

FITTERS DIVERSIFIED BERHAD
(Registration No. 198601000595 (149735-M))

MINUTES OF THE EXTRAORDINARY GENERAL MEETING (“EGM”) OF THE COMPANY HELD FULLY VIRTUAL VIA THE ONLINE MEETING PLATFORM AT <https://meeting.boardroomlimited.my> ON FRIDAY, 28 JANUARY 2022 AT 2.00 P.M.

PRESENT

DIRECTORS

Attended via Live Webcast

Dato’ Ir. Low Keng Kok (*Independent Non-Executive Chairman*)

Mr Chan Seng Fatt (*Independent Non-Executive Director*)

Dato’ Sri Gan Chow Tee (*Executive Director*)

Mr Hoo Swee Guan (*Executive Director*)

Mr Wong Kok Seong (*Independent Non-Executive Director*)

Ms Tan Li Sin (*Non-Independent Non-Executive Director*)

IN ATTENDANCE

Attended via Live Webcast

Ms Tan Sei Ling (*Company Secretary*)

BY INVITATION

Attended via Live Webcast

Ms Chong Wei Wei (*Head of Group Finance*)

Ms Shin Yoke Fong

Ms Irene Tam (*Moderator*)

Mr BC Teoh (*Moderator*)

Mr Tan Vee Han (*Representative of TA Securities Holdings Berhad*)

Mr Lam Chee Liang (*Representative of Boardroom Corporate Services Sdn Bhd*)

Ms Jane Lee Hui Chen (*Representative of Boardroom Corporate Services Sdn Bhd*)

Poll Administrator – Boardroom Share Registrars Sdn Bhd

Independent Scrutineer – Sky Corporate Services Sdn Bhd

ATTENDANCE OF SHAREHOLDERS/PROXIES

The shareholders/proxies (“**Members**”) who attended and participated at the EGM via Remote Participation were set out in the Attendance List provided by the Share Registrar.

1. OPENING ADDRESS BY THE CHAIRMAN

The Chairman, Dato’ Ir. Low Keng Kok (“**Dato’ Chairman**”), welcomed the Members who joined the fully virtual EGM of the Company.

2. QUORUM

Upon confirming that a requisite quorum was present, the Chairman called the Meeting to order at 2.00 p.m.

3. INTRODUCTION

Dato' Chairman introduced himself and members of the Board of Directors, Company Secretary and Group Head of Finance to the Members of the Company.

4. CONDUCT OF THE MEETING

The Members were informed that the EGM of the Company was conducted entirely on a fully virtual basis through the online meeting platform at <https://meeting.boardroomlimited.my> provided by Boardroom Share Registrars Sdn Bhd.

The online EGM was in compliance with Section 327 of the Companies Act 2016 and the latest Guidance Note and Frequently Asked Questions (“FAQs”) on the Conduct of General Meetings for Listed Issuers revised by Securities Commission Malaysia (“SC”) on 16 July 2021 (“Guidance Note”). Dato' Chairman highlighted that an online meeting platform could be recognised as the meeting venue or place under Section 327(2) of Companies Act 2016.

In view that the online platform of the EGM is located in Malaysia and as such it can be recognised as the meeting venue or place for the purpose of Section 327(2) of the Companies Act 2016 which is in line with FAQs on Virtual General Meetings issued by Companies Commission of Malaysia on 8 June 2021.

5. NOTICE OF MEETING

The Notice of EGM dated 13 January 2022 having been circulated within the stipulated time frame was taken as read.

6. REPORT ON SUMMARY OF PROXIES FORMS RECEIVED

As part of good corporate governance, Dato' Chairman reported that the Company had received a total of 12 proxy forms from shareholders for a total of 125,970,083 ordinary shares representing 27.15% of the total issued shares of the Company.

Out of those proxy forms received, there were 11 shareholders who have appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented were 126,955,607 representing 27.15% of the total issued shares of the Company.

7. POLLING AND ADMINISTRATIVE MATTERS

Dato' Chairman informed that in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of EGM would be voted by poll.

