

United Malacca Berhad

Registration No. 191001000010 (1319-V)

**Minutes of the 110th Annual General Meeting
held at Level 13, DoubleTree by Hilton Melaka, Jalan Melaka Raya 23,
Hatten City, 75000 Melaka on Friday, 27 September 2024 at 11.30 a.m.**

DIRECTORS	Datin Paduka Tan Siok Choo	- Chairperson
	Dato Dr. Nik Ramlah Binti Nik Mahmood	- Senior Independent Non-Executive Director
	Mr. Teo Leng	- Non-Independent Non-Executive Director
	Mr. Ong Keng Siew	- Independent Non-Executive Director
	Mr. Tee Cheng Hua	- Non-Independent Non-Executive Director
	Dato' Sri Tee Lip Sin	- Executive Director
	Mr. Han Kee Juan	- Independent Non-Executive Director
	Datin Noor Azimah Binti Abd. Rahim	- Independent Non-Executive Director

IN ATTENDANCE	Mr. Young Lee Chern	- Chief Executive Officer
	Mr. Er Hock Swee	- Chief Financial Officer
	Ms. Yong Yoke Hiong	- Company Secretary
	Ms. Pang Poh Chen	- Company Secretary
	Mr. Piong Yew Peng	- External Auditor
	Ms. Jermaine Tay	- External Auditor
	En. Mohd Sophiee and team	- Boardroom Share Registrars

SHAREHOLDERS 44 members representing 7,325,797 shares and 49 members (by proxies) representing 98,549,222 shares.

CHAIR The Chairperson, Datin Paduka Tan Siok Choo, chaired the meeting.

CHAIRPERSON'S OPENING ADDRESS The Chairperson welcomed all members present. Before proceeding with the business for the day, the Chairperson requested the meeting to observe a minute of silence in memory of the late Tan Sri Dato' Ahmad Bin Mohd Don, a former UMB Director who passed away on 17 September 2024. Tan Sri Dato' Ahmad Don was UMB Director for 14 years until his retirement in year 2020. In her tribute to Tan Sri Dato' Ahmad, the Chairperson said he is a first-rate accountant and a very sharp administrator in the region. With his wonderful sense of humour, Tan Sri Dato' Ahmad lightened the board meetings with his smile as well as the manner he reached others.

QUORUM The Chairperson declared the meeting duly convened after the required quorum as per Clause 83 of the Company's Constitution was confirmed.

PROXIES

The Company Secretary informed the meeting that the Chairperson, Datin Paduka Tan Siok Choo, had been appointed as proxy to vote on behalf of shareholders who hold 55,279,324 ordinary shares, representing 26.35% of the Company's issued shares.

NOTICE

The Chairperson announced the Notice convening the meeting and the Group's Audited Financial Statements for the year ended 30 April 2024 together with the Reports of the Directors and Auditors, be taken as read.

POLL VOTING

The Chairperson informed the meeting that all the resolutions would be voted by poll following the Bursa Malaysia Berhad's Main Market Listing Requirements.

The Chairperson further informed that Boardroom Share Registrars Sdn. Bhd. and Boardroom Corporate Services Sdn. Bhd. have been appointed as the Poll Administrator and the Independent Scrutineer, respectively.

The Chairperson invited Boardroom Share Registrars to brief the meeting on the e-polling procedures and to demonstrate how to vote using a handheld electronic device.

AGENDA 1**AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 AND THE REPORTS OF THE DIRECTORS AND AUDITORS**

1.0.0

The Chairperson informed the meeting that according to Section 340(1)(a) of the Companies Act, 2016, the Company must present the Audited Financial Statements and the Reports of Directors and Auditors at an AGM. Therefore, the 1st item on the agenda is the presentation of the financial statements and the accompanying reports for discussion. Therefore, no voting is required.

1.1.0

The Chairperson further informed a review of the Group's performance in the financial year ended 30 April 2024 was in the Chairperson's Statement published in the 2024 Annual Report. To supplement the information in the Annual Report, the Chairperson invited the Chief Executive Officer (CEO), Mr. Young Lee Chern, to give a presentation on the Group's performance.

