

I-BERHAD
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MINUTES OF THE 57TH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT THE BALLROOM, LEVEL 2, DOUBLETREE BY HILTON SHAH ALAM I-CITY, I-CITY FINANCE AVENUE, 40000 SHAH ALAM, SELANGOR ON WEDNESDAY, 26 JUNE 2024 AT 10.00 A.M.

PRESENT

- Board of Directors : Y. Bhg. Tan Sri Lim Kim Hong (Chairman)
Y. Bhg. Puan Sri Tey Siew Thuan
Mr Lim Boon Soon, Ricky
Y. Bhg. Dato' Eu Hong Chew
Madam Goh Yeang Kheng
Mr Gan Kim Khoon
Mr Prem Kumar A/L Subramaniam
- Management : Mr How Kai Wei (Head of Finance)
- Company Secretary in attendance : Madam Bu Chew Lin
- By Invitation
Representatives from : Messrs. Deloitte PLT represented by:-
(i) Mr Murali Samy
(ii) Ms Lim Bee Vee
(iii) Mr Looi Mun Chun
- Poll Administrator : Tricor Investor & Issuing House Services Sdn Bhd
- Scrutineers : Asia Securities Sdn Berhad
- Members / Proxies : As per Attendance Lists

CHAIRMAN OF THE MEETING

The Chairman of the Meeting, Y. Bhg. Tan Sri Lim Kim Hong welcomed all who were present in his welcome address. Thereafter, the Chairman called upon the Director of the Company, Y. Bhg. Dato' Eu Hong Chew ("**Dato' Eu**") to assist in conducting the proceedings of the Annual General Meeting ("**AGM**").

QUORUM

Dato' Eu then informed that the requisite quorum was present and the meeting was then called to order at 10.05 a.m.

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VOTING

Dato' Eu informed the members/proxies present that pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of the AGM dated 30 April 2024 would be conducted by poll. He added that the Company had appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator to conduct the polling process and Asia Securities Sdn Berhad as the Scrutineers to verify and validate the poll results.

Dato' Eu also informed that the polling process for voting on the resolutions would be conducted upon the completion of deliberation of all items to be transacted in the agenda.

NOTICE OF MEETING

The notice of the AGM convening the meeting incorporating the detailed text of each of the resolutions was with the permission of the meeting, taken as read.

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Dato' Eu proceeded with the first item of the agenda which was to receive the audited financial statements for the financial year ended 31 December 2023 together with the Directors' and Auditors' Reports thereon.

Dato' Eu informed that item 1 of the agenda was meant for discussion only as the provision of Section 340 of the Companies Act 2016 did not require a formal approval of the shareholders for the audited financial statements and hence the said agenda item would not be put for voting.

2. APPROVAL OF A SINGLE TIER DIVIDEND OF 0.20 SEN PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (RESOLUTION 1)

In respect of Resolution 1 on the approval of a single tier dividend of 0.20 sen per ordinary share for the financial year ended 31 December 2023 was duly proposed by Mr Ooi Beng Hooi and seconded by Ms Patricia Chan.

3. APPROVAL OF DIRECTORS' FEES TOTALING RM240,000 TO THE NON-EXECUTIVE CHAIRMAN AND EXECUTIVE DIRECTOR/CHIEF EXECUTIVE OFFICER FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (RESOLUTION 2)

In respect of Resolution 2 on the approval of Directors' fees totaling RM240,000 to the Non-Executive Chairman and Executive Director/Chief Executive Officer for the financial year ended 31 December 2023 was duly proposed by Ms Lee Wei En and seconded by Mr Mah Yoke Keong.

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4. APPROVAL OF MONTHLY DIRECTORS' FEES TOTALING RM240,000 TO THE NON-EXECUTIVE DIRECTORS IN RESPECT OF THE PERIOD FROM 27 JUNE 2024 UNTIL THE NEXT AGM IN 2025 (RESOLUTION 3)

In respect of Resolution 3 on the approval of monthly Directors' fees totaling RM240,000 to the Non-Executive Directors for the period from 27 June 2024 until the next AGM in 2025 was duly proposed by Ms June You and seconded by Ms Tan Seek Hui.

