

HUA YANG BERHAD
Registration No. 1978010007059 (44094-M)
(Incorporated in Malaysia)

MINUTES OF THE FORTY-FOURTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT THE HEAD OFFICE OF THE COMPANY AT 4TH FLOOR, C-21 JALAN MEDAN SELAYANG 1, MEDAN SELAYANG, 68100 BATU CAVES, SELANGOR ON WEDNESDAY, 30 AUGUST 2023 AT 10.30 A.M.

Present: **Directors**
Tan Sri Dato' Seri Dr. Ting Chew Peh
Mr Ho Wen Yan (Chief Executive Officer (CEO))
Dato' Tan Bing Hua
Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud
Mr Chew Hoe Soon
Mdm Chew Po Sim

Shareholders
As per participant list

In Attendance: Mr Tan Hwai Lun (Company Secretary & Deputy CEO)
Mr Lam Cho Wai (Company Secretary)
Ms Ng Xiao Ying (Epsilon Advisory Services Sdn Bhd)

By Invitation: Mr Ho Wen Fan (Alternate Director)
Ms Lim Ge Ru (TGS TW PLT)

AGM44/1 PRELIMINARY

Tan Sri Dato' Seri Dr. Ting Chew Peh, the Chairman of the Company welcomed all present to the Meeting.

AGM44/2 QUORUM

The requisite quorum of two (2) members being present pursuant to Article 71 of the Company's Constitution, the Chairman declared the Meeting duly convened at 10.01 a.m.

AGM44/3 NOTICE OF MEETING

The Notice of Meeting, having been previously circulated to all Members and duly advertised in The Star newspaper on 28 July August 2023 was taken as read.

AGM44/4 AUDITED FINANCIAL STATEMENTS AND REPORTS OF THE DIRECTORS AND AUDITORS

The Audited Financial Statements for the financial year ended 31 March 2023 together with the Reports of the Directors and Auditors thereon ("AFS 2023"), which had been previously circulated to Shareholders within the prescribed period were tabled for discussion.

The Chairman invited questions from the floor on the Audited Financial Statements.

The questions raised which are listed out in the Appendix A attached to this minutes were addressed by Mr Ho Wen Yan. Following an open and transparent exchange with the shareholders and there being no further questions raised, the AFS 2023 thereon were considered received by the Meeting.

HUA YANG BERHAD

Registration No. 1978010007059 (44094-M)

Minutes of the Forty-Fourth Annual General Meeting [Cont'd]

AGM44/5 DIRECTORS' FEES AND BENEFITS

The Chairman informed that the Board had recommended the payment of Directors' Fees of RM621,197.00 and benefits for the financial year ended 31 March 2023.

The Chairman proposed the motion "THAT the payment of Directors' Fees of RM621,197.00 and benefits for the financial year ended 31 March 2023 be approved."

There being a proposer and seconder from the floor, the Chairman put the motion to be voted on by poll at the end of the meeting.

AGM44/6 MEETING ATTENDANCE ALLOWANCES

It was noted that the next agenda was to seek Members' approval on the payment of meeting attendance allowances of RM1,000.00 per meeting day for each Non-Executive Director for the period from August 2022 to July 2023.

The Chairman proposed the motion "THAT the payment of meeting attendance allowance of RM1,000 per meeting day for each Non-Executive Director from August 2023 till July 2024 be approved."

There being a proposer and seconder from the floor, the Chairman put the motion to be voted on by poll at the end of the meeting.

AGM44/7 RE-ELECTION OF DIRECTOR - MR CHEW HOE SOON

The Chairman informed the Meeting that the next item on the agenda was to re-elect the Directors retiring by rotation and that according to Article 97(1) of the Company's Constitution, Mr Chew Hoe Soon and Madam Chew Po Sim would be retiring at this Meeting.

The Chairman tabled the motion "THAT the re-election of Mr Chew Hoe Soon retiring pursuant to Article 97(1) of the Company's Constitution be approved."

There being a proposer and seconder from the floor, the Chairman put the motion to be voted on by poll at the end of the meeting.

AGM44/8 RE-ELECTION OF DIRECTOR - MADAM CHEW PO SIM

The Chairman then tabled the motion "THAT the re-election of Madam Chew Po Sim retiring pursuant to Article 97(1) of the Company's Constitution be approved."