1.2.0

Based on the presentation slides, the CEO briefed the meeting on the following:

- Location of UMB estates and mills.
- Planted areas.
- Age profile of oil palms as of 30th April 2024.
- CPO pricing from May 2022 to April 2024.
- FFB production and yield.

- Cost of production.
- Palm oil mill performance.
- EBITDA and Net Profit.
- UMB share price.
- Environment, Health and Safety (EHS) training/briefing.
- Stakeholder Communication and Consultation.
- Corporate social responsibilities
- Environmental Impact Assessment (EIA)
- Biodiversity
- Family Day, Festival Celebration, Occupational Safety & Health (OSH) Day

- 1.3.0 At the end of his presentation, the CEO introduced the key Management members to the shareholders.
- 1.4.0 The Chairperson proceeded to inform the meeting the Minority Shareholders Watch Group (MSWG) had raised some questions and invited the CEO to present the Company's replies.
- 1.5.0 The CEO read out the replies to MSWG questions displayed via a PowerPoint presentation for the benefit of the shareholders at the meeting. Appendix A, attached to this Minutes, lists MSWG's questions and the Company's replies.
- 1.6.0 The Chairperson then invited questions from the floor on the audited financial statements.
- 1.7.0 Question 1 from Shareholder:
- 1.7.1 Mr. Tee Cheng Hua, the Non-Independent Non-Executive Director of the Company is also the Non-Independent Senior Executive Director of Plantations & Milling of Far East Holdings Berhad. He is also the Senior Executive Director of Prosper Group of Companies and a Director of Prosper Capital Holdings Sdn. Bhd. While Dato' Sri Tee Lip Sin, the Executive Director of the Company is also the Group Managing Director of Prosper Group and a Director of Prosper Trading Sdn. Bhd..

Given that Far East is a listed company which is mainly involved in the oil palm business and Prosper Group of Companies are also involved in the oil palm business, how can there be an assurance that confidential information is not leaked out or transactions carried out favouring one company to the detriment of the other? How does the Audit Committee address conflict of interest since Mr. Tee is a Director for both listed companies involved in similar industry and competing business while Dato' Sri Tee Lip Sin also sits on boards of several companies in plantation and milling businesses? What are the mitigating measures in place to address this conflict of interest?

Mr. Han Kee Juan, the Independent Non-Executive Director of the Company and a member of the Audit Committee, is the Plantation Advisor for Prosper Group and Far East Holdings Berhad. Mr. Han is providing advisory services to competing businesses, as such how does the Board ensure that the advice and guidance provided by Mr. Han to the Board is equally as good as the advice given to his other paid clients? What are the mitigating measures in place to address conflict of interest?

Given that Mr. Han is the Plantation Advisor for Prosper Group, which is the substantial shareholder of United Malacca and his business relation with Mr. Tee and Dato' Sri Tee via Prosper Group under such circumstances, how would the Board provide comfort to the shareholders that the conflict of interest would not interfere with Mr. Han exercising his independent judgement as an Independent Director of the Company?

Mr. Tee Cheng Hua replied:

With this connection, we have a synergistic advantage as we share expertise and available resources. We are transparent regarding Recurrent Related Party Transactions (RRPTs), and the RRPTs are subject to the Internal Auditor's verification. Therefore, there is no adverse effect from this relationship.

Chairperson replied:

The plantation industry is different from the manufacturing sector as the trend is sharing all knowledge in the industry. For example, when UMB buys seedlings from other plantation companies, we can visit and check the seedlings. A neighbour, Mr. Tan Chay Yan (grandfather of a former UMB Director Mr. Tan Jiew Hoe) was the first man to plant rubber commercially. His success prompted many others to buy rubber trees and asked him how to plant rubber then. Mr. Tan Chay Yan openly shared his knowledge of rubber planting. The plantation industry shared resources. The planting materials and methods are all shared. There is no monarchy of knowledge. The only difference between the plantation companies is in managing trees, staff, etc. Therefore, we do not think there is a conflict of interest. On top of that, Mr. Tee's estates in Pahang are near UMB's estates in Pahang, and we share experiences in managing the respective estates.

