

W T K HOLDINGS BERHAD
[Registration No. 197001000863 (10141-M)]
(Incorporated in Malaysia)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING (“EGM” OR “THE MEETING”) OF W T K HOLDINGS BERHAD (“THE COMPANY”) HELD ON A FULLY VIRTUAL BASIS THROUGH AN ONLINE MEETING PLATFORM VIA TIIH ONLINE WEBSITE AT HTTPS://TIIH.ONLINE OR HTTPS://TIIH.COM.MY (DOMAIN REGISTRATION NUMBER WITH MYNIC: D1A282781) PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD. IN MALAYSIA ON THURSDAY, 2 FEBRUARY 2023 AT 10.00 A.M..

Present

Directors	: Tan Sri Datuk Seri Panglima Sulong Bin Matjeraie	<i>Chairman, Independent Non-Executive Director</i>
	Y.A.M. Tengku Sulaiman Shah Al-Haj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Al-Haj	<i>Deputy Chairman, Non-Independent Non-Executive Director</i>
	Mr. Lim Hong Hin	<i>Executive Director</i>
	Dr. Loh Leong Hua	<i>Independent Non-Executive Director</i>
	Ms. Law Ngi Ping	<i>Independent Non-Executive Director</i>
In Attendance	: Mr. Lai Soon Ong	<i>Company Secretary cum Chief Financial Officer</i>
Invitees	: Mr. Goh Yao Yen	<i>Principal Adviser, UOB Kay Hian Securities (M) Sdn. Bhd.</i>
	Ms. Ding Su Lynn	} <i>Independent Adviser, FHMH Corporate Advisory Sdn. Bhd.</i>
	Ms. Ong Win Nie	
	Mr. Robert Ting Kang Sung	} <i>Independent Valuer, C.H. Williams, Talhar, Wong & Yeo Sdn. Bhd.</i>
	Mr. Hii Wei Jin	
	Mr. Lim Tien Yang	
	Mr. Tay Weng Hwee	} <i>Legal Counsel, Lee Hishammuddin, Allen & Gledhill</i>
	Ms. Lee Wan Xin	
	Ms. Jamie Cheong Wynn Jenn	
Members and Proxies	: As per Attendance List	

1. CHAIRMAN OF THE MEETING

The Chairman, Tan Sri Datuk Seri Panglima Sulong Bin Matjeraie took the chair of the Meeting.

The Chairman extended a warm welcome to everyone present at the Meeting which was held fully virtual in accordance with the Revised Guidance Note and FAQs on the Conduct of General Meeting for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022.

The Chairman then introduced the members of the Board of Directors (“Board”), the Company Secretary cum Chief Financial Officer and the respective representatives of the Principal Adviser, Independent Adviser, Independent Valuer and Legal Counsel who were present virtually via video conferencing.

2. QUORUM

The Company Secretary reported that the Company had received a total of 35 valid proxy forms representing a total of 9,514,420 shares of the Company from the shareholders.

Following a confirmation from the Company Secretary that there was a quorum present in accordance with Clause 50(2) of the Company’s Constitution, the Chairman declared that the Meeting duly convened.

3. NOTICE

The Notice convening the Meeting dated 18 January 2023, having been circulated earlier on was taken as read.

4. PRELIMINARIES

Before the Meeting proceeded with the items on the Agenda, the Chairman informed that all resolutions to be tabled at the Meeting shall be voted upon by way of a poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) as the Poll Administrator to conduct the polling process and Scrutineer Solutions Sdn. Bhd. as Independent Scrutineer to verify the results of the poll.

The Chairman then invited the shareholders and proxy holders to view a video on the poll voting procedures.

Shareholders have been informed that voting on the resolutions could be done at any time throughout the Meeting until the conclusion of the voting session and were welcomed to raise questions in real time by submitting questions via the query box of Remote Participation and Voting Facilities (“RPV”) provided by Tricor’s TIIH Online website at <https://tiih.online> or <https://tiih.com.my>.

5. AGENDA

The Chairman then proceeded to table the agendas of the Meeting as follows:

5.1 ORDINARY RESOLUTION 1

PROPOSED ACQUISITION OF THE ENTIRE EQUITY INTEREST IN B.H.B. SDN. BHD. (“B.H.B”), A PLANTATION COMPANY, FOR A TOTAL CASH CONSIDERATION OF RM237,500,000 (“PROPOSED B.H.B ACQUISITION”)

Ordinary Resolution 1 is to seek shareholders’ approval on the proposed acquisition of the entire equity interest in B.H.B. Sdn. Bhd., a plantation company, for a total cash consideration of RM237,500,000.00.