5. RE-ELECTION OF Y. BHG. DATO' EU HONG CHEW AS DIRECTOR PURSUANT TO CLAUSE 96 OF THE COMPANY'S CONSTITUTION (RESOLUTION 4)

In view that this agenda involving the re-election of Dato' Eu as a Director of the Company, he handed over to the Company Secretary to proceed with this agenda.

In respect of Resolution 4 on the re-election of Y. Bhg. Dato' Eu Hong Chew as Director pursuant to Clause 96 of the Company's Constitution was duly proposed by Mr Mah Yoke Keong and seconded by Mr Jeff Lee.

Thereafter, the Company Secretary handed the meeting to Dato' Eu to continue with the subsequent agendas.

6. RE-ELECTION OF MR GAN KIM KHOON AS DIRECTOR PURSUANT TO CLAUSE 84 OF THE COMPANY'S CONSTITUTION (RESOLUTION 5)

In respect of Resolution 5 on the re-election of Mr Gan Kim Khoon as Director pursuant to Clause 84 of the Company's Constitution was duly proposed by Mr Mah Yoke Keong and seconded by Ms Lim Wan Lin.

7. RE-ELECTION OF MR PREM KUMAR A/L SUBRAMANIAM AS DIRECTOR PURSUANT TO CLAUSE 84 OF THE COMPANY'S CONSTITUTION (RESOLUTION 6)

In respect of Resolution 6 on the re-election of Mr Prem Kumar A/L Subramaniam as Director pursuant to Clause 84 of the Company's Constitution was duly proposed by Mr Mah Yoke Keong and seconded by Ms Pang Khang Chyi.

8. RE-APPOINTMENT OF MESSRS. DELOITTE PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION (RESOLUTION 7)

In respect of Resolution 7 on the re-appointment of Messrs. Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration was duly proposed by Puan Rohani Binti Zamzuri and seconded by Puan Elani Binti Mohd Noor.

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9. SPECIAL BUSINESS

(A) PROPOSED RETENTION OF MADAM GOH YEANG KHENG AS INDEPENDENT NON-EXECUTIVE DIRECTOR (RESOLUTION 8)

In respect of Resolution 8 on the proposed retention of Madam Goh Yeang Kheng as Independent Non-Executive Director was duly proposed by Puan Rohani Binti Zamzuri and seconded by Ms Tan Seok Hui.

(B) AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (RESOLUTION 9)

In respect of Resolution 9 on the authority for the Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 was duly proposed by Puan Rohani Binti Zamzuri and seconded by Ms Tan Seok Hui.

10. ANY OTHER BUSINESS

Dato' Eu informed the members/proxies present that the Company did not receive any notice in respect of any other business to be transacted and thereafter the meeting proceeded to poll voting.

POLLING PROCESS

The representative from the Poll Administrator, Tricor Investor & Issuing House Services Sdn Bhd was invited to brief the members/proxies present on the poll procedures. The members/proxies then proceeded to cast their votes.

Upon collection of the poll slips by the Poll Administrator, Dato' Eu declared the poll closed. While the votes were being tabulated, the members/proxies were presented with a corporate presentation covering the progress and future business direction and plans of the Group's property development, property investment and leisure segments by Dato' Eu.

Dato' Eu then invited questions from the floor. The questions from the members/proxies as well as the replies given by the Directors / Management / Auditors are attached herewith as Appendix I.

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ANNOUNCEMENT OF POLL RESULTS

The results of the poll which were duly verified and validated by the Scrutineers, were shown on the screen as follows:-

Resolution	Vote FOR		Vote AGAINST		Total Votes	
	No. of shares	%	No. of shares	%	No. of shares	%
1	1,415,501,632	100.0000	0	0.0000	1,415,501,632	100.0000
2	13,273,735	98.3654	220,573	1.6346	13,494,308	100.0000
3	1,415,279,989	99.9844	220,443	0.0156	1,415,500,432	100.0000
4	1,415,501,131	99.9999	501	0.0001	1,415,501,632	100.0000
5	1,415,501,131	99.9999	501	0.0001	1,415,501,632	100.0000
6	1,415,501,131	99.9999	501	0.0001	1,415,501,632	100.0000
7	1,415,501,131	99.9999	501	0.0001	1,415,501,632	100.0000
9	1,415,214,635	99.9797	286,997	0.0203	1,415,501,632	100.0000

Resolution 8 was conducted via a 2-Tier voting process and the results of the said poll were shown on the screen as follows:-

Resolution 8	Vote FOR		Vote AGAINST		Total Votes	
	No. of shares	%	No. of shares	%	No. of shares	%
Tier 1 – Large Holders	1,402,007,324	100.0000	0	0.0000	1,402,007,324	100.0000
Tier 2 – Other Holders	13,323,690	98.7356	170,618	1.2644	13,494,308	100.0000

Based on the poll results, Dato' Eu declared all resolutions set out in the notice of AGM dated 30 April 2024 as duly carried.