Chief Executive Officer replied:

The plantation industry is a price taker, and the upstream industry players strive to improve yield. There is no secret recipe, as the plantation industry is guided by MPOB's standard operating procedures (SOP). Regarding Mr. Han Kee Juan, the more field visits he makes, the more experience he gains. His sharing of experience with us will help UMB improve its operations.

Mr. Ong Keng Siew, Audit Committee Chairman replied:
There are Recurrent Related Party Transactions (RRPTs). As the Audit Committee (AC) comprises independent non-executive directors, the AC is strict on the RRPTs by having a thorough assessment with verification by the Internal Auditor. On the directors' cross-shareholding with Far East Holdings Berhad, we do not compete with each other as we do not determine the CPO price. UMB needs Mr. Han Kee Juan's expertise to enhance UMB's production, yield, and best practices. In that sense, there is no conflict of interest, as we can only do better with recommendations from Mr. Han. We stand by our commitment to ensure no conflict of interest.

1.7.2

Question 2 from Shareholder:

- Where are the secondary/cash crops planted?
- How do the cash crops contribute to the Profit & Loss?
- What is being grown in Sulawesi?

Chief Executive Officer replied:

We planted stevia, pineapple, and pepper on a trial basis in Machap Estate, Melaka. We started coffee planting on a trial basis in Millian-Labau Plantations in Sabah. These secondary crops do not contribute to the Group's profit for now.

We started stevia planting in Sulawesi, but most are planted with coconuts.

1.7.3

Question 3 from Shareholder:

With big cut in USD interest rate followed by China's big monetary stimulus package, how does this affect UMB?

Chief Executive Officer replied:

UMB has bank loans in USD and has incurred forex losses in the last four years. The significant cut in the bank interest rate in the US and the sudden surge in the strengthening of the Ringgit against the USD allow us to have some unrealised forex gain.

UMB intends to slowly pay off its USD loan to reduce its exposure to forex fluctuation. In the past one to three years, UMB has strong cash flow in its balance sheet, sufficient to pay off its loans any time. We will continue to monitor the fluctuation in interest rates.

1.8.0

With no further questions raised, the Chairperson declared that the Audited Financial Statements for the financial year ended 30 April 2024, together with the Reports of the Directors and Auditors, duly laid and received at this meeting.

AGENDA 2

APPROVAL OF PAYMENT OF DIRECTORS' FEES OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

- 2.0.0 The Chairperson informed shareholders that according to Section 230(1) of the Companies Act 2016, directors' fees, and any benefits payable to the directors of a listed company and its subsidiaries must be approved at a general meeting.
- 2.1.0 At this meeting, the Board sought shareholders' approval to pay Directors' fees to the Directors of the Company and its subsidiaries, amounting to RM837,800 for the financial year ended 30 April 2024.
- 2.2.0 The Chairperson put forward the motion under Resolution 1, which read, "That approval be given for the payment of Directors' fees of the Company and its subsidiaries amounting to RM902,583 for the financial year ended 30 April 2024."
- 2.3.0 Ms. Fiona Lim Hui Ling proposed the motion, which was seconded by En. Abdul Razak Bin Md. Aris.
- 2.4.0 The Resolution was put to a vote by way of a poll. The meeting recorded the Chairperson abstained from voting in respect of her shareholdings.
- 2.5.0 The poll result showed 101,944,347 votes in favour of Resolution 1 and 5,400 votes against it. With a majority of 101,938,947 votes in favour, the Chairperson declared Resolution 1 carried.

AGENDA 3

APPROVAL FOR PAYMENT OF DIRECTORS' REMUNERATION (EXCLUDING DIRECTORS' FEES) FOR FINANCIAL YEAR ENDED 30 APRIL 2024

- 3.0.0 The Chairperson informed the meeting Resolution 2 sought shareholders' approval to pay remuneration (excluding Directors' fees) totalling RM277,417 to the Directors of the Company for the financial year ended 30 April 2024 based on the existing structure and level of fees for Board Committees, meeting allowances, and other benefits.
- 3.1.0 The Chairperson read out Resolution 2 as follows:

"That approval be given for the payment of Directors' remuneration (excluding Directors' fees) totalling RM277,417 to the Directors of the Company for the financial year ended 30 April 2024."

