

JOHAN HOLDINGS BERHAD

Registration No. 192001000038 (314-K)

Minutes of the Extraordinary General Meeting of the Company conducted in fully virtual manner through live streaming and online remote participation from the broadcast venue at the Boardroom of Johan Holdings Berhad (“Johan” or the “Company”), 11th Floor, Wisma E&C, No. 2 Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur (the “Broadcast Venue”) Monday, 31 May 2021, at 3.00 p.m.

Present:

Board of Directors :

*Tan Sri Dato' Tan Kay Hock (*Chairman*)
Puan Sri Datin Tan Swee Bee
Dato' Ahmad Khairummuzammil Bin Mohd Yusoff
Tan Sri Dato' Seri Dr Ting Chew Peh
Mr. Ooi Teng Chew

Shareholders / Proxies :

As per Attendance List

By Invitation:

Mr Choo Chin Yoon (*Group Accountant*)
*Mr Phoon Hee Yau (*Director, Dynacare Sdn Bhd*)
Mr Nantha Kumar) (*Representing UOB Kay Hian*
Ms Evon Chan Yi Voon) *Securities (M) Sdn Bhd*)
Mr Wong Kian Hao)
Mr Lee King Loon) (*Representing Qwantum Skylight*
Mr Ang Pek How, Brian) *Capital Sdn Bhd*)
Mr Anthony Chua (*Representing KGV International Property*
Consultants (M) Sdn Bhd)

In Attendance:

*Mr Teh Yong Fah (*Company Secretary*)

*Note: *Essential individuals present at Broadcast Venue*

1. CHAIRMAN

Tan Sri Dato' Tan Kay Hock presided as Chairman of the Extraordinary General Meeting (“EGM”).

The Chairman, on behalf of the Board of Directors (“the Board”), welcomed the shareholders and proxies present to the EGM of the Company which was conducted fully virtual and broadcasted live from the Broadcast Venue.

The Chairman reported that the EGM was convened via a virtual meeting in the manner as guided by the Securities Commission Malaysia Guidance on the Conduct of General Meetings for Listed Issuers. The Chairman, the Company Secretary and Mr Phoon Hee Yau, a Director of Dynacare Sdn Bhd (“Dynacare”) were in attendance physically at the Broadcast Venue.

All the other Board members, the representative of UOB Kay Hian Securities (M) Sdn Bhd, the Principal Adviser, the representatives of Qwantum Skylight Capital Sdn Bhd (“Qwantum”), the Independent Adviser, the representative from KGV International Property Consultants (M) Sdn Bhd (“KGVIP”), the Independent Valuer and the management team members were also present at the EGM via video conference.

2. QUORUM

The Company Secretary confirmed that the requisite quorum was present at the EGM, the Chairman called the meeting to order.

3. NOTICE

With the consent from the Members, the Notice convening the EGM, which was advertised in the Star newspaper on 12 May 2021, was taken as read.

4. PRELIMINARY

In compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), all the resolutions as set out in the Notice of EGM were voted by poll, conducted electronically via the Remote Participation and Voting (“RPV”) facility provided by Propoll Solutions Sdn Bhd, the Poll Administrator appointed for the poll voting.

The Chairman informed the shareholders, corporate representatives and proxies present (“Members”) that he would address all the relevant questions submitted via the Q&A Platform and for those questions which had not been responded due to time constraint, the responses would be posted on the Company’s website after the Meeting as soon as possible.

A short video on how the Members can access the online voting platform to cast their votes was presented during the Meeting. The Chairman then declared the opening of the voting session.

The Chairman informed the Members that the purpose of the EGM was to seek shareholders' approval to the five (5) Ordinary Resolutions as set out in the Notice of EGM. The Circular to Shareholders dated 12 May 2021 ("Circular") containing relevant information on the following proposals was tabled:-

