

**KUMPULAN JETSON BERHAD**  
[Registration No. 197701003095 (34134-H)]  
(Incorporated in Malaysia)

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD ON A VIRTUAL BASIS AT THE BROADCAST VENUE AT THE MEETING ROOM OF SECURITIES SERVICES (HOLDINGS) SDN. BHD., LEVEL 7, MENARA MILENIUM, JALAN DAMANLELA, PUSAT BANDAR DAMANSARA, DAMANSARA HEIGHTS, 50490 KUALA LUMPUR, WILAYAH PERSEKUTUAN, ON WEDNESDAY, 30 AUGUST 2023 AT 3:00 P.M.**

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<b>DIRECTORS PRESENT AT BROADCAST VENUE</b>	: Mr. Hong Cheong Liang ( <i>Chairman</i> ) Mr. Louise Paul A/L Joseph Paul Mr. Edward Ng Kah Jiun Encik Muhammad Badri Bin Mukhtar
<b>DIRECTORS WHO PARTICIPATED REMOTELY</b>	: Datuk Dr. Ong Ah Soon Ms. Goh Rui Yee
<b>ABSENCE WITH APOLOGIES</b>	: Datuk Teh Kian An
<b>IN ATTENDANCE</b>	: Ms. Yau Jye Yee ( <i>Company Secretary</i> )
<b>MEMBERS</b>	: As per the Attendance List
<b>PROXIES</b>	: As per the Attendance List
<b>INVITEES</b>	: As per the Attendance List

**CHAIRMAN**

Mr. Hong Cheong Liang ("**Chairman**") was elected by the Board of Directors ("**Board**") to chair the Extraordinary General Meeting of the Company ("**EGM**") and welcomed all for participating remotely from various locations through live streaming webcast.

The Chairman informed that the Board of Kumpulan Jetson Berhad had decided that the EGM is to be conducted on a virtual basis via live stream webcast and online remote voting using the remote participation and voting facilities, without the need for any physical attendance by shareholders and proxies.

The Chairman also highlighted that in the essence of time, the shareholders are encouraged to submit their questions as early as possible using the text box below the live stream player within the same e-Portal page. This is to prevent the shareholders' questions from being left out during the Question-and-Answer session.

The Chairman then introduced all the Directors, the Company Secretary and representatives from the Adviser, M&A Securities Sdn. Bhd., who joined the Meeting from their respective locations.

**QUORUM**

With the requisite quorum being present pursuant to Clause 66 of the Company's Constitution, the Chairman declared the Meeting duly convened. The Chairman then called the Meeting to order at 3:00 p.m.

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The Chairman informed the Meeting that the Company was using 23 August 2023 as the determinant date of the General Meeting Record of Depositors.

### **NOTICE OF MEETING**

The Notice convening the Meeting having been circulated within the prescribed period, with the permission of the Meeting, was taken as read.

The Chairman then invited the Company Secretary to give an overview of the proceedings of this Meeting.

### **PROCEEDINGS**

The Company Secretary briefed that the Meeting would first be taken through the item on the Agenda and followed by the question-and-answer ("**Q&A**") session to respond to the questions transmitted by shareholders and proxies.

As stipulated by the Securities Commission Malaysia, shareholders and proxies could rely on real-time submission of typed texts to exercise their rights to speak or communicate in the Meeting by submitting questions or remarks in relation to the item in the Agenda through the text box below the live stream player within the Securities Services e-Portal ("**SSeP**") page. The Chairman would via broadcast read out the relevant questions and would then answer the questions accordingly.

### **POLL VOTING**

The Chairman informed that the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") has mandated poll voting for all resolutions set out in the notice of general meetings. Pursuant to the above and Section 330 of the Companies Act 2016, the Chairman then exercised his right to direct the vote on the sole resolution of the Meeting to be conducted by way of poll.

