

**HIAP TECK VENTURE BERHAD**  
(Registration No. 199701005844 (421340-U))  
(Incorporated in Malaysia)

**MINUTES OF THE TWENTY-THIRD ANNUAL GENERAL MEETING OF THE COMPANY HELD AT SETIA CITY CONVENTION CENTRE, FUNCTION ROOM 8, 1ST FLOOR, NO 1, JALAN SETIA DAGANG AG U13/AG, SETIA ALAM, SEKSYEN U13, 40170 SHAH ALAM, SELANGOR DARUL EHSAN ON TUESDAY, 17 DECEMBER 2019 AT 10.00 A.M.**

---

**PRESENT** : Tan Sri Abd Rahman bin Mamat (Chairman/Independent Non-Executive Director)  
Tan Sri Dato' Law Tien Seng (Executive Deputy Chairman)  
Mr. Foo Kok Siew (Executive Director)  
Mr. Tan Shau Ming (Executive Director)  
Mr. Law Wai Cheong (Executive Director)  
Mr. Lee Ching Kion (Senior Independent Non-Executive Director)  
Mr. Leow Hoi Loong @ Liow Hoi Loong (Independent Non-Executive Director)

Shareholders and Proxies

As per Attendance List

**BY INVITATION** : As per Attendance List

**IN ATTENDANCE** : Mr. Ng Yim Kong (Company Secretary)

**1.0 CHAIRMAN'S ADDRESS**

1.1 The Chairman, Tan Sri Abd Rahman Bin Mamat called the meeting to order at 10.00 a.m. and welcomed everyone to the Company's Twenty-Third Annual General Meeting ("the said AGM").

**2.0 QUORUM**

2.1 Upon the Company Secretary's confirmation of the presence of a quorum, the Chairman declared that the Meeting had been properly convened and proceeded to business.

**3.0 PROXIES**

3.1 Upon the request by the Chairman for a report of the proxies received for this Meeting, the Company Secretary confirmed that the Company had received 65 proxies for 534,845,050 ordinary shares representing 39.79% of the total shareholdings of the Company. Out of these proxies, 18 proxies for 386,541,458 shares representing 28.76% were given to the Chairman to vote for all the resolutions.

#### 4.0 NOTICE OF MEETING

- 4.1 The Chairman informed the Members and the Proxies present that the Notice Convening the Meeting had been properly circulated to all the Members and had been duly advertised in the newspaper on 19 November 2019 in accordance with the Company's Articles of Association and asked, if the Members had no objection, the Notice would be taken as read. Otherwise, he would call upon the Company Secretary to read the Notice.
- 4.2 The Chairman paused to allow the Members to decide.
- 4.3 As there was no objection noted, the Chairman declared that the Notice was taken as read.
- 4.4 Before proceeding to discuss the agenda of the Annual General Meeting, the Chairman reminded the Member's present that the Main Market Listing Requirements of Bursa Malaysia Securities Berhad required poll voting to be conducted for all the resolutions set out in the notice of the Annual General Meeting. Therefore, to facilitate the smooth conduct of the 23<sup>rd</sup> Annual General Meeting, the Chairman proposed that the voting by poll of all resolutions should be conducted after all resolutions have been dealt with. This proposal was duly seconded by Mr. Teoh Han Chong, a shareholder. There was no objection against this proposal.
- 4.5 At this juncture, the Chairman informed the Members present that the Board of Directors had received a **letter from the Minority Shareholders' Watch Group ("MSWG") dated 11 December 2019** stating that MSWG would like to raise a few questions and/or to seek clarifications on a few matters relating to the Strategy and Financials of the Group which MSWG felt were of interest to the Minority Shareholders and all other stakeholders of the Group. In view of that, the Chairman called upon Mr. Foo Kok Siew ("Mr. Foo"), the Executive Director of the Company to read out to the Members on the Board of Directors' reply to the MSWG's questions.
- 4.6 Mr. Foo read out the Board of Directors' reply to the MSWG's letter dated 11 December 2019; a copy of which is attached to these Minutes for record purpose. (Appendix A). This was duly noted by the Members.
- 4.7 The Chairman then invited comments or questions from the Members.
- 4.8 As there were no comments or questions from the Members, the Chairman proceeded to Agenda 1 of the 23<sup>rd</sup> AGM.

