

**MALAYAN CEMENT BERHAD**  
[Company No. 195001000048 (1877-T)]  
(Incorporated in Malaysia)

**MINUTES OF THE SEVENTY-FOURTH ANNUAL GENERAL MEETING (“AGM”/the “Meeting”) OF THE COMPANY CONDUCTED ON A FULLY VIRTUAL BASIS THROUGH LIVE STREAMING, ONLINE REMOTE PARTICIPATION AND VOTING (“RPV”) VIA TIIH ONLINE SYSTEM AT <https://tiah.com.my> (“TIIH Online”) ON THURSDAY, 5TH DAY OF DECEMBER, 2024 AT 3.37 P.M.**

Present	:	Tan Sri (Sir) Francis Yeoh Sock Ping	- Executive Chairman
		Dato’ Sri Michael Yeoh Sock Siong	- Managing Director
		Dato’ Yeoh Seok Kian	- Director
		Dato’ Seri Yeoh Seok Hong	- Director
		Professor Datuk Ts. Ir. Dr. Siti Hamisah binti Tapsir	- Director
		Mr Yap Seng Chong	- Director
		Ms Fong Yee Mei	- Director
		Mr Ler Ji-Yong (“ <b>Engagement Partner</b> ”)	- Representing HLB Ler Lum Chew PLT, the auditors
Apologies	:	Dato’ Yeoh Soo Keng	- Director
In Attendance	:	Ms Ho Say Keng	- Secretary
Participated via RPV at TIIH Online	:	177 members/corporate representatives/proxies (collectively, “ <b>Members</b> ”), including Executive Chairman as proxy for members as per attendance lists	

**1. WELCOME ADDRESS**

On behalf of the Board of Directors (“**Board**”), the Executive Chairman welcomed everyone who had logged-in to the meeting platform to participate in the AGM.

The Executive Chairman then introduced the members of the Board, the Engagement Partner from HLB Ler Lum Chew PLT and the Secretary.

**2. QUORUM**

The requisite quorum, having been confirmed by the Secretary with the advice of the share registrar and poll administrator as present, the Executive Chairman called the AGM to order.

**3. NOTICE OF MEETING**

The notice convening the AGM as set out in the Annual Report was taken as read.

**4. PRELIMINARY -  
VOTING AND GENERAL INSTRUCTION ON MEETING PROCEDURES**

The Executive Chairman informed that -

- he had been appointed as proxy for a number of members and he would vote in accordance with their instructions;
- voting on the resolutions set out for the AGM would be conducted by poll in accordance with Bursa Malaysia Securities Berhad Main Market Listing Requirements and the Company's Constitution by way of online remote voting at the RPV platform ("**e-voting**");
- Tricor Investor & Issuing House Services Sdn Bhd was appointed Poll Administrator for the polling process while Coopers Professional Scrutineers Sdn Bhd was appointed Scrutineers to validate the poll results.

At the request of the Executive Chairman, the Secretary briefly highlighted that the e-voting session commenced at the start of the Meeting and would continue until closure of the voting session and that the voting results would be announced at conclusion of the AGM. Members were to submit their questions at any time during the AGM using the Query Box provided via the RPV facility.

**5. AGENDA ITEMS**

The Executive Chairman proceeded with the business of the Meeting by reading out the agenda items and providing brief clarifications where necessary.

**5.1 AGENDA NO. 1 –  
AUDITED FINANCIAL STATEMENTS AND REPORTS FOR THE FINANCIAL  
YEAR ENDED 30 JUNE 2024**

The first agenda item under the 'Ordinary Business' was the laying of the audited financial statements of the Company for the financial year ended to 30 June 2024 ("**FY2024**") together with the Reports of the Directors and Auditors thereon ("**Audited Financial Statements**").

The Executive Chairman explained that the Audited Financial Statements were tabled/laid only for discussion as these did not require approval of the Members and hence not put for voting.

**5.2. ORDINARY RESOLUTIONS 1 TO 3 –  
RE-ELECTION OF DIRECTORS RETIRING BY ROTATION PURSUANT TO  
ARTICLE 85 OF THE COMPANY'S CONSTITUTION ("Article 85")**

Ordinary Resolutions 1 to 3 were on the re-election of the Dato' Seri Yeoh Seok Hong, Dato' Sri Michael Yeoh Sock Siong and Dato' Yeoh Soo Keng as Directors of the Company, respectively, who retired by rotation pursuant to Article 85.