In line with the MMLR of Bursa Securities, the proposed resolution as set out in the Notice convening the Meeting would be voted by poll. Shareholders and proxies could proceed to cast and submit their votes from the start of the Meeting, should they wish to, until the closure of the voting session is announced.

The Chairman informed that there was no legal requirement for a proposed resolution to be seconded, hence he would take the Meeting through the item on the Agenda. The Chairman further added that the voting module had been made accessible to all shareholders and proxies to submit their votes from the start of the Meeting and would continue to be accessible even after the agenda item has been discussed and everyone shall have an additional ten (10) minutes thereafter to cast and submit their votes after dealing with all the questions and answers in relation to the agenda item.

The Chairman then apprised the Meeting that there were shareholders who were unable to participate in the Meeting remotely and had appointed him to vote on their behalf. Accordingly, the Chairman would be voting in his capacity as a proxy in accordance with the shareholders' instructions, where indicated.

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The Chairman also informed that SS E Solutions Sdn. Bhd. was the appointed Poll Administrator and Commercial Quest Sdn. Bhd. was the appointed Independent Scrutineer to verify the result of the poll voting.

A step-by-step guide together with a short audio clip on the SSeP online voting module within the e-Portal was played.

### **1.0 ORDINARY RESOLUTION**

**PROPOSED DISPOSAL OF AN INDUSTRIAL PREMISE KNOWN AS LOT NO. 1569, JALAN KUSTA, KAWASAN PERINDUSTRIAN KAMPUNG JAYA, 47000 SUNGAI BULOH, SELANGOR DARUL EHSAN ("PROPERTY") BY JETSON DEVELOPMENT (ASIA) SDN BHD ("JDA"), A WHOLLY-OWNED SUBSIDIARY OF KUMPULAN JETSON BERHAD ("JETSON" OR "COMPANY") TO TYH MANAGEMENT SDN BHD ("TYH"), FOR A TOTAL CASH CONSIDERATION OF RM35,000,000 ("PROPOSED DISPOSAL") AND THE SUBSEQUENT TENANCY OF THE PROPERTY FROM TYH ("PROPOSED TENANCY") (COLLECTIVELY REFERRED TO AS "PROPOSALS")**

The Chairman informed the Meeting that the sole item on the Agenda was to seek shareholders' approval in relation to the proposed disposal of an industrial premise known as Lot No. 1569, Jalan Kusta, Kawasan Perindustrian Kampung Jaya, 47000 Sungai Buloh, Selangor Darul Ehsan, by Jetson Development (Asia) Sdn. Bhd., a wholly-owned subsidiary of the Company to TYH Management Sdn. Bhd., ("TYH") for a total cash consideration of RM35,000,000/- and the subsequent tenancy of the property from TYH ("**collectively referred to as the Proposals**").

The Chairman briefed the Meeting that the Proposals provide an avenue for the Group to unlock the value of its property assets at their market value and raise cash proceeds which can be channelled towards the Group's business operations. The full details of the Proposals were provided in the Circular to the Shareholders dated 15 August 2023.

### **Q&A SESSION**

The following questions were received during the Meeting and were duly responded to by the Board and Management:-

- 1) Nine (9) questions were received from Mr. Chan Fung Han ("**Mr. Chan**"), a shareholder of the Company.

Mr. Chan's questions were as follows:-

- i) "*Clarification needed. The property is owned by Jetson Development (Asia) Sdn. Bhd. ("**JDA**") (a wholly-owned subsidiary). The property is currently tenanted by Kumpulan Jebco (M) Sdn. Bhd. (a wholly owned subsidiary) from JDA. JDA to dispose the property to TYH Management Sdn Bhd. An undated tenancy agreement entered into between Kumpulan Jebco (M) Sdn Bhd with*

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*TYH Management Sdn Bhd, to be effective after fully receipt the disposal proceeds. Am I right in understanding the full picture of this resolution amount reported in the financial year ending 2022 alone was RM2.12 million? What is management's plan to mitigate the losses?"*

The Chairman responded to Mr. Chan that his understanding was correct.