- I. Proposed acquisition by Dynacare, a wholly-owned subsidiary of Johan, of a parcel of industrial land bearing Title Particulars PN 296104, Lot 15528, Mukim Lumut, District of Manjung, Perak Darul Ridzuan ("Subject Property") from Small Medium Enterprise Development Bank Malaysia Berhad ("SME Bank") for a purchase consideration of RM27,300,000 to be satisfied entirely via cash ("Proposed Acquisition")
- II. Proposed diversification of the existing principal activities of Johan and its subsidiaries to include the manufacturing, sale and distribution of gloves ("Gloves Business") ("Proposed Diversification")
- III. Proposed renounceable rights issue of 389,342,813 new ordinary shares in Johan ("Johan share(s)" or "Share(s)") ("Rights Shares") on the basis of 1 Rights Share for every 2 existing Johan Shares held on an entitlement date to be determined and announced later, together with 389,342,813 free detachable warrants in Johan ("Warrant(s)") on the basis of 1 Warrant for every 1 Rights Share subscribed for, at an issue price of RM0.10 per Rights Share ("Proposed Rights Issue with Warrants")
- IV. Proposed offer to George Kent (Malaysia) Berhad ("George Kent") to subscribe for 40% equity interest in Dynacare at the issue price of RM1.00 per ordinary share and the Company to hold the balance of 60% equity interest ("Proposed Offer to Subscribe")
- V. Proposed right to George Kent to build the manufacturing plant and installation of machinery for the Gloves Business ("Gloves Manufacturing Plant") on the Subject Property for a contract sum of approximately RM624,100,000 plus or minus 10% (excluding sales and service tax) ("Proposed Right to Execute the Works")

A short video on the Gloves Business to be undertaken by Dynacare was presented at the EGM.

The Chairman informed the Members that Qwantum was appointed as the Independent Adviser to advise the non-interested Directors and non-interested shareholders of the Company as to whether the Proposed Offer to Subscribe and Proposed Right to Execute the Works, both are related party transactions, are fair and reasonable and whether the aforesaid proposals are detrimental to the non-interested shareholders.

In the Independent Advice Letter as set out in Part B of the Circular, Qwantum was of the opinion that based on their evaluations, the Proposed Offer to Subscribe and the Proposed Right to Execute the Works are fair and reasonable and are not detrimental to the interests of the non-interested shareholders of the Company. Accordingly, Qwantum had recommended that the non-interested shareholders to vote in favour of the Ordinary Resolution 4 and Ordinary Resolution 5.

5. ORDINARY RESOLUTION 1
- PROPOSED ACQUISITION

The Chairman informed the Members that Dynacare had on 29 March 2021 entered into a Sale and Purchase Agreement (“SPA”) with SME Bank, the vendor, to purchase the Subject Property comprises a parcel of 71,980 square metres industrial land with 6 factory buildings, an office building and ancillary buildings for a cash consideration of RM27.3 million. KGVI had valued the Subject Property at RM28.5 million. The Subject Property had been identified for the construction of the Gloves Manufacturing Plant under Dynacare.

Upon execution of the SPA, a deposit of 13% or RM3,549,000 was paid and the balance purchase consideration of RM23,751,000 will be paid on or before 90 days from the SPA becoming unconditional or 120 days from the date of SPA, whichever is later. Upon execution of the SPA on 29 March 2021, Dynacare had vacant possession to the property and the right to commence the necessary works, including the submission of the necessary application to the relevant authorities for the refurbishment and retro-fitting of the existing buildings to accommodate the production lines.

6. ORDINARY RESOLUTION 2
- PROPOSED DIVERSIFICATION

The Chairman informed the Members that Johan Group had been incurring losses for the past 3 financial years mainly due to losses incurred by Prestige Ceramics Sdn Bhd (“Prestige”) and the Diners Club card business and travel business in Malaysia and Singapore. To reduce the losses from continuing to adversely impact the Group, the Board decided to cease Prestige tiles manufacturing operation in August 2017 and on 27 November 2019, the Prestige freehold land was disposed of for a consideration of RM127 million. Also on 24 December 2020, Johan announced the disposal of the entire equity interest in Diners Club (Singapore) Pte Ltd for a consideration of S\$103,586,103 (equivalent to approximately RM 313.98 million), Upon completion of this disposal, Johan Group is expected to realise a gain of approximately RM190.17 million, thereby improving the Group’s financial position.

In seeking new businesses to replace the abovementioned loss making businesses, the Board has identified the Gloves Business to diversify into and to expand the Group's revenue and income stream. The Board anticipated that, barring unforeseen circumstances, the Gloves Business will become the Group's new dominant business segment contributing in excess of 25% of its Group revenue and net profits going forward. Accordingly, shareholders' approval was sought for the Proposed Diversification pursuant to Paragraph 10.13 of the Listing Requirements.

