

ORIENTAL HOLDINGS BERHAD
Registration No. 196301000446 (5286-U)
(Incorporated in Malaysia)

Minutes of the Extraordinary General Meeting (“**EGM**”) of Oriental Holdings Berhad (“**OHB**” or “**the Company**”) conducted at the Broadcast Venue at Grand Ballroom, Bayview Beach Resort, Batu Ferringhi Beach, 11100 Batu Ferringhi, Penang through live streaming and online remote participation using Remote Participation and Electronic Voting (“**RPEV**”) facilities through meeting platform <https://meeting.boardroomlimited.my> on Wednesday, 30 August 2023 at 2.30 pm

- Directors:
- At Main Venue
1. Mr. Lee Kean Teong, Independent Non-Executive Director (“**INED**”), Chairman of the Meeting
 2. Datuk Loh Kian Chong, Executive Chairman
 3. Dato’ Seri Lim Su Tong, Group Managing Director
 4. Dato’ Sri Datuk Wira Tan Hui Jing, Executive Director
 5. Mr. Mitsuharu Funase, Non-INED
 6. Dato’ Ong Eng Bin, INED
 7. Dato’ Md Radzaif Bin Mohamed, INED
- Via RPEV facilities in Petaling Jaya, Selangor
8. Dato’ Robert Wong Lum Kong, DSSA, JP, CMJA(UK), Group Managing Director
 9. Puan Nazriah Binti Shaik Alawdin, INED
- Via zoom online platform
10. Ms. Tan Kheng Hwee, Executive Director
- Advisors:
1. Mr. Goh Yao Yen, Co-Head, Director, Corporate Finance, UOB Kay Hian Securities (M) Sdn. Bhd. (“**UOB Kay Hian**”)
 2. Mr. Tan Heng Hooi, Director, Corporate Finance, UOB Kay Hian
 3. Ms. Zandra Tan Suet Ping, Partner, Rahmat Lim & Partners (“**RLP**”)
 4. Ms. Livia Hong, Principal, RLP
 5. Mr. Sasitheran Subramaniam, Executive Director, Knight Frank Malaysia Sdn. Bhd. (“**Knight Frank**”)
 6. Mr. Ng Woon Lit, Director, Strategic Capital Advisory Sdn. Bhd. (“**Strategic Capital Advisory**”)
 7. Mr. Chris Lai Ther Wei, Director, Head of Capital Market, Mercury Securities Sdn. Bhd. (“**Mercury Securities**”)
- In Attendance:
- Management
1. Ms. Ong Tze-En, Joint Company Secretary
 1. Mr. Wong Tet Look, Adrian, Group Chief Financial Officer (“Mr. Adrian Wong”)
 2. Ms. Junie Oh Poh Lin, Group Accountant
- Scrutineer:
1. Ms. Low Bee Lan, Versatile Rising Sdn. Bhd.
- Present:
- As per attendance list
- By invitation:
- As per attendance list

Chairman of the Meeting & Welcome Address

- (A) The Chairman of the Audit Committee of the Company, Mr. Lee Kean Teong (“**Mr. Lee**”) chaired the EGM and extended a very warm welcome to all stockholders, proxy holders, corporate representatives and invited guests.
- (B) He informed that the purpose of today’s meeting is to table the sole Ordinary Resolution for stockholders’ approval in relation to:
- (I) Proposed Shares Acquisitions by OHB of the remaining equity interests it does not already own in 3 plantation companies, namely Selasih Permata Sdn. Bhd. (“SPSB”), Oriental Boon Siew (Mauritius) Pte Ltd (“OBS(M)”) and Southern Perak Plantations Sdn. Bhd. (“SPP”) (“**Proposed Shares Acquisitions**”) and
 - (II) Proposed Land Acquisitions by OHB of plantation estates located in Peninsular Malaysia (“**Proposed Land Acquisitions**”),
- from related parties for a total cash consideration of approximately RM1.20 billion
- collectively, the “**Proposals**”. The details of the Proposals and the references/abbreviations used herein are as defined in the Circular to Stockholders dated 15 August 2023 except as otherwise indicated.
- (C) Mr. Lee informed that as the sole Ordinary Resolution is a related party transaction, for good governance, he is appointed as Chairman of the Meeting today.

