

# BATU KAWAN BERHAD 196501000504 (6292-U)

Minutes of the Fifty-Ninth Annual General Meeting (“AGM”) of Batu Kawan Berhad (“BKB” or “Company”) held at Conference Room, Ground Floor, Wisma Taiko, No. 1, Jalan S.P. Seenivasagam, 30000 Ipoh, Perak, Malaysia on Wednesday, 21 February 2024 at 3.00 p.m.

PRESENT	: Tan Sri Dato’ Seri Lee Oi Hian	- Chairman
	Dato’ Lee Hau Hian	- Managing Director
	Dato’ Yeoh Eng Khoon	- Non-Independent Non-Executive Director
	Mr. Quah Chek Tin	- Non-Independent Non-Executive Director
	Dr. Tunku Alina binti Raja Muhd Alias	- Senior Independent Non-Executive Director
	Mr. Lee Yuan Zhang	- Non-Independent Non-Executive Director
	Mr. Lim Ban Aik	- Independent Non-Executive Director
	Ms. Susan Yuen Su Min	- Independent Non-Executive Director
	Members in person, by proxies and by representatives as per attendance sheet	
IN ATTENDANCE	Ms. Yap Miow Kien	- Company Secretary
	Mr. Goh Swee Eng	- Chief Financial Officer / Company Secretary
	Ms. Chiew Cindy	- Company Secretary
	Mr. Lum Chiew Mun	} Representatives of External Auditors, BDO PLT
	Mr. Rejeesh Balasubramaniam	
	Mr. Samuel Low Kok Sian	
	Representatives of Poll Administrator, Boardroom Share Registrars Sdn Bhd	
	Representatives of Scrutineers, Scrutineer Solutions Sdn Bhd	

The attendance of invitees is as per attendance sheet.

## 1. COMMENCEMENT OF MEETING

The Chairman called the Meeting to order at 3.00 p.m. and extended a warm welcome to the attendees. The Company Secretary, Ms. Yap Miow Kien, confirmed that a quorum was present.

## 2. PRELIMINARY

The Chairman advised the members that all resolutions set out in the notice of the Meeting would be put to vote on a poll through electronic poll voting.

The Company had appointed Boardroom Share Registrars Sdn Bhd as the Poll Administrator to conduct the poll voting process and Scrutineer Solutions Sdn Bhd as the Scrutineers to verify and validate the polling results.

The polling process for voting for the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the Meeting.

### **3. NOTICE**

The Chairman informed that the Notice of Meeting had been despatched to the members together with the Abridged Annual Report 2023 of the Company and the Notice was taken as read.

### **4. AUDITORS' REPORT**

The Auditors' Report enclosed in the Annual Report 2023 was taken as read.

### **5. CHAIRMAN'S STATEMENT**

The Chairman informed the members that his commentary on the Group's performance was in the Chairman's Statement in the Annual Report 2023.

He then outlined the procedure for the conduct of the Meeting and proposed to take Questions from members after the tabling of all the resolutions. Upon the close of the Questions and Answers session, the motions would then be put to vote by poll.

### **6. AUDITED FINANCIAL STATEMENTS AND REPORTS**

The Chairman informed that the Audited Financial Statements for the year ended 30 September 2023, together with the Directors' and Auditors' Reports thereon, are not required to be put forward for voting. Thus, the Audited Financial Statements are tabled at the AGM for discussion only and for the Board to address any queries during the Questions and Answers session.

The Audited Financial Statements for the year ended 30 September 2023, together with the Directors' and Auditors' Reports thereon which were laid before the Meeting in compliance with Section 244(2)(a) and Section 340(1)(a) of the Companies Act 2016, were duly received.

### **7. RE-ELECTION OF DIRECTORS**

#### **(a) RE-ELECTION OF MR. QUAH CHEK TIN**

The Chairman informed that Mr. Quah Chek Tin retired by rotation in accordance with the Company's Constitution and, being eligible, offered himself for re-election.

Ms. Chang Pooi Yee proposed that the following resolution be put to a vote:

"THAT Mr. Quah Chek Tin who retired by rotation in accordance with the Company's Constitution, be and is hereby re-elected as a Director of the Company."

**(b) RE-ELECTION OF DR. TUNKU ALINA BINTI RAJA MUHD ALIAS**

The Chairman further informed that Dr. Tunku Alina Binti Raja Muhd Alias retired by rotation in accordance with the Company's Constitution and, being eligible, offered herself for re-election.