- 3.2.0 Ms. Seetha a/p Bankkaree proposed the motion, which was seconded by Ms. Fiona Lim Hui Ling.
- 3.3.0 The said Resolution was put to the vote by way of a poll.
- 3.4.0 The poll result showed 101,842,597 votes in favour of Resolution 2 and 16,925 votes against it. With a majority of 101,825,672 voted in favour, the Chairperson declared the Resolution 2 carried.

AGENDA 4

RE-ELECTION OF DIRECTORS WHO RETIRE BY ROTATION IN ACCORDANCE WITH CLAUSE 130 OF THE COMPANY'S CONSTITUTION

- 4.0.0 **Re-election of Datin Paduka Tan Siok Choo as Non-Independent Director of the Company.**
- 4.0.1 The Chairperson informed the meeting Resolution 3 related to her re-election as non-independent Director of the Company. Therefore, she would abstain from voting in respect of her shareholdings. The Chairperson then invited the Senior Independent Director, Dato Dr. Nik Ramlah Binti Nik Mahmood to chair and conduct the proceedings.
- 4.0.2 Dato Dr. Nik Ramlah Binti Nik Mahmood took over the Chair and conducted the proceedings to consider the Resolution 3 which read as follows:
- “That Datin Paduka Tan Siok Choo, the non-independent Director retiring by rotation in accordance with Clause 130 of the Company's Constitution, be re-elected a non-independent Director of the Company.”
- 4.0.3 Ms. Seetha a/p Bankkaree proposed the motion, which was seconded by Ms. Lai Ming Enn.
- 4.0.4 The said Resolution was put to the vote by way of a poll.
- 4.0.5 With unanimous votes totalling 101,860,522 received in favour Resolution 3, the Chairperson declared the resolution carried.
- 4.0.6 Upon completion of Resolution 3, Dato Dr. Nik Ramlah Binti Nik Mahmood handed the chair back to Datin Paduka Tan Siok Choo.
- 4.1.0 **Re-election of Dato' Sri Tee Lip Sin as Non-independent Director of the Company.**
- 4.1.1 The Chairperson informed the meeting Resolution 4 related to the re-election of Dato' Sri Tee Lip Sin as non-independent Director

of the Company. Dato' Sri Tee Lip Sin, being eligible, has offered himself for re-election.

4.1.2 The Chairperson read out Resolution 4 as follows:

“That Dato' Sri Tee Lip Sin, the non-independent Director retiring by rotation in accordance with Clause 130 of the Company's Constitution, be re-elected as non-independent Director of the Company.”

4.1.3 Mr. Tee Lip Jen proposed the motion, which was seconded by Ms. Yap Lee Luan.

4.1.4 A shareholder requested to know the provision of Clause 130. The Company Secretary explained according to Clause 130, UMB directors are subject to retirement by rotation once every three years.

4.1.5 The said Resolution was put to the vote by way of a poll.

4.1.6 The poll result showed 103,949,494 votes in favour of Resolution 4 and 6,300 votes against it. With a majority of 103,943,194 voted in favour, the Chairperson declared Resolution 4 carried.

4.2.0 **Re-election of Mr. Han Kee Juan as independent Director of the Company.**

4.2.1 The Chairperson informed the meeting Resolution 5 related to the re-election of Mr. Han Kee Juan as an independent Director of the Company. Mr. Han Kee Juan, being eligible, has offered himself for election.

4.2.2 The Chairperson read out Resolution 5 as follows:

“That Mr. Han Kee Juan, the independent Director retiring by rotation in accordance with Clause 130 of the Company's Constitution, be re-elected as an independent Director of the Company.”

