

MELATI EHSAN HOLDINGS BERHAD
(the “Company”/ “Melati Ehsan”)
(Registration No. 200401034784 (673293-X))
(Incorporated in Malaysia)

Minutes of the Twentieth Annual General Meeting of the Company held via an online portal from Broadcast Venue at Conference Room, Unit 11.07, Amcorp Tower, Amcorp Trade Centre, 18, Persiaran Barat, 46050 Petaling Jaya, Selangor on Wednesday, 26 February 2025 at 10.00 a.m.

Present : **Board of Directors**
Tan Sri Dato’ Yap Suan Chee - Executive Chairman
Mr. Yap Wei Sam - Executive Director
Encik Hidzir Bin Yahya - Independent Non-Executive Director
Mr. Clifford Anthony Clement - Independent Non-Executive Director
Madam Loo Yeok Bee - Independent Non-Executive Director

Proxies
- As per attendance list

Invitees
- As per attendance list

In Attendance : Ms. Wong Youn Kim
Mr. Chan Chee Yean

MINUTES

1. CHAIRMAN

Tan Sri Dato’ Yap Suan Chee nominated Mr. Yap Wei Sam to lead through the Meeting and he welcomed all present via an online platform at the Twentieth Annual General Meeting (“20th AGM”) of the Company.

2. QUORUM

Mr. Yap Wei Sam called the meeting to order at 10.00 a.m. upon confirmation of the presence of a quorum by the Company Secretary.

3. OPENING

Mr. Yap Wei Sam introduced the Board members, Company Secretary, Key Senior Management and advisers present at the Broadcast Venue and those participating virtually.

4. NOTICE

The notice which had been circulated to all shareholders on 30 December 2024 convening the meeting was taken as read.

5. BRIEFING ON PROCEDURES OF FULLY VIRTUE 20TH AGM

Mr. Yap Wei Sam invited the Secretary to brief the meeting on the proceedings of the meeting and the voting procedures.

The Company Secretary, Ms. Wong Youn Kim informed that the meeting involve the moving and passing of nine (9) proposed Ordinary Resolutions which require the approval of a simple majority of the members or their proxies present and voting at the meeting. The question and answer session and the poll will be taken at the end of the meeting.

The Company has appointed Synergy Professionals Group Sdn. Bhd. as the Poll Administrator to conduct the poll by way of online voting and Usearch Corporate Services Sdn. Bhd. as Scrutineer to supervise polling process and verify the poll results. The polling process for the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the 20th AGM.

6. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024 AND THE REPORTS OF DIRECTORS AND AUDITORS THEREON

The Audited Financial Statements (“AFS”) for the financial year ended 31 August 2024 together with the Directors’ and Auditors’ Reports thereon, having been circulated to all the shareholders within the prescribed period, were tabled before the Meeting.

Mr. Yap Wei Sam informed the Meeting that the AFS was meant for discussion only as it would not require approval from the members in accordance with Section 340(1)(a) of the Companies Act, 2016. Hence, this Agenda item was not put forward for voting.

Mr. Yap Wei Sam then declared the AFS for the financial year ended 31 August 2024 have, in accordance with the Companies Act, 2016 been properly laid and received.

7. DECLARATION OF A FIRST AND FINAL SINGLE TIER DIVIDEND OF 1.0 SEN PER ORDINARY SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 31 AUGUST 2024

The next item on the Agenda was the declaration of a first and final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 August 2024. The proposed dividend, if approved, would be payable on 19 March 2025 to all shareholders of the Company whose names registered in the Record of Depositors at the close of business on 7 March 2025.

8. DIRECTORS’ FEES OF UP TO RM267,000.00 FOR THE PERIOD FROM 27 FEBRUARY 2025 UNTIL THE NEXT ANNUAL GENERAL MEETING IN YEAR 2026

The next item on the Agenda was to approve the payment of directors’ fees of RM267,000.00 for the period from 27 February 2025 until the next Annual General Meeting in year 2026.

9. DIRECTORS’ ALLOWANCES OF UP TO RM27,000.00 FOR THE PERIOD FROM 27 FEBRUARY 2025 UNTIL THE NEXT ANNUAL GENERAL MEETING IN YEAR 2026

The next item on the Agenda was to approve the payment of directors’ allowances of up to RM27,000.00 for the period from 27 February 2025 until the next Annual General Meeting in year 2026.