Ms. Lai Ah Moi proposed that the following resolution be put to a vote:

"THAT Dr. Tunku Alina Binti Raja Muhd Alias who retired by rotation in accordance with the Company's Constitution, be and is hereby re-elected as a Director of the Company."

**(c) RE-ELECTION OF MR. LIM BAN AIK**

The Chairman continued that Mr. Lim Ban Aik retired by rotation in accordance with the Company's Constitution and, being eligible, offered himself for re-election.

Ms. Chang Pooi Yee proposed that the following resolution be put to a vote:

"THAT Mr. Lim Ban Aik who retired by rotation in accordance with the Company's Constitution, be and is hereby re-elected as a Director of the Company."

**8. PAYMENT OF DIRECTORS' FEES**

The Chairman informed the Meeting that a sum of RM1,473,322 was recommended for payment as Directors' fees for the year ended 30 September 2023.

Ms. Chang Pooi Yee proposed that the following resolution be put to a vote:

"THAT the payment of Directors' fees of RM1,473,322 for the financial year ended 30 September 2023 to be divided among the Non-Executive Directors in such manner as the Directors may determine, be and is hereby approved."

**9. PAYMENT OF DIRECTORS' BENEFITS**

Members' approval was sought on the payment of Directors' benefits (other than Directors' fees) to the Directors for the period from the Fifty-Ninth AGM to the next AGM to be held in 2025. These benefits include meeting allowance, overseas travelling allowance and other benefits such as medical, insurance coverage and business travel.

Ms. Chang Pooi Yee proposed that the following resolution be put to a vote:

"THAT the payment of Directors' benefits (other than Directors' fees) to the Directors for the period from the Fifty-Ninth AGM to the Sixtieth AGM of the Company to be held in 2025 be and is hereby approved."

## 10. RE-APPOINTMENT OF AUDITORS

The Auditors, Messrs. BDO PLT retired and offered themselves for re-appointment.

Mr. Lim Jit Chew proposed that the following resolution be put to a vote:

“THAT Messrs. BDO PLT be and are hereby re-appointed as Auditors of the Company at a remuneration to be fixed by the Directors and to hold office until the conclusion of the next AGM.”

## 11. SPECIAL BUSINESS

### (a) ORDINARY RESOLUTION 7 – PROPOSED RENEWAL OF AUTHORITY TO BUY BACK ITS OWN SHARES BY THE COMPANY

The Chairman informed that the following Ordinary Resolution 7 was taken as read:

“THAT authority be given to the Company to buy back an aggregate number of shares in the Company (“Authority to Buy Back Shares”) as may be determined by the Directors from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit and expedient in the best interests of the Company provided that at the time of purchase, the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company and that the maximum funds to be allocated for the Authority to Buy Back Shares shall not exceed the latest audited retained profits of the Company;

THAT the shares purchased by the Company pursuant to Authority to Buy Back Shares may be dealt with by the Directors in all or any of the following manner:

- (i) distribute the shares as share dividends to the shareholders; or
- (ii) resell the shares or any of the shares on Bursa Malaysia Securities Berhad; or
- (iii) transfer the shares or any of the shares for the purposes of or under an employees’ share scheme; or
- (iv) transfer the shares or any of the shares as purchase consideration; or
- (v) cancel the shares or any of the shares; or
- (vi) sell, transfer or otherwise use the shares for such other purposes as allowed by the Companies Act 2016.

AND THAT the Directors be and are hereby empowered to do all such acts and things to give full effect to the Authority to Buy Back Shares with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities AND THAT such authority shall commence upon passing of this ordinary resolution and will expire at the conclusion of the next Annual General Meeting of the Company following the passing of this ordinary resolution or the expiry of the period within which the next Annual General Meeting is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of a purchase by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authority.”

On the proposal of Ms. Chang Pooi Yee, the following resolution was put to a vote:

“THAT Ordinary Resolution 7 on the Proposed Renewal of Authority to Buy Back its Own Shares by the Company be passed.”

**(b) ORDINARY RESOLUTION 8 – PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The Chairman informed that the following resolution was taken as read:

“THAT subject to the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into all arrangements and/or transactions as set out in Appendix II of the Circular to Shareholders dated 29 December 2023 involving the interests of Directors, major shareholders or persons connected with Directors or major shareholders (“Related Parties”) of the Company and/or its subsidiaries provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the Group’s day-to-day operations;
- (iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (iv) are not to the detriment of minority shareholders,

(“Mandate”).