CONCLUSION

There being no other business, the meeting concluded at 11.35 am with a vote of thanks to the Chair.

CONFIRMED AS A CORRECT RECORD
OF THE PROCEEDINGS THEREAT

- SIGNED -

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CHAIRMAN

Dated: 24 July 2024

SUMMARY OF KEY MATTERS DISCUSSED AT THE 57TH AGM

The following are the key questions which were raised by the floor and addressed by the Board / Management / Auditors:-

Question 1

I have concerns regarding the investment in Data Centres and it will take up a lot of energy. Could you elaborate on this?

Response: The Company has always prided itself as a property developer and approaches new ventures with caution. We understand the concerns regarding energy consumption in Data Centres. The Company will only consider venturing into the Data Centre market if we can partner with an established data centre operator. Our involvement would primarily be from a property developer perspective, ensuring we leverage our core strengths while exploring sustainable and energy-efficient solutions in this new opportunity.

Question 2

Could you provide detailed information on the i-City Central Mall and explain the factors contributing to its minimal performance?

Response: The Company has a joint venture with Central Pattana Group, Thailand for the i-City Central Mall (including the car park), owning 40% of the shares. The current occupancy rate of the Mall stands at 90%, with an expectation to reach 95% by the end of the year. The average rental per square foot is comparable to the market rate.

The Mall opened in 2019, just before the pandemic, which significantly impacted its performance. Over the past year, the Mall has been working on rebuilding and recovery. The Company is pleased to inform that traffic is gradually returning to pre-pandemic levels.

Question 3

What is your plan for the 8Kia Peng project?

Response: We are currently undertaking a rebranding effort to reposition 8Kia Peng as a hotel residence. We have partnered with Wyndham to operate 8Kia Peng as a hotel, which will enhance its yield.

Question 4

Considering Theme Park is the cash cow of I-Berhad, how would the Company address potential future pandemics affecting its revenue?

Response: The Theme Park is considered the cash cow of I-Berhad due to our periodic investments of RM10 million to RM15 million in refurbishments and new attractions, typically recouped within a year. However, another pandemic wave could potentially impact our Theme Park revenue.

Therefore, looking ahead, we are shifting our focus to Investment Properties, which can generate approximately RM20 million in rental income. Over the next 2 to 3 years, we aim to bolster our Investment Properties portfolio. We are confident that Investment Properties will surpass the Theme Park as one of our major revenue generator in the future.

Question 5

The government has recently removed the subsidy on diesel. How does I-Berhad assess the impact of this policy change on your costing?

Response: Our business model at I-Berhad focuses on property development, encompassing property management and marketing. Construction activities are outsourced to contractors. While the government's decision to remove the diesel subsidy primarily affects our contractors in the short term due to our fixed-price contracts, potential long-term impacts hinge on future material price increases.

However, I-Berhad maintains pricing power, which enables us to mitigate inflationary pressures and rising costs effectively.

Question 6

Referring to the List of Properties Held on page 140 of the Annual Report, could you specify which property is listed under item 12?

Response: Item 12 on the List of Properties Held refers to DoubleTree by Hilton Shah Alam i-City, which is owned by I-Berhad.

Question 7

Referring to the Completed Properties held for sale on page 112 of the Annual Report, could you explain the reason for the RM92 million cost adjustment in 2023 and the changes in working capital for the inventories on page 73 of the Annual Report?

Response: The RM92 million cost adjustment in 2023 reflects a comparison between the budgeted project costs and the actual costs incurred upon negotiation on the final completion of the project cost. This adjustment indicates that the actual costs for the project were lower than originally budgeted, the negotiation process for completion of project costs was carried out in year 2023 and concluded before the date of report.