**5.3. ORDINARY RESOLUTIONS 4 AND 5 –  
PAYMENT OF DIRECTORS’ FEES AND MEETING ATTENDANCE  
ALLOWANCE TO THE NON-EXECUTIVE DIRECTORS**

The next two resolutions were on the payment of fees and meeting attendance allowance benefit to the Non-Executive Directors of the Company.

The fees sought for under Ordinary Resolution 4 was for the sum of RM720,000 for FY2024 while a meeting attendance allowance of RM1,000 per meeting for each Non-Executive Director for the period from January 2025 to December 2025 was sought under Ordinary Resolution 5.

**5.4. ORDINARY RESOLUTION 6 –  
RE-APPOINTMENT OF AUDITORS**

Ordinary Resolution 6 was on the re-appointment of HLB Ler Lum Chew PLT as Auditors of the Company and authorisation for the Directors to fix their remuneration.

**5.5. ORDINARY RESOLUTION 7 –  
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF  
THE COMPANIES ACT, 2016**

Ordinary Resolution 7, which read as follows, was on the general authorisation for Directors to allot shares pursuant to Section 75 and 76 of the Companies Act, 2016:

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016, the Directors be and are hereby empowered 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 10% of the total number of issued shares of the Company for the time being or such other percentage as prescribed by Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.”

Explanatory notes on this resolution were set out in the notice convening the AGM.

**5.6. ORDINARY RESOLUTION 8 –  
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

Ordinary Resolution 8, which read as follows, was on the renewal of the authority to buy-back shares, details of which were set out in the Share Buy-Back Statement dated 30 October 2024:

“THAT subject to the Company’s compliance with all applicable rules, regulations, orders and guidelines made pursuant to the Companies Act, 2016, the provisions of the Company’s Constitution and Bursa Malaysia Securities Berhad (“**Bursa Securities**”) Main Market Listing Requirements (“**Listing Requirements**”) and the approvals of all relevant authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to buy back and/or hold from time to time and at any time such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms

and conditions as the Directors may deem fit and expedient in the interests of the Company (“**the Proposed Share Buy-Back**”) provided that:-

- (i) The maximum number of shares which may be purchased and/or held by the Company at any point of time pursuant to the Proposed Share Buy-Back shall not exceed 10% of the total number of issued shares of the Company for the time being quoted on Bursa Securities provided always that in the event that the Company ceases to hold all or any part of such shares as a result of, amongst others, cancellation of shares, sale of shares on the market of Bursa Securities or distribution of treasury shares to shareholders as dividend in respect of shares bought back under the previous shareholder mandate for share buy-back which was obtained at the Annual General Meeting held on 5 December 2023, the Company shall be entitled to further purchase and/or hold such additional number of shares as shall (in aggregate with the shares then still held by the Company) not exceed 10% of the total number of issued shares of the Company for the time being quoted on Bursa Securities;
- (ii) The maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back shall not exceed the retained profits of the Company at the time of purchase by the Company of its own shares; and
- (iii) The shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with by the Directors in all or any of the following manner:-
  - (a) the shares so purchased may be cancelled; and/or
  - (b) the shares so purchased may be retained in treasury for distribution as dividends to the shareholders and/or resold on the market of Bursa Securities and/or subsequently cancelled; and/or
  - (c) part of the shares so purchased may be retained as treasury shares with the remainder being cancelled; and/or
  - (d) transfer the shares, or any of the shares for the purposes of or under an employees’ shares scheme; and/or
  - (e) transfer the shares, or any of the shares as purchase consideration; and/or
  - (f) deal with the shares in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time;

AND THAT such authority shall commence upon the passing of this resolution, until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting, whichever occurs first, but so as not to prejudice the completion of a purchase made before such expiry date;

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect to the Proposed Share Buy-Back with full powers to amend and/or assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Companies Act, 2016, the provisions of the Company’s Constitution and the Listing Requirements and all other relevant governmental/regulatory authorities.”

