

PPB GROUP BERHAD

Minutes of the 52nd Annual General Meeting of PPB GROUP BERHAD held at the broadcast venue at Selangor 1 Room, B2 Level, Shangri-La Hotel Kuala Lumpur, 11 Jalan Sultan Ismail, 50250 Kuala Lumpur on Tuesday, 11 May 2021 at 10.00 am.

Present/Registered

Tan Sri Datuk Oh Siew Nam (*Chairman of the meeting, and shareholder*)

also representing/proxy for a total of 505 members comprising the following :

- Cartaban Nominees (Asing) Sdn Bhd
- Cartaban Nominees (Tempatan) Sdn Bhd
- Citigroup Nominees (Asing) Sdn Bhd
- Citigroup Nominees (Tempatan) Sdn Bhd
- DB (Malaysia) Nominee (Asing) Sdn Bhd
- DB (Malaysia) Nominee (Tempatan) Sdn Bhd
- HSBC Nominees (Asing) Sdn Bhd
- HSBC Nominees (Tempatan) Sdn Bhd
- Maybank Nominees (Tempatan) Sdn Bhd
- UOB Kay Hian Nominees (Asing) Sdn Bhd
- Shaw Brothers (Johore) Sdn Bhd
- Kuok Brothers Sdn Berhad
- Kuok Foundation Berhad
- Kuok Foundation Overseas Limited
- Gaintique Sdn Bhd
- Min Tien & Company Sdn Bhd
- Infinite Starbrite Sdn Bhd
- Kumpulan Wang Persaraan (Diperbadankan)
- Ng Oi Sang
- Ooi Gek Kheng
- Koh Siew Haw

and 524 other shareholders and proxies, representing in total 1,132,680,488 ordinary shares equivalent to 79.62% of the issued shares of the Company.

In attendance

Mr Lim Soon Huat

Datuk Ong Hung Hock

Dato' Capt Ahmad Sufian@ Qurnain bin Abdul Rashid

En Ahmad Riza bin Basir

Madam Tam Chiew Lin

Mr Soh Chin Teck

Ms Yap Choi Foong

Mr Mah Teck Keong

Mr Ong Chee Wai

Ms Ng Yee Yee

Managing Director

Director

Director

Director

Director

Director

Chief Financial Officer ("CFO")

Company Secretary

Representing Ernst & Young PLT

(External auditors)

By video-conference

1. WELCOME BY CHAIRMAN AND QUORUM

Tan Sri Datuk Oh Siew Nam, the Chairman of the Meeting, welcomed the shareholders to the 52nd Annual General Meeting ("AGM") of the Company ("PPB"). The requisite quorum being present pursuant to Clause 64 of the Company's Constitution, the Chairman declared the meeting duly convened at 10.00 am.

2. LIVE STREAMING AND ONLINE REMOTE VOTING

2.1 The Chairman informed the meeting that the AGM of the Company was conducted entirely via live streaming and online remote voting, in line with the guidelines of the Securities Commission Malaysia on the conduct of general meetings by listed issuers. All the resolutions in the notice of the 52nd AGM would be voted by poll using remote voting facilities. Voting on the resolutions was opened when the meeting commenced, and closed after discussion of the agenda items was completed. Boardroom Share Registrars Sdn Bhd was appointed as the poll administrator to conduct the remote electronic voting, and Asia Securities Sdn Bhd acted as scrutineer to validate the votes cast.

2.2 The Chairman introduced the other directors, management and external auditors who were present at the AGM either at the broadcast venue, or participating via live streaming.

3. PRELIMINARY MATTERS

3.1 Letter from Minority Shareholder Watch Group (“MSWG”)

PPB had received a letter dated 4 May 2021 from the MSWG containing several questions on the Group’s operations and corporate governance, and replied to MSWG in a letter dated 11 May 2021. The CFO, Ms Yap Choi Foong read out the Company’s replies. PPB’s written reply to MSWG’s questions is attached as Annexure A to these minutes.

