

SEAL INCORPORATED BERHAD

(196201000416) (4887-M)

(Incorporated in Malaysia)

Minutes of the Sixtieth Annual General Meeting of the Company conducted on a fully virtual basis via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC – D6A357657) on Thursday, 22 December 2022 at 10.30 a.m.

Attendance

Directors : Tuan Haji Abdul Hamid bin Mohd Hassan (Chairman)
: Mr Koay Shean Loong
: Datuk Tan Hiang Joo
: Mr Sim Yee Fuan
: YTM Raja Kecil Tengah Perak Raja Dato' Seri Iskandar Bin Raja Ziran @ Raja Zaid
: Mr Yow Yan Seong
: Mr Tan Seong Hooi

Absent with : Datin Sri Tan Guik Lan
apologies

In attendance : Chew Siew Cheng, Company Secretary

By Invitation : Mr Loo Wei Teng, Grant Thornton Malaysia PLT

Members : As per Attendance Sheet

The Sixtieth Annual General Meeting ("60th AGM" or "the Meeting") commenced at 10.30 a.m. with the requisite quorum being present.

1. CHAIRMAN'S ADDRESS, NOTICE OF MEETING, POLLING AND ADMINISTRATIVE MATTERS

1.1 Tuan Haji Abdul Hamid bin Mohd Hassan ("Tuan Haji Chairman") chaired the Meeting and welcomed all members participating in the Company's 60th AGM which was conducted fully virtual.

1.2 Tuan Haji Chairman notified that the Meeting was held following the Guidelines and FAQs on the Conduct of General Meetings issued by the Securities Commission and quorum can be determined by the number of members logged-in at the start of the Meeting. He further explained that the attendance of the 60th AGM was restricted to the Company's shareholders/proxyholders and authorised representatives of corporate shareholders who had registered to join the meeting remotely. Any visual or audio recording of the Meeting was strictly prohibited unless prior written consent had been obtained from the Company.

1.3 As the Notice of the Meeting has been properly issued and circulated within the prescribed period, the Notice of the 60th AGM was taken as read. Tuan Haji Chairman then introduced the members of the Board who joined the Meeting remotely via video conferencing to the shareholders. He extended apologies from Datin Sri Tan Guik Lan who was unable to attend the Meeting. He also informed that the Joint Company Secretary and the audit partner in charge were also present at the Meeting.

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1. **CHAIRMAN'S ADDRESS, NOTICE OF MEETING, POLLING AND ADMINISTRATIVE MATTERS (continued...)**
- 1.4 Tuan Haji Chairman then called the meeting to order after confirming with the Company Secretary that there was sufficient quorum present.
- 1.5 Tuan Haji Chairman then invited the members to post their questions in the chat box for the Question and Answer ("Q&A") session. The questions received would be moderated to avoid repetition and answer during the session. Questions that were not addressed at the Meeting due to lack of time would be answered by email at the earliest possible after the Meeting.
- 1.6 The Company Secretary informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), all the eight (8) ordinary resolutions set out in the Notice of the Meeting would be voted by poll which was conducted electronically via the Remote Participation and Voting ("RPV") facility provided by Boardroom Share Registrars Sdn Bhd ("Boardroom"), the appointed poll administrator and the poll results would be verified by SKY Corporate Services Sdn Bhd who had been appointed as the independent scrutineer.
- 1.7 The Company Secretary explained that ordinary resolutions required a simple majority of more than 50% votes from those members present in person or by proxies and voting at the meeting. In the event of equality of votes, the Chairman would exercise his casting vote as provided under the Constitution of the Company.
- 1.8 A short video on the process on the remote polling process was presented by Boardroom. Members were informed that voting on the resolutions could be done any time from the commencement of the Meeting until the closure of the voting session.
- 1.9 Tuan Haji Chairman informed that Teng Hui Ling, proxy for Song Kim Lee and Thor Choon Nee, proxy for Wong See Ching had offered to be the proposer and seconder for all the 8 ordinary resolutions.
- 1.10 Tuan Haji Chairman then proceeded with the agenda of the 60th AGM.
2. **TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**
- 2.1 The Audited Financial Statements for the financial year ended 30 June 2022 together with the Reports of the Directors and Auditors thereon, copies of which had been circulated, were tabled before the Meeting.
- 2.2 Tuan Haji Chairman then highlighted to all present that the receipt of the Audited Financial Statements was meant for discussion only and did not require a formal approval of the shareholders and hence, no resolution was put forward for voting.

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2. **TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON (continued...)**

2.3 Tuan Haji Chairman informed the members that if they have any questions on the Audited Financial Statements, they could leave their questions in the chat box and the Board would address the questions during the Q&A session later.