4.2.3 Ms. Seetha a/p Bankkaree proposed the motion, which was seconded by Mr. Tee Lip Jen.

4.2.4 The said Resolution was put to the vote by way of a poll.

4.2.5 The poll result showed 105,692,419 votes in favour of Resolution 5 and 5,400 votes against it. With a majority of 105,687,019 voted in favour, the Chairperson declared Resolution 5 carried.

AGENDA 5

RE-APPOINTMENT OF AUDITORS

5.0.0

The Chairperson proceeded to read out Resolution 6 for shareholders' consideration:

“That Messrs Crowe Malaysia PLT re-appointed as Auditors of the Company, at a remuneration to be determined by the Directors and to hold office until the conclusion of the next Annual General Meeting.

5.1.0

Ms. Leong Hwee Shien proposed the motion, which was seconded by Ms. Seetha a/p Bankkaree.

5.2.0

The said Resolution was put to the vote by way of a poll.

5.3.0

The poll result showed 105,750,594 votes in favour of Resolution 6 and 12,625 votes against it. With a majority of 105,737,969 voted in favour, the Chairperson declared Resolution 6 carried.

CONCLUSION

There being no other business, the Chairperson called the meeting to a close. The meeting ended at 12.28 p.m. with a vote of thanks to the Chair.

Confirmed Correct

Date: 25 October 2024

Sgd.
Datin Paduka Tan Siok Choo
Chairperson

Minority Shareholders Watch Group in relation to UMB's Annual General Meeting on 27 September 2024

Question 1

A. OPERATIONAL & FINANCIAL MATTERS

In FY 2024, UMB continued to speed up mechanisation in all estates, to further minimise crop losses and improve productivity while reducing reliance on manual labour. (page 33 of AR2024)

(a) What is the current stage/level of the Group's mechanisation of its estates?

Answer:

The Group's mechanisation mainly focuses on using Mini Tractor Grabbers (MTG) and Crawlers for FFB evacuation, which cover 100% of the operating area in West Malaysia and 30% of the operating area in Sabah.

Meanwhile, the Group is expanding the mechanisation system in Sabah.

(b) What is the budgeted expenditure in relation to mechanisation of UMB's oil palm estates to be incurred by the Group for the financial year ending 2025?

Answer:

Budgeted capital expenditure in relation to mechanisation for the financial year ending 2025 amounted to RM335,000/-.

Question 2

Only 22% or 6,093 hectares of palms aged more than 20 years need to be progressively replanted (page 39 of AR2024). Palms older than 24 years will be gradually replanted with high-yielding clonal and semi-clonal seedlings. For the current year under review, RM10.1 million was spent on nurturing immature oil palms planted over 1,218 hectares in Malaysia. About 378 hectares in Malaysia will be replanted in FY 2025. (page 40 of AR2024) Based on the Group's current rate of replanting, by when and how many years does the Group need to replant 6,093 hectares of palms aged more than 20 years with high-yielding clonal and semi-clonal seedlings?

Answer:

The Group expect to replant 6,093 hectares of palms aged more than 20 years within 10 years.

The replanting programme for the next five years would be around 400 to 600 hectares per year.

Question 3

In the financial year ended 30 April 2021 (FY 2021), work in Sulawesi was temporarily halted due to environmental concerns raised by Non-Governmental Organisations (NGOs). Currently, the planting programme in Sulawesi has been deferred. (page 33 of AR2024)

Please brief shareholders, if any, updates on Indonesian operations in Sulawesi.

Answer:

No active planting programme has been carried out since FY 2021.

The Group is still exploring the appropriate opportunities for the property in Sulawesi.

Question 4

SUSTAINABILITY MATTERS

Table 4 – Safety Performance Data for Indonesia operations:

Safety Performance	FY 2024	FY 2023	FY 2022
Lost Time Incident ("LTI") Accident	199	5	5
Lost Day	512	49	6,108
Lost Time Injury Rate ("LTIR")	9.71	0.32	0.36
Severity Rate ("SR")	124.95	15.82	2,196.81

(page 50 of AR2024)

- (a) What were the main reasons for the significant increase in LTI Accident, lost day and LTIR?