10. RE-ELECTION OF DIRECTORS PURSUANT TO CLAUSE 97 OF THE COMPANY’S CONSTITUTION

(a) RE-ELECTION OF TAN SRI DATO’ YAP SUAN CHEE

Mr. Yap Wei Sam proceeded to the agenda on the re-election of Tan Sri Dato’ Yap Suan Chee as a Director of the Company, who was retiring pursuant to Clause 97 of the Company’s Constitution and being eligible, has offered himself for re-election.

(b) RE-ELECTION OF MR. CLIFFORD ANTHONY CLEMENT AS DIRECTOR

Mr. Yap Wei Sam continued with the next agenda on the re-election of Mr. Clifford Anthony Clement as a Director of the Company, who was retiring pursuant to Clause 97 of the Company's Constitution and being eligible, has offered himself for re-election.

11. RE-APPOINTMENT OF AUDITORS, MESSRS BDO PLT

Mr. Yap Wei Sam proceeded to the next item on the agenda to consider the re-appointment of Messrs. BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

The retiring Auditors, Messrs. BDO PLT had indicated their willingness to continue in office.

12. AUTHORITY TO ISSUE SHARES

The Meeting proceeded to consider the motion on the authority to issue shares pursuant to the Companies Act, 2016 ("General Mandate") as set out in the Notice of 20th AGM. The Meeting noted that the motion, if passed, would empower the Directors of the Company to allot and issue new shares in the Company from time to time provided that the aggregate number of shares to be issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being.

13. PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING NATURE

Mr. Yap Wei Sam informed the Meeting that the next item on the agenda was related to the Proposed Renewal of the existing shareholders' Mandate for recurrent related party transactions of a revenue or trading nature ("Proposed Renewal Shareholders' Mandate"). As he had interest in the proposed resolution, Encik Hidzir Bin Yahya, the independent Director of the Company was invited to take over the Chair to put forth the resolution.

The Circular to Shareholders in connection thereto had been sent to all shareholders on 30 December 2024 together with the Annual Report. The recurrent related party transactions were recurring transactions of a revenue and trading nature which are necessary for Group's day-to-day operations and were in the ordinary course of business of the Group and made on an arm's length basis and on normal commercial terms and which were not prejudicial to the interest of the shareholders.

The full text of the resolution was set out in the Notice of Meeting and the details of the proposal had been clearly set out in Part A of the Circular to Shareholders dated 30 December 2024.

The interested directors, Tan Sri Dato' Chairman and Mr Yap Wei Sam together with the persons connected to them would abstain from deliberating, approving and voting on the proposed resolution.

14. PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

Mr. Yap Wei Sam moved on to the next item on the agenda which was to consider and if thought fit, to pass an Ordinary Resolution for proposed renewal of shareholders' mandate for share buy-back as explained in the Share Buy-Back Statements circulated to shareholders on 30 December 2024 for approval.

The full text of the resolution was set out in the Notice of Meeting and the details of the proposal had been clearly set out in Part B of the Statement to Shareholders dated 30 December 2024.

15. ANY OTHER BUSINESS

As no notice had been received to transact any other business, Mr. Yap Wei Sam put all resolutions to vote via an online platform.

16. PRESENTATION ON ENQUIRIES RECEIVED FROM MINORITY SHAREHOLDERS WATCH GROUP

Mr. Yap Wei Sam informed the Meeting that the Company had received a letter dated 7 February 2025 from the Minority Shareholders Watch Group (“MSWG”) and few enquiries have been raised by MSWG.

Mr. Yap Wei Sam presented to the shareholders the enquiries received and the response from the Company as annexed herewith and marked as Appendix “1”.

17. QUESTIONS AND ANSWERS SESSION

Mr. Yap Wei Sam then proceeded to the Questions and Answers session.

Q (1) Question raised by Lam Jun Ket, Corporate Representative from MSWG

Update status of ME City project.

A (1) Mr Patrick Lim, Chief Financial Officer of Melati Ehsan Response

ME City is a joint venture development with PKNS on a turnkey basis covering design, planning, execution, construction, sales and marketing. The project sits on a piece of commercial land measuring approximately 20 acres in SS 8, Petaling Jaya, a strategic location nestled between Kuala Lumpur and Shah Alam and lying adjacent to the Federal Highway and Lebuhraya Puchong-Damansara (LDP).

