director*)
Mr Ong Kheng Swee (*Independent Non-Executive Director*)
Ms Poh Boon Huwi (*Independent Non-Executive Director*)
Ms See Cul Wei (*Alternate Director to Mr See Tin Hai*)

Shareholders, Proxies and Corporate Representative

(as per Attendance List)

By Invitation : Mr Ku Mun Fong (*Sponsor, TA Securities Holdings Berhad*)
Mr Paul Tan Hong (*External Auditors, Baker Tilly Monteiro Heng PLT*)
Mr Alven Lai Siew Wai (*Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd.*)
Mr Eng Hup Soon (*Independent Scrutineer, Coopers Professional Scrutineers Sdn. Bhd.*)
(others as per Attendance List)

In Attendance : Ms Irene Juay Yee Luan (*Company Secretary*)
Ms Hew Jing Sian (*Company Secretary*)
Ms An Yu Qing (*Assistant to Company Secretary*)

Chairman : Tuan Haji Mohd Jaffar Bin Awang (Ismail) was in the chair and called the meeting to order at 9.30 a.m.

Notice : With the assent of all members, the Notice was taken as read.

Quorum : The Chairman confirmed that there is a requisite quorum for the meeting and declared the meeting duly convened and constituted.

Preliminaries : The Chairman explained the procedures to be followed, in tabling and approving resolutions at the 2nd AGM.

In particular, the Chairman highlighted that in line with Rule 8.31A of Bursa Malaysia Securities Berhad (“Bursa Securities”)’s ACE Market Listing Requirements (“ACE LR”), all resolutions set out in the Notice of the 2nd AGM are to be voted by poll.

The Chairman then demanded pursuant to Clause 92 of the Company’s Constitution, all the Resolutions set out in the Notice of the 2nd AGM are to be voted by poll.

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All shareholders, proxies and corporate representative present had no objection and assented to the Chairman's proposal that all business on the Agenda as set forth in the Notice would be dealt with by tabling all the motions, deal with the question and answer session and thereafter, conduct the poll voting under a single poll form.

In line with the procedural requirements for voting by poll, the Company had engaged Tricor Investor & Issuing House Services Sdn. Bhd. as the Poll Administrator and Mr Eng Hup Soon of Coopers Professional Scrutineers Sdn. Bhd. as the Independent Scrutineer for the poll to be conducted.

As part of the Board's initiatives to encourage shareholders' participation and enhance dialogue, the Chairman highlighted that those who are present as proxy have the same rights as a member to speak at the meeting. The Chairman further highlighted that the AGM was the primary forum for communication with shareholders and encourage shareholders to actively participate and share their thoughts and ideas with the Board and Management.

The Chairman then proceeded with the Agenda for the meeting.

1. AUDITED FINANCIAL STATEMENTS

The 1st item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and Auditors thereon.

The Chairman informed the shareholders that this Agenda item was meant for discussion only as the provision of Section 248(2) and Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence, no motion is being put forward for voting in respect of this Agenda.

As there were no queries or questions raised by the shareholders, the Chairman directed that the Secretary place on record that the Audited Financial Statements for the financial year ended 31 December 2021 had been duly tabled and laid before the shareholders at the 2nd AGM.

2. ORDINARY RESOLUTION 1 RE-ELECTION OF HAJI MOHD JAFFAR BIN AWANG (ISMAIL)

The 2nd item on the Agenda was to re-elect Haji Mohd Jaffar Bin Awang (Ismail) ("Tuan Haji") who retires by rotation pursuant to Clause 133 of the Company's Constitution and being eligible has offered himself for re-election.

The Chairman, being the interested director, voluntarily vacated the chair and with the consent of the shareholders, Mr Tan Sui Huat ("Mr Tan"), the Senior Independent Non-Executive Director assumed the chair to conduct the proceedings for this Agenda as Ordinary Resolution 1 to re-elect Tuan Haji, the Chairman of the meeting.

The shareholders noted that the Nominating Committee had carried out an assessment on Tuan Haji's performance and the Nominating Committee and the Board of Directors after taking into consideration the outcome of the assessment have unanimously recommended the re-election of Tuan Haji as a Director of the Company.