Introduction

- (D) Mr. Lee then introduced members of the Board, the Company Secretary, Group Chief Financial Officer (“Group CFO”) and the advisors:
- 1. 6 fellow Board members at the Broadcast Venue; Datuk Loh Kian Chong, Executive Chairman, Dato’ Seri Lim Su Tong, Group Managing Director, Dato’ Sri Datuk Wira Tan Hui Jing, Executive Director, Mr. Mitsuharu Funase, Non-INED, Dato’ Ong Eng Bin, INED, Dato’ Md Radzaif Bin Mohamed, INED together with Mr. Adrian Wong, Group CFO and Ms. Ong Tze-En, the Company Secretary.
 - 2. 8 advisors at the Broadcast Venue;
 - (a) The Principal Advisor, UOB Kay Hian, Mr. Goh Yao Yen, Co-Head, Director, Corporate Finance and Mr. Tan Heng Hooi, Director, Corporate Finance.
 - (b) The Legal Adviser, RLP, Ms. Zandra Tan, Partner and Ms. Livia Hong, Principal.
 - (c) The Independent Valuer, Knight Frank, Mr. Sasitheran Subramaniam, Executive Director.
 - (d) The Expert, appointed to provide a Report on the fairness of the total purchase consideration for the foreign assets, Mr. Ng Woon Lit, Director, Strategic Capital Advisory and
 - (e) The Independent Adviser, Mr. Chris Lai Ther Wei, Director, Head of Capital Market, Mercury Securities, who has provided Independent Advice as to the fairness and reasonableness of the Proposals and that the Proposals are not to the detriment of the minority stockholders.

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3. 3 fellow Directors who joined this EGM remotely; Dato' Robert Wong Lum Kong, DSSA, JP, CMJA (UK), Group Managing Director, Ms. Tan Kheng Hwee, Executive Director and Puan Nazriah Binti Shaik Alawdin, INED.
- (E) Mr. Lee informed that the Board would continue to leverage on technology to ease participation by stockholders from remote locations. Today's EGM is conducted through live streaming and online remote participation by using RPEV Facilities, which is in compliance with Section 327 of the Companies Act 2016 and Clause 73 of the Constitution of the Company.

Call to Order and Quorum of the Meeting

- (F) The Constitution of the Company requires the presence of at least 2 members or proxies or corporate representatives to form a quorum. For a virtual general meeting, the quorum shall be determined by the number of members who logged-in at the start of this meeting.
- (G) Mr. Lee proceeded to call the meeting to order after the Company Secretary had confirmed that there was a quorum present.

Notice of Meeting

- (H) Mr. Lee informed that the Notice for the EGM was announced, published in the newspapers and circulated to all stockholders, Directors and external auditors on 15 August 2023. The Notice and Circular to Stockholders have been properly given and are taken as read.

Voting by Poll & Procedures

- (I) Mr. Lee informed that there is only one (1) Ordinary Resolution to be tabled for approval by the stockholders. This Ordinary Resolution would be put to vote on poll in accordance with paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**").
- (J) In accordance with Clause 86 of the Company's Constitution, Mr. Lee exercised his rights, as Chairman of the meeting, to demand for a poll to be carried out for the sole Ordinary Resolution.
- (K) He pointed out that every member present virtually at this EGM today either in person, or by proxy or by corporate representative, has the right to participate, ask question and vote on the resolution as stated in the agenda of this meeting.
- (L) The Meeting would kick off with an overview presentation of the Proposals by the Principal Advisor, UOB Kay Hian. It is then followed by a presentation of the Expert Opinion by Strategic Capital Advisory and finally, a presentation from the Independent Advisor, Mercury Securities.