3. **ORDINARY RESOLUTION 1 - TO APPROVE PAYMENT OF DIRECTORS' FEES OF RM276,000 IN RESPECT OF THE FINANCIAL YEAR ENDED 30 JUNE 2022**

Members were informed that proposed ordinary resolution 1 was to approve the payment of Directors' fees of Ringgit Malaysia Two Hundred Seventy-Six Thousand (RM276,000) for the financial year ended 30 June 2022.

4. **ORDINARY RESOLUTION 2 - TO APPROVE THE PAYMENT OF BENEFITS PAYABLE TO DIRECTORS UP TO AN AMOUNT OF RM220,000 FROM 22 DECEMBER 2022 UNTIL THE NEXT ANNUAL GENERAL MEETING**

Members were informed that the proposed ordinary resolution 2 was to approve the payment of Directors' benefits in accordance with Section 230(1) of the Companies Act 2016 up to an amount of Two Hundred Twenty Thousand (RM220,000) from 22 December 2022 until the next Annual General Meeting of the Company.

5. **ORDINARY RESOLUTION 3 - TO RE-ELECT DATUK TAN HIANG JOO WHO RETIRED UNDER THE PROVISION OF ARTICLE 101(A) OF THE COMPANY'S CONSTITUTION**

Members were informed that Datuk Tan Hiang Joo who retired as a Director of the Company in accordance with Article 101(a) of the Company's Constitution and being eligible, had offered himself for re-election.

6. **ORDINARY RESOLUTION 4 - TO RE-ELECT YANG TERAMAT MULIA RAJA KECIL TENGAH PERAK RAJA DATO' SERI ISKANDAR BIN RAJA ZIRAN @ RAJA ZAID WHO RETIRED UNDER THE PROVISION OF ARTICLE 101(A) OF THE COMPANY'S CONSTITUTION**

Members were informed that Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar Bin Raja Ziran @ Raja Zaid who retired as a Director of the Company in accordance with Article 101(A) of the Company's Constitution and being eligible, had offered himself for re-election.

7. ORDINARY RESOLUTION 5 - TO RE-ELECT MR SIM YEE FUAN WHO RETIRED UNDER THE PROVISION OF ARTICLE 99 OF THE COMPANY'S CONSTITUTION

Members were informed that Mr Sim Yee Fuan who retired as a Director of the Company in accordance with Article 99 of the Company's Constitution and being eligible, had offered himself for re-election.

8. ORDINARY RESOLUTION 6 - TO RE-APPOINT GRANT THORNTON MALAYSIA PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

Members were informed that the proposed ordinary resolution 6 was for the re-appointment of Grant Thornton Malaysia PLT as Auditors of the Company for the ensuing year at a fee to be determined by the Directors. The Auditors have indicated their willingness to continue in office.

**9. SPECIAL BUSINESS
ORDINARY RESOLUTION 7 – PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES**

Members were informed that the following ordinary resolution 7 is to empower the Directors of the Company to issue and allot shares up to an amount not exceeding 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes and to such persons as the Directors consider would be in the best interest of the Company:-

“That subject to the Companies Act 2016, the Company's Constitution and approvals from Bursa Malaysia Securities Berhad (“Bursa Securities”), and any other governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the capital of the Company from time to time at such price to such persons and upon such terms and conditions, for such purposes as the Directors of the Company may in their absolute discretion deem fit, provided always that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) for the time being and such authority shall continue to be in force until the conclusion of the Annual General Meeting of the Company held next after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is the earlier.

That the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

And That pursuant to Section 85 of the Companies Act 2016 read together with Article 60 of the Company's Constitution, approval be and is hereby given to the Company to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to Sections 75 and 76 of the Companies Act 2016.”

10. SPECIAL BUSINESS
ORDINARY RESOLUTION 8 – PROPOSED RENEWAL OF SHARE BUY BACK AUTHORITY

Members were informed of the following proposed ordinary resolution 8 which was to seek approval of the shareholders for the renewal of share buy back authority for the Company to purchase its own shares up to 10% of the total number of issued shares of the Company:-

“That subject to the Companies Act 2016, the provisions of the Company's Constitution, the Main Market Listing Requirements (“MMLR”) of Bursa Securities and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase 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 aggregate number of shares purchased does not exceed ten per centum (10%) of the total issued shares of the Company as quoted on Bursa Securities as at the point of purchase;
- (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 based on its latest audited financial statements available up to the date of a transaction pursuant to the Proposed Share Buy Back; and
- (iii) the shares purchased by the Company pursuant to the Proposed Share Buy Back may be dealt with in all or any of the following manner (as selected by the Company):-
 - (a) the shares so purchased may be cancelled; and/or
 - (b) the shares so purchased may be retained in treasury for distribution as dividend 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.