ME City comprises of affordable to mid-range residential units with some shops and commercial lots to serve the needs of the households and other consumers within the vicinity. Phase 1 of the project consists of a total of 1,155 units where 30% are affordable units with a built-up area of 550 square foot each while the rest of the residential units will be service apartments with full facilities. Nevertheless, the product mix for each phase will be reviewed from time to time, allowing the Company to respond to the market trends and to suit buyers’ needs.

Under the Group’s CSR initiative, the Company offered a piece of land measuring 3,000 sq. ft., built a new structure and made a cash contribution for the relocation of the Indian temple Kuil Sri Maha Muniswarar, which located within the development. Currently, the sales gallery and show units are ready. The Company is targeting to commence substructure works in the second quarter of 2025.

As no more question from the shareholders and proxies presented at the meeting, Mr. Yap Wei Sam invited the Company Secretary to brief the meeting on the online polling procedures. Shareholders and proxies been given approximately 30 minutes to cast the vote online and followed by the declaration of the poll results verified by the appointed Independent Scrutineer, Usearch Corporate Services Sdn. Bhd..

18. ANNOUNCEMENT OF POLL RESULTS

Mr. Yap Wei Sam called the meeting to order for the declaration of the following poll results:-

Ordinary Resolution 1: Declaration of a First and Final Single Tier Dividend of 1.0 sen per Ordinary Share in respect of the Financial Year Ended 31 August 2024

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1	98,130,075	100.0000	0	0.0000

Mr. Yap Wei Sam declared that Ordinary Resolution 1 was duly carried unanimously as follows:-

“Ordinary Resolution 1

- **Declaration of a First and Final Single Tier Dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 August 2024**

THAT a first and final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 August 2024 be and is hereby approved.”

Ordinary Resolution 2: Payment of Directors’ Fees of up to RM267,000.00 for the period from 27 February 2025 until the next Annual General Meeting in the year 2026

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 2	98,125,575	99.9954	4,500	0.0046

Mr. Yap Wei Sam declared that Ordinary Resolution 2 was duly carried by majority as follows:-

“Ordinary Resolution 2

- **Payment of Directors’ Fees of up to RM267,000.00 for the period from 27 February 2025 until the next Annual General Meeting in the year 2026**

THAT the payment of Directors’ fees of up to RM267,000.00 for the period from 27 February 2025 until the next Annual General Meeting in the year 2026 be hereby approved.”

Ordinary Resolution 3: Payment of Directors’ Allowances of up to RM27,000.00 for the period from 27 February 2025 until the next Annual General Meeting in the year 2026

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 3	98,125,375	99.9952	4,700	0.0048

Mr. Yap Wei Sam declared that Ordinary Resolution 3 was duly carried by majority as follows:-

“Ordinary Resolution 3

- **Payment of Directors’ Allowances of up to RM27,000.00 for the period from 27 February 2025 until the next Annual General Meeting in the year 2026**

THAT the payment of Directors’ allowances of up to RM27,000.00 for the period from 27 February 2025 until the next Annual General Meeting in the year 2026 be hereby approved.”

Ordinary Resolution 4: Re-election of Tan Sri Dato’ Yap Suan Chee

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 4	98,130,075	100.0000	0	0.0000

Mr. Yap Wei Sam declared that Ordinary Resolution 4 was duly carried unanimously as follows:-

“Ordinary Resolution 4

- **Re-election of Tan Sri Dato’ Yap Suan Chee**

THAT Tan Sri Dato’ Yap Suan Chee retiring pursuant to Clause 97 of the Company’s Constitution, be re-elected as a Director of the Company.”

Ordinary Resolution 5: Re-election of Mr. Clifford Anthony Clement

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 5	98,129,975	99.9999	100	0.0001

Mr. Yap Wei Sam declared that Ordinary Resolution 5 was duly carried by majority as follows:-

“Ordinary Resolution 5

- **Re-election of Mr. Clifford Anthony Clement**

THAT Mr. Clifford Anthony Clement retiring pursuant to Clause 97 of the Company’s Constitution, be re-elected as a Director of the Company.”

Ordinary Resolution 6: Re-appointment of Auditors, Messrs BDO PLT

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 6	98,130,075	100.0000	0	0.0000

Mr. Yap Wei Sam declared that Ordinary Resolution 6 was duly carried unanimously as follows:-

“Ordinary Resolution 6

- Re-appointment of Auditors, Messrs BDO PLT

THAT Messrs BDO PLT be hereby re-appointed as the Company’s Auditors for the ensuing year **AND THAT** the Board of Directors be authorised to fix their remuneration.”