THAT such authority shall commence upon the passing of this ordinary resolution and shall continue to be in force until:

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

whichever is earlier.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Mandate.”

The Chairman declared his interest in the transactions contained in Ordinary Resolution 8 and further informed the Meeting that Dato’ Lee Hau Hian and Mr. Lee Yuan Zhang are also interested parties in the transactions contained in Ordinary Resolution 8 and accordingly, they, together with persons connected with them will not vote on this resolution.

On the proposal of Ms. Lai Ah Moi, the following resolution was put to a vote:

“THAT Ordinary Resolution 8 on the Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature be passed.”

**(c) ORDINARY RESOLUTION 9 – PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES IN THE COMPANY (“BKB SHARES”) IN RELATION TO THE DIVIDEND REINVESTMENT PLAN THAT PROVIDES THE SHAREHOLDERS OF THE COMPANY THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND ENTITLEMENTS IN BKB SHARES (“DIVIDEND REINVESTMENT PLAN”)**

The Chairman informed the Meeting that the members had, at the previous AGM held in 2023, authorised the Directors to allot and issue new BKB Shares under the Dividend Reinvestment Plan, and that such authority will expire at the conclusion of this AGM. He explained that Ordinary Resolution 9, if passed, would give authority to the Directors to allot and issue such BKB Shares pursuant to the Dividend Reinvestment Plan in respect of any dividends to be declared, and that such authority shall expire at the conclusion of the next AGM to be held in 2025.

The Chairman informed that the following Ordinary Resolution 9 has been taken as read:

“THAT pursuant to the Dividend Reinvestment Plan (“DRP”) approved by the shareholders at the Annual General Meeting held on 13 February 2018 and subject to the approval of the relevant authorities (if any), approval be and is hereby given to the Company to allot and issue such number of BKB Shares pursuant to the DRP until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company PROVIDED THAT the issue price of the said BKB Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price (“VWAMP”) of BKB shares immediately prior to the price-fixing date, which VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price;

AND THAT the Directors be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deem fit and in the best interest of the Company.”

On the proposal of Mr. Lim Jit Chew, the following resolution was put to a vote:

“THAT Ordinary Resolution 9 on the Proposed Renewal of Authority for Directors to Allot and Issue New BKB Shares in relation to the Dividend Reinvestment Plan be passed.”

## 12. ANY OTHER BUSINESS

In reply to the Chairman, the Company Secretary confirmed that the Company had not received any notice for transaction of any other business at the Meeting.

## 13. QUESTIONS AND ANSWERS SESSION

The Chairman advised that the Company had responded to questions raised by the Minority Shareholders Watch Group (“MSWG”) in their letter dated 7 February 2024 for the AGM. The questions and replies thereto (a copy of the MSWG’s letter together with the Company’s reply dated 19 February 2024 are attached as **Appendix 1**) has been distributed to all members attending the Meeting.

Thereafter, the floor was opened to further questions.

There being no further questions, the Chairman proceeded with the Meeting.

## 14. POLLING PROCESS

The Chairman informed that he has been appointed as proxy for several members and that he would vote in accordance with their instructions given.

Thereafter, the members proceeded to vote electronically on the various resolutions using the electronic voting devices provided by the Poll Administrator. The members were requested to return to their seats after casting their votes.

## 15. DECLARATION OF RESULTS

After the Scrutineers had certified the poll results and submitted the results to the Board, the Chairman called the Meeting to order for the declaration of the poll voting results.

The Chairman declared all the ordinary resolutions tabled at the Meeting were **CARRIED**, based on the poll results as verified and validated by the Scrutineers and projected on the screen, as follows:

Resolution	Vote in Favour			Vote Against		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
<b>Ordinary Business</b>						
<b>Resolution 1</b> Re-election of Mr. Quah Chek Tin who retires by rotation in accordance with the Company’s Constitution, as a Director of the Company	101	304,521,960	99.9978	5	6,415	0.0021