The Chairman informed the Members that the plan was for Dynacare to set up the Gloves Manufacturing Plant for up to 42 production lines to be installed on the Subject Property within the next 24 months and to manufacture 24 million pieces of gloves per month i.e. about 12 billion gloves per annum. The estimated additional financial commitment for the construction of the Gloves Manufacturing Plant is approximately RM652.2 million. The Board was confident for the first production line to commence commercial production by August 2021 and the target was to have 6 production lines by December 2021. Details of the Gloves Business were set out in Section 3.1 of the Circular.

7. ORDINARY RESOLUTION 3

- PROPOSED RIGHTS ISSUE WITH WARRANTS

The Chairman informed the Members that the Proposed Rights Issue with Warrants entails an issuance of 389,342,813 Rights Shares on the basis of 1 Rights Share for every 2 existing Johan Shares, together with 389,342,813 Warrants. The Proposed Rights Issue with Warrants will be undertaken on a full subscription basis to raise a total proceeds of RM 38,934,281. The bulk of these proceeds will be used to fund the Gloves Business.

The Rights Shares and the Warrants will be separately listed and can be traded on Bursa Securities. Each Warrant carries the entitlement, at any time during the Exercise Period of 3 years to subscribe for one (1) new Johan Share at the exercise price of RM0.25. Details of the Rights Issue with Warrants are set out on Page 20 to 27 of the Circular.

8. ORDINARY RESOLUTION 4
- PROPOSED OFFER TO SUBSCRIBE

The Chairman informed the Members that Johan had on 29 March 2021 extended the Letter of Offer to George Kent to subscribe for 40% equity interest in Dynacare at an issue price of RM1.00 per share. George Kent had on the same date accepted the Letter of Offer. The Proposed Offer to Subscribe is a related party transaction and the proposal is subject to the approval from the non-interested shareholders of Johan and George Kent respectively.

The Chairman informed the Members that Dynacare is currently a wholly owned subsidiary of Johan, which holds all the 3,000,000 issued shares in Dynacare. The proposal is for Johan to hold 60% equity interest and George Kent to hold 40% equity interest in Dynacare. The intended issued share capital of Dynacare is RM100 million comprising 100,000,000 ordinary shares. Upon Johan and George Kent obtaining their respective non-interested shareholders' approval, it is expected that Dynacare will within 6 months thereafter call up share subscription sum of RM57 million and RM40 million from Johan and George Kent respectively. These subscription monies will be used to fund partial settlement of the Subject Property and as working capital for the Gloves Business.

As stated in the Circular, Puan Sri Datin Tan Swee Bee ("Puan Sri Tan") and the Chairman, being the interested major shareholders, and the persons connected with them, shall abstain from voting for Ordinary Resolution 4 in respect of their controlling equity interest of 60.67 % in Johan.

9. ORDINARY RESOLUTION 5
- PROPOSED RIGHT TO EXECUTE THE WORKS

The Chairman informed the Members that the proposal was for George Kent to be given the right to build the Gloves Manufacturing Plant of Dynacare at a contract price of RM624.1 million, plus or minus 10% (excluding sales and service tax). The contract price include all costs for labour, plant, machinery, tools, materials, transportation, wastage, storage and all other cost necessary for the completion of the works, based on consultants' estimate and quotation. The final price would be determined after the works packages procurement process, which will be carried out by George Kent in an open book and transparent manner to ensure competitive pricing, whereby all sub-contractors /suppliers and prices are to be agreed and approved by Johan and Dynacare prior to any award. George Kent is an experienced engineering project management company which is capable to undertake another project involving civil and engineering works i.e. the construction of the Gloves Manufacturing Plant.

The Chairman informed the Members that George Kent had on 21 April 2021 accepted the Letter of Intent dated 20 April 2021 from Dynacare for the appointment of George Kent as the Design and Build contractor for the 42 double former glove dipping lines for the Gloves Manufacturing Plant. This Proposal is a related party transaction which requires the approval of the non-interested shareholders' of both Johan and George Kent. The salient terms of the Letter of Intent are set out in Appendix III of the Circular.

As stated in the Circular, Puan Sri Tan and the Chairman, being the interested major shareholders, and the persons connected with them, shall abstain from voting for Resolution 5 in respect of their controlling equity interest of 60.67 % in Johan.

10. QUESTIONS AND ANSWERS (“Q&A”)

The Chairman informed the Members that the Q & A session was opened for the Members to raise questions pertaining to the Proposals.