3.2 Presentations on the PPB Group

The CFO presented the key Group financial highlights for the year ended 31 December 2020, and the Managing Director, Mr Lim Soon Huat, briefed the members on the group business updates and prospects.

4. AUDITED FINANCIAL STATEMENTS AND DIRECTORS’ REPORT

4.1 Audited financial statements – Financial year ended (“FYE”) 31 December 2020

The audited financial statements for FYE 2020 were tabled at the AGM pursuant to Section 340(1)(a) of the Companies Act 2016, and this agenda item was not required to be put to vote.

There were no objections to the Chairman’s proposal that the auditors’ report be taken as read.

Members had submitted questions both in advance and during the meeting, relating to the group’s operations and businesses, and financial results. They were dealt with by the Chairman, Managing Director and senior management, and included the following matters :

Strategy/future plans

- On the effect of the Covid-19 pandemic on the group’s businesses and action plans to deal with it, management replied that the Covid-19 pandemic continued to weigh down the *Film exhibition and distribution*, and *Property* segments. The performance of the *Grains and agribusiness* segment is expected to be satisfactory with focus on managing the volatility of grain prices. The cinema operations will continue to be prudent, ensure stringent cash flow management, and diversify its revenue sources. The *Property* segment will focus on improving footfall in the group’s malls, and boost sales of the development properties.
- On whether there are any plans for the PPB group to venture into other businesses (such as electric vehicles, semiconductors, and surgical gloves), management replied that the group continuously looks for opportunities to expand its businesses and add value for shareholders. In regard to the three areas mentioned, there are no imminent plans at present.

In respect of prospective business ventures with affiliates in other countries, the Chairman replied that this would be considered should such opportunities arise.

- On the Company’s expectations of profit contributions from its investment in Wilmar International Limited (“Wilmar”) in view of the present high palm oil prices, the Chairman replied that palm oil is presently a relatively small part of Wilmar’s businesses.
- The Chairman also informed the meeting that the Company does not presently intend to increase its shareholding in Wilmar, nor acquire shares of Shangri-La Hotels (Malaysia) Berhad.

Grains and agribusiness

- A shareholder enquired how the group manages its costs and selling prices in the Malaysian market conditions in view of rising wheat and grains prices. The Managing Director replied that this did not have a major impact as not all flour sold in the domestic market is price-controlled or subsidised. The group’s pricing approach is to absorb costs as much as possible with an acceptable margin, and pass a portion of costs to institutional buyers only as a last resort; what is important is how well it sources and purchases its raw materials, and to focus on quality.

- On the FFM group's market shares in Malaysia, Vietnam and Indonesia, FFM is the leading flour miller in Malaysia; it is expanding capacity in Vietnam; and aiming to expand its market share in Indonesia to above 10%.
- On whether there is any strategic tie-up with other players to expand in the poultry sector, the Chairman replied that the group concentrates and expands in businesses it does well (eg flour milling and cinemas). At present, the group's poultry business will focus on the local market, for example the expansion of its facilities in Pulau Indah for frozen and finished products. It will consider expanding outside Malaysia if conditions are suitable.

Film exhibition and distribution

- On a question on the PPB Leisure Holdings Sdn Bhd group performance, management replied that it incurred a RM135.6 million loss from the cinema operations. There was an impairment loss in this segment amounting to RM4 million, pertaining to a write-down of an investment in Cambodia; for the time being no other impairment is anticipated.
- On the group's strategy on the cinema business and expansion plans following the proposed acquisition of the MBO cinema assets, the Managing Director replied that although operations continue to be disrupted with intermittent closures, the group is confident of the sector's recovery, and the MBO acquisition is a strategic move. There are no plans to acquire other cinema chains or operations.

Property

- Management provided an update on the progress of the Megah Rise mixed development project in Petaling Jaya. There had been disruptions but no serious delays, and completion is presently targeted for January 2022. However the opening of the commercial/retail portion may be delayed to early-2022.
- On the group's landed asset at Fettes Park, Penang, it is intended to be a mixed development comprising high-rise medium cost units. The development plan is being prepared for submission to the local authorities.