There being a proposer and seconder from the floor, the Chairman put the motion to be voted on by poll at the end of the meeting.

AGM44/9 RE-APPOINTMENT OF AUDITORS

The Chairman informed the Shareholders that the retiring auditors, TGS TW PLT have indicated their willingness to seek re-appointment as Auditors of the Company.

HUA YANG BERHAD

Registration No. 1978010007059 (44094-M)

Minutes of the Forty-Fourth Annual General Meeting [Cont'd]

The Chairman proposed the motion "THAT the re-appointment of TGS TW PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration be approved."

There being a proposer and seconder from the floor, the Chairman put the motion to be voted on by poll at the end of the meeting.

AGM44/10

SPECIAL BUSINESS

AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

The Chairman informed that the next agenda was to approve the ordinary resolution in respect of the authority for the Directors to allot new shares pursuant to Sections 75 and 76 of the Companies Act 2016.

The Chairman proposed for the Resolution 6 as set out in the Notice of Meeting be put to vote.

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM44/11

PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE ISSUED AND PAID-UP SHARE CAPITAL ("PROPOSED SHARE BUY-BACK")

The Chairman informed that the last item on the agenda was in relation to the approval on the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital.

The Chairman proposed for the Resolution 7 as set out in the Notice of Meeting be put to vote.

The motion being seconded, the Chairman put the motion to be voted on by poll.

AGM44/12

POLL PROCEDURES AND SCRUTINEERS

The Chairman invited the Poll Administrator to brief the meeting on the procedures of the poll. He informed the meeting that Sky Corporate Services Sdn Bhd had been appointed as the Scrutineers for the meeting.

The Members were then asked to cast their votes.

With consent of the members present, the Chairman adjourned the meeting at 10.58 a.m. for the counting of votes and informed that the meeting would resume once the counting of the votes were completed.

AGM44/13

RESULTS OF POLL

The Chairman reconvened the Meeting at 11.15 a.m. He informed that the Independent Scrutineers had advised him of the results of the poll and the same was shown on the screen for the Members' information. The results announced were as follows:

Ordinary Resolution	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%

HUA YANG BERHAD

Registration No. 1978010007059 (44094-M)

Minutes of the Forty-Fourth Annual General Meeting [Cont'd]

Resolution 1	156,174,869	99.8948	164,400	0.1052
Resolution 2	156,174,869	99.8948	164,413	0.1052
Resolution 3	157,058,921	99.8953	164,600	0.1047
Resolution 4	157,551,063	99.8958	164,400	0.1042
Resolution 5	157,551,063	99.8958	164,400	0.1042
Resolution 6	157,551,063	99.8958	164,400	0.1042
Resolution 7	157,551,063	99.8958	164,400	0.1042

The Chairman then declared that Ordinary Resolutions 1 to 7 were carried and RESOLVED:-

Resolution 1 "THAT the payment of Directors' Fees of RM621,197.00 and benefits for the financial year ended 31 March 2023 be approved."

Resolution 2 "THAT the payment of meeting attendance allowance of RM1,000 per meeting day for each Non-Executive Director from August 2023 till July 2024 be approved."

Resolution 3 "THAT the re-election of Mr Chew Hoe Soon retiring pursuant to Article 97(1) of the Company's Constitution be approved."

Resolution 4 "THAT the re-election of Madam Chew Po Sim retiring pursuant to Article 97(1) of the Company's Constitution be approved."

Resolution 5 "THAT the re-appointment of TGS TW PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration be approved."

Resolution 6 "THAT, pursuant to Sections 75 & 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company ("New Shares") for the time being without first offering the New Shares to the holders of the existing issued shares and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

Resolution 7 "THAT subject to the provisions under the Companies Act 2016 ("Act"), the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all prevailing laws, rules, regulations, orders and guidelines as well as the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company ("Hua Yang Shares") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of Hua Yang Shares purchased pursuant to this resolution or held as treasury shares does not exceed ten percent (10%) of the total number of issued shares of the Company at the time of purchase;

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the Company's retained profits account;

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion, as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders and guideline and requirements issued by any relevant authorities for the time being in force to deal with any Hua Yang Shares so

HUA YANG BERHAD

Registration No. 1978010007059 (44094-M)