5.2 ORDINARY RESOLUTION 2

PROPOSED ACQUISITION OF A PALM OIL MILL TOGETHER WITH THE RELEVANT PLANT AND MACHINERY FOR A TOTAL CASH CONSIDERATION OF RM12,500,000 (“PROPOSED PALM OIL MILL ACQUISITION”)

Ordinary Resolution 2 is to seek shareholders’ approval on the proposed acquisition of a palm oil mill together with the relevant plant and machinery for a total cash consideration of RM12,500,000.00.

The Chairman informed that the Proposed B.H.B Acquisition and Proposed Palm Oil Mill Acquisition are deemed as Related Parties Transactions under Paragraph 10.08 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Interested Directors, Interested Major Shareholders and/or Persons Connected with Interested Directors or Interested Major Shareholders shall abstained from voting on the above resolutions.

6. QUESTION AND ANSWER SESSION

The Chairman invited Mr. Lim Hong Hin, Executive Director, to read out the questions received via query box from RPV and to respond to the questions raised.

Questions raised were responded by the Board, Principal Adviser and Independent Valuer. The summary of key matters discussed were listed in attached “Annexure A”.

The Chairman informed that in the event there are unanswered questions during the meeting, the questions would be replied through email after the meeting.

7. POLL VOTING

After the question and answer session, the Chairman reminded the shareholders and proxy holders that they were provided with 5 minutes to cast and submit their votes.

The Chairman then declared that the voting session for the Meeting closed. The Meeting was adjourned at 10.45 a.m. for the counting and verification of votes.

8. DECLARATION OF POLL RESULTS

The Meeting resumed at 11.02 a.m.. The Chairman announced the poll results which have been verified by the Independent Scrutineers, as follows: -

Ordinary Resolution	Vote For		Vote Against		Total Votes	
	No. of shares	%	No. of shares	%	No. of shares	%
1	10,136,202	99.4174	59,402	0.5826	10,195,604	100.0000
2	10,137,953	99.4346	57,651	0.5654	10,195,604	100.0000

The Chairman declared that all resolutions that had been put to the Meeting were duly carried and **RESOLVED** as follows:

ORDINARY RESOLUTION 1

PROPOSED ACQUISITION OF THE ENTIRE EQUITY INTEREST IN B.H.B. SDN. BHD. (“B.H.B”), A PLANTATION COMPANY, FOR A TOTAL CASH CONSIDERATION OF RM237,500,000 (“PROPOSED B.H.B ACQUISITION”)

“**THAT** subject to the passing of ordinary resolution 2 and relevant approvals being obtained, approval be and is hereby given to WTK to undertake the Proposed B.H.B Acquisition (details of which are set out in the circular to the shareholders of WTK dated 18 January 2023 (“**Circular**”)) in accordance with the terms and conditions as stipulated in the conditional share sale agreement entered into between Harvard Master Sdn. Bhd. (In Liquidation) (“**HMSB**”) and WTK Alpha Sdn. Bhd. (“**WTK Alpha**”) dated 27 October 2022 (salient terms of which are set out in **Appendix IV** of the Circular);

AND THAT the Board of Directors of the Company (“**Board**”) be and is hereby authorised to act, for and on behalf of the Company, and to take all such steps and do all such acts, matters and things as the Board deems fit or may consider necessary, desirable, appropriate or expedient to implement, finalise and give full effect to the Proposed B.H.B Acquisition and all agreements entered into pursuant to the Proposed B.H.B Acquisition with full power to give all or any notices, directions, consents and authorisations in respect of any matter arising under or in connection with the Proposed B.H.B Acquisition, and to assent to any condition, modification, variation and/or amendment relating to the Proposed B.H.B Acquisition as may be approved/required by the relevant regulatory authorities and/or as the Board deems fit.”

ORDINARY RESOLUTION 2

PROPOSED ACQUISITION OF A PALM OIL MILL TOGETHER WITH THE RELEVANT PLANT AND MACHINERY FOR A TOTAL CASH CONSIDERATION OF RM12,500,000 (“PROPOSED PALM OIL MILL ACQUISITION”)

“**THAT** subject to the passing of ordinary resolution 1 and relevant approvals being obtained, approval be and is hereby given to WTK to undertake the Proposed Palm Oil Mill Acquisition (details of which are set out in the Circular) in accordance with the terms and conditions as stipulated in the conditional sale and purchase agreement entered into between HMSB and WTK Alpha dated 27 October 2022 (salient terms of which are set out in **Appendix V** of the Circular);

AND THAT the Board be and is hereby authorised to act, for and on behalf of the Company, and to take all such steps and do all such acts, matters and things as the Board deems fit or may consider necessary, desirable, appropriate or expedient to implement, finalise and give full effect to the Proposed Palm Oil Mill Acquisition and all agreements entered into pursuant to the Proposed Palm Oil Mill Acquisition with full power to give all or any notices, directions, consents and authorisations in respect of any matter arising under or in connection with the Proposed Palm Oil Mill Acquisition, and to assent to any condition, modification, variation and/or amendment relating to the Proposed Palm Oil Mill Acquisition as may be approved/required by the relevant regulatory authorities and/or as the Board deems fit.”