The Chairman informed the Members that the Board had received some questions from Minority Shareholders Watch Group (“MSWG”) prior to the Meeting. The questions and the replies, as set out below, were presented at the Meeting:-

Question:

Proposed Diversification into Glove Business

With the diversification into glove business, Dynacare Sdn Bhd (a 60%-owned subsidiary of Johan) will spend RM652.2 million to construct the Gloves Manufacturing Plant in Perak plus the working capital required to run the gloves business.

- a) On a best estimate, Johan expects to achieve payback on the investment incurred within 25 months from the commencement of commercial production (page 14 of Circular to shareholders dated 12 May 2021). What are the assumptions (e.g. indicative average selling price, utilization rate, internal rate of return) used in the earnings forecast?
- b) Johan has been approached by potential buyers for the purchase of gloves products. However, no sale has been made given that the Proposed Diversification has yet to be approved by shareholders and the construction of the Gloves Manufacturing Plant is pending. Who are these potential buyers and what are the industries that they are involved in? Which countries are they from?

- c) By 31 July 2023, Dynacare is expected to operate 42 gloves production lines with total production of 12 billion pieces of examination and surgical gloves per annum. By then, what is the estimated revenue?
- d) Competition in the rubber gloves businesses is intense with a substantial influx of new players into the market. Being a new player, Johan may face the issues of lack of access to clients, distributors and suppliers. What are the competitive edges of Johan in the new business in terms of product quality, pricing, and market reach?

Reply:

- (a) The payback on the investments calculated are based on the following assumptions:
 - Indicative average selling price of Nitrile Examination Gloves based on USD70/1000pcs in 2021 trending down to USD27.2/1000pcs in 2025
 - First production line to commence operations by end August 2021, total 6 lines to be completed by December 2021 and remaining 36 lines to be commissioned in stages between Jan 2022 and mid 2023
 - US Dollar exchange rate to MYR remains at 1 USD = 4.0 MYR
- (b) The potential buyers are distributors of medical and industrial rubber gloves from the United States, Europe, and Asia.
- (c) The estimated Revenue will be in excess of RM 2 billion per annum.
- (d)
 - Competition in the industry has always been there and will be there just like any other industry.
 - Being a new player, we will have the advantage of incorporating the latest and best available technology which will provide us the highest efficiency, productivity and meeting the highest quality in the industry.
 - The planned 12 billion pieces capacity per annum will provide us the economy of scale and together with the advantages described will give us the cost advantage and more flexibility in terms of pricing our products to secure the market reach.

Question:

Proposed Right to Execute the Works

Dynacare has appointed George Kent (Malaysia) Berhad as the main contractor to undertake the construction of Glove Manufacturing Plant for RM624.1 million. George Kent is also the shareholder and equity partner in Dynacare with 40% equity stake.

What are the due diligences steps taken by Dynacare before appointing George Kent as the main contractor to undertake the construction work? Has Dynacare engaged with any third-party contractor before the appointment?

Reply:

We know of the capability of George Kent and their track record of delivering many projects in the last decade. There is no other company that we are confident who can successfully handle a Design and Build contract of this kind.

Others questions submitted via the Q&A platform during the Meeting and the replies, were set out below:-

Question from Liew Chee Seng:

How much profit the company can generate from this Investment? When can the company start to pay dividend to the shareholders?

Reply:

It was expected to generate a yearly profit of a few hundred million Ringgit Malaysia when it is fully operational, subject to the price of the glove which is volatile. The Company will start to pay dividend as soon as it is in a position to do so.

Question from Shoo Kok Keong:

What kind of glove to be produced?

Reply

Dynacare will be producing nitrile and latex examination and surgical gloves.

As there were no further questions raised, the Chairman proceeded with the voting session. The Members who have not casted their votes, were allocated another five (5) minutes time to submit their votes.

The Chairman announced the closure of the voting session and declared that the EGM be immediately adjourned to enable the poll administrator and independent scrutineers to count the votes and verify the poll results.

At 3.35 p.m., the Chairman called the Meeting to order for the declaration of results.