**5.7. ORDINARY RESOLUTION 9 –  
PROPOSED RENEWAL OF SHAREHOLDER MANDATE FOR RECURRENT  
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE  
("RRPT")**

Ordinary Resolution 9, which read as follows, was on the proposed renewal of shareholder mandate for RRPT with YTL Corporation Berhad Group as set out in Sections 2.3 of the Circular to Shareholders dated 30 October 2024:

“THAT the Company and/or its subsidiaries be and is/are hereby authorised to enter into RRPT from time to time with the related parties as specified in section 2.3 of the Circular to Shareholders dated 30 October 2024 (“**Related Parties**”) subject to the following:-

- (i) the transactions are necessary for the day-to-day operations of the Company and/or its subsidiaries and are transacted on terms consistent or comparable with market or normal trade practices and/or based on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and
- (ii) disclosure is made in the annual report of the aggregate value of transactions conducted during the financial year pursuant to the shareholder mandate in accordance with the Bursa Malaysia Securities Berhad Main Market Listing Requirements;

THAT the mandate given by the shareholders of the Company shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (the “**Act**”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); unless revoked or varied by resolution of the shareholders of the Company in general meeting, whichever is the earlier;

AND THAT the Directors of the Company be authorised to complete and do such acts and things as they may consider expedient or necessary to give full effect to the shareholder mandate.”

The Executive Chairman informed that all the interested Directors, interested Major Shareholders and Persons Connected with them had undertaken to abstain from voting on the resolution.

**5.8. ORDINARY RESOLUTION 10 TO 12 –  
PROPOSED ISSUE OF OPTIONS**

Ordinary Resolutions 10 to 12, which read as follows, were on the proposed issue of options to the Independent Non-Executive Directors of the Company, who are eligible to participate in the Employees Share Option Scheme (“**ESOS**”) of the Company:

“THAT the Board and/or the options committee be and is hereby authorised at any time and from time to time throughout the duration of the Company’s Employees Share Option Scheme (“**ESOS**”) approved by the shareholders of the Company at the Extraordinary General Meeting held on 18 March 2022 to cause the offering and granting to the following persons, options to subscribe for up to 10% of the new ordinary shares of the Company available under the ESOS, subject always to such terms and conditions and/or any adjustments which may be made in accordance with the by-laws

governing and constituting the ESOS and the Bursa Malaysia Securities Berhad (“**Bursa Securities**”) Main Market Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time:-

- (i) Professor Datuk Ts. Ir. Dr. Siti Hamisah Binti Tapsir, an Independent Non-Executive Director of the Company,
- (ii) Yap Seng Chong, an Independent Non-Executive Director of the Company,
- (iii) Fong Yee Mei, an Independent Non-Executive Director of the Company,

PROVIDED ALWAYS THAT:

- (i) the directors and senior management of the Company and/or its eligible subsidiaries do not participate in the deliberation or discussion of their own respective allocation and the allocation to any persons connected to them;
- (ii) not more than 70% of the new ordinary shares available under the ESOS shall be allocated, in aggregate, to directors and senior management of the Company and/or its eligible subsidiaries; and
- (iii) not more than 10% of the new ordinary shares available under the ESOS shall be allocated to any individual who, either singly or collectively through persons connected with such person, holds 20% or more in the issued share capital (excluding treasury shares, if any) of the Company;

AND THAT the Board be and is hereby authorised to allot and issue from time to time such number of new ordinary shares to the abovementioned persons upon exercise of options under the ESOS.”

The Executive Chairman informed that the interested Directors and Persons Connected with them had undertaken to abstain from voting on the resolution.

## 6. QUESTIONS AND ANSWERS (“Q&A”) SESSION

The Meeting moved on to the Q&A session.

At the request of the Executive Chairman, the Secretary informed that the Company had received questions prior to the AGM. The Q&A, annexed hereto as Appendix I, were shown on screen. These were read out by the Secretary beginning with the questions from the Minority Shareholders Watch Group, followed by questions from the Members.

The Secretary then read the questions submitted during the AGM via the RPV facility. The Executive Chairman and Managing Director addressed questions covering the following issues, duly assisted by the Secretary, wherever relevant:

### Operational & Financial Matters

- Plans for potential partnerships, mergers, or acquisitions to enhance the Company’s competitive position;
- Overview of the Company’s current market share in the cement industry, both domestically and internationally;
- Current cement capacity utilisation and long-term plans to expand capacity to meet future demand;

- Company's expansion plan into international market and the challenges in exporting cement;
- Reasons for the significantly improvement in the cement segment's margin and why it outperforms the aggregates and concrete segment;
- Margins of environmentally friendly products compared to normal products;
- Impact of the strengthening Malaysian Ringgit on the Group;
- Benefits to the Company following the acquisition of NSL Ltd by the holding company, YTL Cement Berhad;
- Percentage of foreign shareholding in the Company;
- Rationale for the RM137 million impairment of property, plant and equipment (PPE);
- Status, timing and capacity of the Rawang plant refurbishment and use of the land should refurbishment plans discontinue.