Ordinary Resolution 7: Authority to issue shares

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 7	98,129,975	99.9999	100	0.0001

Mr. Yap Wei Sam declared that Ordinary Resolution 7 was duly carried by majority as follows:-

“Ordinary Resolution 7

- Authority to issue shares

THAT subject always to the Companies Act, 2016, Constitution of the Company and approvals of the relevant governmental/regulatory bodies where such approvals shall be necessary, the Directors be and are hereby authorised and empowered pursuant to Section 75 of the Companies Act, 2016 to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares for the time being of the Company 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 Bursa Malaysia Securities Berhad.

AND THAT the Directors of the Company whether solely or jointly, be authorised to complete and do all such acts and things (including executing such relevant documents) as he/she/they may consider necessary, expedient or in the interest of the Company to give effect to the aforesaid mandate.”

Ordinary Resolution 8: Proposed Renewal of the Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 8	17,656,200	99.9994	100	0.0006

Mr Yap Wei Sam declared that Ordinary Resolution 8 was duly carried by majority as follows:-

“Ordinary Resolution 8

- Proposed Renewal of the Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

THAT approval be and is hereby given to the Company and/or its subsidiary companies to renew the mandate from the shareholders of the Company for the Company and/or its subsidiary companies to enter into and give effect to Recurrent Related Party Transactions of a revenue or trading nature with specified classes of the Related Parties as stated in Part

A of the Circular to Shareholders dated 30 December 2024 ("Circular") which are necessary for the Group's day-to-day operations in the ordinary course of business on terms not more favourable to the Related Parties than those generally available to the public and not detrimental to minority shareholders of the Company **AND THAT**, such approval shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the AGM, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Sections 340(1) and 340(2) of the Companies Act, 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier, and disclosure will be made in the annual report of the aggregate value on the transactions conducted during the financial year pursuant to the shareholders' mandate;

AND FURTHER THAT the Directors be and are 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 to give effect to this resolution."

Ordinary Resolution 9: Proposed Renewal of Authority for Share Buy-Back

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 9	98,129,975	99.9999	100	0.0001

Mr Yap Wei Sam declared that Ordinary Resolution 9 was duly carried by majority as follows:-

"Ordinary Resolution 9

- Proposed Renewal of Authority for Share Buy-Back

THAT subject to the Companies Act, 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company 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:-**

- (a) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company shall not exceed 10% of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing the shares shall not exceed the Company's latest audited retained profits;
- (c) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which this resolution was passed at which time it shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

THAT the Directors of the Company be and are hereby authorised to cancel all the shares or any part thereof so purchased or to retain all the shares so purchased as treasury shares (of which may be distributed as dividends to shareholders and/or resold on Bursa Securities and/or subsequently cancelled), or to retain part of the shares so purchased as treasury shares and cancel the remainder, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force,

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the aforesaid share buy-back with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company.”

19. CLOSURE OF MEETING

As there was no other matter to be discussed, for which due notice had been given in accordance with the Companies Act, 2016, the meeting concluded at 11 a.m. with a vote of thanks to the Chairman and the Board of Directors.

Confirmed as a correct record,

TAN SRI DATO’ YAP SUAN CHEE
CHAIRMAN

Date: 25 March 2025

MINORITY SHAREHOLDERS WATCH GROUP QUESTIONS AND MANAGEMENT RESPONSES

1. Bayu Selayang Heights, launched on 14 July 2024, is still in its early development stages and has not yet to make a significant revenue contribution to the Group. (Page 12 of AR2024)

(a) What has been the buyers' response to the Group's first high-rise residential development? What is the latest take-up rate for Phase 1, and does it align with management's expectations?

The first phase of Bayu Selayang Heights (BSH) was launched in the 3rd quarter of 2024. BSH is crafted to provide buyers with the fundamental ingredients for quality living. BSH is seamlessly connected to major highway networks and was designed to encompass the concept of multigenerational living. Carefully designed for our targeted homebuyers, BSH is a testament of MEHB's commitment to providing quality homes to our customers. BSH has also received positive support for end financing for our customers from our panel of banks. To date, earthworks and piling has been fully completed and progress is as scheduled. Thus far, BSH has had a take up rate of 43% as of February 2025 (based on S&P signed and units reserved), in line with management's expectations.