The Chairman informed the Members that the poll result had been validated by the independent scrutineers. The poll result were as follows:-

	FOR		AGAINST	
	No. of shares	%	No. of shares	%
<u>Ordinary Resolution 1</u> Proposed Acquisition	560,522,157	99.9971	16,000	0.0029
<u>Ordinary Resolution 2</u> Proposed Diversification	560,522,157	99.9971	16,000	0.0029
<u>Ordinary Resolution 3</u> Proposed Rights Issue with Warrants	560,522,157	99.9971	16,000	0.0029
<u>Ordinary Resolution 4</u> Proposed Offer to Subscribe	88,071,100	99.9818	16,000	0.0182
<u>Ordinary Resolution 5</u> Proposed Right to Execute the Works	88,071,100	99.9818	16,000	0.0182

The Chairman declared that all the five (5) Ordinary Resolutions as tabled and voted at this EGM as carried.

The Ordinary Resolutions were dully passed as follows:-

ORDINARY RESOLUTION 1

- PROPOSED ACQUISITION

It was resolved:-

THAT, subject to the approvals of all relevant authorities and/ or parties being obtained in respect of the Proposed Acquisition, approval be and is hereby given for Dynacare to acquire the Subject Property for a purchase consideration of RM27,300,000. The purchase consideration shall be satisfied entirely via cash in accordance with the terms and conditions of the conditional sale and purchase agreement dated 29 March 2021 entered into between Dynacare and SME Bank;

AND THAT the Board of Directors of Johan ("Board") be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the aforesaid Proposed Acquisition with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Acquisition.

ORDINARY RESOLUTION 2

- PROPOSED DIVERSIFICATION

It was resolved:-

THAT, subject to the approvals of the relevant authorities/ parties for the Proposed Diversification being obtained, approval be and is hereby given to Johan and its subsidiaries to diversify the existing principal activities to include the manufacturing, sale and distribution of gloves;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Diversification with full power to assent to any conditions, variations, modifications, and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and to do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Diversification.

ORDINARY RESOLUTION 3

- PROPOSED RIGHTS ISSUE WITH WARRANTS

It was resolved:-

THAT, subject to the approvals of all relevant authorities and/or parties (if required) being obtained, where required, approval be and is hereby given to the Board to undertake the Proposed Rights Issue with Warrants as follows:-

- i. to provisionally allot and issue by way of a renounceable rights issue of 389,342,813 Rights Shares together with 389,342,813 Warrants to the shareholders of the Company whose names appear on the Record of Depositors of the Company as at 5.00 p.m. on an entitlement date to be determined and announced later by our Board ("Entitlement Date") ("Entitled Shareholders") and/or their renounee(s), on the basis of 1 Rights Share for every 2 existing Johan Shares held by the Entitled Shareholders together with 1 Warrant at an exercise price of RM0.25 for every 1 Rights Share subscribed by the Entitled Shareholders and/ or their renounee(s) at an issue price of RM0.10 per Rights Share and on such terms and conditions and in such manner as our Board may determine;
- ii. to enter into and execute a deed poll ("Deed Poll") with full powers to assent to any condition, modification, revaluation, variation and/or amendments (if any) as our Board may deem fit, necessary and/or expedient or as may be imposed by the relevant authorities and to take all steps as it may consider necessary and do all acts, deeds and things as it may deem fit or expedient in order to implement, finalise and give full effect to the Deed Poll and all provisions and adjustments contained therein;
- iii. to allot and issue such Rights Shares together with Warrants as may be required to give effect to the Proposed Rights Issue with Warrants, including any persons entitled on renunciation of the provisional allotments;
- iv. to allot and issue such number of new Johan Shares arising from the exercise of the Warrants, from time to time during the tenure of the Warrants, in accordance with the provisions of the Deed Poll; and
- v. to do all such acts and things including but not limited to the application to Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing and quotation for the Rights Shares, the Warrants and the new Johan Shares which may from time to time be allotted and issued arising from the exercise of the Warrants;

THAT any Rights Shares together with Warrants which are not taken up or validly taken up shall be made available for excess applications to the Entitled Shareholders and/ or their renounee(s) who have applied for the excess Rights Shares with Warrants, and are intended to be allocated on a fair and equitable basis;

THAT the Rights Shares, Warrants, and new Johan Shares to be issued pursuant to the exercise of Warrants (if any) shall be listed on the Main Market of Bursa Securities;

THAT any fractional entitlements of the Rights Shares together with Warrants arising from the Proposed Rights Issue with Warrants, if any, shall be disregarded and dealt with in such manner as our Board shall in its sole and absolute discretion deems fit and expedient, and is in the best interests of the Company;