#### **AGM**

- Door gifts or e-vouchers for Members;
- Reason for the absence of Dato' Yeoh Soo Keng, who is seeking re-election as Director of the Company, from the Meeting.

#### **7. E-VOTING**

On conclusion of the Q&A session, the Executive Chairman reminded Members who had yet to cast their votes to do so as e-voting would continue for another 5 minutes before closing for validation of poll results which would take approximately 20 minutes. The Meeting was adjourned at 4.07 p.m. to facilitate this.

#### **8. ANNOUNCEMENT OF POLL RESULTS**

The Meeting was reconvened at 4.26 p.m. for the declaration of poll results.

The poll results, validated by the Scrutineers, annexed hereto as Appendix II, were shown on screen. The Executive Chairman then declared that all resolutions tabled at the AGM were carried.

#### **9. CLOSE OF MEETING**

As there was no further business to be transacted, the Executive Chairman thanked all participants of the Meeting for their attendance and support and wished them a blessed Christmas and joyous new year ahead.

The AGM was declared closed at 4.27 p.m.

Confirmed as a correct record,

EXECUTIVE CHAIRMAN

Malayan Cement Berhad  
**74<sup>th</sup> Annual General Meeting**  
**Thursday, 5 December 2024**

Questions from  
**Minority Shareholders**  
**Watch Group**



## Operational & Financial Matters

### Question 1

The launch of the Group's ECO product range - comprising of ECOCem™, ECOConcrete™, ECODrymix™, and ECOSand™ — is well timed and well-received. Under its ECOCem offering, the Company is especially proud of its MASCRETE® range, which has been specified and used in various iconic projects across the country. (Page 11 of AR 2024).

- (a) Does the Group have competitors that produce similar eco-friendly cement like ECOCem™, and if so, what is the Group's domestic market share?
- (b) What percentage of the Group's total cement production constitutes ECOCem™ versus conventional cement? Given its positive reception, does the Group plan to significantly increase ECOCem™ production? Are there any challenges or issues associated with scaling up production?

Continued...

## Operational & Financial Matters

### Question 1 – REPLY

Malayan Cement (MCB) is the leader in low-carbon cement in Malaysia and remains committed to encouraging its adoption in construction projects. While there are other low-carbon cement suppliers in the market, MCB's ECOCem™ products continue to set the standard in driving sustainable solutions.

The use of low-carbon cement and concrete is growing but the pace needs to improve to meet important environmental targets. If Malaysia were to adopt low-carbon cement and concrete in all construction projects, carbon emissions could be reduced by up to 60%. To support this, MCB is engaging with consulting engineers and architects to raise awareness and promote its use.

With the largest network of cement silos in the country, MCB is well-prepared to scale up production as needed to meet market demand for sustainable building materials.

## Operational & Financial Matters

### Question 2

The Group is committed to promoting sustainability by offering its innovative ECO product range, which includes ECOCem™, ECOConcrete™, ECOSand™ and ECODrymix™ designed to reduce embodied carbon without compromising quality. A key strategy involves expanding the ECO product range across Southeast Asia, ensuring that low-carbon alternatives are available for various construction sectors. (Page 12 of AR 2024)

- (a) Has the growth in demand for the ECO product range surpassed that of conventional products? If so, what is the percentage difference in demand growth?
- (b) Apart from Malaysia, which other countries are the ECO product range currently sold, and what are the Group's expansion plans?
- (c) Which other low-carbon alternatives is the Group currently working on?

Continued...

## Operational & Financial Matters

### Question 2 – REPLY

In addition to Malaysia, our ECO product range is also available in Singapore and Vietnam, where it has been used in various notable projects, contributing to sustainable construction efforts in these nations.

Our R&D centre, the Construction Development Lab (CDL), is dedicated to ongoing innovation and product development to expand our ECO product range.

Recently, we introduced several new offerings, including MascreteECO, a high-performance ECOCem, designed specifically for ready-mixed concrete (RMX) applications; and Flowbuild, a flowable ECOConcrete that offers enhanced workability and sustainability benefits. These products reflect our commitment to providing sustainable solutions for the construction industry.