Resolution	Vote in Favour			Vote Against		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
<b>Resolution 2</b> Re-election of Dr. Tunku Alina Binti Raja Muhd Alias who retires by rotation in accordance with the Company's Constitution, as a Director of the Company	102	304,527,760	99.9997	4	615	0.0002
<b>Resolution 3</b> Re-election of Mr. Lim Ban Aik who retires by rotation in accordance with the Company's Constitution, as a Director of the Company	102	304,527,760	99.9997	4	615	0.0002
<b>Resolution 4</b> Approval of payment of Directors' fees for the year ended 30 September 2023 amounting to RM1,473,322 (2022: RM1,392,514)	103	304,527,860	99.9998	3	515	0.0001
<b>Resolution 5</b> Approval of payment of Directors' benefits (other than Directors' fees) to Directors for the period from the Fifty-Ninth AGM to Sixtieth AGM of the Company to be held in 2025	103	304,527,860	99.9998	3	515	0.0001
<b>Resolution 6</b> Re-appointment of Messrs. BDO PLT as Auditors of the Company for the financial year ending 30 September 2024 and authority to the Directors to fix their remuneration	103	304,527,860	99.9998	3	515	0.0001
<b>Special Business</b>						
<b>Resolution 7</b> Proposed Renewal of Authority to Buy Back its Own Shares by the Company	105	304,528,374	100.0000	1	1	0.0000



Resolution	Vote in Favour			Vote Against		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
<b>Special Business</b>						
<b>Resolution 8</b> Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	87	83,782,500	99.9993	3	515	0.0006
<b>Resolution 9</b> Proposed Renewal of Authority for Directors to Allot and Issue new BKB Shares in relation to Dividend Reinvestment Plan	103	304,528,372	100.0000	3	3	0.0000

**16. TERMINATION**

There being no other business, the Meeting ended at 3.36 p.m. with a vote of thanks to the Chair.

CONFIRMED

.....  
[ CHAIRMAN ]

Wisma Taiko, 30000 Ipoh  
Perak Darul Ridzuan



**MINORITY SHAREHOLDERS WATCH GROUP**  
Shareholder Activism and Protection of Minority Interest

7 February 2024

**BY EMAIL/FAX/HAND**

The Board of Directors  
**BATU KAWAN BERHAD**  
Wisma Taiko  
No. 1, Jalan S.P. Seenivasagam  
30000 Ipoh  
Perak, Malaysia

**Attention: Ms. Yap Miow Kien  
Mr. Goh Swee Eng  
Ms. Chiew Cindy  
Company Secretaries**

Dear Directors,

**Re: 59<sup>th</sup> Annual General Meeting (“AGM”) of Batu Kawan Berhad (“BKB” or the “Company”) to be held on Wednesday, 21 February 2024**

---

In the interest of minority shareholders and all other stakeholders of the Company, we would like to raise the following questions: -

**Operational & Financial Matters**

1. The Industrial Chemical division posted a group profit before taxation of RM135.64 million, some 35% lower than last year's RM209.06 million, impacted mainly by lower caustic soda selling prices, lower sales volume and higher unit production cost. (page 39 of AR2023)

Given the challenging business environment and higher competition in view of new additional capacity introduced in the market, to what extent will the Group be able to maintain its market share in FY2024? Is there any foreseeable silver lining for the Group in FY2024?

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

Incorporated in Malaysia Registration No: 200001022382 (524989-M)

LEVEL 23, UNIT 23-2, MENARA AIA SENTRAL

No. 30, JALAN SULTAN ISMAIL

50250 KUALA LUMPUR

TEL: (603) 27320010

E-mail: [mwatch@mswg.org.my](mailto:mwatch@mswg.org.my) Website: [www.mswg.org.my](http://www.mswg.org.my)

2. For FY2023, the property investments reported a combined loss before tax (after deducting loans interest) of RM2.07 million, in contrast to the RM10.71 million profit recorded in last year. The adverse performance was primarily due to lower profit contributions from the Satterley Greenvale joint venture and Satterley Forrestfield associate, due to timing, as their property development projects move towards their final phase. (page 41 of AR2023)
- (a) How many property development projects are expected to complete in FY2024?
  - (b) What is in the pipeline in terms of new launches of property development projects in Australia for FY2024?
  - (c) Given that Perth's real estate values remained resilient, as evidenced by a 1.3% rise in the home value index in September 2023 (page 42 of AR2023), are there plans to further invest in Perth? What is the current stage of development for the projects in Perth?

Please present the questions raised herein, and the related answers, to the shareholders present at the forthcoming AGM. At the same time, we await a written reply as soon as possible for our records.

Thank you.