Finance

- On the financial performance of the various business segments, management replied that the Group's profits for FYE 2020 were mainly contributed by its investment in Wilmar, which contributed 86% or RM1.24 billion; the *Grains and agribusiness* segment contributed 19% or RM271.7 million; whilst the *Consumer products* segment contributed 2% or RM31.5 million.

The *Film exhibition and distribution* segment was the only loss-making business segment in FYE 2020. It incurred a loss of RM135.6 million for FYE 2020, largely due to an extended MCO period and intermittent closure of cinemas, and deferment of major titles.

Of the RM100.8 million in total comprehensive income from other associates, more than 90% was from the China associates in the *Grains and agribusiness* segment, and the remaining from the *Environmental engineering and utilities* segment.

- On a question about the investment in quoted shares, management replied that these were mostly non-significant stakes in overseas listed entities, which had been held for a long time.
- On whether there is any policy on dividend payout ratio, or payment of special dividends, management replied that the Company's dividend payouts are decided by balancing between rewarding shareholders, and cash flow needs for business growth and new opportunities to create long-term shareholder value.
- The Chairman replied that there are presently no plans for a bonus issue of shares.
- The Company had not carried out any share buy-backs in the last financial year to-date.

Investor relations

- In respect of an annual investor relations calendar which includes the dates of announcement of the quarterly financial results, and analyst/fund manager briefings, management explained that information on the tentative months for the release of financial results, the AGM, and analysts and press briefings is available on the Company's website under the 'Investor Relations Schedule' section.

Press and analysts briefings are held twice a year to review the half-year and full year results. The presentation materials at these sessions are also uploaded to the Company website. For shareholders, the AGM is a platform for them to engage with the board on matters relating to the group.

- On a request to enable shareholders to speak at the AGM instead of via submission of typed questions and comments, the Company replied that communication from shareholders can be via other modes of expression, eg the real-time submission of typed texts. For the AGM this year, the Company had decided to maintain the practice of written questions as it believes that this would still sufficiently enable shareholders to submit their questions and give their comments to the board.
- On a request to provide the minutes of the AGM to shareholders, management responded that after the AGM, a summary of the key matters discussed at the AGM is uploaded to the Company's website, including its replies to the questions raised by the MSWG, and this is available to all shareholders.

Governance/Others

- On whether there is any whistleblower policy and procedures, or whistleblower reports received and action taken, management replied that the Company has a set of Whistleblowing Policy and Procedures which is published on its website. The Company received a whistleblower report in 2020 and investigated the allegation, and concluded that it was not substantiated.
- The Chief Financial Officer informed the meeting that the typical annual allocation of expenditure on environment, social and governance (ESG) activities would be about RM2-3 million.
- The Chairman clarified that directors attending the AGM receive an allowance (this is not part of the annual directors' fees).
- On whether auditors' fees are subject to shareholders' approval at the AGM, the Company Secretary replied that shareholders approve the appointment of auditors in accordance with the Companies Act 2016; and the directors are authorised to approve the fees.

The Chairman declared that the Company's audited financial statements for FYE 2020 had been laid before the meeting, and proceeded to the next item on the agenda.

5. FINAL AND SPECIAL DIVIDENDS

The Directors had recommended for shareholders' approval, the payment of a final dividend and special dividend of 22 sen and 16 sen per share respectively for FYE 2020. Together with the interim dividend of 10 sen per share already paid, the total dividend declared/proposed for FYE 2020 would be 46 sen per share, equivalent to a total dividend payment of RM655 million.

Ordinary Resolution No. 1 to approve the payment of a final dividend and special dividend of 22 sen and 16 sen per share respectively for FYE 2020 was put to vote.

