

LUSTER INDUSTRIES BHD.
Company No. 198601006973 (156148-P)
(Incorporated In Malaysia)

MINUTES OF ANNUAL GENERAL MEETING

MINUTES OF THE THIRTY-FOURTH ANNUAL GENERAL MEETING ON A FULLY VIRTUAL BASIS AT THE BROADCAST VENUE ON THE ONLINE MEETING PLATFORM PROVIDED BY AGRITEUM SHARE REGISTRATION SERVICES SDN. BHD. ON MONDAY, 28 JUNE 2021 AT 11.00 A.M. VIA REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES VIA WWW.AGRITEUM.COM.MY

ATTENDANCE: As per attendance list

1. COMMENCEMENT

At 11.00 a.m. the Chairman of the Meeting En Ahmad Kamal Bin S. Awab (“Chairman”), called the meeting to order and welcomed all members and proxies for participating the Company’s Thirty-Fourth Annual General Meeting (34th AGM) remotely from their respective locations. He introduced the following Directors and Joint Company Secretary who were present virtually for this AGM:

- a) Mr Liang Wooi Gee (Deputy Managing Director);
- b) Mr Chuah Chong Ewe (Executive Director)
- c) Mr Phuah Cheng Peng (Executive Director)
- d) Mr Wee Song Hee, Wilson (Executive Director)
- e) Encik Mohamed Shukri bin Mohamed Zain (Independent Non-Executive
- f) Director) (Nomination Chairman)
- g) Dato’ Yew Tian Tek (Independent Non-Executive Director) (Remuneration
- h) Chairman)
- i) Mr Loo Wei Teng, Auditors from Messrs Grant Thornton Malaysia PLT (“Mr Loo WT”);
- j) Ms Kelly Hing, Joint Company Secretary and
- k) Ms Wong Yee Lin, Joint Company Secretary.

2. QUORUM

The Chairman called the meeting to order and confirmed that the requisite quorum was present.

3. NOTICE OF MEETING

The Chairman informed the Meeting that the notice of 34th AGM having been circulated within the statutory period, was taken as read.

4. PROCEDURES TO CONVENE THE AGM

The Chairman informed the Meeting that pursuant to Paragraph 8.29A(1) of the Bursa Securities Listing Requirements (“Listing Requirements”), all resolutions set out in the notice of General Meeting must vote on by poll and pursuant to Paragraph 8.29A(2) of the Listing Requirements at least one scrutineer be appointed to validate the votes cast.

The Company had appointed Agriteum Share Registration Services Sdn. Bhd. (“Agriteum”) as Poll Administrator and Symphony Merchants Sdn Bhd as the Scrutineer to conduct the polling process and to verify the poll results respectively.

Shareholders were informed that the polling process would be conducted on the conclusion of the deliberations of all items on the agenda.

The Chairman informed that the Company's Executive Directors, Mr. Chuah Chong Ewe and Mr Wee Song Hee, Wilson, who are also shareholders of the Company have offered to be the proposer and seconder for all the resolutions.

He then informed the shareholders that they were able to raise questions from the beginning of the meeting by typing in the query box.

The Chairman invited the representative from Agriteum, the Poll Administrator, to brief shareholders on the voting procedures through the remote participation and voting application. The process of how voting could be done through the remote participation and voting application was shared.

The Chairman then presented the agenda of the 34th AGM as follows:-

5. **AGENDA 1 - TO RECEIVE THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

Members were informed by the Chairman that the audited financial statements of the Company for the financial year ended 31 December 2020 together with the reports of the Directors and Auditors ("AFS") were for discussion purposes only as the provision of Section 340(1)(a) of the Companies Act 2016 do not require members' approval for the AFS. Therefore, this item would not be put forward for voting.

The Chairman informed that the AFS were duly tabled and deemed received by the shareholders before the Meeting.

6. **ORDINARY RESOLUTION 1
TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND DIRECTORS' BENEFITS OF RM300,000 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2021**

The Chairman informed the Meeting that the Ordinary Resolution 1 was to approve the payment of Directors' fees of up to RM300,000 for the financial year ending 31 December 2021.