(b) When does the Group plan to launch Phase 2 of Bayu Selayang Heights?

The second phase is planned for launch in the first half of 2026, subject to market sentiment and buyer response. We will also regularly review the product mix of each phase, allowing us to respond to market trends and meet buyers' needs.



2. The Group is undertaking the construction of 2,560 units of single-storey landed houses and 44 units of medium cost shops in Gerbang Nusajaya, Iskandar Puteri, with a contract value of RM453.5 million. (Page 12 of AR2024)

(a) What is the construction timeline for this project, and what is the expected revenue contribution for the financial year ending 2025?

Perumahan Iskandar Puteri Bangsa Johor (PIPBJ) is divided into 3 phases, with an estimated construction timeline of 3 years. The expected revenue contribution for the financial year ending 2025 is approximately RM100 million.

(b) What is the estimated profit margin range for this affordable housing construction project?

The estimated construction profit margin range for PIPBJ is approximately 3%.



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2(c) The contract value of RM453.5 million is significant to the Group, as it exceeds the Group's combined revenue over the past four financial years. Why was there no immediate announcement on this material information via Bursa Malaysia website when the contract was awarded to Pembinaan Kery Sdn Bhd (a wholly-owned subsidiary of Melati Ehsan Holdings Berhad)?

Melati Ehsan Holdings Berhad is a listed company principally engaged in construction. The contract of RM453.5 million for PIPBJ is a construction contract. As such, the PIPBJ contract is within the ordinary course of business of MEHB. The revenue contribution from this contract will spread over 3 years and only starts when the houses are ready to be sold in 1st quarter 2025.

Harta Nusajaya Sdn Bhd, the developer of the aforementioned project, is a related party of MEHB. The details of the recurrent related party transactions were disclosed in the Circular to Shareholders dated 28 December 2023, and MEHB had obtained the shareholders' mandate for the transactions with Harta Nusajaya Sdn Bhd at the Annual General Meeting held on 27 February 2024.



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3. The Group secured a contract for the construction and completion of a 17-storey block of 260 service apartment units (Bayu 2Sixty) in Kota Kemuning, Shah Alam. (Page 12 of AR2024)

What is the contract value for the Bayu 2Sixty project, and what is the scope of work involved?

The Group secured a contract of RM79.90 mil for the construction and completion of a proposed development in Kota Kemuning, Shah Alam, consisting of a 17-storey block of 260 service apartment units encompassing 1-storey of common facilities, a 7-storey car park podium and many other facilities from Bayu Prospektif Sdn Bhd. The contract is for design and build, with the scopes of work involving the substructure, superstructure, including mechanical and engineering, infrastructure, architectural, and landscaping.



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4.

The Group's logo "ME GROUP Be with ME" is prominently displayed at the Bayu 2Sixty sales gallery and sales brochures, potentially giving the false impression that the project is developed by the Group, when in fact, it is undertaken by Bayu Prospektif Sdn Bhd, a related party outside of the Group.

Additionally, the TNB mixed development project in Bangsar remains listed on the Group's website, despite management clarifying during the last AGM that it is a private investment of the Company's Executive Chairman, Tan Sri Dato' Yap Suan Chee's family, and not part of the Group. Furthermore, the website contains inaccurate information stating that TNB's partner, Bayu Mantap Sdn Bhd, is a subsidiary of the Group. (Source: <https://melatiehsan.com.my/projects/tnb-mixed-development-bangsar/>)

Who owns the "ME GROUP Be with ME" logo? Could the Board clarify why the Group shares its trademark with related parties? What is the Board's stance on the potential misrepresentation?

(a) Who owns the "ME GROUP Be with ME" logo? Could the Board clarify why the Group shares its trademark with related parties? What is the Board's stance on the potential misrepresentation?

"ME GROUP Be with ME" logo is a registered trademark of Melati Ehsan (M) Sdn Bhd, a private limited company incorporated on 4 October 1993 and owned by Tan Sri Dato' Yap Suan Chee and his family. MEHB has been using the logo since it was listed on Bursa Malaysia in 2007.

The Board is of the view that MEHB will continue to use the "ME GROUP Be with ME" logo, as it has been in existence since 1993 and has built a strong image and reputation within the construction and property development industries.



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4(b) Why does the TNB mixed development project in Bangsar remain listed on the Group's website despite the Group's non-involvement? Will the Board take corrective action to amend or remove misleading information to prevent confusion among stakeholders?

