

TELADAN SETIA GROUP BERHAD
[Registration No. 201901004975 (1314302-V)]
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE THIRD ANNUAL GENERAL MEETING OF THE COMPANY HELD ON A VIRTUAL BASIS VIDE THE ONLINE MEETING PLATFORM HOSTED ON SECURITIES SERVICES E-PORTAL AT [HTTPS://SSHSB.NET.MY/](https://sshsb.net.my/) PROVIDED BY SS E SOLUTIONS SDN. BHD. AT LEVEL 7, MENARA MILENIUM, JALAN DAMANLELA, PUSAT BANDAR DAMANSARA, DAMANSARA HEIGHTS, 50490 KUALA LUMPUR, WILAYAH PERSEKUTUAN ON FRIDAY, 20 MAY 2022 AT 3:00 P.M.

PRESENT

Directors	:	Mr. Roy Thean Chong Yew (<i>Chairman</i>) Mr. Teo Lay Ban Mr. Sia Ah Piew Mr. Teo Lay Lee Ms. Teo Siew May Mr. Annandan A/L Chandran Ms. Madeline Lee May Ming Ms. Foo Yit Lan
In Attendance	:	Mr. Jason Cheng Chia Ping (<i>Company Secretary</i>) Mr. Simon Chong Kah Tah (<i>Assisting the Company Secretary</i>) Ms. Anis Farhanni Ahmad Fozi (<i>Assisting the Company Secretary</i>)
Shareholders	:	As per Attendance List
Proxy Holders	:	As per Attendance List
Corporate Representatives	:	As per Attendance List
Invitees	:	As per Attendance List

At the Third Annual General Meeting of the Company ("**3rd AGM**" or the "**Meeting**") held on 20 May 2022, all the resolutions as set out in the Notice of the 3rd AGM, were duly passed by way of poll by the shareholders and proxies present thereat.

The following were the key questions that were raised by shareholders during the Meeting, which were adequately responded and addressed by the Board of Directors:-

1. Question:

With the Overnight Policy Rate ("**OPR**") being expected to continue increasing and the same for building material prices and implementation of minimum wages, what are the forecasted impacts to the margins, top line and bottom line of the Group for the FYE 2022?

Answer:

Mr. Teo Lay Ban ("**Mr. Teo**") replied that the increase of OPR is justified and needed given the inflationary environment. While this will increase the borrowing costs of homebuyers, the impact is minor given that 1.75 per centum was the lowest point to begin with. Overall, the monetary policy is still conducive to the property market as it is still cheap to borrow.

(Summary of Key Matters discussed at the 3rd AGM of the Company held on 20 May 2022 - cont'd)

2. Question:

Where could I locate the disclosure for Malaysian Financial Reporting Standards (MFRS) 107, paragraph 44A - changes in liabilities arising from financing activities?

Answer:

Chairman responded to Mr. Chan that the movement of borrowings are mainly in term loans, unlike companies with Sukuk, revolving credit, bridging loans, medium-term notes (MTN) which have multiple types of loan instruments. Thus, the current disclosure of indicating the repayment and drawn down in the statement of cashflows itself would have facilitated sufficient understanding to users. This paragraph should also be read in conjunction with paragraph 44B which indicates several activities, i.e. (a) financing cash flows, (b) subsidiaries, (c) forex, and (d) fair values. Thus, only paragraph 44B(a) is applicable, and may not enhance the usefulness of decision making with a separate note.

3. Question:

Non-current borrowings increased from RM110.6 million in the previous financial year to RM209.3 million in financial year 2021, but there was only about RM6 million of bank borrowings financing cash flows. Are these borrowings non-cash items? Could the Management provide a reconciliation for bank borrowings?

Answer:

Chairman responded to Mr. Chan that the increase in bank borrowings was to finance the acquisition of the land held for development reflected in the increase of inventories under non-current assets on the balance sheets. The drawdown of bank borrowings represents the net drawdown excluding those directly paid for the purchases of land.

4. Question:

What is the latest update to the acquisition of Polyintan Sdn. Bhd.?

Answer:

Mr. Teo shared with Mr. Chan that the project is still pending planning permission (KM) from the local authorities.

5. Question:

With regard to Note 31 of the financial statements, item (ii) Liquidity risk, why are there RM13.7 million contractual cash flows for financial guarantees but NIL carrying amount as at year-end?

Answer:

Chairman responded to Mr. Chan's question that it is a form of financial guarantee given to local authorities and utilities providers. The Company is

(Summary of Key Matters discussed at the 3rd AGM of the Company held on 20 May 2022 - cont'd)

required to reimburse the same in the event of any issues and losses incurred by the government and utilities providers. The amount reflects the maximum amount that is required to be settled should there be a triggering event, which there was none as of 31 December 2021, thus no carrying amount is shown.