## Operational & Financial Matters

### Question 3

In the year under review, Quickmix Solutions entered the East Malaysian market, particularly in Kota Kinabalu, where it has established itself as the premier pre-mix mortar brand. Quickmix Solutions is setting up a larger and fully automated plant in the central region to replace the existing one, and adding a new plant in Perak to serve the northern market. These projects are scheduled to be completed by the first half of 2025, further solidifying its presence in the industry. (Page 20, AR 2024)

- (a) Has Quickmix Solutions been introduced in Sarawak and if not, when is it expected?
- (b) What is the Group's current capacity and utilisation rate for Quickmix Solutions?
- (c) With the completion of a larger and fully automated plant in the central region and a new plant in Perak, what will be the enlarged capacity and expected utilisation rate?

Continued...

## Operational & Financial Matters

### Question 3 – REPLY

- a) Quickmix is not currently in Sarawak, but we have plans to expand into this market. We are seeking the right distributors or stockists in three key locations: Kuching, Miri, and Bintulu.
- b) We currently have two plants with a current utilization rate of close to 100%. Hence the need for further expansion.
- c) We will have two new plants next year: our new Rawang Plant and our Simpang Pulai Plant. By Q4 2025, Quickmix's total capacity (3 plants) will increase our annual production capacity by 80%.

## Operational & Financial Matters

### Question 4

Geo Alam achieved improved results in both volume and revenue compared to the previous year. During the year, Geo Alam improved its co-processing capacity and added new accounts. Its ongoing efforts involve expanding in current sectors and venturing into new waste treatment and alternative fuel segments for cement plants. (Page 20 of AR 2024)

- (a) What were the percentage increases in volume and revenue for Geo Alam, and what is the outlook for FY2025?
- (b) What is the current utilisation rate, and will there be an increase in capacity? If so, by what percentage?

Continued...

## Operational & Financial Matters

### Question 4 – REPLY

Volume of materials from waste management service provided to third-party increased by about 5% in FY2024. We forecast continued growth in volume as with increasing use of alternative fuels in our cement plants. To support this, we are developing a solid fuels processing facility in Perak. This facility is expected to start operation in the last quarter of FY2025.



## Sustainability Matters

### Question 5

ECOCem™ products contain up to 45% recycled materials, promoting environmentally friendly construction. CO2 emissions are reduced by 20-50% compared to conventional cement. To contribute to sustainable construction, the Group also offers ECOConcrete™, its range of concrete with 20-60% lower embodied carbon. (Page 6 of SR 2024). The ECOConcrete™ products also contains 30% to 70% recycled materials. (Page 21 of AR 2024)

Is there potential to further increase the percentage of recycled materials in these products?  
Can the embodied carbon be reduced further?

Continued...

## Sustainability Matters

### Question 5 – REPLY

Yes, the potential is there. To promote this, we have initiated numerous collaborations with the authority and industry practitioners.

For example, most recently on 14 November 2024, we collaborated with the Institution of Engineers Malaysia (IEM) to host the Sustainable Construction: Eco Cement and Eco Concrete seminar at our CDL Academy. The seminar and live demonstration event highlighted the role of our ECO products in sustainable construction.

*Note: ECOConcrete™ products utilise secondary cementitious materials processed from recycled materials, replacing 30-70% cement in concrete.*

## Sustainability Matters

### Question 6

The Group invests in improving energy efficiency in its operations to reduce energy consumption as well as installing renewable energy such as solar PV and waste heat recovery (WHR) for clean energy generation. (Page 18 of SR 2024).

- (a) What major measures have been adopted to improve energy efficiency, and what significant achievements have been made? Please provide relevant comparable data where applicable.
- (b) Apart from installing renewable energy (RE) such as solar PV and waste heat recovery (WHR) for clean energy generation, which other sources of RE is the Group resorting to or planning to venture into?

Continued...

## Sustainability Matters

### Question 6 – REPLY

- a) We have been investing in newer production technologies replacing older equipment as well as in people development. Some of the new initiatives include cooler upgrade, new main drive gear box for cement mill, and operation improvement programmes. This has contributed to improvement in power consumption. For example, at one plant, we have improved specific power consumption by 11% in the last 2 years.
- b) Our strategy is to focus in waste heat recovery and solar PV for the short and mid-term. Other forms of renewable energy are not feasible at the moment.