10. CLOSURE

There being no other business, the Chairman declared the Meeting closed at 11.05 a.m. with a vote of thanks to all the attendees of the Meeting.

**CONFIRMED AS A CORRECT
RECORD OF THE PROCEEDINGS**

CHAIRMAN

W T K HOLDINGS BERHAD

Registration No. 197001000863 (10141-M)

Summary of key matters discussed at the Extraordinary General Meeting (“EGM”) of the Company held on 2 February 2023

No.	Key matters raised by members and/or proxies	Responses from Directors, Principal Adviser and Independent Valuers
1.	How does the Company address the labour shortage in plantation?	<p>Currently, the estate has sufficient workers to support the normal operation. However, we will continue to recruit new workers to add further support.</p> <p>With the recent announcement by the government on foreign worker recruitment, hopefully the processing time can be shorten and ease the pressure of the labour shortages.</p>
2.	What is the timeframe to complete the Proposed Acquisitions?	We envisaged that the Proposed Acquisitions will be completed in the second quarter of 2023.
3.	The gearing of the company will increase significantly from 0.33 to 0.54 times. How does the company plan to mitigate this risk?	We are optimistic that the cash flows to be generated from our businesses will be more than sufficient to cover all our debts at this point in time. In addition to that, the new plantation and mill will provide us with additional avenues of cash flow to meet our financial obligations. We do not foresee that the company will be requiring heavy investments in the immediate future. Our internal funds plus the current gearing will sufficiently cover our needs.
4.	Will the Proposed Acquisitions affect WTK’s ability to distribute dividends in the future?	The Group is committed to paying annual dividend and has a consistent track record over the years.
5.	What is the rationale for the Proposed Acquisitions?	<p>The rationale for the Proposed Acquisition is as follows:</p> <ul style="list-style-type: none"> (i) the oil palm planted area held by WTK Group will increase from 12,210.91 hectares to 16,428.50 hectares representing an increase of approximately 34.54% or 4,217.59 hectares; (ii) B.H.B will become a wholly-owned subsidiary of WTK Group and WTK Group will stand to benefit 100% from potential revenue and profit contribution from B.H.B; (iii) B.H.B’s oil palm yields are poised to further improve and the growth momentum in B.H.B’s earnings is expected to continue in the future financial years.

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No.	Key matters raised by members and/or proxies	Responses from Directors, Principal Adviser and Independent Valuers
6.	<p>What was the average CPO price used in arriving at the market value of RM252.33 million?</p> <p>Please explain how the lower CPO prices lately affects the value ascribed to B.H.B?</p>	<p>The independent valuer has adopted the Long-Term Average Price of RM 3,228 in arriving at the valuation.</p> <p>The lower CPO prices lately would not significantly impact the valuation of B.H.B Plantation as the independent valuer has adopted the long-term average price in its valuation.</p>
7.	<p>Will the weak CPO prices affect the Company cash flow, and what is the contingency plan to address the weak CPO prices?</p>	<p>The Company has positive operating cash flow and has sufficient cash reserves and banking facilities to support the Company’s operational needs.</p>
8.	<p>Is the land under negotiation included in the valuation of B.H.B Plantation?</p> <p>If yes, will there be any compensation to WTK under the S&P Agreement?</p>	<p>Yes, the land under negotiation of 100.95 hectares is included in the valuation.</p> <p>The Company has considered the lower market value of the Land Under Negotiation as compared to the Planted Area in arriving at the purchase consideration. Please refer to page 105 of the Circular dated 18 January 2023 for further details.</p>
9.	<p>What is the current corporate strategy of WTK?</p>	<p>The Group is looking to expand the plantation business and reducing its reliance on the timber business which is currently facing headwinds.</p>
10.	<p>How old is the oil mill and its oil extraction efficiency?</p>	<p>Mill is currently 33 years old. The oil extraction rate was 19.64% for the year 2021.</p>
11.	<p>What’s the basis for the cost per hectare for the B.H.B Plantation?</p>	<p>The independent valuers have adopted various parameters such as long-term average price, life span, oil extraction rate, yield and production cost in their valuation.</p> <p>Please refer to the Circular dated 18 January 2023 for further details.</p>

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No.	Key matters raised by members and/or proxies	Responses from Directors, Principal Adviser and Independent Valuers
12.	Why WTK Group's estates yield per hectare is lower as compared to B.H.B Plantation?	The lower yield per hectare of the WTK Group's estates were attributed to the lower palm stands impacted by steep terrain condition and the soil erosion.
13.	Is there any door gift (e.g. e-wallet credits/e-vouchers) as a token of appreciation for attending today's meeting?	The Group does not issue any door gift for this EGM. However, the Group certainly will consider doing so in the future.