#### 5.0 AGENDA 1: TO RECEIVE THE AUDITED FINANCIAL STATEMENTS

- 5.1 The Chairman informed the Shareholders and Proxies present that Agenda No. 1 was to receive the Audited Financial Statements of the Company for the financial year ended 31 July 2019 together with the Reports of the Directors and Auditors which had been properly circulated to all the Members within the prescribed period; a copy of which was tabled at the Meeting ("the Said Audited Financial Statement").

- 5.2 Further, the Shareholders and Proxies were informed that Agenda 1 was meant for discussion only as the provision of Section 340(1) of the Companies Act, 2016 and the Company's Constitution did not require a formal approval of the Said Audited Financial Statements by the Members. Hence, Agenda 1 was not subject to voting by poll.
- 5.3 The Chairman invited questions from the Members.
- 5.4 Mr. Pillay congratulated the Board as the Company continues to do well. He thanked Board of Directors and staff for all the hardwork.

Then, he asked the following questions which were duly answered by Mr. Foo Kok Siew ("Mr. Foo").

- (a) The first question was related to the Property and Investment. Mr. Pillay requested the Board to clarify on the loss of RM2.312 million incurred in 2019 compared to a profit of RM21.363 million last year. Mr. Foo replied that the loss incurred arose from the disposal of part of HTVB's stake in Eastern Steel Sdn. Bhd. ("ESSB").
- (b) The second question was related to the vacant agricultural lands in the Mukim of Plentong and Mukim of Kapar. Mr. Pillay asked whether the Board has any plan to develop those lands in future. Mr. Foo replied that currently the Directors have no plan for these lands to be developed because their locations are actually quite remote. These lands were acquired in the old days in return for the receivables owing by customers. Hence, Mr. Foo added that the Directors will wait for the right opportunity to see what can be done with them.
- (c) Mr. Pillay asked the Board if there is any plan to appoint a woman director to the Board. The Chairman replied that the Board is aware of the positive effect of gender diversity on the Board besides just being good corporate governance and best practice. The Chairman added that the Board believes that the potential woman candidate should be one who is capable of handling the steel industry. The Board is willing to consider such a candidate in future. The Board took note of Mr. Pillay's question on gender diversity.
- 5.5 Mr. William Ng Kok Kiong ("Mr. William Ng") also congratulated the Board for the Company's performance under very difficult circumstances last year. The following questions which were asked by Mr. William Ng were duly answered by Mr. Foo.
- (a) Mr. William Ng asked about the impact on the Financial Position and Profit and Loss Statement of the Company in future with the implementation of the new accounting standards especially on trade receivables. Mr. Foo replied that there is no major impact on trade receivables because historically the trade receivables are well managed and the Management do not expect any major issues from trade receivables.

- (b) Mr. William Ng asked specifically about the impact of MFRS 16: Leases on the financial statements of the Company in future. Mr. Foo replied that the Management has looked at the potential effect of MFRS 16 on the Company and does not expect any major impact on Company's financial statement as the Company does not have many leases.
- (c) Mr. William Ng asked about the future plan of the Company as the steel industry is very challenging. Mr. Foo replied that while the market environment itself is uncertain, the Company's plan will be to continue to reduce the operating costs and improve efficiency so that in the event the market should stabilize and show an upturn, the Company should benefit from it.
- (d) Mr. William Ng also asked about the amount of capital expenditure or capital allocation that the Company needed in future to continue to maintain its productivity, efficiency and market position. Mr. Foo replied that HTVB Group has two core businesses which is the downstream activities of its subsidiaries and the upstream activities of its joint venture in Eastern Steel Sdn. Bhd. ("ESSB"). The downstream business is in a continuous process of expansion and product improvement. The Company has progressively invested in machineries and does not expect to see any significant / lumpy investment going forward to increase the capacity. Mr. Foo further added that based on the economic outlook any investment will likely be small investment. Meanwhile, for the upstream business, the Company has disposed off some of HTVB's shareholding in ESSB and has reinvested the money into ESSB as new capital injection. Moving forward, the shareholders were informed that ESSB should operate on a stand alone basis and that there should not be anymore large investment from HTVB into ESSB.