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The following motion was tabled for consideration as Ordinary Resolution 1: -

“THAT Haji Mohd Jaffar Bin Awang (Ismail) who retires by rotation pursuant to Clause 133 of the Company’s Constitution be hereby re-elected as Director of the Company.”

As there were no queries or questions raised by the shareholders, Mr Tan directed that the motion be put to the vote by way of a poll to be taken immediately after all motions on the Agenda had been tabled and any questions dealt with.

At this juncture, Mr Tan handed the Chair back to Tuan Haji who resumed as Chairman.

3. ORDINARY RESOLUTION 2
RE-ELECTION OF MS SEE SWEE LING

The 3rd item on the Agenda was to re-elect Ms See Swee Ling (“Ms See”) who retires by rotation pursuant to Clause 133 of the Company’s Constitution and being eligible has offered herself for re-election. The shareholders noted that the Nominating Committee had carried out an assessment on Ms See’s performance. The Nominating Committee and the Board of Directors after taking into consideration the outcome of the assessment has unanimously recommended the re-election of Ms See as a Director of the Company.

The following motion was tabled for consideration as Ordinary Resolution 2: -

“THAT Ms See Swee Ling who retires by rotation pursuant to Clause 133 of the Company’s Constitution be hereby re-elected as Director of the Company.”

As there were no queries or questions raised by the shareholders, the Chairman directed that the motion be put to the vote by way of a poll to be taken immediately after all motions on the Agenda had been tabled and any questions dealt with.

4. ORDINARY RESOLUTION 3
RE-ELECTION OF MS POH BOON HUWI

The 4th item on the Agenda was to re-elect Ms Poh Boon Huwi (“Ms Poh”) who retires by rotation pursuant to Clause 118 of the Company’s Constitution and being eligible has offered herself for re-election. The shareholders noted that Ms Poh who was appointed to the Board as an additional Director on 24 November 2021, shall hold office only until this 2nd AGM and being eligible has offered herself for re-election. The Nominating Committee and the Board of Directors has recommended the re-election of Ms Poh as a Director of the Company.

The following motion was tabled for consideration as Ordinary Resolution 3: -

“THAT Ms Poh Boon Huwi who retires pursuant to Clause 118 of the Company’s Constitution be hereby re-elected as Director of the Company.”

As there were no queries or questions raised by the shareholders, the Chairman directed that the motion be put to the vote by way of a poll to be taken immediately after all motions on the Agenda had been tabled and any questions dealt with.

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5. ORDINARY RESOLUTION 4
DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2022

The 5th item on the Agenda was to approve the payment of Directors' fees of RM223,200 for the financial year ending 31 December 2022, payable quarterly in arrears.

The shareholders were informed that the proposed Ordinary Resolution 4, if passed, will facilitate the payment of Directors' fees for the financial year ending 31 December 2022, payable quarterly in arrears to the Independent Non-Executive Directors as members of the Board and Board Committees.

The following motion was tabled for consideration as Ordinary Resolution 4: -

“THAT the payment of Directors' fees of RM223,200 for the financial year ending 31 December 2022, payable quarterly in arrears, be and is hereby approved.”

As there were no queries or questions raised by the shareholders, the Chairman directed that the motion be put to the vote by way of a poll to be taken immediately after all motions on the Agenda had been tabled and any questions dealt with.

6. ORDINARY RESOLUTION 5
RE-APPOINTMENT OF AUDITORS

The 6th item on the Agenda is to re-appoint Baker Tilly Monteiro Heng PLT as Auditors of the Company for the financial year ending 31 December 2022 and to authorise the Directors to fix their remuneration.

The following motion was tabled for consideration as Ordinary Resolution 5: -

“THAT Baker Tilly Monteiro Heng PLT, be hereby re-appointed as Auditors of the Company for the financial year ending 31 December 2022 at a remuneration to be determined by the Directors.”

As there were no queries or questions raised by the shareholders, the Chairman directed that the motion be put to the vote by way of a poll to be taken immediately after all motions on the Agenda had been tabled and any questions dealt with.