6. Question:

With regard to Note 35 of the financial statements, it is stated that on 1 January 2020, the Group changed its accounting policy with retrospective effect as a result of the Agenda Decision. However, the Group was not in legal existence in the previous financial year. Is it necessary and material enough to have this prior year adjustment? Also, if the Group consciously changed its accounting policy on 1 January 2020, why was it not being picked up for such a long period from 1 January 2020 until the finalisation of the Audited Financial Statements for the financial year ended 31 December 2020?

Answer:

Chairman replied that the agenda decision is only applicable for financial period beginning on or after 1 July 2020, the Company has adopted the accounting policy beginning 1 January 2021. The retrospective application on 1 January 2020 was to facilitate consistent presentation of the comparatives figures as the accounting policy was adopted for this set of accounts. We adopted and adjusted accordingly, which was consistent with other property developers.

7. Question:

The Group has sufficient number of Directors, why the Chairman continues to sit in Audit Committee, Nominating Committee and Remuneration Committee which departed Practice 1.4 of the Malaysian Code on Corporate Governance.

Answer:

Ms. Madeline Lee May Ming being the Senior Independent Director and also the Chairperson of the Nominating Committee replied that the Board has taken the cognisance of this departure and the Board was of the view that it is vital to retain the Chairman to sit in the Audit Committee, Nominating Committee and Remuneration Committee due to his vast experience. The Board is considering seeking for alternatives in the near future in order to comply with the recommendation under Practice 1.4 of the Malaysian Code on Corporate Governance.

8. Question:

Why there are two (2) resolutions to approve the payment of Directors' fees even for FYE 2023.

Answer:

Chairman responded that the two (2) resolutions were to seek approval for payment of Directors' fees to the Non-Executive Directors of the Company for the FYE 2022 and FYE 2023, which are different financial years.

TELADAN SETIA GROUP BERHAD
 [Registration No. 201901004975 (1314302-V)]
 (Incorporated in Malaysia)

-4-

(Summary of Key Matters discussed at the 3rd AGM of the Company held on 20 May 2022 - cont'd)

9. Question:

Would appreciate if the Company could reward the shareholders appropriately with Touch&Go credits or post some food vouchers in view that shareholders are taking time and efforts to register and participate in the Meeting.

Answer:

Chairman informed that Company will be giving RM50/- Touch N Go E-wallet reload pin number as a token of appreciation to the shareholders as announced earlier.

RESULTS OF POLL VOTING

All the resolutions tabled at the 3rd AGM were duly passed by poll voting and the results of which were verified by Commercial Quest Sdn. Bhd., the Independent Scrutineer and had been announced to Bursa Malaysia Securities Berhad on 20 May 2022 as follows:-

Resolutions	Voted in Favour		Voted Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1 To approve the Directors' fees payable to the Non-Executive Directors of the Company and/or its subsidiaries amounting to RM468,000/- for the financial year ending 31 December 2022	402,831,702	99.9999	102	0.0001
Ordinary Resolution 2 To approve the Directors' fees payable to the Non-Executive Directors of the Company and/or its subsidiaries amounting to RM468,000/- for the financial year ending 31 December 2023	402,831,604	99.9999	100	0.0001
Ordinary Resolution 3 To re-elect Ms. Madeline Lee May Ming, a Director who retires in accordance with Clause 21.7 of the Company's Constitution, and being eligible, has offered herself for re-election	581,907,862	100.0000	2	0.0000

TELADAN SETIA GROUP BERHAD
 [Registration No. 201901004975 (1314302-V)]
 (Incorporated in Malaysia)

-5-

(Summary of Key Matters discussed at the 3rd AGM of the Company held on 20 May 2022 - cont'd)

Resolutions	Voted in Favour		Voted Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 4 To re-elect Mr. Sia Ah Piew, a Director who retires in accordance with Clause 21.7 of the Company's Constitution, and being eligible, has offered herself for re-election	581,492,864	100.0000	0	0.0000
Ordinary Resolution 5 To re-elect MS. Teo Siew May, a Director who retires in accordance with Clause 21.7 of the Company's Constitution, and being eligible, has offered herself for re-election	492,429,783	100.0000	1	0.0000
Ordinary Resolution 6 To re-appoint Messrs. RSM Malaysia PLT (converted from a conventional partnership, RSM Malaysia, on 3 January 2022) as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Board of Directors of the Company to determine their remuneration	581,907,863	100.0000	1	0.0000
Ordinary Resolution 7 Payment of Benefits payable to the Directors under Section 230(1)(b) of the Companies Act 2016	402,831,602	99.9999	102	0.0001
Ordinary Resolution 8 Authority to issue shares pursuant to the Companies Act 2016	581,907,863	100.0000	1	0.0000

CONCLUSION

The Meeting was concluded at 3:54 p.m.