- ii) *"How to reconcile the net book value of RM34.4 million as at 31 December 2022 to the original cost of investment of RM24.5 million? Are they due to significant building improvements made on the property itself?"*

The Chairman responded that the RM34.4 million net book value was derived from the revaluation of the property performed during the financial year ended 2021.

- iii) *"Expected loss from the Proposed Disposal of RM2 million. Left aside the estimated RPGT and estimated expenses for the disposal, the Group will make gain on disposal of RM535,000. - Is the computation and accounting impact verified by the Group's external auditors?"*

The Chairman clarified that this is an unaudited calculation and will be verified and audited by the auditors upon commencement of the annual audit for the financial year ending 31 December 2023.

- iv) *"From my understanding from the circular, this transaction could be considered as sales and leaseback, and under IFRS 16 Leases, the associated impact to recognise the lease liabilities and right-of-use assets should be considered in the gain/loss computation. It is not that straight-forward in just deducting the net book value from the disposal consideration. Please relook if necessary."*

The Chairman assured Mr. Chan and the Meeting that the Company is aware of the Malaysia Financial Reporting Standard 16 (MFRS 16) impact on this transaction.

- v) *"Possible for Jetson to negotiate for a lower agent commission? It is currently quoted at the allowed maximum rate ie. 3% of the sale price of the property. 5) Interest savings of RM710,000 was computed based on RM20.06 million borrowings repaid and the average interest savings of 3.54% per annum. - How did Jeston derive this interest rate of 3.54% which seems quite low compared to the market interest rate? - Typo error in the section 5.3 Note 2. The cross-reference should be to Section 2.5."*

The Chairman informed the Meeting that the three per centum (3%) is a standard fee payable as per the prevalent market rate. Whereas the interest rate is based on the Company's average cost of financing. The typo error in the Circular is duly noted.

- vi) *"Surprisingly, two (2) Directors voted against the resolution to issue and despatch the Circular of this corporate exercise, and thereafter resigned. Is there any undisclosed matter that the minority shareholders should be made known with? Appendix II - 4.0 Rental deposit. Jetson will need to pay rental*

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*deposit of RM1.14 million. How would this deposit be funded by Jetson? Is it through the disposal proceeds?"*

The Chairman informed that subsequent to the resignation of the two (2) Directors, the Board as a whole had approved the contents of the Circular. The Chairman assured that no undisclosed matter that the minority shareholders should be made known with regards to this transaction.

In addition, the rental deposit fund will be generated internally by the respective subsidiaries of the Company.

- vii) *"Page 23 to the Circular - It is stated that the existing use of subject property is tenanted to various parties and the tenancies will be terminated upon the completion of the Proposed Disposal. Did Jetson rent out the property to any third parties? Any loss of rental income in this regard?"*

The Chairman informed that the property is rented to the Company's wholly-owned subsidiaries. Therefore, no loss of rental income will be recorded in the consolidated financial statements of the Company.

- viii) *"Question to the valuer - For the Comparable 1 (which the valuer opined as the best comparable), how to reconcile the land value per sf from RM140.70 to adjusted land value per sf of RM119.59? What are the rate ascribed to the various adjustment factors?"*

The Chairman highlighted to Mr. Chan and the Meeting that all related questions pertaining to the valuation were already covered in the valuation report, from pages 21 to 29 of the Circular.

The Chairman further stated that the answer to the question raised is disclosed on page 25 of the Circular under the "Remarks on Adjusted Value" item.

- ix) *"Why there is no presentation / briefing by the Board / Management / Principal Adviser on this resolution? You can't just assume the minority shareholders read the Circular entirety and know the details inside out."*

The Chairman clarified that the Circular was sent to shareholders with sufficient reading time, which was fourteen (14) clear days before the EGM. In addition to that, the Chairman also informed that all salient information has been covered in the executive summary page.