7. ORDINARY RESOLUTION 6
AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

The 7th item on the Agenda under Special Business was to authorise Directors to allot and issue shares pursuant to Sections 75 & 76 of the Companies Act 2016.

The Chairman highlighted to the shareholders that as part of Bursa Securities's continuous support and assistance to listed corporation in these trying and challenging times amid the Covid-19 pandemic, Bursa Securities had on 23 December 2021 resolved to extend the implementation period of the increased general mandate of 20% for new issue of shares to 31 December 2022 and thereafter shall be reinstated to 10% as stipulated under Rule 6.04(1) of the ACE LR of Bursa Securities.

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It was a new general mandate upon the listing of the Company on the ACE Market of Bursa Securities. The general mandate was to provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

The Board, having considered the current and prospective financial position, needs and capacity of the Group, is of the opinion that the general mandate is in the best interests of the Company and its shareholders, as the Company may use this general mandate within the validity period to meet its financial needs due to the unprecedented uncertainty surrounding the recovery of the COVID-19 pandemic and it will enable the Board to take swift action during the challenging time to ensure long term sustainability and interest of the Company and its shareholders.

The shareholders were further informed that the Ordinary Resolution 6 proposed in this Agenda, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, operational expenditure, acquisitions and/or for issuance of shares as settlement of purchase consideration and such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company.

The following motion was tabled for consideration as Ordinary Resolution 6: -

“THAT subject always to the Companies Act 2016, the ACE LR of Bursa Securities, the Constitution of the Company and the approval of the relevant government and/or regulatory authorities, where such approval is required, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution during the preceding twelve (12) months does not exceed twenty percent (20%) of the total number of issued shares of the Company for the time being and shall continue to be in force until 31 December 2022 and thereafter shall be reinstated to ten percent (10%) of the total number of issued shares of the Company for the time being as stipulated under Rule 6.04(1) of the ACE LR of Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company AND FURTHER 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 Bursa Securities.”

As there were no queries or questions raised by the shareholders, the Chairman directed that the motion be put to the vote by way of a poll to be taken immediately after all motions on the Agenda had been tabled and any questions dealt with.

8. ANY OTHER BUSINESS

No notice had been received for Agenda item 8.

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After dealing with all the items on the Agenda, the proposed resolutions were put to the meeting for a vote by poll. The Chairman invited the Poll Administrator, Mr Alven Lai of Tricor Investor & Issuing House Services Sdn. Bhd. to explain to the members present on the process and instruction for the poll voting to be taken and requested Mr Eng Hup Soon of Coopers Professional Scrutineers Sdn. Bhd., the appointed Independent Scrutineer, to observe and scrutinise the polling process. The poll was carried out for all the proposed resolutions.

ADJOURNMENT OF MEETING

The Meeting was adjourned at 10.00 a.m. to await the poll results from the Scrutineer.

RESUMPTION OF MEETING

The meeting resumed at 10.30 a.m. after the counting of votes had been completed. The Scrutineer passed the Scrutineers' Report to the Chairman for declaration of the results and the Chairman requested the Independent Scrutineer to read out the results of the Poll voting as follows: -

RESOLUTION	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1 – Re-election of Haji Mohd Jaffar Bin Awang (Ismail)	132,785,100	100.00	0	0
Ordinary Resolution 2 – Re-election of Ms See Swee Ling	132,785,100	100.00	0	0
Ordinary Resolution 3 – Re-election of Ms Poh Boon Huwi	132,785,100	100.00	0	0
Ordinary Resolution 4 – Directors' Fees for the Financial Year Ending 31 December 2022	132,785,100	100.00	0	0
Ordinary Resolution 5 – Re-appointment of Auditors	132,785,100	100.00	0	0
Ordinary Resolution 6 – Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016	132,785,100	100.00	0	0

Based on the results of the poll, the Chairman declared that Ordinary Resolution 1 to 6 duly passed with a 100% unanimous decision.

TERMINATION

There being no other business the Meeting concluded at 10.35 a.m. with a vote of thanks to the Chair.

CONFIRMED

MOHD JAFFAR BIN AWANG (ISMAIL)
CHAIRMAN

Dated: 25 May 2022