7. **ORDINARY RESOLUTION 2
TO RE-ELECT ENCIK AHMAD KAMAL BIN S AWAB WHO RETIRES IN ACCORDANCE WITH THE ARTICLE 95 OF THE COMPANY'S CONSTITUTION**

The Chairman then informed the members that the next agenda involved the re-election of himself as the Director of the Company and hence passed the chair to the Mr. Liang Wooi Gee.

Mr. Liang Wooi Gee informed the Meeting that the Ordinary Resolution 2 was to re-elect Encik Ahmad Kamal Bin S Awab, a Director retiring under Article 95 of the Company's Constitution, and who being eligible had offered himself for re-election.

He then passed the chair back to the Chairman.

8. **ORDINARY RESOLUTION 3**

TO RE-ELECT MR. LIANG WOUI GEE WHO RETIRES IN ACCORDANCE WITH THE ARTICLE 95 OF THE COMPANY'S CONSTITUTION

The Chairman informed the Meeting that the Ordinary Resolution 3 was to re-elect Mr. Liang Wooi Gee, a Director retiring under Article 95 of the Company's Constitution, and who being eligible had offered himself for re-election

9 **ORDINARY RESOLUTION 4
TO RE-APPOINT GRANT THORNTON MALAYSIA PLT AS AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Chairman informed the Meeting that the Ordinary Resolution 6 was to re-appoint Messrs. Grant Thornton Malaysia PLT as auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

10. **ORDINARY RESOLUTION 5
AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 & 76 OF THE COMPANIES ACT, 2016.**

The Chairman informed the Meeting that the Ordinary Resolution 5 was on the authority to issue shares pursuant to Sections 75 & 76 of the Companies Act, 2016.

He proceeded to inform the Meeting that the resolution was to give a mandate to the Directors the authority to issue and allot shares in the Company up to an amount not exceeding 20% of the total issued capital of the Company for the time being, at any time in their absolute discretion without convening a general meeting. Such approval on the Proposed 20% General Mandate shall continue to be in force until 31 December 2021.

With effect from 1 January 2022, the general mandate shall be reinstated from a 20% limit to a 10% limit pursuant to Paragraph 6.03 of the Bursa Securities Listing Requirement provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights grants, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer by the Company from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number issued shares (excluding any treasury shares) of the Company for the time being.

As at the date of the Notice of AGM, the Company had issued 237,124,202 ordinary shares at an issue price of RM0.111 per ordinary share, pursuant to the mandate granted to the directors at the last Annual General Meeting held on 27 August 2020 and which will lapse at the conclusion of the 34th Annual General Meeting.

The mandate will provide the Company the flexibility to allot shares for any possible fund raising exercises, as well as, in the event of any strategic opportunity involving equity deals which may require the Company to allot and issue new shares on urgent basis and thereby reducing the administrative time and costs associated with the convening of additional shareholders' Meeting(s).

11. **ORDINARY RESOLUTION 6**

RELATION TO THE PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE").

The Chairman informed the Meeting that the Ordinary Resolution 6 is in relation to the proposed new and renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

The meeting noted that a mandate was granted, via an ordinary resolution passed at the last AGM for the Company to enter into recurrent related party transactions. As the said mandate will expire at this AGM, the Company is seeking a fresh mandate from the shareholders for the renewal of recurrent related party transactions of a revenue or trading nature. Further details are in the Circular to Shareholders announced.

The Chairman informed the shareholders that the interested directors, major shareholders and person connected as listed under Section 7 on page 11 of the Circular to shareholders are deemed interested in the proposed new and renewal of shareholders' mandate and accordingly will abstain from voting the relevant resolution.

12. **ORDINARY RESOLUTION 7
APPROVE THE CONTINUATION OF ENCIK MOHAMED SHUKRI BIN MOHAMED ZAIN WHO HAVE SERVED THE COMPANY FOR A CUMULATIVE TERM OF MORE THAN 9 YEARS, AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

The Chairman informed the Meeting that the Ordinary Resolution 7 was to continuation of Encik Mohamed Shukri Bin Mohamed Zain who have served the Company for a cumulative term of more than 9 years, as an Independent Non-Executive Director of the Company's Constitution, and who being eligible had offered himself for re-election.

13. **OTHER BUSINESS**

The Chairman informed the members that no notice for any other business was received.

14. **QUESTION AND ANSWER SESSION**

The Chairman proceeded to the question and answer session and invited members/proxies to submit their queries through the online query box.