6. DIRECTORS' FEES AND BENEFITS

The Chairman passed the Chair to the Managing Director, Mr Lim Soon Huat to conduct the proceedings on the proposed payment of Directors' fees and benefits, and re-election of directors.

6.1 Directors' fees

The Board had recommended an increase in the fees payable to non-salaried Directors for FYE 2020. As such the total fees payable to non-salaried Directors who served on the Board and various committees in 2020 would amount to RM1,016,000/-, compared to RM940,000/- paid for FYE 2019.

Ordinary Resolution No. 2 to approve the payment of Directors' fees was put to vote.

6.2 Directors' benefits

The non-salaried Directors' benefits comprise allowances and benefits-in-kind. An amount of RM290,000/- in Directors' benefits for the period from 1 July 2020 to 30 June 2021 was approved at the 51st AGM held on 12 June 2020, of which about RM120,000/- was expected to be incurred up to 30 June 2021.

The estimated value of benefits for non-salaried Directors for the period from 1 July 2021 to 30 June 2022 is RM280,000/-. This amount includes provisions for any increase in meeting allowances and the number of meetings, and directors' medical expenses not covered by insurance.

Ordinary Resolution No. 3 to approve the proposed payment of Directors' benefits was put to vote.

Declaration of interests and abstention from voting

Mr Lim informed the meeting that Tan Sri Datuk Oh Siew Nam and Madam Tam Chiew Lin were deemed interested in Ordinary Resolutions Nos. 2 and 3. They and persons connected with them abstained from voting on these resolutions.

Mr Lim passed the Chair back to Tan Sri Datuk Oh after the completion of the above agenda items.

7. RE-ELECTION OF DIRECTORS

Datuk Ong Hung Hock and Mr Soh Chin Teck retired by rotation at the AGM and being eligible, had offered themselves for re-election. PPB's Nomination Committee had carried out an assessment and recommended Datuk Ong and Mr Soh for re-election as Directors.

- (a) Ordinary Resolution No. 4 to approve the re-election of Datuk Ong Hung Hock was put to vote.
- (b) Ordinary Resolution No. 5 to approve the re-election of Mr Soh Chin Teck was put to vote.

8. RE-APPOINTMENT OF AUDITORS

Ernst & Young PLT, the retiring auditors had indicated their willingness to be re-appointed and the Audit Committee had recommended their re-appointment.

Ordinary Resolution No. 6 to approve the re-appointment of Ernst & Young PLT was put to vote.

OTHER BUSINESS

9. CONTINUATION OF TENURE OF INDEPENDENT DIRECTORS

- 9.1 The Chairman informed the meeting that Dato' Captain Ahmad Sufian @ Qurnain bin Abdul Rashid ("Dato' Capt Sufian") was appointed as an Independent Non-executive Director in 2009; and his tenure as an independent director was extended at the AGM in 2020 until the conclusion of the next AGM of the Company. Dato' Sufian's tenure as an independent director of the Company would exceed a cumulative term of more than 12 years in June 2021.

Mr Soh was appointed as an Independent Non-executive Director in 2012. His tenure as an independent Director would exceed nine years in October 2021.

9.2 Pursuant to the Malaysian Code on Corporate Governance, the Board through the Nomination Committee had carried out an assessment, and was satisfied that Dato' Captain Sufian and Mr Soh are able to exercise independent judgement, and act in the best interest of the Company.

- (a) Ordinary Resolution No. 7 to approve the continuation of Dato' Capt Sufian's tenure as an Independent Director was put to vote.
- (b) Ordinary Resolution No. 8 to approve the continuation of Mr Soh Chin Teck's tenure as an Independent Director was put to vote.

10. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

Shareholders' approval was sought to authorise the Directors to allot and issue shares not exceeding 10% of the Company's issued shares to avoid any delay and cost of convening general meetings should the Company need to issue new shares during the year. The Company had not issued any new shares since the previous mandate in 2020.

Ordinary Resolution No. 9 to authorise the Directors to issue shares was put to vote.