Minutes of the Forty-Fourth Annual General Meeting [Cont'd]

prescribed by the Company in the following manner:-

- (i) to cancel the Hua Yang Shares so purchased;*
- (ii) to retain the Hua Yang Shares so purchased as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently;*
- (iii) to transfer as share award or share consideration; or*
- (iv) combination of (i), (ii) and (iii) above;*

THAT the authority conferred by this resolution will be effective immediately from the passing of this Ordinary Resolution until:-

- (i) the conclusion of the Company's next Annual General Meeting following the general meeting at which such resolution was passed at which time the authority would lapse unless renewed by ordinary resolution;*
- (ii) the passing of the date on which the Company's next Annual General Meeting is required by law to be held; or*
- (iii) the authority is revoked or varied by ordinary resolution that the shareholders pass in general meeting;*

whichever occurs first.

AND THAT the Directors be and are hereby authorised to take all steps as are necessary and/or to do all such acts and things as the Directors deem fit and expedient in the interest of the Company to give full effect to the aforesaid Proposed Share Buy-Back with full powers to assent to any condition, modification, variation and/or amendment (if any) as may be imposed by the relevant authorities."

AGM44/14

CONCLUSION

There being no further business, the Chairman thanked the members present for their attendance and declared the Meeting closed at 11.19 a.m.

CHAIRMAN

HUA YANG BERHAD

Registration No. 1978010007059 (44094-M)

Minutes of the Forty-Fourth Annual General Meeting [Cont'd]

APPENDIX A**RESPONSES TO QUESTIONS FROM SHAREHOLDERS**

No.	Question	Response
1	What is the outlook of the company, and does the Company have enough landbank to increase the revenue?	<p>The Management has strategically stabilized the operation of Company, reducing borrowings and driving sales.</p> <p>The outlook for the next 1 to 2 years is quite positive, as sales has improved slightly, and the market conditions have also improved significantly in the last few months. The Management expects that sales could continue to improve for this financial year.</p> <p>Currently, the Group has projects with approximately RM5.1 billion gross development value (GDV) which is expected to last for 6 to 8 years.</p> <p>We will continue to search for suitable land.</p>
2	What is the present status of Magna Prima Berhad ("MPB") in relation to Hua Yang Berhad? Is our cost of investment still the same as before?	<p>We currently hold 25.6% of shares in MPB which is classified as 'Other Investment' (as per Note 9 of the Audited Financial Statement).</p> <p>We understand MPB has hired a new management team and the team has made significant strides in the past few years. They successfully secured two joint ventures projects and sold two pieces of land, stabilizing their income for the foreseeable future. They have also reduced their borrowing, so now they have more assets and less debt, which should have a positive impact on our results going forward. In general, we believe that MPB has resolved its situation and will not negatively affect our results moving forward.</p>
3	Why there is no revenue being reported for the last two quarter in MPB? Does their management team and staffs competent enough to run the company?	<p>There were changes in their top management.</p> <p>They successfully secured two joint ventures and sold off two pieces of land to reduce their borrowings.</p> <p>We will be looking for better performance from them.</p>
4	Share price has been dropped to a low of even RM0.15 and there has been no dividend payment for so many years. Assuming all warrants converted to ordinary shares, the company may need RM5.28mil to pay for a RM0.01 dividend.	<p>There will be no dividend payment for this year, but going forward, we are confident that once results turn positive again, dividends will resume as per our previous practice.</p> <p>Regarding earnings, the management team is very confident that our results will improve. We used to have quite strong results previously and with the same management team, the Company will be able to replicate that performance once market conditions improve and we will introduce more products in current and future financial years.</p>

HUA YANG BERHAD

Registration No. 1978010007059 (44094-M)

Minutes of the Forty-Fourth Annual General Meeting [Cont'd]

5	What is the competitive advantage that Hua Yang have over its competitor?	Our strategic focus is mainly on affordable segment which is the largest segment within the property industry in Malaysia. We also have an experienced management team.
6	With rising cost, can the company still make profit? What is the gross margin of the company's project?	With the right segment and right market, combined with some value engineering, we can still make a profit. Our gross margin ranges between 25% and 30%.
7	Is there any increment in directors' fees as compared to last year?	Yes, there is a marginal increment to cover inflation.