5.6 As there were no more questions from the Floor, the Chairman declared that the Audited Financial Statements of the Company for the financial year ended 31 July 2019 together with the Reports of the Directors and Auditors were hereby duly received.

**6.0 ORDINARY RESOLUTION NO. 1**

- **APPROVAL FOR PAYMENT OF DIRECTORS' FEES AND ALLOWANCES FOR THE YEAR ENDED 31 JULY 2019**

6.1 The Chairman proceeded to Agenda No. 2 which was to approve the Directors' fees and allowances which amounted RM327,000.00 for the financial year ended 31 July 2019 and requested for a Proposer and a Secunder for the motion.

6.2 The motion was proposed by Mr. Teoh Han Chong and duly seconded by Mr. Pillay

6.3 The Chairman then invited questions from the Floor regarding Ordinary Resolution No. 1. As there was no question on Ordinary Resolution No. 1, the Chairman proceeded to Ordinary Resolutions No. 2 (Agenda No. 3)

**7.0 ORDINARY RESOLUTION 2.**

- **APPROVAL FOR PAYMENT OF DIRECTORS' ALLOWANCES PAYABLE IN RESPECT OF THE PERIOD FROM 1 AUGUST 2019 UP TO THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD IN 2020**

7.1 The Chairman proceeded to Agenda No. 3 which was to approve the Directors' allowances payable amounting to RM24,000.00 in respect of the period from 1 August 2019 up to the next Annual General Meeting of the Company to be held in 2020 and requested for a Proposer and a Seconder for the motion.

7.2 The motion was proposed by Mr. Pillay and duly seconded by Mr. Low Choong Sing.

7.3 The Chairman then invited questions from the Floor. As there was no question from the Floor, the Chairman proceeded to Ordinary Resolution No. 3 (Agenda No. 4).

**8.0 ORDINARY RESOLUTION 3**

- **APPROVAL OF FIRST AND FINAL SINGLE-TIER DIVIDEND OF RM0.5 SEN PER SHARE FOR THE FINANCIAL YEAR ENDED 31 JULY 2019**

8.1 Agenda No. 4 is to recommend a First and Final Single-Tier Dividend of 0.5 sen per share for the financial year ended 31 July 2019 to be payable on 23 January 2020. The Chairman requested for a Proposer and a Seconder for the motion.

8.2 The motion was proposed by Mr. Pillay and duly seconded by Mr. Low Choong Sing.

8.3 The Chairman invited questions from the Floor. As there was no question from the Floor, the Chairman proceeded to Ordinary Resolution No. 4 and 5 (Agenda No. 5 (a) and (b)) which involved the re-election of Directors pursuant to Article 79 of the Company's Articles of Association namely:

- (a) Tan Sri Dato' Law Tien Seng (Ordinary Resolution 4)
- (b) Mr. Tan Shau Ming (Ordinary Resolution 5)

**9.0 ORDINARY RESOLUTIONS 4 AND 5**

- **RE-ELECTION OF DIRECTORS WHO ARE RETIRING IN ACCORDANCE WITH ARTICLE 79 OF THE COMPANY'S ARTICLES OF ASSOCIATION :-**

9.1 Ordinary Resolution No. 4 (Agenda No. 5 (a)) was to re-elect Tan Sri Dato' Law Tien Seng who was retiring in accordance with Article 79 of the Company's Articles of Association.