11. **SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The Chairman informed members that details of the proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature entered to be entered into with PGEO Group Sdn Bhd ("PGEO") and/or its connected persons are set out in Part A of the Circular to Shareholders dated 13 April 2021 (the "Circular"). PGEO is a major shareholder of FFM Berhad with 20% direct interest.

Declaration of interest and abstention from voting

The Chairman informed the meeting that PGEO and persons connected with PGEO would abstain from voting on the resolution.

Ordinary Resolution No. 10 to approve the PGEO Mandate was put to vote.

12. **RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**

The Chairman explained that the renewal of the authority for the Proposed Share Buy-back would enable the Company to purchase its own ordinary shares, up to a maximum of 10% of the issued shares of the Company. He informed members that details of the Proposed Share Buy-back are set out in Part B of the Circular.

Ordinary Resolution No. 11 to authorise the proposed share buy-back was put to vote.

13. **OTHER BUSINESS**

The Secretary informed the Chairman that the Company had not received notice of any other business of an Annual General Meeting.

Additional/other questions

The Chairman informed members that any other questions which were not dealt with at the AGM could be directed to the Corporate Affairs Department for follow up.

14. **COMPLETION OF POLL VOTING AND DECLARATION OF RESULTS**

14.1 The meeting was adjourned at 11.55 am to enable members to complete the voting process, and registration was closed for tabulation and verification of votes.

14.2 The Chairman resumed the meeting at 12.15 pm for the declaration of the voting results provided by the poll administrator and verified by the scrutineers.

14.3 Based on the results of the voting set out in Annexure B to these minutes, the Chairman declared that all the resolutions put to vote at the 52nd AGM of the Company were passed.

The list of resolutions passed at the 52nd AGM are set out in Annexure C to these minutes.

There being no other matters, the meeting terminated at 12.25 pm.

Read and confirmed

Kuala Lumpur
11 May 2021

CHAIRMAN

Annexure A

Please refer to the following pages for PPB's reply dated 11 May 2021 to MSWG's letter.

11 May 2021

Minority Shareholder Watch Group
Tingkat 11 Bangunan KWSP
3 Changkat Raja Chulan
Off Jalan Raja Chulan
50200 Kuala Lumpur

Attn : Mr Devanesan Evanson
Chief Executive Officer

Dear Mr Evanson

52ND ANNUAL GENERAL MEETING (“AGM”) OF PPB GROUP BERHAD ON 11 MAY 2021

We refer to your letter of 4 May 2021 and are pleased to reply to the points raised therein as follows :

Operational & Financial Matters

Grains and Agribusiness

1. *The Group is exposed to the fluctuation of commodities prices such as wheat, palm oil, soybean and corn prices (page 19 of AR 2020). It is critical to secure raw materials at favourable prices for the Group to remain competitive and profitable. It closely monitors commodity price movements and hedges its exposure (page 28 of AR 2020).*

- (a) Given the increasing commodity prices, how does the Group balance between preserving margins and passing on cost increases to its customers?

Answer

With over 50 years of experience in grains and agribusiness, the Group has strong technical competency and experience in raw materials procurement and cost efficiency management. Cost increase will only be passed on to customers as a last resort.

- (b) To what extent are the Company’s raw material purchases hedged?

Answer

Raw material prices depend substantially on weather and demand, which are unpredictable. Therefore our procurement strategy takes into consideration the market volatility, and we hedge accordingly when the need arises.

Film Exhibition & Distribution

2. *It was stated in the Managing Director’s Review, the Group revenue was 11% lower at RM4.19 billion (2019: RM4.68 billion), largely due to a revenue decline in the Film Exhibition and Distribution segment. This segment was the most affected with cinema closures during the MCO period, and it takes cognisance of the continuing uncertainty surrounding the reopening of cinemas operating in reduced capacity (page 18 of AR 2020).*

- (a) Cinemas were allowed to re-open on 5 March 2021 at 50% seating capacity, were there signs of pent-up demand for watching movies at GSC cinemas after the easing of MCO restrictions and the planned roll-out of vaccines?