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- (M) The Q&A session would follow thereafter to address any queries from the stockholders. In the event the Board and management could not respond to certain questions during the meeting, response to these questions would be incorporated into the minutes of this EGM which would then be made available on the corporate website.
- (N) Mr. Lee further informed that Boardroom Share Registrars Sdn. Bhd. and Versatile Rising Sdn. Bhd. are appointed as poll administrator and independent scrutineer to conduct the electronic polling process and to verify the poll results respectively.
- (O) He reminded all that the attendance at this EGM is restricted to the Company's invited guests, stockholders, proxies and authorised representatives of corporate stockholders who have registered to participate in this meeting remotely.
- (P) As discussions at this EGM is deemed confidential and only for the knowledge of the relevant parties, any visual or audio recording while this EGM is conducted, is strictly prohibited unless written consent has been obtained prior to the meeting.
- (Q) Mr. Lee stressed that the quality of the live streaming is also dependent on the bandwidth, stability and connectivity of internet connection at the locations of the remote participants.

Corporate presentation and Questions & Answers ("Q&A") session

- (R) Mr. Lee then invited representative from the Principal Advisor, Mr. Goh Yao Yen, the Director & Co-Head of Corporate Finance from UOB Kay Hian to an overview of the Proposals. It was followed by Mr. Ng Woon Lit, Director of Strategic Capital Advisory with the Expert Report on the fairness of the total purchase consideration for the foreign assets. The last presentation was from Mr. Chris Lai Ther Wei, Director, Head of Capital Market, Mercury Securities with the Independent Advice Letter which is an independent assessment of the fair and reasonableness of the Proposals.
- (S) The presentations were summarized as follows:
 - 1. Overview presentation by UOB Kay Hian
 - 1.1 The Proposals are undertaken in two (2) phases:
 - (I) The Proposed Shares Acquisitions which involved the acquisition by OHB of the balance equity interests in its existing subsidiaries, SPSB and OBS(M), and its existing associate company SPP, not already owned by OHB for RM802.26M. Upon completion of the Proposed Shares Acquisition, SPSB, OBS(M) and SPP shall each become a wholly-owned subsidiary of OHB.
 - (II) The Proposed Land Acquisitions which involved the acquisition of the Malaysian Subject Properties (save for the SPP Estate), which are to be held through SPP (subject to the completion of the Proposed SPP Acquisition) for RM397.10M.

- 1.2 The total Purchase Consideration of RM1.20B was arrived on a “willing buyer-willing seller” basis after taking into consideration the following key areas during negotiations with the Vendors:-
- (a) the adjusted net assets and net liabilities of the entities being acquired (i.e. SPSB Group, OBS(M) Group and SPP) after incorporating the revaluation surplus based on the market value of the plantation properties held under each entity in Indonesia and Malaysia as appraised by the Independent Valuers;
 - (b) the market value of the Malaysian Subject Properties (i.e. Bukit Langkap Estate, Bentong Estate and Thye Group Estate) as appraised by Knight Frank; and
 - (c) successful negotiations between OHB management and the Vendors to acquire the assets under the Proposals for a total cash consideration of approximately RM1.20 billion, notwithstanding that the revalued consolidated net assets value of SPSB Group, OBS(M) Group and SPP, and the market value of the identified plantation properties totals approximately RM1.43B.
- 1.3 The rationale for the Proposals were as follows:
- (a) The plantation segment would continue as a core and consistent contributor to the financial performance of OHB and its subsidiaries (“OHB Group” or “the Group”) over the medium to long term given the Group’s familiarity with the plantation business.
 - (b) The Proposals undertaken are hence in line with the Group’s strategy of constantly seeking opportunities to acquire resilient and earnings accretive businesses. The Proposals will enable the Group to:
 - i. expand its plantation footprint in Malaysia via the Proposed SPP Acquisition and Proposed Land Acquisitions by approximately 7,096 Ha.
 - ii. the Proposed SPSB Acquisition and Proposed OBS(M) Acquisition will enable the full consolidation of its interest in its subsidiaries, SPSB Group and OBS(M) Group, which currently holds a sizeable plantation land bank (with 4 palm oil mills) in Indonesia with land available for oil palm cultivation of approximately 56,705 Ha.
 - (c) Overall, the total plantation land bank consolidated and owned by the Group would be approximately 109,469 Ha with the total planted area on a combined basis to be approximately 48,675 Ha with the Indonesian estate comprising the largest proportion of the plantation portfolio.
 - (d) The Proposed Shares Acquisitions will enhance the future profitability of the Group as the Group will be able to fully consolidate the earnings of SPSB Group, OBS(M) Group and SPP, while unlocking the potential from developing the unplanted areas of the Indonesian plantation in stages.