That any authority conferred by this resolution may only continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting, whichever occurs first.

10. SPECIAL BUSINESS
ORDINARY RESOLUTION 8 – PROPOSED RENEWAL OF SHARE BUY BACK AUTHORITY (continued...)

And that authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares) in accordance with the Companies Act 2016, the provisions of the Constitution of the Company and the MMLR and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities.”

11. OTHER MATTER

The Company did not receive any other notice under any other business.

12. Q & A SESSION

12.1 Tuan Haji Chairman informed that the Company had received some questions from the Minority Shareholders Watch Group (“MSWG”) raising a few questions on operational and financial matters. The questions posted and the Company’s responses to the questions were shared with the members’ for their information. The questions raised by MSWG and the reply from the Management are set out in Appendix A attached.

12.2 The Company Secretary then read out the following live questions submitted by members/proxies with the Executive Director, Mr Koay Shean Loong providing the replies:-

Question	Reply
1. Hope the company will consider giving some e vouchers/e wallet like touch and go or boost to all its shareholders/proxies for attending this very costly RPV as a token of appreciation for their attendance.	The Management will consider your proposal.

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12. Q & A SESSION (continued...)

Question	Reply
2. May I know, what is the company's future outlook?	The Group is optimistic about new business opportunities in the near future for the expansion of the Group's businesses and future income stream. Baring any unforeseen circumstances, the Group expects to launch its Queensville phase 2 project in 2023 and planning on its development rights in Penang.

13. VOTING SESSION

- 13.1 At 10.42 a.m., Tuan Haji Chairman announced the commencement of the online remote voting for the 8 ordinary resolutions. The voting session would be open for 10 minutes.
- 13.2 At 10.52 a.m., Tuan Haji Chairman informed on the closure of the online voting session. He then adjourned the Meeting to facilitate the counting of the votes.

14. DECLARATION OF POLL RESULTS

- 14.1 The Meeting resumed at 11.17 a.m. with the requisite quorum being present.
- 14.2 Tuan Haji Chairman then called the Meeting to order for the declaration of results. He informed that the poll voting results had been duly validated by the Independent Scrutineer.
- 14.3 The poll voting results were shared to the Meeting on the screen:-

Resolution(s)	Vote For		Vote Against	
	No. of Units	%	No. of Units	%
Ordinary Resolution 1	44,527,064	99.7782	99,000	0.2218
Ordinary Resolution 2	44,607,964	99.9594	18,100	0.0406
Ordinary Resolution 3	117,375,274	99.9979	2,500	0.0021
Ordinary Resolution 4	117,404,274	99.9979	2,500	0.0021
Ordinary Resolution 5	117,404,274	99.9979	2,500	0.0021
Ordinary Resolution 6	117,404,774	99.9983	2,000	0.0017
Ordinary Resolution 7	117,388,674	99.9846	18,100	0.0154
Ordinary Resolution 8	117,404,774	99.9983	2,000	0.0017

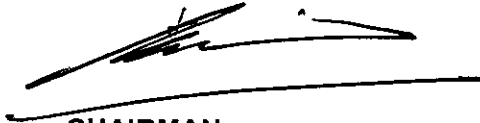
- 14.4 Based on the results, Tuan Haji Chairman declared that all the resolutions tabled were carried.

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15. CLOSURE

There being no other matters discussed, the Meeting closed at 11.18 a.m.

Signed as a correct record



CHAIRMAN

Date: 12 January 2023

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Appendix A

Questions and Answer

Minority Shareholders Watch Group

[Registration No: 196201000416 (4887-M)]

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Operational and Financial Matters

- 1) On 27 May 2022, SEAL Group entered into a Sale & Purchase Agreement (“SPA”) for the disposal of the development land at Sungai Petani, Kedah for a consideration of RM37 million with an expected gain of approximately RM19 million in the following year due to pending fulfillment of the conditions precedent in the SPA (Page 4 of AR)
- a) What was the reason for selling the development land at Sungai Petani, Kedah instead of developing the land?

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SEAL's Response :

The Group has no immediate plan to develop the Land after taking into consideration the current property market situation which has been adversely and severely impacted by the prevailing economic environment, especially from the repercussions of the Covid-19 pandemic. The Proposed Disposal will not only allow the Group to immediately unlock its fair value tied up in unutilised property and provide additional cash flow and working capital to the Group but also mitigate the inherent risks associated to property development in this uncertain business environment.

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b) How was the disposed value of the land arrived at?