THAT the proceeds of the Proposed Rights Issue with Warrants be utilised for the purposes as set out in the circular to the shareholders dated 12 May 2021 ("Circular"), and our Board be and is hereby authorised with full power to vary the manner and/or purposes of utilisation of such proceeds in such manner as our Board, may at its absolute discretion, deem fit, necessary, expedient and/or in the best interest of the Company, subject to the approval of the relevant authorities, where required;

THAT the Rights Shares shall, upon allotment and issuance, rank equally in all respects with the existing Johan Shares, save and except that the Rights Shares shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the Rights Shares;

THAT the new Johan Shares to be issued arising from the exercise of Warrants (if any) will, upon allotment and issuance, rank equally in all respects with the existing Johan Shares, save and except that the new Johan Shares to be issued arising from the exercise of the Warrants (if any) will not be entitled to any dividends, rights, allotments and/or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new Johan Shares;

THAT our Board be and is hereby authorised to sign and execute all documents, enter into any arrangements, agreements and/ or undertakings with any party or parties, do all things as may be required to give effect to the Proposed Rights Issue with Warrants with full powers to assent to any conditions, variations, modifications and/ or amendments including to vary the manner and/ or the purpose of the utilisation of proceeds arising from the Proposed Rights Issue with Warrants, if necessary, in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as they may deem fit, necessary and/ or expedient to implement, finalise and give full effect to the Proposed Rights Issue with Warrants in the best interest of the Company;

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein and shall continue to be in full force and effect until the Rights Shares together with Warrants and the new Johan Shares to be issued arising from the exercise of Warrants (if any) to be issued pursuant to or in connection with the Proposed Rights Issue with Warrants have been duly allotted and issued.

ORDINARY RESOLUTION 4

- PROPOSED OFFER TO SUBSCRIBE

It was resolved:-

THAT, subject to the approvals of all relevant authorities and/ or parties (where required) being obtained, approval be and is hereby given: (i) for the Company to offer to George Kent for George Kent to subscribe for such number of new ordinary shares in Dynacare, representing approximately 40.0% equity interest of the enlarged issued share capital in Dynacare, a wholly- owned subsidiary of Johan, at an issue price of RM1.00 per ordinary share in Dynacare ("George Kent Subscription") with the balance 60% equity interest of the enlarged issued share capital in Dynacare held by the Company ("Equity Participation Ratio"); and (ii) after the completion of the George Kent Subscription, for the Company and George Kent to increase their respective equity contribution into Dynacare up to RM100,000,000 in such manner as the Board, may at its absolute discretion, deem fit, necessary, expedient and/or in the best interest of the Company, subject to the approval of the relevant authorities, where required, such that the Equity Participation Ratio is maintained at all times;

THAT, the intended equity of RM100,000,000 is intended to be used as the capital investment of Dynacare to undertake the Gloves Business and will be utilised for the purposes as set out in Section 5.3, Part A of the Circular;

AND THAT the Board be and is further authorised to do all acts, deeds and things and execute and deliver, on behalf of the Company, all necessary documents as they may deem fit or expedient in order to carry out, finalise and give effect to the Proposed Offer to Subscribe with full powers to assent to or make any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all steps as they may consider necessary or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Offer to Subscribe.

ORDINARY RESOLUTION 5

- PROPOSED RIGHT TO EXECUTE THE WORKS

It was resolved:-

THAT, subject to approvals of all relevant authorities and/or parties (where required) being obtained, approval be and is hereby given to the Board to award the right to George Kent to build the Gloves Manufacturing Plant on the Subject Property for an expected period of twenty four (24) months or such extended period as may be provided under the contract for a global contract sum of approximately RM624,100,000 plus or minus 10% (excluding sales and service tax);

AND THAT the Board be and is hereby authorised to do all acts, deeds and things and execute all necessary documents as they may deem fit or expedient in order to carry out, finalise and give effect to the Proposed Right to Execute the Works with full powers to assent to or make any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all steps as they may consider necessary or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Right to Execute the Works.

11. CLOSURE

There being no other business to transact, the Chairman thanked the Members for their participation at the EGM and declared the meeting closed at 3.40 p.m.

Confirmed as the correct record
of proceedings thereat,

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CHAIRMAN

Dated : 31 May 2021