For the conduct of the poll, the Company had appointed Boardroom Share Registrars Sdn Bhd, the Company's Share Registrar as Poll Administrator to conduct the polling process and Sky Corporate Services Sdn Bhd as an Independent Scrutineer to verify the poll results.

Dato' Chairman further informed that the Members might ask questions and the Board would endeavour to respond to the questions submitted by shareholders via the messaging chat box, which were related to the resolutions to be tabled at the EGM. Questions which were similar or repetitive would not be repeated, to allow opportunity for others to raise questions. Dato' Chairman also informed that the Board would address the questions once the EGM's agenda had been dealt with.

Before the commencement of the fully virtual EGM of the Company, a short video presentation by Boardroom Share Registrars Sdn Bhd on the polling procedure was played for viewing by the Members.

Dato' Chairman informed the Meeting that the voting session was open for voting and the Members might cast and submit their votes during the meeting proceedings before the end of the voting session. The polling process for the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the EGM.

Dato' Chairman then proceeded with the business of EGM.

8. AGENDA

ORDINARY RESOLUTION 1

PROPOSED PRIVATE PLACEMENT OF UP TO 144,149,100 NEW ORDINARY SHARES IN FITTERS, REPRESENTING APPROXIMATELY 30% OF THE TOTAL NUMBER OF ISSUED SHARES OF FITTERS ("PROPOSED PRIVATE PLACEMENT")

The Company sought the Members' approval on the Proposed Private Placement of up to 144,149,100 new Ordinary Shares in the Company, representing approximately 30% of the total number of issued shares of the Company, the details of which were set out in the Circular to the Shareholders of the Company dated 13 January 2022 and the general announcement in relation to the Proposed Private Placement made by the Company to the Bursa Malaysia Securities Berhad on 5 January 2022.

ORDINARY RESOLUTION 2

PROPOSED ESTABLISHMENT OF A SHARE ISSUANCE SCHEME ("SIS") OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES OF FITTERS (EXCLUDING TREASURY SHARES, IF ANY) TO THE ELIGIBLE DIRECTORS AND ELIGIBLE EMPLOYEES OF FITTERS AND ITS SUBSIDIARIES ("GROUP") ("PROPOSED SIS")

The Company sought the Members' approval on the Proposed SIS of up to 15% of the total number of issued shares of fitters (excluding treasury shares, if any) to the eligible directors and eligible employees of the Company and its subsidiaries. The details and rationale for the Proposed SIS are set out in the Circular dated 13 January 2022 and the general announcement in relation to the Proposed SIS made by the Company to the Bursa Malaysia Securities Berhad on 5 January 2022.

**ORDINARY RESOLUTION 3 - 8
PROPOSED ALLOCATION OF SIS OPTIONS TO DIRECTORS (“PROPOSED
ALLOCATION”)**

**ORDINARY RESOLUTION 3
PROPOSED ALLOCATION OF SIS OPTIONS TO DATO’ IR. LOW KENG KOK,
THE INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

In view that Ordinary Resolution 3 related to Dato’ Chairman’s SIS options and he was the interested party in this resolution, Mr Chan Seng Fatt (“**Mr Chan**”) was invited to take over the Chair for tabling of this resolution.

The Company sought the Members’ approval on the proposed allocation of SIS Options to Dato’ Ir. Low Keng Kok, the Independent Non-Executive Director of the Company.

Mr Chan passed the Chair back to Dato’ Chairman to continue with the proceedings of the Meeting.

**ORDINARY RESOLUTION 4
PROPOSED ALLOCATION OF SIS OPTIONS TO DATO’ SRI GAN CHOW TEE,
THE EXECUTIVE DIRECTOR OF THE COMPANY**

The Company sought the Members’ approval on the proposed allocation of SIS Options to Dato’ Sri Gan Chow Tee, the Executive Director of the Company.