9.2 The Chairman requested for a Proposer and a Seconder for the motion to re-elect Tan Sri Dato' Law Tien Seng. The motion was proposed by Mr. Pillay and duly seconded by Mr. Teoh Han Chong.

9.3 The Chairman invited questions from the Floor. There was no question from the Floor. The Chairman proceeded to Ordinary Resolution No. 5 (Agenda No. 5 (b)) which was to re-elect Mr. Tan Shau Ming.

9.4 The motion was proposed by Mr. Pillay and duly seconded by Mr. Low Choong Sing.

9.5 The Chairman invited questions from the Floor. As there was no question from the Floor, the Chairman proceeded to Ordinary Resolution No. 6 (Agenda No. 6).

#### 10.0 ORDINARY RESOLUTION 6

- **REAPPOINTMENT OF AUDITORS AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

10.1 Agenda No. 6 (Ordinary Resolution No. 6) was to re-appoint Messrs. KPMG PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. The Chairman informed the Floor that the retiring Auditors, Messrs. KPMG PLT had expressed their willingness to continue in office.

10.2 The motion was proposed by Mr. Teoh Han Chong and duly seconded by Mr. Low Choong Sing.

10.3 The Chairman invited questions from the Floor. As there was no questions from the Floor, the Chairman proceeded to Ordinary Resolution 7 (Agenda No 7.1).

#### 11.0 ORDINARY RESOLUTION 7

- **AUTHORITY TO ALLOT AND ISSUE SHARES PERSUANT TO SECTION 75 AND 76 OF THE COMPANIES ACT, 2016.**

11.1 Agenda 7.1 (Ordinary Resolution 7) was to consider and if thought fit, to pass the following Ordinary Resolution pertaining to the authority to be given to the Directors pursuant to Section 75 and 76 of the Companies Act, 2016:-

“**THAT** subject always to the approvals of the relevant authorities, the Directors be hereby authorised pursuant to Sections 75 and 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 to be issued pursuant to this resolution does not exceed 10% of the total issued capital of the Company (excluding treasury shares) at the time of issue **AND THAT** the Directors be hereby also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Malaysia Securities Berhad **AND FURTHER THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

11.2 The motion was proposed by Mr Pillay and duly seconded by Mr. Tang Chee Yoon.

11.3 The Chairman invited questions from the Floor. As there was no question from the Floor, the Chairman proceeded to Ordinary Resolution 8 (Agenda No. 7.2).

#### 12.0 ORDINARY RESOLUTION 8

- **PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED NEW AND RENEWAL OF RRPT MANDATE")**

12.1 Agenda 7.2 (Ordinary Resolution 8) was to consider and if thought fit, to pass the following Ordinary Resolution pertaining to the Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature. ("Proposed New and Renewal of Shareholders' Mandate").

**"THAT** the Company and/or its subsidiaries be hereby authorised to enter into recurrent related party transactions of a revenue or trading nature as specified in Section 2.3.2 of the Circular to Shareholders dated 19 November 2019, provided that such arrangements and/or transactions which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders of the Company.

**AND THAT** the Directors of the Company be hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed New and Renewal of Shareholders' Mandate.

12.2 The motion was proposed by Mr. Low Choong Sing and duly seconded by Mr. Pillay.

12.3 The Chairman invited question from the Floor.

12.4 As there was no question from the Floor, the Chairman proceeded to Ordinary Resolution 9 (Agenda No.7.3).

#### 13.0 ORDINARY RESOLUTION 9

- **AUTHORITY FOR TAN SRI ABDUL RAHMAN BIN MAMAT TO CONTINUE IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

13.1 Agenda No.7.3 (Ordinary Resolution 9) was to consider and if thought fit, to pass the following Ordinary Resolution pertaining to authorise Tan Sri Abdul Rahman bin Mamat to continue to act as Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance 2017. In view of this, the Chairman passed the Chair to Mr. Foo Kok Siew ("Mr. Foo"), the Executive Director to chair the meeting for Ordinary Resolution 9.