## Sustainability Matters

### Question 7

The Group's 2030 targets to reduce greenhouse gas emissions are:

- Reduce emissions from fuel combustion by increasing the use of alternative fuel to 6.8% by 2030
- Increase the volume of energetic waste streams converted as alternative fuels, by 30% vs 2022
- Reduce clinker/cement factor to 72.2% by 2030
- Increase the proportion of alternative raw materials in total production by 10%

(Page 44 of SR 2024).

What is the status or achievement in regard to the aforesaid targets? Is the Group on track to achieve the targets?

Continued...

## Sustainability Matters

### Question 7 – REPLY

As reported in our Sustainability Report,

- Alternative fuel use was 4.4%
- Clinker/cement factor was 79.8%

Although there are some challenges in our path, we are confident that we can achieve the 2030 targets. We have taken the following measures to ensure we continue to make progress each year:

- Development of the solid fuels processing facility as mentioned earlier.
- Actively seek collaborations with the authorities and industry practitioners to promote our ECO products.

# Corporate Governance Matters

## Question 8

### Ordinary Resolutions 10,11 and 12

Ordinary Resolutions 10, 11, and 12 seek shareholders' approval for the Proposed Issue of Options under the Employees Share Option Scheme (ESOS) to three Independent Non- Executive Directors (INEDs), namely Professor Datuk Ts. Ir. Dr. Siti Hamisah Binti Tapsir, Mr. Yap Seng Chong and Ms. Fong Yee Mei.

The term "Employees" in ESOS explicitly signifies that the scheme is intended for the benefit and participation of the group's employees. It is crucial to acknowledge that INEDs who serve in a non-executive capacity are not classified as company's employees.

In line with better corporate governance, MSWG discourages the participation of INEDs in any form of share options due to their non-executive management roles and responsibilities in overseeing the allocation of share options to executive directors and employees.

Issuance of share options to the three INEDs raises concerns regarding potential conflicts of interest, dilution of independence, impaired objectivity and shareholder value preservation. These risks arise because INEDs may be influenced by personal financial interests aligned with share price performance, compromising their objectivity in oversight duties and decision-making processes.

Continued...

## Corporate Governance Matters

### **Question 8**

- (a) Who are the members of the Options Committee administering ESOS?
- (b) Considering that the INEDs do not have executive responsibilities and are already adequately compensated through directors' fees and other benefits, what is the compelling justification for their inclusion in the Proposed Issue of Options?
- (c) What performance metrics will the Option Committee adopt to assess the eligibility of the INEDs under the Proposed Issue of Options?
- (d) Considering the independent non-executive roles of the INEDs in the Company, what are their views on the Proposed Issue of Options? Are they keen to accept the Proposed Issue of Options that is extended to them?

Continued...



## Corporate Governance Matters

### Question 8 – REPLY

- a) Members of the Options Committee comprise the Executive Chairman, the Managing Director, the Head of Human Resources and the Group Company Secretary.
- b) In deciding the terms of the ESOS, we have been guided by and complied with the Bursa Securities Listing Requirements which allow share options to be granted to independent directors.

Providing INEDs with an equity stake in the company serves to align the interests of the INEDs with the rest of the shareholders and this is important as their decisions affect the company. Furthermore, our scheme has a long-term focus as we have a vesting period of up to 3 years, and a holding period after that of at least 1 year.

Moreover, the grant of options would not create any more of a conflict of interest than any other type of remuneration, as all are dependent on the how the company performs.

Continued...

## Corporate Governance Matters

### *Question 8 – Reply (continued)*

- c) Performance metrics would not apply to the independent directors as they do not serve in any executive capacity and, therefore, do not have performance targets or the ability to deliver performance targets.

Any grant of options would be commensurate with their non-executive status and their compensation levels and would not be excessive grants that would compromise the balance between alignment and independence.

Continued...

## Corporate Governance Matters

### *Question 8 – Reply (continued)*

- d) Being an independent director is a matter of integrity rather than incentive. The fact is that independent directors receive remuneration from companies for serving on the board and whether the form of this is in fees or share options, it is still being paid by the company and will be affected by the company's performance.

So if there are difficult decisions to be made, the independent directors would exercise their independent judgement and be governed by their integrity to make the right decision in the best interest of the company and the shareholders, regardless of remuneration or other such factors.

The grant of ESOS options comprises part of the remuneration package for the Directors.

## Corporate Governance Matters

### **Question 9**

The Company adopted Practice 4.4 of the Malaysian Code on Corporate Governance (MCCG) which advocates for performance evaluations of the Board and senior management to include addressing material sustainability risks and opportunities. (Page 19 of CGR2024)

What KPIs and targets has the Company adopted to address material sustainability risks and opportunities? What achievements have been made?