SEAL's Response :

The Disposal Value of the Land has been arrived at on negotiated term and based on a “willing buyer and willing seller” basis after taking into consideration the following:

- (a) Net book value of the Land as at 30 June 2021 is at the cost price of RM15.25 million; and
- (b) Transacted prices of other land within the vicinity.

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c) Who was the buyer of the development land?

SEAL's Response :

The buyer is Smart Budget Economy Sdn Bhd

d) When is the disposal expected to be completed?

SEAL's Response :

The disposal is expected to be completed within 2 months from 26 February 2023.

- 2) The Group has a significant concentration of credit risk in the form of outstanding balance due from 1 customer (2021: 1 customer), representing 93% (2021: 92%) of the total trade receivables. (Pages 115 of AR)
- (a) How does the Group plan to manage the high concentration of credit risk from a single customer?

SEAL's Response :

The credit risk from a single customer is derived from the Queensville project under construction segment. As a turnkey contractor, we manage and monitor the entire process and progress of the Queensville project, and the project is progressing well. Further, we have a good working relationship with the developer. Therefore, the Group anticipates that the credit risk of the Group remains manageable.

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b) Please provide the name of the single customer?

SEAL's Response :

The name of the single customer is Dwitasik Sdn Bhd, the developer of the Queensville project in Cheras, Kuala Lumpur.

c) Which business segment does the single customer come from?

SEAL's Response :

The single customer is in the construction segment.

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d) What are the challenges faced by the Group in collecting the amount due from single customer?

SEAL's Response :

The collection is based on the sales of the inventories under Queensville phase 1 project. The Covid-19 pandemic has impacted the current market condition and brought about tightened financial conditions, increase in interest rates and inflation resulting in a slowdown in the sales of the inventories.

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e) What are the measures taken by the Group to ensure that the debt due from the single customer will not rise substantially in the future?

SEAL's Response :

Apart from the reply in 2(a), the Group has taken active measures to dispose of the remaining inventories and will monitor the situation closely to ensure that the debt due from the single customer will not rise substantially in the future.

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f) How much of the trade receivables due from the single customer has been collected since the last FY 2022?

SEAL's Response :

The Group has collected approximately RM9 million after the balance sheet date.

g) Is there any possibility of impairments in the amount due from this single customer in FY 2022? If yes, what is the expected amount?

SEAL's Response :

No, the inventories of Quennsville phasa 1 are sufficient to recover the trade receivables.

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3) The Group has successfully acquired the development rights of Parcel 6 and Parcel 7 located on part of Lot 20506 held under GRN 175635 in Mukim 13, Daerah Timor Laut, Pulau Pinang for the consideration of RM16.50 million. (Page 5 of AR)

(a) How was the purchase consideration of RM16.50 million arrived at?

SEAL's Response :

The purchase consideration of RM16.5 million was arrived at on direct negotiated terms and based on good prospects from the company feasibility study done.

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b) What is the type of property development to be carried out on the land located at parcel 6 and parcel 7?

SEAL's Response :

The type of property development to be carried out on the land is mixed development.

c) What is Gross Development Value of the properties to be built on land located at Parcel 6 and Parcel 7?

SEAL's Response :

The Gross Development value is estimated at approximately RM650 million.

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d) When is the Group expected to start construction on land located at Parcel 6 & Parcel 7?

SEAL's Response :

The Group is expected to commence the construction works of either Parcel 6 or Parcel 7 within three (3) years from 14 December 2021, the Agreement Date or within one (1) year from the issuance of the title of Parcel 6 or Parcel 7, whichever is later.

- 4) The Group managed to sell RM2.87 million of completed development properties in FY 2022 as compared to RM5.82 million in FY 2021, a reduction of RM2.95 million or 50.7% (Page 99 of AR)
- (a) Why did the Group manage to only sell a lower value of completed development properties in FY 2022 as compared to FY 2021?

SEAL's Response :

The slowdown of market recovery after the Covid-19 pandemic and the continuous increase in the interest rate resulting in the consumer taking precautionary steps on the investment was the main reason behind the lower value sales.

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b) What is the type, number, value, and location of completed development properties remaining unsold as at FY 2022?

SEAL's Response :

Type	Number	Total Value	Location
3 storey shoplot	5 units	RM 1,421,893	Kuala Krai, Kelantan
2 storey shoplot	11 units	RM 4,182,014	Sungai Petani, Kedah

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c) What is the average age of the inventories of completed development properties as of FY 2022?

SEAL's Response :

The average age of the inventories of the completed development properties as of FY 2022 is 7 years.

d) What is the value of the completed development properties that was sold from the last FY 2022 till November 2022?

SEAL's Response :

The value of the completed development properties that was sold from last FY 2022 till November 2022 is RM6.9 million.