**ORDINARY RESOLUTION 5
PROPOSED ALLOCATION OF SIS OPTIONS TO MR HOO SWEE GUAN, THE
EXECUTIVE DIRECTOR OF THE COMPANY**

The Company sought the Members’ approval on the proposed allocation of SIS Options to Mr Hoo Swee Guan, the Executive Director of the Company.

**ORDINARY RESOLUTION 6
PROPOSED ALLOCATION OF SIS OPTIONS TO MR CHAN SENG FATT, THE
INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

The Company sought the Members’ approval on the proposed allocation of SIS Options to Mr Chan Seng Fatt, the Independent Non-Executive Director of the Company.

**ORDINARY RESOLUTION 7
PROPOSED ALLOCATION OF SIS OPTIONS TO MR WONG KOK SEONG, THE
INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

The Company sought the Members’ approval on the proposed allocation of SIS Options to Mr Wong Kok Seong, the Independent Non-Executive Director of the Company.

**ORDINARY RESOLUTION 8
PROPOSED ALLOCATION OF SIS OPTIONS TO MS TAN LI SIN, THE NON-
INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

The Company sought the Members’ approval on the proposed allocation of SIS Options to Ms Tan Li Sin, the Non-Independent Non-Executive Director of the Company.

Question and Answer Session (“Q&A session”)

Mr Hoo Swee Guan, the Executive Director of the Company informed the Meeting that the Company had received two questions from the Shareholders of the Company.

He answered the questions that had been raised by the Members were as follows:-

Question 1

When can the Company turn into profit?

Answer

FITTERS Group is fall into 4 core activities – 1) The provision of Fire Protection and Prevention Services; 2) Property Development and Construction; 3) Renewable and Waste-to-Energy; and 4) HYPRO® PVC-O pipes.

The palm oil mill operations have been the Group’s largest revenue contributor, contributing more than 35% to the Group’s revenue in the last 5 financial years. The Group’s palm oil mill business has continued to operate throughout the COVID-19 pandemic. The palm oil mill has also received and processed higher crops in the current year due to better crop season. The Board and Management are of the view that the business operations of its palm oil mill will continue to thrive as the demand for CPO remains high in Malaysia.

Following the above, the Management is cautiously optimistic about the Group’s future prospects.

Question 2

Why don’t the Board consider to issue so-called the rights issue instead of private placement and SIS?

Answer

The Group has not undertaken any equity fund-raising exercise since 2014 and has been financing its business operations by bank borrowings. However, the Group has been operating in challenging environment due to COVID-19 pandemic and rising in FFB (Fresh Fruit Bunch) price in the recent 2 years. In such environment, the high gearing has impacted the performance and financial position of the Group.

After due consideration on the various methods of fund-raising exercise, the Board is of the opinion that the proposed private placement is the most appropriate avenue for fund raising at this juncture as it will be able to raise additional funds expeditiously without having to incur interest cost or service principal repayment from the bank borrowing. This also allows the Company to reserve its cash flow.

On the other hand, other fund-raising exercise such as rights issue may not suitable as it involves in cash call from our existing shareholders. Moreover, it will also require the Company to identify certain shareholders to provide irrevocable undertaking to subscribe for the minimum level of rights issue. Alternately, it needs to procure rights issue underwriting agreement to achieve the minimum subscription level. In addition, the rights issue exercise is likely to take a longer time to complete as compared to private placement exercise.

Dato' Chairman then declared that the Q&A session closed. Questions that were not able to address during the allocated time would be made available on the Company's at the earliest practicable time.

9. **POLLING**

Dato' Chairman requested the Members to proceed to cast their votes and the voting session would be closed in 10 minutes.

Dato' Chairman added that after the voting session closed, the Meeting would be adjourned for a further 20 minutes to allow poll administrators and independent scrutineer to carry out their tasks.