### **REPLY**

Please refer to the reply to Question 7 above which sets out the Group's collective targets and the achievements to date.

## Corporate Governance Matters

### **Question 10**

The Company departed from Practice 5.2 of the MCCG which advocates that at least half of the board comprises independent directors. The Board currently comprises eight (8) Directors, out of whom three (3) are independent directors.

What timeline has the Company set to comply with Practice 5.2?

### **REPLY**

The Directors are cognisant of the recommendation in the Code for the Board to comprise a majority of independent directors, and will assess the composition and size of the Board on an ongoing basis to ensure the needs of the Company are met.

Pre-Submitted Questions  
from  
**Shareholders**

## Question 1

When will the refurbishment of Rawang plant be completed? What is the capacity of the new plant? Can a tour for shareholders be organised to visit the new plant?

## REPLY

This is still in the development stage as we continue to review the options for the project.

## Question 2

What is the mechanism of supplying cement to East Malaysia? How does this maximize our company profit?

## REPLY

We are able to ship cement to East Malaysia via our existing Langkawi terminal. As such, we are well-positioned to supply cement and ensure the region has access to high quality building materials and solutions.



## Question 3

Is our company ready to supply building materials if mega projects like MRT 3 and HSR are being revived?

## REPLY

Yes, our extensive logistics, transportation and distribution network across the Peninsula ensures what we are able to supply to all customers, from commercial and residential to large-scale infrastructure with the same efficiency and high product quality.

## Question 4

Is the dividend policy announced in Malaysia 2025 Budget going to affect our company dividend policy?

## REPLY

It was announced in the 2025 Budget that a 2% tax on dividend income exceeding RM100,000 annually will be introduced for individuals starting in year of assessment 2025. This is determined by each individual as it depends on the amount of dividend income the individual has received, and is not determined by the company.

## POLL VOTING RESULTS

Resolution	Vote in Favour		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<b>ORDINARY BUSINESS</b>					
<b>Resolution 1</b> Re-election of Dato' Seri Yeoh Seok Hong who retired pursuant to Article 85 of the Company's Constitution.	1,120,333,044	97.5779	27,809,537	2.4221	Carried
<b>Resolution 2</b> Re-election of Dato' Sri Michael Yeoh Sock Siong who retired pursuant to Article 85 of the Company's Constitution.	1,143,638,601	99.6124	4,449,980	0.3876	Carried
<b>Resolution 3</b> Re-election of Dato' Yeoh Soo Keng who retired pursuant to Article 85 of the Company's Constitution.	1,141,059,755	99.3878	7,028,826	0.6122	Carried
<b>Resolution 4</b> Approval of the payment of fees to the Non-Executive Directors amounting to RM720,000 for the financial year ended 30 June 2024.	1,148,072,544	99.9986	16,637	0.0014	Carried
<b>Resolution 5</b> Approval of the payment of meeting attendance allowance of RM1,000 per meeting for each Non-Executive Director for the period from January 2025 to December 2025.	1,148,042,344	99.9959	46,837	0.0041	Carried

Resolution	Vote in Favour		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<b>ORDINARY BUSINESS (CONT'D)</b>					
<b>Resolution 6</b> Re-appointment of HLB Ler Lum Chew PLT as Auditors of the Company and authorisation for the Directors to fix their remuneration.	1,148,072,850	99.9989	12,732	0.0011	Carried
<b>SPECIAL BUSINESS</b>					
<b>Resolution 7</b> Authorisation for the Directors to allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016.	1,044,436,421	90.9718	103,652,160	9.0282	Carried
<b>Resolution 8</b> Renewal of Share Buy-Back Authority.	1,148,055,722	99.9971	32,860	0.0029	Carried
<b>Resolution 9</b> Renewal of Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	175,458,048	99.9914	15,032	0.0086	Carried
<b>Resolution 10</b> Proposed issue of options to Professor Datuk Ts. Ir. Dr. Siti Hamisah Binti Tapsir.	985,263,188	86.2171	157,506,694	13.7829	Carried
<b>Resolution 11</b> Proposed issue of options to Yap Seng Chong.	985,172,088	86.2091	157,597,794	13.7909	Carried
<b>Resolution 12</b> Proposed issue of options to Fong Yee Mei.	985,172,488	86.2092	157,597,394	13.7908	Carried