The Chairman thanked and noted the recommendation by Mr. Chan.

- 2) One (1) question from Mr. Tan Kim Khuat ("**Mr. Tan**"), a shareholder of the Company.

Mr. Tan's question was as follows:-

- i) *"Please consider e-token to attending shareholders."*

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The Chairman responded to Mr. Tan that the Company took note of the suggestion and will consider giving e-tokens in the future events.

**POLLING PROCESS**

At this juncture, the step-by-step guide together with a short audio clip on the SSeP online voting module within SSeP was replayed. Shareholders and proxies were given another ten (10) minutes to cast and submit their votes.

Upon closing the voting session, the Scrutineer proceeded to verify the poll results while the Company's corporate video was being played.

**ANNOUNCEMENT OF POLL RESULT**

After the validation of the poll result by the appointed Scrutineer, the result of the poll was shown on the screen as below:-

Resolutions	Voted in Favour		Voted Against		Results
	No. of shares	%	No. of shares	%	
<b>Ordinary Resolution</b>  Proposed Disposal of an industrial premise known as Lot No. 1569, Jalan Kusta, Kawasan Perindustrian Kampung Jaya, 47000 Sungai Buloh, Selangor Darul Ehsan by Jetson Development (Asia) Sdn. Bhd., a wholly-owned subsidiary of Kumpulan Jetson Berhad to TYH Management Sdn. Bhd. ("TYH") for a total cash consideration of RM35,000,000 and the subsequent tenancy of the property from TYH.	80,162,338	83.3427	16,021,655	16.6573	Carried

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The Chairman then declared that Ordinary Resolution was **CARRIED** where the Meeting **RESOLVED:-**

**1.0 ORDINARY RESOLUTION**

**PROPOSED DISPOSAL OF AN INDUSTRIAL PREMISE KNOWN AS LOT NO. 1569, JALAN KUSTA, KAWASAN PERINDUSTRIAN KAMPUNG JAYA, 47000 SUNGAI BULOH, SELANGOR DARUL EHSAN ("PROPERTY") BY JETSON DEVELOPMENT (ASIA) SDN BHD ("JDA"), A WHOLLY-OWNED SUBSIDIARY OF KUMPULAN JETSON BERHAD ("JETSON" OR "COMPANY") TO TYH MANAGEMENT SDN BHD ("TYH"), FOR A TOTAL CASH CONSIDERATION OF RM35,000,000 ("PROPOSED DISPOSAL") AND THE SUBSEQUENT TENANCY OF THE PROPERTY FROM TYH ("PROPOSED TENANCY") (COLLECTIVELY REFERRED TO AS "PROPOSALS")**

"**THAT** subject to the approvals of all relevant parties and/or authorities being obtained (where required), approval be and is hereby given to JDA to dispose of the Property for a total cash consideration of RM35,000,000, subject to and upon such terms and conditions as set out in the conditional sale and purchase agreement dated 19 January 2023 entered into between JDA and TYH for the Proposed Disposal.

Further, subject to the implementation of the Proposed Disposal, approval be and is hereby given to Kumpulan Jebco (M) Sdn Bhd for the rental of the Property for a term of three (3) years, subject to an automatic renewal of another three (3) years with another three (3) options thereafter to renew for further periods of three (3) years each, subject to and upon such terms and conditions as set out in the tenancy agreement entered into with TYH.

**AND THAT** the Directors of the Company be and are authorised to do all acts, deeds and things and to execute, sign and deliver for and on behalf of the Company all such documents as they may deem fit or expedient in order to carry out, finalise and give effect to the Proposals with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or permitted by any relevant authorities and to take all steps as they may consider necessary or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposals."

**CONCLUSION**

The Chairman concluded the Meeting and thanked all for participating in the Meeting. The Meeting was then declared closed at 4:42 p.m.

SIGNED AS A CORRECT RECORD



**HONG CHEONG LIANG**  
CHAIRMAN

Dated: 30 August 2023