

CME GROUP BERHAD

(Registration No.: 197901007949 [52235-K])
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED DURING THE 25TH ANNUAL GENERAL MEETING (“AGM”) OF CME GROUP BHD HELD AT PRECINCT ROOM, DORSETT PUTRAJAYA, LOT 3 (LOT3C5) PRECINCT 3, WILAYAH PERSEKUTUAN BANDAR, 62000 PUTRAJAYA ON WEDNESDAY, 1 DECEMBER 2021 AT 10.30 A.M.

Y.M. Tunku Nizamuddin Bin Tunku Dato’ Seri Shahabuddin (“Tunku Chairman”) took the chair and called the 25th AGM (“Meeting”) to order. Tunku Chairman, after noting and confirming the presence of a quorum, called the Meeting to order at 10.35 a.m.

KEY MATTERS DISCUSSED DURING THE MEETING

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 (“AFS”) TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS (“REPORTS”)

Tunku Chairman tabled the AFS together with the Reports and invited the shareholders/proxies to raise questions on any issues arising from the AFS together with the Reports.

A shareholder who represented the Minority Shareholders Watch Group (“MSWG”), Ms. Lim Cian Yai (“Kris”), asked the Board to present the letter dated 24 November 2021 issued by MSWG to the shareholders present.

Encik Azlan Omry Bin Omar (“En. Azlan”), an Executive Director, informed Kris that the Company did not receive any letter from MSWG and asked her to present her questions in the Meeting. Due to the constraint of time, any questions that could not addressed during the Meeting would be answered in writing to MSWG.

The following questions were raised by MSWG:

- (1) For the financial year ended 30 June 2021 (“FY2021”), the Group reported a pre-tax profit of RM0.63 million (financial year ended 30 June 2020 (“FY2020”): RM0.89 million), which was mainly due to fair value gain on investment properties of RM2.4 million, and if the revaluation gain were excluded, the Group would have slipped into losses for FY2021. In addition to that, the Group’s core business of manufacturing recorded a substantial decline of 92% in revenue to RM2.04 million (approximately 50% of FY2021 revenue) from RM25.8 million in the previous year, resulting in a segmental

loss of RM1.34 million (FY2020: pre-tax profit of RM2.3 million). The trading segment was the only business segment that was profitable with pre-tax profit of RM0.7 million.

- (a) With the weak performance of the core businesses, would the Group be able to remain profitable (without one-off gains) going forward?
 - (b) With the appointment of a new Chief Executive Officer (“CEO”) and new Chief Operating Officer (“COO”), what were the plans to improve the Group’s business prospect and performance?
- (2) The Group’s wholly-owned subsidiary, CME Health Sdn. Bhd., entered into a collaborative agreement with Bioalpha International Sdn. Bhd. (“BISB”) in September 2020 to develop, manufacture and supply health food supplements.

In a reply to MSWG dated 28 December 2020, the Group said that both parties would jointly produce an immunity herbal supplement tea that could improve immunity and strengthen respiratory systems. The product was expected to be retailed at RM45 per unit via online and offline distribution channels.

What was the status of this collaboration and the financial contribution, if any, from this business?

- (3) Chapter 9, Paragraph 9.21(2) of Bursa Malaysia’s Main Market Listing Requirements (“MMLR”) required companies to publish a summary of the key matters discussed (“KMD”) at the annual general meeting onto the Company’s website as soon as practicable after the conclusion of the annual general meeting.

As at 23 November 2021, the summaries of KMD at CME’s annual general meetings which were held in previous years were not available on its website (<https://www.cme.com.my>).

Could the Company upload the summaries of KMD onto its website as soon as possible?

In reply to question 1(a), En. Azlan explained that the the Group’s core business was the sale and service of Specialised Mobility Vehicles (“SMV”) and that the current focus was mainly on the sale and service of fire trucks which fell into the category of the Health, Safety and Environment (“HSE”) sector.

En. Azlan said that the Group was not spared by the Covid-19 pandemic and the series of lock-downs severely disrupted its operations which resulted in the Group

only achieving RM4.1 million in revenue for FY2021, and the Group's customers were also in the midst of reviewing their budgets and implementing additional cost-cutting measures for the HSE sector.

In order to overcome the weak performance, En. Azlan said that the Group:

- (a) was expanding its product offerings to include ambulances, emergency response vehicles, sky lifts and other types of SMVs; and
- (b) had appointed a new CEO and COO on 12 January 2021 to assist in improving the Group's business performance and financial position.

In reply to question 1(b), Mr. Yap Wai Yee ("Mr. Yap"), the CEO, explained that the Group had over the years been focusing on a single product, which was the manufacturing and servicing of fire trucks, and up to the date of the Meeting, the contracts in hand for the said product stood at RM15.0 million. The Group had also recently participated in over RM500 million of tenders from the Government of Malaysia, Government-linked Companies (GLCs) and private corporations.

Mr. Yap also explained that the Group was exploring new product ranges and opportunities as mentioned by En. Azlan and would also actively be expanding its Pyroshield division, which is in the fire detection and protection business. There were also preliminary discussions with potential business partners to promote the sales, distribution and marketing of Specialised Electric Mobility Vehicles.

In reply to question 2, Mr. Yap informed Kris that the marketing plan of the collaborative agreement to develop, manufacture and supply health food supplements had been put on hold due to the Covid-19 pandemic.

In reply to question 3, En. Azlan said that the summaries of KMD at the Company's annual general meetings held in previous years were uploaded on its website (<https://www.cme.com.my>) on 9 February 2021 but were inadvertently removed due to a technical error. The Group would ensure that the summaries of KMD in the annual general meetings held in previous years be reinstated in the website as soon as possible.

En. Azlan requested Kris to furnish the letter from MSWG to the Board after the conclusion of the Meeting so that the Board may reply in writing and publish the replies in the Company's website for the benefit of all shareholders. Kris conveyed MSWG's appreciation with the Board's actions to publish the replies.

En. Azlan also informed Kris that the Company's senior officers who were present to assist the Board at the Meeting would be pleased to meet up with her after the conclusion of the Meeting to deal with any further questions that she might have.

CME GROUP BERHAD
KEY MATTERS DISCUSSED AT THE 25TH ANNUAL GENERAL MEETING ON 1
DECEMBER 2021

2. **ORDINARY RESOLUTION 1-6**

Tunku Chairman went through each of the resolution as set out in the notice of 25th AGM and there was no question raised for each Agenda.

POLL RESULTS

After the process of voting by poll was concluded, Tunku Chairman reconvened the Meeting and invited the scrutineers to announce the results of the poll vote as follows:

Resolutions	Voted In Favour		Voted Against		Results
	No. of votes	%	No. of votes	%	
Ordinary Resolution 1	359,984,878	100.0000	-	0.0000	Carried
Ordinary Resolution 2	359,984,878	100.0000	-	0.0000	Carried
Ordinary Resolution 3	359,984,878	100.0000	-	0.0000	Carried
Ordinary Resolution 4	359,984,878	100.0000	-	0.0000	Carried
Ordinary Resolution 5	359,984,778	100.0000	100	0.0000	Carried
Ordinary Resolution 6 - Tier 1	174,449,400	100.0000	-	0.0000	Carried
Ordinary Resolution 6 - Tier 2	185,535,378	99.9999	100	0.0001	Carried
Ordinary Resolution 6	359,984,778	100.0000	100	0.0000	Carried

Based on the voting results, Tunku Chairman declared that all resolutions tabled at the AGM were duly carried.

3. **CLOSE OF MEETING**

There being no other business, the Meeting concluded at 11.25 a.m. with a vote of thanks to the Chair.