2. Presentation of Expert Opinion by Strategic Capital Advisory

2.1 Strategic Capital Advisory has considered the following methodology to assess and opine on the fairness of the Purchase Consideration:

Revalued Net Assets Approach (“RNAV”)

RNAV is the commonly adopted valuation methodology in approaching valuations of asset-based companies where all or a substantial portion of its property-related assets are carried at its historical costs. RNAV takes into consideration any surplus and/or deficit arising from the revaluation of the material assets of a company to reflect their current market values, based on the assumption that the market values of the assets are realisable on willing-buyer willing-seller basis in the open market. The RNAV is adjusted to take into consideration the valuation on the Subject Properties, which are the plantation assets located in Indonesia and properties located in Australia.

2.2 In arriving at the market value of the Indonesian Subject Properties and Australian Subject Properties, the following methodologies were adopted by the Independent Valuer:

- (a) Market approach (“Comparison”)
- (b) Depreciated Replacement Cost approach (“DRC”)
- (c) Income approach – Discounted cash flow methodology (“DCF”)
- (d) Modified Land Residual method (“MLR”)
- (e) Capitalisation of Net Income method

2.3 The Purchase Consideration of SPSB represented a discount of approximately 39.1% as compared to the market value derived based on RNAV of SPSB Group of approximately RM1.1B; and since the Proposed OBS(M) Acquisition and the Proposed SPSB Acquisition are inter-conditional, it represented a discount of approximately 27.1% as compared to the combined market value derived based on the combined RNAV of the SPSB Group and OBS(M) Group of approximately RM887.5M.

2.4 Premised on the above, Strategic Capital Advisory is of the opinion that the Purchase Consideration of RM646.931M is **FAIR**.

3. Presentation of Independent Advice Letter by Mercury Securities

3.1 Mercury Securities’s evaluations on fair and reasonableness of the Proposals were based on the following criteria:

- (a) Rationale and justifications for the Proposals
 - i. Expansion of plantation footprint in Malaysia and full consolidation of equity interest in SPSB and OBS(M).
 - ii. Rationale for the Proposals are therefore **reasonable** as it facilitates the Group’s long-term strategy to expand its plantation business which have been profitable.

- (b) Purchase considerations of the Proposals
- Evaluation of the Proposed SPSB Acquisition
 - Evaluation of the Proposed OBS(M) Acquisition
 - Evaluation of the SPP Acquisition
 - Key bases and assumptions for the Indonesian Subject Properties
 - Key bases and assumptions for the Australian Subject Properties
- i. The valuation methodologies used are reasonable as they are commonly-used valuation methodologies for the valuation of property assets.
- ii. The valuation approaches used by the valuer are reasonable and appropriately applied. Accordingly, the Purchase Considerations of SPSB, OBS(M) and SPP are FAIR.
- iii. Purchase considerations of the Proposals are **fair and reasonable** as they are below/at the estimated valuation.
- (c) Salient terms of the SSAs and SPAs
The sale and purchase, conditions precedent and termination clauses are reasonable and not detrimental to the minority stockholders.
- (d) Prospects of the enlarged OHB Group
The Proposals would contribute positively to OHB Group's future prospects considering the benefits from the Proposals and outlook of palm oil industry.
- (e) Risk factors pertaining to the Proposals
As the OHB Group is already involved in the Oil Palm Plantation Business with operations in both Malaysia and Indonesia, the Proposals are not expected to expose the OHB Group to any new risks area.
- The OBS(M) Group currently holds approximately 52,837.8 Ha of Uncertificated Land and the location permits for these Uncertificated Land had expired as at 1 August 2023. There is no certainty that the OBS(M) Group would be able to commence plantation on the Uncertificated Land. However the risk exposure is manageable in our view given that:
- i. The confirmation letters (as set out in Section 9.3(ii), Part A of the Circular) provided comfort that as long as the OBS(M) Group undertakes the necessary steps in applying for the KKPR, the interest and rights over the expired location permit land area remains intact; and
- ii. PwC Legal Indonesia opined that the risks of OBS(M) Group not being able to obtain the KKPR for the Uncertificated Land are fairly remote provided that the application documents are in order.
- (f) Effects of the Proposals
Effects of the Proposals are reasonable as they reflected the consequential effects arising from the undertaking of the Proposals as follows:
- i. No changes to the share capital and substantial stockholders' stockholdings due to no issuance of any new stock in OHB.