10. **ANNOUNCEMENT OF POLLING RESULTS**

Dato' Chairman announced the poll results as follows:-

Resolution	Vote For		Vote Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1	127,000,030	99.7523	315,357	0.2477
Ordinary Resolution 2	126,998,330	99.7510	317,057	0.2490
Ordinary Resolution 3	125,455,463	99.7422	324,317	0.2578
Ordinary Resolution 4	126, 991,070	99.7453	324,317	0.2547
Ordinary Resolution 5	126, 991,070	99.7453	324,317	0.2547
Ordinary Resolution 6	126, 991,070	99.7453	324,317	0.2547
Ordinary Resolution 7	126, 991,070	99.7453	324,317	0.2547
Ordinary Resolution 8	126, 991,070	99.7453	324,317	0.2547

Based on the above poll results, Dato' Chairman declared that the following ordinary resolutions duly carried:-

(a) **ORDINARY RESOLUTION 1**
PROPOSED PRIVATE PLACEMENT OF UP TO 144,149,100 NEW ORDINARY SHARES IN FITTERS, REPRESENTING APPROXIMATELY 30% OF THE TOTAL NUMBER OF ISSUED SHARES OF FITTERS (“PROPOSED PRIVATE PLACEMENT”)

“**THAT** subject to the approval of all the relevant authorities and parties (if required) being obtained, approval be and is hereby given to the Board to issue and allot up to 144,149,100 new ordinary shares in the Company (“**FITTERS Shares**” or “**Shares**”) (“**Placement Shares**”) by way of private placement to independent third-party investor(s), who qualify under Schedule 6 and Schedule 7 of the Capital Markets and Services Act, 2007 to be identified later, in one or more tranches at an issue price for each tranche to be determined at a later date by the Board (“**Price-Fixing Date**”) upon such terms and conditions as disclosed in the circular to the shareholders of the Company (“**Shareholders**”) dated 13 January 2022 (“**Circular**”).

THAT the issue price for each tranche of the Placement Shares will be determined based on a discount of not more than 20% to the 5-day volume-weighted average market price of FITTERS Shares up to and including the Price-Fixing Date.

THAT the Board be and is hereby authorised to utilise the proceeds to be derived from the Proposed Private Placement for such purposes as set out in the Circular and the Board be and is hereby authorised with full power to vary the manner and/or purpose of the utilisation of such proceeds from the Proposed Private Placement in the manner as the Board may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities and in the best interest of the Company.

THAT such Placement Shares shall, upon allotment, issuance and full payment of the issue price, rank equally in all respects with the then existing issued Shares, save and except that the holders of such Placement Shares shall not be entitled to any dividend, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Placement Shares.

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements as may be necessary to give effect and complete the Proposed Private Placement and to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Directors may deem necessary in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise, give full effect and to complete the Proposed Private Placement.”

(b) **ORDINARY RESOLUTION 2**
PROPOSED ESTABLISHMENT OF A SHARE ISSUANCE SCHEME (“SIS”) OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES OF FITTERS (EXCLUDING TREASURY SHARES, IF ANY) TO THE ELIGIBLE DIRECTORS AND ELIGIBLE EMPLOYEES OF FITTERS AND ITS SUBSIDIARIES (“GROUP”) (“PROPOSED SIS”)

“**THAT** subject to the approvals of all relevant regulatory authorities or parties having been obtained, approval be and is hereby given to the Board to:

- (i) establish, implement and administer the Proposed SIS for the benefit of eligible directors and eligible employees of the Group, excluding the subsidiaries which are dormant in accordance with the by-laws governing the SIS (“**By-laws**”), a draft of which is set out in Appendix II of the Circular, and to give full effect to the SIS with full powers to assent to any conditions, variations, modifications and/or amendments as may be deemed fit or expedient and/or imposed or required by the relevant regulatory authorities or as may be deemed fit or necessary by the Board at its discretion;
- (ii) make the necessary applications to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and do all the things necessary at the appropriate time or times for the listing and quotation of the new Shares which may from time to time be allotted and issued pursuant to the Proposed SIS;
- (iii) allot and issue and/or procure from time to time such number of new Shares as may be required to be issued pursuant to the exercise of the SIS Options under the Proposed SIS provided that the aggregate number of new Shares to be offered under the Proposed SIS shall not exceed in aggregate of 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any time during the duration of the SIS;
- (iv) add, delete, modify and/or amend all or any part of the terms and conditions as set out in the by-laws governing the Proposed SIS from time to time as may be required or permitted by the authorities or deemed necessary by the authorities or the Board or any committee of the Proposed SIS established or appointed by it provided that such modifications and/or amendments are effected and permitted in accordance with the provisions of the By-laws relating to modifications and/or amendments and to do all such acts, deeds and things and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to such modifications and/or amendments of the SIS;
- (v) extend the duration of the SIS, provided always that such extension of the SIS made pursuant to the By-laws shall not in aggregate exceed a duration of 10 years from the date on which the SIS shall take effect following full compliance of all relevant requirements or such longer period as may be permitted by Bursa Securities or any other relevant regulatory authorities from time to time without having to obtain any further sanction, approval, consent or authorisation of the shareholders of the Company in a general meeting; and
- (vi) do all such acts and things, to execute all such documents and to enter into all such transactions, arrangements and agreements, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate its power as may be necessary or expedient in order to give full effect to the Proposed SIS and terms of the By-laws;

AND THAT the Board be and is hereby authorised to give effect to the SIS with full powers to consent to and to adopt and implement such conditions, modifications, variations and/or amendments as may be required or imposed by the relevant regulatory authorities or as the Board may deem fit or necessary at its absolute discretion.”

(c) **ORDINARY RESOLUTION 3 - 8**
PROPOSED ALLOCATION OF SIS OPTIONS TO DIRECTORS
(“PROPOSED ALLOCATION”)

“**THAT**, subject to the passing of Ordinary Resolution 2 and the approvals of all relevant regulatory authorities (where required) having been obtained, approval be and is hereby given to the Board to authorise the committee appointed and authorised by the Board from time to time to administer the SIS in accordance with the By-laws, to offer and grant, from time to time throughout the duration of the SIS, such number of Shares in the Company which will be vested to the Directors at a future date and to allot and issue such number of options, Shares and/or the equivalent cash value or combinations thereof comprised in the Proposed SIS granted to the Directors from time to time, provided always that not more than 10% of the total FITTERS Shares available under the SIS, individually and collectively, shall be allocated to each of the Directors if they, either singly or collectively through persons connected with them, hold 20% or more of the total number of issued share of the Company (excluding treasury shares, if any), subject always to such terms and conditions of the By-laws and the Main Market Listing Requirements of Bursa Securities, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time.

The Directors must not participate in the deliberation or discussion of their own allocation, as well as that of the persons connected with them, if any, under the Proposed SIS:

ORDINARY RESOLUTION 3

Dato’ Ir. Low Keng Kok, Chairman, Independent Non-Executive Director

ORDINARY RESOLUTION 4

Dato’ Sri Gan Chow Tee, Executive Director

ORDINARY RESOLUTION 5

Hoo Swee Guan, Executive Director

ORDINARY RESOLUTION 6

Chan Seng Fatt, Independent Non-Executive Director

ORDINARY RESOLUTION 7

Wong Kok Seong, Independent Non-Executive Director

ORDINARY RESOLUTION 8

Tan Li Sin, Non-Independent Non-Executive Director

AND THAT subject always to such terms and conditions and/or any adjustments which may be made in accordance with the By-laws, the Board be and is hereby authorised to take such steps as necessary or expedient to implement, finalise or to give full effect to the Proposed Allocation above with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed and/or permitted by the relevant authorities or otherwise thought fit by the Board to be in the best interest of the Company; to execute, sign and deliver on behalf of the Company all such agreements, arrangements and documents as may be necessary to give full effect to, complete and implement the Proposed Allocation as above as well as to deal with all matters relating thereto and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

11. CONCLUSION

There being no other matters, the Meeting ended at 2.55 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

DATO' IR. LOW KENG KOK
CHAIRMAN