

PELANGI PUBLISHING GROUP BERHAD
(Registration No. 200201025986 (593649-H))
(Incorporated in Malaysia)

MINUTES OF EXTRAORDINARY GENERAL MEETING (“EGM”) OF PELANGI PUBLISHING BERHAD ("PELANGI" OR "COMPANY") WILL BE CONDUCTED ENTIRELY ON A VIRTUAL BASIS AT THE BROADCAST VENUE, 12TH FLOOR, MENARA SYMPHONY, NO. 5, JALAN PROF. KHOO KAY KIM, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA (“BROADCAST VENUE”) ON MONDAY, 21 DECEMBER 2020 AT 2.30 P.M

PRESENT – at broadcast venue

Mr. Vincent Wong Soon Choy – Chairman of the Meeting / Senior Independent Non-Executive Director

Datin Dr. Norrizan Binti Razali – Independent Non-Executive Director

Puan Syahriza Binti Senan – Independent Non-Executive Director

Via video conference on virtual meeting portal

Mr. Koh Siew Shern – Executive Director

IN ATTENDANCE – at broadcast venue

Ms Leong Siew Foong

Company Secretary

BY INVITATION : As per attendance list

EGM2020/1 CHAIRMAN

Mr. Vincent Wong Soon Choy is elected as Chairman of today’s meeting. He took the Chair and welcomed everyone to the Company’s first virtual Extraordinary General Meeting (“EGM”), which is in compliance with Section 327 of the Companies Act 2016. This online meeting is necessary for the safety and health of the shareholders and employees and also to support the Malaysian Government’s advice on social distancing and not having mass gatherings to curb the spread of the COVID-19 infection in the country during this COVID-19 pandemic.

He informed that all of the Company’s Non-Executive Directors were participating in this EGM, whilst one of the Executive Director, Mr Koh Siew Shern was participating in this EGM remotely from Thailand.

Attendance of this EGM is restricted to shareholders, proxies and authorized representatives of corporate shareholders who have registered to join this Meeting remotely.

He reminded the registered shareholders, proxies and the corporate representatives that as discussion that transpires in this EGM is deemed confidential, any photography, screenshot, or any form of visual or audio recording, whilst this live streaming EGM is conducted, is therefore strictly prohibited.

Whilst the Board strived to ensure a smooth live streaming, the quality of the broadcast may be affected by the shareholders' internet bandwidth connection.

Before proceeding with the meeting proper, he called upon the Company Secretary to confirm the presence of a quorum for the Meeting.

EGM2020/2 QUORUM

With the confirmation of the Secretary of the presence of requisite quorum in accordance with Article 82, the Chairman declared the Meeting duly convened.

EGM2020/3 BOARD OF DIRECTORS AND ADVISERS

He then introduced to the shareholders the Board of Directors and advisers who attended today's Meeting, namely-

1) at the broadcast venue-

- a) Puan Syahriza Binti Senan and Datin Dr. Norrizan Binti Razali, the Independent Directors
Mr. Stanley Lee, the RHB Principal Adviser
- b) Mr. Chris Lai, the Independent Adviser, the Mercury Securities Sdn Bhd

2) virtually

- a) Mr. Koh Siew Shern, the Executive Director who is joining this meeting remotely from Thailand and
- b) Ms Kathryn Khor, the Senior Finance Manager, representing management team, joining this Meeting remotely from Kuala Lumpur.

The remaining 3 directors, namely Datuk Sum Kown Cheek, Sum Lih Kang and Wong Tuck Cheong did not attend today's Meeting as they are deemed interested in the Proposed SCR and abstained from all deliberation and voting in this EGM.

- (i) Datuk Sum Kown Cheek, being the Non-Entitled Shareholder, is the Company's Executive Chairman and Group Managing Director. He is also a major shareholder of the Company and parent to Sum Lih Kang, the Company's Executive Director;
- (ii) Sum Lih Kang, being the Company's Executive Director, is also the son of Datuk Sum Kown Cheek, the Company's Executive Chairman and Group Managing Director; and
- (iii) Wong Tuck Cheong, being the Company's Non-Executive Non-Independent Director, is the son-in-law to Datuk Sam Yuen, which in turn is an indirect substantial shareholder of the Company.