Answer:

The increase in LTI, lost days, and LTIR in Indonesia is due to the following reasons:

- i. The total accident cases decreased by 4.72 % in FY2023 (244 cases) against FY2024 (233 cases). However, the LTI was higher by 39.80 times compared to last financial year due to the severity of the accidents, where longer medical leave days were given out.
- ii. The total man hours worked increased by 32.31% compared to last financial year.
- iii. Lack of awareness on the application of appropriate PPE and tools by harvesters and pruners. The number of accidents involving harvesters and pruners contributed 65.21 % of the total accidents in FY 2024.

- (b) What actions have been taken by the Group to avert or mitigate such incidents in future?

Answer:

Action that the management has taken to avert such incidents, including

- i. Created awareness of OSH among targeted groups (harvesters and pruners) and provided on-the-job training for the newly recruited harvesters and pruners.
- ii. To enhance and intensify supervision at the workplace to ensure all the activities are carried out with OSH compliances.
- iii. To increase surprise operational audit at site by the EHS & Sustainability team.

Question 5

The Group's disclosure of its sustainability performance under Bursa's prescribed format for Bursa (Anti-corruption), the percentage of operations assessed for corruption-related risks was zero for FY2024. (page 75 of AR2024)

- (a) Why were there no operations assessed for corruption-related risks in 2024?

Answer:

Management had identified the corruption-related risks during preliminary review.

- (b) When will the Company start assessing operations for corruption risks?

Answer:

Management will conduct a comprehensive risk assessment on corruption-related risks in FY 2025

- (c) In strengthening the credibility of the Sustainability Statement for FY 2024, selected aspects/parts of the Sustainability Statement have been subjected to an internal review by the Company's Internal Auditors of which one of the indicators selected to be assured was anti-corruption (page 76 of AR2024).

Given that no assessment was conducted on the operations for corruption-related risks, what was the scope of assurance review carried out by the Company's Internal Auditors in relation to the sustainability indicator for anti-corruption – percentage of operations assessed for corruption related risk?

Answer:

Internal Auditors reviewed the Anti-bribery and Corruption Framework in 2024. UMB's policies and internal controls are aimed at fostering an environment that discourages bribery and corruption.

Question 6

C. CORPORATE GOVERNANCE MATTERS

Practice 1.4 of the Malaysian Code of Corporate Governance (MCCG) stipulates that the Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

UMB had not adopted Practice 1.4 of MCCG as Datin Paduka Tan Siok Choo (Non-Independent Non-Executive Director), the Chairperson of the Board, is not a member of the Audit Committee or Nomination and Remuneration Committee but is invited to attend Audit Committee meetings. (page 6 of CGR 2024)

By having the Chairperson attending the Audit Committee meetings may inflict unnecessary pressure and may impair the objectivity of the Audit Committee when deliberating on the observations and recommendations to be put forth to the Board. Thus, the Chairperson of the Board should not be attending the Audit committee meetings to ensure there is check and balance as well as objective review by the Board.

Why is there a need for the Chairperson to be invited to attend the Audit Committee meetings? Does the Company intend to apply Practice 1.4 to further enhance the independence and objectivity of the Audit Committee, and if yes, by when?

Answer:

The Chairperson attended the committee meetings as an observer but did not chair or participate in deliberating on the committee's observations and recommendations.

The Audit Committee and the Nomination and Remuneration Committee are comprised wholly of independent Non-Executive Directors. Therefore, the Board is of the view that the committee members have sound judgement, independence of mind, and objectivity and possess the skills and experience to contribute to the effective functioning of the respective committees.

Question 7

The Board currently has three (3) women Directors on its eight-member Board, comprising 38% of the Board. (page 27 of CGR 2024)

In terms of Board diversity, what benefits has the Board experienced from gender diversity among its members? How has the Board's performance been impacted in relation to these benefits?

Answer:

The respective board members have the qualifications, professionalism, expertise, knowledge, and corporate skills that align with the Group's needs. They bring diverse perspectives and experiences to the boardroom, providing valuable insights for better decision-making in the best interest of the Group and its stakeholders. They articulate the Board's role in providing strategic oversight and upholding accountability.