Yours sincerely



**Rita Foo**  
**Head, Corporate Monitoring**  
RF/ECYL/BKB/AGM 2024

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

Incorporated in Malaysia Registration No: 200001022382 (524989-M)

LEVEL 23, UNIT 23-2, MENARA AIA SENTRAL

No. 30, JALAN SULTAN ISMAIL

50250 KUALA LUMPUR

TEL: (603) 27320010

E-mail: [mwatch@mswg.org.my](mailto:mwatch@mswg.org.my) Website: [www.mswg.org.my](http://www.mswg.org.my)

19 February 2024

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

Level 23, Unit 23-2, Menara AIA Sentral  
No. 30, Jalan Sultan Ismail  
50250 Kuala Lumpur

Attn: Ms Rita Foo  
Head, Corporate Monitoring

Dear Sirs,

**BATU KAWAN BERHAD (“BKB”)  
FIFTY-NINTH (59<sup>TH</sup>) ANNUAL GENERAL MEETING  
ON 21 FEBRUARY 2024**

---

We refer to your letter dated 7 February 2024 in relation to our 59th Annual General Meeting, raising several questions that may be in the interests of minority shareholders and other stakeholders of the Group and the Company.

Following are our replies to your questions raised:

**Strategic & Financial Matters**

1. **Q: “The Industrial Chemical division posted a group profit before taxation of RM135.64 million, some 35% lower than last year’s RM209.06 million, impacted mainly by lower caustic soda selling prices, lower sales volume and higher unit production cost. (page 39 of AR2023).”**

**“Given the challenging business environment and higher competition in view of new additional capacity introduced in the market, to what extent will the Group be able to maintain its market share in FY2024? Is there any foreseeable silver lining for the Group in FY2024?”**

*The Group’s Industrial Chemical division is a commodity chemical business which is cyclical, and there will always be competition in the domestic market from local manufacturers and importers. Thus changes in market share at particular times is expected.*

*Maintaining high operating efficiency and being a low cost producer will ensure the Group maintains its competitive edge and market share. Post pandemic, we expect consumption by domestic customers to improve in some segments. Stable offtakes from our key customers will enable our plants to realise efficiencies from upgraded capacities, while at the same time, the Group is exploring more opportunities in regional markets for growth.*

2. **Q: “For FY2023, the property investments reported a combined loss before tax (after deducting loans interest) of RM2.07 million, in contrast to the RM10.71 million profit recorded in last year. The adverse performance was primarily due to lower profit contributions from the Satterley Greenvale joint venture and Satterley Forrestfield associate, due to timing, as their property development projects move towards their final phase. (page 41 of AR2023).”**

**(a) “How many property development projects are expected to complete in FY2024?”**

*One of our property development projects - The Hales with 473 residential lots in Forrestfield, Perth is nearing its final stage of completion in FY2024.*

**(b) “What is in the pipeline in terms of new launches of property development projects in Australia for FY2024?”**

*The Group’s various property investments have varying stages of development and not all will be ready for active sales in FY2024.*

*For new launches, two of the Group’s property investments in Melbourne, namely “1100 Donnybrook” and “Woodstock”, are pending local council approvals and once all requisite approvals are received, the Group anticipates launching the “1100 Donnybrook” project in FY2024 and the “Woodstock” project in late FY2024 or FY2025.*

**(c) “Given that Perth’s real estate values remained resilient, as evidenced by a 1.3% rise in the home value index in September 2023 (page 42 of AR2023), are there plans to further invest in Perth? What is the current stage of development for the projects in Perth?”**

*While there are no immediate plans, the Group will remain open to any property investment opportunities in Perth that meet the Group’s investment criteria.*

*Currently, the Group has two (2) development projects in Perth:*

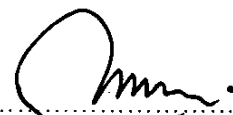
*(i) The Hales with 473 residential lots in Forrestfield, Perth is nearing its final stage of completion in FY2024; and*

*(ii) The Clementine residential project in Brookside, Perth is progressing as planned. As at Q1FY2024, eight (8) stages of land lot development with a total of 337 lots, have been released for sale and the project is performing well with over 90% take-up rate (i.e. 310 lots sold).*

The above replies will be presented to all the shareholders present at our upcoming 59<sup>th</sup> AGM to be held on 21 February 2024. We look forward to MSWG’s attendance on that day.

Thank you.

Yours faithfully  
**BATU KAWAN BERHAD**



( Goh Swee Eng )  
Chief Financial Officer/  
Company Secretary