The Solicitors, AzmanDavidson & Co was joining this Meeting remotely from Kuala Lumpur.

EGM2020/4 PROXY

As part of good governance, he reported to shareholders that the Company received a total 36 proxy forms for a total of 28,443,000 ordinary shares representing 29.44% of the issued share capital of the Company (excluding 3,445,500 treasury shares).

Out of those, there were 9 shareholders appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented were 2,677,550 ordinary shares representing 2.77% of the issued share capital of the Company (excluding 3,445,500 treasury shares).

EGM2020/5 NOTICE OF MEETING

A copy of the Circular with the Notice of the EGM dated 27 November 2020 for the Proposed Selective Capital Reduction and Repayment exercise of pursuant to Section 116 of the Companies Act 2016 ("**Proposed SCR**") have been circulated within the stipulated time frame, and we shall take the Notice as read and proceed to the Agenda proper.

EGM2020/6 POLLING AND ADMINISTRATIVE DETAILS

In accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia, the special resolution set out in the notice of today's Meeting is voted by poll.

He reminded the Meeting that only registered shareholders or proxies or corporate representatives duly appointed by shareholders may vote on the special resolution.

The Company has appointed Boardroom Share Registrars Sdn. Bhd., the Company's Share Registrar as Poll Administrator to conduct the electronic polling process and Mega Corporate Services Sdn Bhd as the Independent Scrutineer to verify the poll results.

The voting session would be opened upon completion of the Q&A session. The poll results will be announced after the Independent Scrutineers have verified the same upon closure of the voting session.

He then proceeded with the business of today's Meeting.

EGM2020/07 SPECIAL RESOLUTION

PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF PELANGI PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016 ("ACT") ("PROPOSED SCR**")**

The following Special Resolution was tabled to the shareholders which entailed the Company's Proposed Selective Capital reduction and repayment exercise of pursuant to Section 116 of the Companies Act 2016 ("**Proposed SCR**")-

"THAT subject to the approvals and consents obtained from all relevant authorities and parties, as well as the order granted by the High Court of Malaya ("**High Court**") for the reduction of the issued share capital of Pelangi in accordance with Section 116 of the Act, approval be and is hereby given for the Company to undertake and effect the Proposed SCR in the following manner:

- (i) to undertake a selective capital reduction and a corresponding capital repayment under Section 116 of the Act in respect of the ordinary shares of Pelangi ("**Pelangi Shares**" or "**Shares**") held by all shareholders of Pelangi (other than Datuk Sum Kown Cheek and Datin Lai Swee Chiung (collectively known as "**Non-Entitled Shareholders**") and persons acting in concert with them ("**PACs**"), namely United Logistics Sdn Bhd, Datuk Sam Yuen @ Sam Chin Yan and Datin Goh Pek Hen), whose name appear in the Record of

Depositors as at the close of business on an entitlement date to be determined and announced later by the Board ("**Entitled Date**") ("**Entitled Shareholders**");

- (ii) to cancel all the Pelangi Shares (including all treasury shares held by Pelangi) in issue save for the Pelangi Shares which are held by the Non-Entitled Shareholders and the PACs as at the Entitlement Date; and
- (iii) thereafter, to effect the capital repayment of RM0.365 in cash for each existing Pelangi Share held by the Entitled Shareholders on the Entitlement Date;

THAT, pursuant to the Proposed SCR, the Board of Directors of Pelangi ("**Board**") be and is hereby authorised to take all such steps as they may deem necessary in connection with the Proposed SCR including:

- (i) to determine the Entitlement Date;
- (ii) to file an application to seek the confirmation from the High Court for the reduction of share capital under Section 116 of the Act;
- (iii) to lodge the required documents, including a copy of the order of the High Court granted pursuant to Section 116 of the Act confirming the reduction of share capital with the Registrar of Companies pursuant to Section 116(6) of the Act on such date as the Board may determine;
- (iv) subject to the confirmation by order granted by the High Court being granted pursuant to Section 116 of the Act with regard to the Proposed SCR, to effect the capital repayment of RM0.365 in cash for each Pelangi Share held by the Entitled Shareholders on the Entitlement Date;
- (v) to assent to any terms, conditions, stipulations, modifications, variations and/or amendments as the Board may deem fit, necessary and/or expedient in the best interest of the Company or as a consequence of any requirements imposed by the relevant authorities and/or by the Registrar of Companies and/or as may be required to comply with any applicable laws, in relation to the Proposed SCR; and
- (vi) to do all such acts, deeds and/or things as the Board may consider fit, necessary and/or expedient in the best interest of Pelangi in order to implement, finalise, complete and to give full effect to the Proposed SCR, including to execute any documents, to enter into any arrangements and/or agreements with any party and to give any undertakings."

Before he proceeded with the agenda for today's Meeting, he invited the Principal Adviser, Mr. Stanley from RHB Investment Bank Berhad, to present a summary of the Proposed SCR to the shareholders. Upon conclusion of his presentation, he handed the Chair to the Chairman. The Chairman thanked RHB Investment Bank for its presentation. He subsequently invited the Independent Adviser, Mercury Securities Sdn Bhd, to present a summary of their comments, opinions, information and recommendation in respect of the Proposed SCR. He handed the Chair back to the Chairman after finished with his presentation. The Chairman thanked him for his presentation and subsequently invited shareholders to raise their questions on the Proposed SCR.

A shareholder, Ng Hoon Ho raised the following two questions which were replied accordingly during the Q & A sessions-

1. Under item 14, who are the Board members recommend the non-interested shareholders to vote in favour of the Special Resolution?

The Company's reply-

All the Board members except for Datuk Sum Kown Cheek, Sum Lih Kang and Wong Tuck Cheong

2. Why is the cash payment pertaining to the Proposed SCR can only be made in mid July 2021 and not earlier?

The Company's reply –

As the processes involve High Court application and decision which will take approximately 4 months thus, it requires more time before we conclude this exercise. For further information, please refer to Section 11 in the Circular dated 27 November 2020.

The Chairman said the Q & A session is closed and moved on to the voting session. Questions that are not taken up during the meeting would receive an email response from the Company soonest possible. All the questions received will be uploaded to the Company's website and attributed the questions raised by showing the full name of the shareholders or proxies.

Subsequently, he invited the representative of Boardroom, the Poll Administrator, to explain to shareholders the mechanism of conducting the electronic/remote poll voting. When Poll Administrator finished her presentation, the chair is handed back to the Chairman and the Chairman thanked her for the presentation.

The Chairman thanked shareholders for submitting their votes before he declared the voting session closed. The Meeting is adjourned for 10 minutes for validation of votes cast by the Independent Scrutineers. Thereafter, the Meeting is resumed for the Chairman to announce the voting results.

The result of the poll at the EGM are as follows:

	No of disinterested shareholders	%	No. of disinterested shares	%
Voted FOR	55	84.62	27,449,625	95.46
Voted AGAINST	10	15.38	1,305,563	4.54
Total	65	100.00%	28,755,188	100.00%

	No of Shares	%
Total number of disinterested shares	59,062,780	100.00
Total vote casted AGAINST	1,305,563	2.21

Based on the results of the poll, he declared the Special Resolution is carried.

EGM2020/8 CLOSE OF MEETING

PELANGI PUBLISHING GROUP BHD. (Registration NO. 200201025986 (593649-H))
Extraordinary General Meeting held on 21 December 2020.

There being no other business, the Meeting concluded at 3.20 p.m. with a vote of thanks to the Chair. The members of the Board of Directors and himself thanked shareholders for their participation in this Meeting.

Confirmed

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Mr. Vincent Wong Soon Choy
Chairman