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- ii. Net asset would increase mainly due to full consolidation of the financial results of the SPSB Group, OBS(M) Group and SPP.
- iii. OHB Group's gearing ratio would increase from 0.27 times to 0.41 times assuming the Proposals are fully funded by bank borrowings.
- iv. The Proposals are envisaged to be earnings accretive when it achieves the benefits from the Proposals.

3.2 Based on the above, Mercury Securities is of the view that the Proposals are **FAIR** and **REASONABLE**. Accordingly, Mercury Securities advised and recommended the stockholders to **VOTE IN FAVOUR** of the resolution pertaining to the Proposals.

(T) Mr. Lee thanked the advisors for outlining the Proposals for ease of understanding of the stockholders. He then proceeded to the Q&A session. He recapped that questions of similar nature would be grouped together for a more structured response from the Board.

(U) The Q&A session was as summarised in Appendix A attached to these minutes.

(V) Upon completion of the Q&A session. Mr. Lee proceeded to the meeting agenda.

1. **Ordinary Resolution**

- (I) Proposed Shares Acquisitions by OHB of the remaining equity interests it does not already own in 3 plantation companies, namely SPSB, OBS(M) and SPP and
- (II) Proposed Land Acquisitions by OHB of plantation estates located in Peninsular Malaysia,
from related parties for a total cash consideration of approximately RM1.20 billion

1.1 Mr. Lee explained that the details of the Proposals are as set out in the Circular to Stockholders dated 15 August 2023. The purpose of the Proposals has been explained by the Principal Adviser in length and are ably supported by the Expert Report and the Independent Advice Letter addressed to the non-interested Directors and stockholders. These Proposals are expected to contribute positively to the Group by expanding the Group's plantation footprint in Malaysia, enable full consolidation of interest in existing non-wholly owned subsidiaries and enhance future profitability of the Group as well as enable the Group to achieve greater economies of scale by leveraging of its sizeable plantation operations in Indonesia.

1.2 For purpose of good order, he highlighted that the interested major stockholders, interested Directors and/or persons connected to them in relation to this sole Ordinary Resolution are as listed under Section 14, Part A of the Circular, had abstained from all deliberations and voting on this sole Ordinary Resolution as set out in the notice of EGM.

1.3 Mr. Lee then put the Ordinary Resolution to the Meeting for consideration.

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2. Polling & Voting Session

- 2.1 Mr. Lee proceeded to the online voting by poll. A video on voting instructions was played throughout the voting period. The voting was closed after 5 minutes. The meeting was then adjourned to allow for vote tabulation.
- 2.2 The meeting was reconvened thereafter.

3. Announcement of Poll Results

- 3.1 Mr. Lee announced the poll results for the sole Ordinary Resolution upon receipt of report from independent scrutineer. He requested all participants to refer to the results as shown on screen.
- 3.2 Mr. Lee informed that based on the results as verified by the independent scrutineer, the sole Ordinary Resolution tabled today received majority votes in favour.