MEHB, through its wholly owned subsidiary Pembinaan Kery Sdn Bhd, is involved in the TNB mixed development in Bangsar, Kuala Lumpur. The scope of work includes the supply, installation, and testing & commissioning of TNB incoming ducting, including the supply of all labor, specified and approved materials, transportation, tools, plant and equipment, machinery, traffic control, and all necessary temporary and permanent safety measures.

We have made the necessary amendments to the MEHB website.



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5. Ordinary Resolution 8 – Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (RRPT)

The Company is seeking shareholders' approval to renew the RRPT mandate, allowing transactions with related parties up to RM1.82 billion (2024: existing mandate up to RM1.67 billion). The related parties, primarily engaged in property development, are linked to the Company's Executive Chairman, Tan Sri Dato' Yap Suan Chee, and his family. (Page 3 of AR2024 and Circular dated 30 December 2024)

(a) Considering that the Group is involved in property development, how does the Board address potential conflicts of interest arising from competing businesses with related parties?

MEHB had adopted a formal conflict of interest policy, outlining procedures for identifying, managing, and resolving conflicts. This policy defines what constitutes a conflict of interest and provides guidelines for resolving such conflicts in a manner that is in the Group's best interests. MEHB also has procedures to ensure that the Recurrent Related Party Transactions are undertaken at an arm's length basis and are on terms not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders. Please refer to page 7, Section 2.7 of the Circular to Shareholders dated 30 December 2024.

In situations where a potential conflict of interest arises, the Board have the policies in place to ensure that the decision-making process is carried out by the directors who are not interested in the transactions. This reduces the risk of biased decisions that favour related parties over the best interests of the Group. The Directors or executives with a potential conflict of interest are expected to recuse themselves from discussions and decisions related to the competing businesses. This helps ensure that their personal interests do not influence the outcome of the Board's decisions



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The Audit Committee of the Company has reviewed the procedures mentioned in Section 2.7 above and is of the view that the said procedures are adequate to monitor, track and identify the Recurrent Related Party Transactions in a timely and orderly manner and to ensure that the Recurrent Related Party Transactions will be carried out on normal commercial terms. The Audit Committee is also of the view that the procedures in place are sufficient to ensure that the terms of the Recurrent Related Party Transactions are not more favourable to the related party than those generally available to the public and the Recurrent Related Party Transactions are not detrimental to minority shareholders of MEHB

To ensure compliance and identify any emerging conflicts, the Board may conduct regular reviews of related party transactions, business relationships, and potential conflicts of interest. This ongoing monitoring helps address issues before they escalate.

The Audit Committee shall review and ascertain whether the established procedures to monitor the Recurrent Related Party Transactions have been complied with at least once a year. If during its annual review, the Audit Committee should be of the view that such procedures are no longer appropriate or adequate to ensure that Recurrent Related Party Transactions will be carried out on normal commercial terms or will be prejudicial to the interests of the minority shareholders, the Company will then seek a fresh mandate from the shareholders based on new procedures.

Furthermore, the interested directors and major shareholders have undertaken that they shall ensure that the persons connected to them will abstain from voting on the same.



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The Audit Committee shall review and ascertain whether the established procedures to monitor the Recurrent Related Party Transactions have been complied with at least once a year. If during its annual review, the Audit Committee should be of the view that such procedures are no longer appropriate or adequate to ensure that Recurrent Related Party Transactions will be carried out on normal commercial terms or will be prejudicial to the interests of the minority shareholders, the Company will then seek a fresh mandate from the shareholders based on new procedures.

Furthermore, the interested directors and major shareholders have undertaken that they shall ensure that the persons connected to them will abstain from voting on the same.



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5(b) Would the Executive Chairman consider injecting his privately held property development business into the Group to eliminate this conflict of interest?

There are no proposals to inject the Executive Chairman's privately held property development business into MEHB at this point in time, as this would involve significant cash flows and/or an enlargement of the capital base, triggering an obligation on the substantial shareholders and/or persons acting in concert with them to undertake a mandatory general offer pursuant to the Malaysian Code on Takeovers and Mergers, 2016.

The Board is of the view that adequate policies, procedures and Audit Committee's oversight have been established to monitor, track, identify and manage any actual or potential conflict of interest situations. Transactions will be carried out on normal commercial terms and are not more favourable to the related party than those generally available to the public and are not detrimental to minority shareholders of MEHB.

THANK YOU



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