Answer

When GSC cinemas re-opened on 5 March 2021, we saw positive response from movie-goers although cinemas were not screening blockbuster titles. Admissions improved notably when we released 'Godzilla vs Kong' at end-March which followed through into mid-April, indicating pent-up demand by consumers to watch movies on the big screen.

We are confident that if the number of Covid-19 cases in the country is under control and with the strong movies lined up for this year, the *Film Exhibition and Distribution* segment will be able to start its recovery.

- (b) Film Exhibition and Distribution segment recorded a loss of RM135.6 million in FY2020 (Note 35, page 160 of AR 2020), does the Company expect this segment to break-even in FY2021?

Answer

We are confident that as the country gears towards herd immunity through vaccination, coupled with the strong movies lined up towards the end of the year, the *Film Exhibition and Distribution* segment will start to recover.

However, the path to recovery hinges on the effective rollout of the vaccination programme to contain the spread of Covid-19. Subject to the achievement of herd immunity, we expect the segment to breakeven in FY2022.

1. *The Company entered into an agreement in February 2021 to acquire cinema assets from the former operators of the MBO cinema circuit. The asset acquisition is targeted to be completed by end-June 2021 (page 23 of AR 2020).*

- (a) What is the payback period for the above investment?

Answer

We expect the investment to achieve payback in 3 to 4 years.

- (b) What is PPB Group's expectation from this acquisition in terms of financial contribution?

Answer

We plan to re-open progressively the former MBO cinemas towards the end of the third quarter of 2021. The expanded GSC cinema circuit is expected to be earnings accretive in FY2022.

- (c) What are the Company's plans and strategies for MBO cinema?

Answer

The former MBO cinemas will be rebranded under GSC. These cinema sites which are mainly located in smaller cities will complement GSC's existing sites. When the market returns to normal, MBO's sites will accelerate the recovery of our *Film exhibition and distribution* segment, and is expected to contribute positively to the performance of the Group.

Property

2. *It was reported, in The Edge article on 4 March 2021, that the Company's property project - Southern Marina Residences development, an integrated waterfront enclave in Puteri Harbour, Johor, had been impacted by border closure as prospective buyers are based mainly overseas.*

- (a) What is the take-up rate for the said residences?
- (b) What are the measures and initiatives taken by the Company to improve sales?
- (c) To-date, has the sales for the units picked up?

Answer

To date, 50% of the Southern Marina Residences units have been sold. Sales has been slow as the country weathers the Covid-19 pandemic.

While waiting for the borders to re-open, we are working on all avenues to promote sales; these include digital marketing and virtual tours of our properties.

Financials

1. *Other expenses have increased by 120% from RM8.1 million in FY2019 to RM17.8 million in FY2020 (page 90 of AR 2020).*

What were the reasons for the significant increase in these expenses in FY2020?

Answer

The increase is mainly attributable to :

- Impairment of an investment in Cambodia amounting to RM4.0 million.
 - A one-off goodwill impairment on non-core waste collection and other operations of RM2.5 million.
 - Provision for doubtful debts at the film distribution segment amounting to RM1.1 million.
 - Impairment of obsolete plant and machinery of RM1.0 million.
2. *The Group's impairment loss on trade receivables have increased significantly to RM12.0 million in FY2020 (FY2019: RM7.3 million) (Note 23, page 149 of AR 2020).*

- (a) What is the aging of these impaired trade receivables in the following categories: more than 90 days, 1 year and over 2 years?

Answer

Close to 80% of the impaired trade receivables are aged more than 90 days, of which about 33% are aged more than 90 days but less than 1 year, and 23% are more than 1 year but less than 2 years, and the balance are aged more than 2 years.

- (b) To which business segment does the impaired trade receivables relate to?

Answer

The impaired trade receivables are mainly from the *Grains and Agribusiness*, and *Film Exhibition and Distribution* segments.