Questions received from shareholders as addressed by Mr Liang Wooi Ghee ("LWG") are as follows :

Q1 ***Where would be the source of revenue from the property segment for Quarter 1 and Quarter 2 of the financial year ending 31 December 2021 ("FYE 2021") and what is the progress of the glove manufacturing plant.***

(question from Mr Chong Choon Aun)

Revenue of the current property segment would be from the existing project in Daerah Prai Utara. This project would be completing soon and there would not be any significant changes to the revenue recorded in results first quarter of FYE 2021 as compared to results of the second quarter FYE 2021. Taking into consideration the current pandemic, the Management would be more cautious on planning the expansion of the property division. Moving forward this division would focus on developing affordable pockets housing development.

As for the glove manufacturing plant located at Banting, the construction work was delayed due to the movement control order enforced in the country which also disrupted the supply-chain of the building materials. Barring unforeseen circumstances, the Management is cautiously optimistic that the operations of glove manufacturing plant could commence operation in fourth quarter of FYE 2021.

Q2 *Since we know the current Medical glove Average selling prices (“ASP”) is declining, could you share the impact on the glove venture business? What is your prospect for the glove business?*

(question from Mr Koh Kok Poh)

The ASP price is declining but demand remains stable. The Management strongly believes with the experience of the Company’s business partner, the glove business will be running efficiently, effectively and competitively in the industry. The prices of other raw materials are also decreasing. LWG is cautiously optimistic that this business would be profitable.

Further, the Engineering, Procurement, Construction and Commissioning (“EPCC”) project provides the platform to generate revenue for the Group glove related business. The contribution from EPCC could assist to mitigate the impact caused by the decline in ASP price.

Q3 *Any off takers for the gloves, if yes, how long for ?*

(question from Sivanesan K Sivalingam)

The division has started marketing their products for a few months and had secured some orders for trading of gloves. The Management strongly believes that with their partners’ networking in the industry and the enquiries received from the market on their products that it would not be an issue for the Company to have off takers soon.

Due to time constraints, LWG closed the question and answer session and informed shareholders that the remaining questions would be emailed to them.

15. POLLING PROCESS

At 11.20 a.m., Chairman reminded members to vote via the e-Voting portal as the voting session would expire in 10 minutes.

At 11.30 a.m., the Chairman announced that the voting session for the 34th AGM had ended.

He informed members that that the Meeting would adjourn until the counting of the votes was completed and would resume thereafter for the declaration of the result of the poll.

16. ANNOUNCEMENT OF POLL RESULT

At 11.40 a.m., the Chairman called the Meeting to order for the declaration of results. He then proceeded to read out the poll results that was displayed on the screen.

The poll results were as follow:

Resolution	FOR		AGAINST		Result
	No. of Shares	%	No. of Shares	%	
Ordinary Resolution 1 – To approve the payment of Directors' fees and Directors' benefits amounting to RM300,000.00 for the financial year ending 31 December 2020.	720,044,334	99.716380	2,048,000	0.283620	CARRIED
Ordinary Resolution 2 – To re-elect Encik Ahmad Kamal Bin S Awab who retire pursuant to Article 95 of the Company's Constitution.	720,571,036	99.788671	1,526,000	0.211329	CARRIED
Ordinary Resolution 3 - To re-elect Mr Liang Wooi Gee who retire pursuant to Article 95 of the Company's Constitution.–	721,048,179	99.996394	26,000	0.003606	CARRIED
Ordinary Resolution 4 - To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration	722,075,036	99.996953	22,000	0.003047	CARRIED
Ordinary Resolution 5 - Proposed Authority to Issue Shares	720,233,036	99.741863	1,864,000	0.258137	CARRIED
Ordinary Resolution 6 - Proposed Renewal of Shareholders' Mandate For Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal Of Shareholders' Mandate")	496,375,536	99.677298	1,607,000	0.322702	CARRIED
Ordinary Resolution 7- Retention of Encik Mohamed Shukri Bin Mohamed Zain as Independent Non-Executive Director.	721,671,036	99.941005	426,000	0.058995	CARRIED

The Chairman declared that all resolutions were duly passed,

17. TERMINATION

There being no other matters to discuss, the meeting ended at 11:45 a.m. with vote of thanks to the Chairman.

CONFIRMED CORRECT,

AHMAD KAMAL BIN S. AWAB
Chairman

Date: 28 June 2021