Consequently, this cost adjustment has led to changes in working capital for the inventories, as reflected on page 73. These changes are a result of the finalization of the Final Account for the i-City Plot 2 development project.

Question 8

Could you elaborate on the Property Development costs detailed under note 16(a) on Page 112 of the Annual Report?

Response: The negative Property Development costs represent the accumulated cost of sales recognized to-date in the statements of profit or loss for the development of the entire i-City project since its inception.

Question 9

It is noted that i-City Marketing Sdn Bhd, a subsidiary, lists its principal activity as money lending. Could you elaborate on this?

Response: i-City Marketing Sdn Bhd can provide financing support via Money Lending License to our buyers, facilitating their purchases. While we offer money lending services, it is important to clarify that we are not a bank. Hence, we applied for a money lending license to provide these financing options legally.

Question 10

Could you please explain what is meant by "other operating segments"?

Response: The "other operating segments" refer to various activities detailed on page 129 of the Annual Report under Note 35: Operating Segments.

These activities include providing managed network and telephony charges (ICT services), investment holding, advertising agent, advertiser, and advertising contractor. While these segments contribute to our operations, individually they are not significant enough to warrant separate reporting.

Question 11

What do the inventories refer to, and considering we have a hospitality segment (i.e. DoubleTree by Hilton Shah Alam i-City and Best Western), will the convention centre at CityWalk conflict with our MICE (Meetings, Incentives, Conferences, and Exhibitions) activities?

Response: The bulk of the inventories in our books refer to the 8Kia Peng project. From an accounting perspective, CityWalk is also classified under inventories. However, we are positioning CityWalk as a retail sector asset to generate return pending sales. Currently, the occupancy rate at CityWalk is at 70%, and we aim to reach 90% next year with the addition of an anchor tenant.

Moreover, the convention centre at CityWalk has been converted into a leisure attraction, eliminating any conflict with our hospitality segment's MICE activities.

Question 12

Caution the Company about venturing into the Data Centre sector.

Response: The Company reassures that if I-Berhad decides to venture into the Data Centre sector, it will be in partnership with an experienced data centre operator, and our role will be that of a property developer. We will carefully select our partner, prioritizing a major player in the industry to ensure a successful collaboration.

Question 13

What is the state government's interest in i-City?

Response: The state government does not hold any equity interest in I-Berhad. Initially, during the formation and development of i-City, the state government demonstrated their support by establishing a committee to expedite the approval process for i-City.

Currently, we have a Management Development Agreement with the state government. Under this agreement, I-Berhad is responsible for undertaking township services and maintenance in i-City, and the state government reimburses 70% of the expenses incurred.

Question 14

What was the reason for the disposal of the associate company, Citylight Hotel Sdn Bhd?

Response: When i-City first started, we focused on low-rise developments. In addition to developing shophouses, we converted some areas into a Leisure Theme Park to attract visitors. To support the Leisure Theme Park, we partnered with a hotel operator as no other operators were willing to come to i-City at that time.

Today, with the presence of DoubleTree by Hilton Shah Alam i-City and Best Western, the need for a shophotel is no longer necessary. Consequently, we decided to divest our shares in the associate company, Citylight Hotel Sdn Bhd.

Question 15

What was the reason for the disposal of the Taiping land in 2023?

Response: Before venturing into property development, the Company was involved in the digital appliances industry, with our manufacturing facility located in the Taiping industrial estate. After shifting our focus to property development, we ceased factory operations and retained the land with the intention of potentially redeveloping it into a property project.

However, given the current market conditions in Taiping, we determined that redevelopment was unlikely to be viable. As a result, we decided to dispose of the Taiping land to monetize the asset.

Question 16

Is it true that I-Berhad is undervalued?

Response: The Company believes that the current market sentiment towards I-Berhad is irrational. Our portfolio includes billion-dollar assets such as the 5-star DoubleTree by Hilton Shah Alam i-City hotel, Mercu Maybank and i-City Central Mall. Despite this, the market has yet to fully recognize the value of I-Berhad.

We acknowledge that the market often focuses on earnings. However, I-Berhad is strategically positioning itself as a billion-dollar company by building a robust property development pipeline to enhance our value. We are confident that we will achieve this goal in due time.