- (c) What actions have been taken to recover the said amount? What is the probability of recovering the impaired amount? Have any amounts been recovered to-date?

Answer

The Group has established credit risk management control procedures in place. We aim to recover as much as possible of the amount through negotiation for settlement and legal proceedings. So far, no meaningful sums have been recovered as the recovery process is still on-going.

Corporate Governance Matters

1. *PPB Group in its Corporate Governance Report FY2020 (CG Report) states that it has departed from the following Practices (page 15, 16 and 19 of CG Report)*

- (i) **Practice 4.5** – which requires the board to disclose in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

Currently, the Company has one female director on the Board. The Board has not adopted any formal policy on gender diversity and targets.

- (ii) **Practice 4.6** – In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

The Company plan to utilize independent external sources to identify future candidates for Board positions?

- (iii) **Practice 6.1** – The board has in place policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The policies and procedures are periodically reviewed and made available on the company's website.

Currently, the Company does not have a formal Group policy on the determination of Board and Senior Management remuneration.

Practice Note 9 of Main Market Listing Requirements, Part I – Corporate Governance Disclosures, Paragraph 3.2C, a listed issuer defined as a Large Company under the Malaysian Code on Corporate Governance (MCCG) must also disclose the following if it departs from a Practice:

- (a) *the actions which it has taken or intend to take; and*
(b) *the timeframe required,*

to achieve application of the Practice.

As PPB Group falls under the category of Large Companies as defined under the MCCG, the above (a) and (b) must be disclosed by the Company in its CG Report. Please take note.

Answer

We note your comments on the above, and will take them into consideration when we review our corporate governance practices and disclosures in line with the amended provisions in the updated MCCG released by the Securities Commission on 28 April 2021.

Sustainability Matters

1. *PPB Group started its Sustainability Reporting journey in 2016 and the Sustainability Statement was prepared based on the Bursa Malaysia Securities Berhad listing requirements and sustainability parameters aligned to international reporting guidelines and frameworks, such as the Global Reporting Initiative (GRI) (page 33 of AR 2020)*

Does the Board intend to have the data contained within the Sustainability Statement independently assured, and if so, by when?

Answer

There is currently no plan for the data contained in the Sustainability Statement to be independently assured. The Board will review this periodically.

We trust the above has addressed the points raised by MSWG and as requested, will present them at the AGM for the benefit of shareholders. Please contact the undersigned or our Chief Financial Officer, Ms Yap Choi Foong via email (mahtk@ppb.com.my and cfyap@ppb.com.my respectively) if you require any additional clarification.

Yours sincerely

PPB GROUP BERHAD



Mah Teck Keong
Company Secretary

RESULTS OF POLL VOTING

Resolution	Subject	Votes for		Votes against		Total votes
		No. of shares	%	No. of shares	%	No. of shares
Ordinary Resolution 1	To approve the payment of the final and special dividends.	1,132,423,809	99.9793	234,663	0.0207	1,132,658,472
Ordinary Resolution 2	To approve increase in Directors' fees.	1,131,157,818	99.9887	127,535	0.0113	1,131,285,353
Ordinary Resolution 3	To approve the payment of Directors' benefits.	1,131,200,706	99.9926	83,191	0.0074	1,131,283,897
Ordinary Resolution 4	To re-elect Datuk Ong Hung Hock as a Director.	1,113,533,366	98.3114	19,125,894	1.6886	1,132,659,260
Ordinary Resolution 5	To re-elect Mr Soh Chin Teck as a Director.	1,120,424,112	98.9198	12,235,248	1.0802	1,132,659,360
Ordinary Resolution 6	To re-appoint Ernst & Young PLT as auditors of the Company.	1,131,521,497	99.8995	1,137,983	0.1005	1,132,659,480
Ordinary Resolution 7	To approve the continuation of Dato' Captain Sufian's tenure as an Independent Director.	1,100,848,237	97.1928	31,795,123	2.8072	1,132,643,360
Ordinary Resolution 8	To approve the continuation of Mr Soh Chin Teck's tenure as an Independent Director.	1,132,148,551	99.9570	487,291	0.0430	1,132,635,842
Ordinary Resolution 9	To authorise the Directors to allot and issue shares.	947,779,285	83.6773	184,880,193	16.3227	1,132,659,478
Ordinary Resolution 10	To approve a shareholders' mandate for recurrent related party transactions of a revenue or trading nature with persons connected with PGEO Group Sdn Bhd.	1,132,624,394	99.9977	25,966	0.0023	1,132,650,360
Ordinary Resolution 11	To approve the Proposed Share Buy-back.	1,132,306,360	99.9744	290,080	0.0256	1,132,596,440