- 13.2 Mr. Foo took the Chair and informed the Members that Tan Sri Abdul Rahman bin Mamat would have served as an Independent Non-Executive Director of the Company for a cumulative term of nine (9) years by 28 January 2020. Tan Sri Abdul Rahman has always met the criteria under the definition of “independent director” as set out in Chapter 1 of the Bursa Malaysia Securities Berhad’s Main Market Listing Requirements. The Nominating Committee has recommended to the Board of Directors that he should continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting. The re-appointment of Tan Sri Abdul Rahman will be by single-tier poll voting in accordance with the Companies Act 2016, the Articles of Association of the Company and the Main Market Listing Requirements. The justification for the re-appointment of Tan Sri Abdul Rahman bin Mamat as Independent Non-Executive Director is given on page 20 of the Annual Report 2019.
- 13.3 Mr. Foo requested for a Proposer and Seconder for the motion. Mr. Pillay proposed and Mr. Low Choong Sing seconded the motion.
- 13.4 Mr. Foo invited questions from the Floor. As there was no question from the Floor, Mr. Foo passed the Chair back to the Chairman to continue with the Meeting. The Chairman proceeded to the Special Resolution (Agenda 8.1).

#### **14.0 SPECIAL RESOLUTION**

- **PROPOSED NEW CONSTITUTION OF THE COMPANY**

- 14.1 Agenda 8.1 is a Special Resolution which, if passed, will align the Constitution of the Company with the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad details of which are set out in the Circular to Shareholders dated 19 November 2019 accompanying the Company’s Annual Report 2019 for the financial year ended 31 July 2019.
- 14.2 The motion was proposed by Mr. Pillay and duly seconded by Mr. Teoh Han Chong.
- 14.3 The Chairman invited question from the Floor. As there was no question from the Floor, the Chairman proceeded to Agenda 9 relating to Any Other Business.

#### **15.0 ANY OTHER BUSINESS**

- 15.1 Upon the confirmation by the Company Secretary, the Chairman informed the Shareholders and Proxies that the Company had not received any notice to transact any other business of which due notice shall have been given in accordance with the Company’s Articles of Association and the Companies Act, 2016. Accordingly, the Chairman confirmed that all resolutions tabled at the Twenty-Third Annual General Meeting of the Company had been dealt with. The Shareholders were informed that the Meeting would proceed to poll voting in accordance with the Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and that the Company Secretary would brief the Members on the e-polling procedures which



will be carried out by Boardroom Share Registrars Sdn. Bhd.(Formerly known as Symphony Share Registrars Sdn. Bhd.).

15.2 The Company Secretary briefed the Members on e-polling procedures and informed the Members that Strategy Corporate House Sdn Bhd had been appointed as the Scrutineer for the e-polling. The Chairman advised the Members that the Meeting would adjourn for half an hour for the purpose of conducting the e-polling. The meeting was reconvened after the votes had been counted by the Share Registrars and verified by the Scrutineer, and the result of the poll voting was delivered to the Chairman for announcement to the Members.

15.3 The Chairman called the Twenty-Third Annual General Meeting to order again and announced the polling results as per attached (Appendix B).

#### **16.0 TERMINATION**

16.1 Since there was no other business to be transacted, the Chairman declared the Meeting closed at 11.00 a.m. and thanked everybody who was present at the Meeting. A vote of thanks was given to the Chair.

**CONFIRMED AS THE CORRECT RECORD OF  
THE PROCEEDINGS THEREAT**



.....  
**TAN SRI ABD RAHMAN BIN MAMAT  
CHAIRMAN**

Date: 24 JUN 2020  
Shah Alam  
(Ref: HTVB/23AGM/NYK/VAL/FN)