Ordinary Resolution	FOR		AGAINST		Results
	Number of shares	%	Number of shares	%	
1	107,462,201	99.8731	136,503	0.1269	Carried

- 3.3 Mr. Lee then announced that, the sole Ordinary Resolution, with the interested Directors, major stockholders and persons connected with these interested Directors and major stockholders duly abstained from voting on this Resolution, was resolved and carried:

Ordinary Resolution

- (I) PROPOSED ACQUISITION BY OHB OF THE REMAINING EQUITY INTERESTS IT DOES NOT ALREADY OWN IN 3 PLANTATION COMPANIES, NAMELY SELASIH PERMATA SDN BHD, ORIENTAL BOON SIEW (MAURITIUS) PTE LTD AND SOUTHERN PERAK PLANTATIONS SDN BHD ("SPP") ("PROPOSED SHARES ACQUISITIONS"); AND
- (II) PROPOSED ACQUISITIONS OF THE FOLLOWING PLANTATION ESTATES LOCATED IN PENINSULAR MALAYSIA BY SPP ("PROPOSED LAND ACQUISITIONS"):-
- A. OIL PALM PLANTATION LAND HELD UNDER 17 LAND TITLES MEASURING A TOTAL OF 77.51 HECTARES ("HA") LOCATED ALONG JALAN ARA KUDA, MUKIM 19, DISTRICT OF SEBERANG PERAI TENGAH, PULAU PINANG, MALAYSIA ("BUKIT LANGKAP ESTATE");
- B. OIL PALM PLANTATION LAND HELD UNDER 30 LAND TITLES MEASURING A TOTAL OF 1,704.24 HA LOCATED WITHIN MUKIM AND

DISTRICT OF BENTONG, PAHANG, MALAYSIA (“BENTONG ESTATE”);
AND

C. OIL PALM PLANTATION LAND HELD UNDER 25 LAND TITLES
MEASURING A TOTAL OF 1,668.60 HA LOCATED WITHIN THE DISTRICT
OF KUALA MUDA, KEDAH DARUL AMAN (“THYE GROUP ESTATE”),

(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)

“**THAT**, subject to the approvals of all relevant authorities or parties being obtained (where required), the Company be and is hereby authorised to proceed with the Proposed Shares Acquisitions (details of which are set out in the circular to stockholders of OHB dated 15 August 2023 (“**Circular**”)) in accordance with the terms and conditions as stipulated in the conditional share sale agreements dated 13 October 2022 and supplemental share sale agreements dated 12 January 2023 and 12 April 2023 entered into between OHB and Boon Siew Sdn Bhd, Boon Siew Development Sdn Bhd and Loh Boon Siew Holdings Sdn Bhd (“**SSAs**”) (salient terms of which are set out in **Appendices II(A), II(B) and II(C)** of the Circular).

THAT, subject to the completion of the Proposed Shares Acquisitions (in view that SPP is the purchaser for the Bukit Langkap Estate, Bentong Estate and Thye Group Estate), the Company be and is hereby authorised to proceed with the Proposed Land Acquisitions (details of which are set out in the Circular) in accordance with the terms and conditions as stipulated in the conditional sale and purchase agreements dated 13 October 2022 and supplemental sale and purchase agreements dated 12 January 2023 and 12 April 2023 entered into between OHB, SPP and Boontong Estates Sdn Bhd (“**SPAs**”, together with the SSAs, the “**Agreements**”) (salient terms which are set out in **Appendices II(D), II(E) and II(F)** of the Circular).

AND THAT the Board of Directors of the Company (“**Board**”) (save for the Interested Directors, as set out in the Circular) be and is hereby authorised to give effect to the Proposals with full power (i) to assent to any condition, modification, variation and/or amendment in any manner as may be required by the relevant authorities; (ii) to deal with all matters relating to the Agreements thereto; and (iii) to do all such acts and things as they may consider necessary or expedient to implement, finalise and give full effect to the Proposals.”

Conclusion

Mr. Lee then closed the Meeting at 3:55 pm.

Confirmed as correct record

Lee Kean Teong
Independent Non-Executive Director
Chairman of the Meeting