11 May 2021

ITEM 14 – RESOLUTIONS PASSED AT THE 52ND AGM

Ordinary Resolution No.1

That the payment of a final dividend of 22 sen per share and a special dividend of 16 sen per share in respect of the financial year ended 31 December 2020 be hereby approved.

Ordinary Resolution No.2

That an increase in Directors' fees amounting to total fees of RM1,016,000/- for the financial year ended 31 December 2020 be hereby approved for payment to the non-salaried Directors.

Ordinary Resolution No.3

That approval be hereby given for the payment amounting to RM280,000/- in benefits to the non-salaried Directors for the period from 1 July 2021 to 30 June 2022.

Ordinary Resolution No.4

That Datuk Ong Hung Hock, retiring in accordance with Clause 105 of the Company's Constitution be hereby re-elected a Director of the Company.

Ordinary Resolution No.5

That Mr Soh Chin Teck, retiring in accordance with Clause 105 of the Company's Constitution be hereby re-elected a Director of the Company.

Ordinary Resolution No.6

That Ernst & Young PLT be hereby re-appointed as auditors of the Company until the conclusion of the next Annual General Meeting at a fee to be fixed by the Directors.

Ordinary Resolution No. 7

That approval be hereby given for Dato' Captain Ahmad Sufian @ Qurnain bin Abdul Rashid, who has served as an Independent Director of the Company for a cumulative term of more than 12 years, to continue in office as an Independent Director.

Ordinary Resolution No. 8

That approval be hereby given for Mr Soh Chin Teck, who has served as an Independent Director of the Company for a cumulative term of more than nine years, to continue in office as an Independent Director.

Ordinary Resolution No. 9

That subject to the Companies Act 2016, the Constitution of the Company and the approvals of the relevant authorities (if required), the Directors be and are hereby authorised 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 to be issued does not exceed ten per centum (10%) of the issued shares of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.

Ordinary Resolution No. 10

That pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("PPB Group") to enter into recurrent related party transactions of a revenue or trading nature as specified in Part A, sections 2.2.2(a) and 2.2.2(b) of the Circular to Shareholders of the Company dated 13 April 2021 with PGEO Group Sdn Bhd and/or persons connected with it as described in section 2.2.1 thereof which are necessary for PPB Group's day-to-day operations subject further to the following :

- (a) the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are on terms not to the detriment of the minority shareholders; and
- (a) disclosure is made in the annual report of the aggregate value of transactions conducted during the financial year pursuant to the approval hereby given.

And that the Directors of PPB be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this resolution.

Ordinary Resolution No. 11

That subject to the Companies Act 2016, the Company's Constitution, the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB") and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Board of Directors of the Company ("Board") from time to time through BMSB upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per cent (10%) of the total number of issued ordinary shares of the Company ("Proposed Share Buy-back");

And that the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-back shall not exceed the Company's retained profits;

And that at the discretion of the Board, the shares of the Company to be purchased may be dealt with in accordance with the provisions of the Companies Act 2016 and the Listing Requirements of BMSB;

And that such authority shall commence immediately upon passing of this ordinary resolution until:

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

whichever is the earlier;

And that the board be and is hereby authorised to take such steps to give full effect to the Proposed Share Buy-back with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.

11 May 2021