

**INTEGRATED LOGISTICS BERHAD (229690 K)  
MINUTES OF EXTRAORDINARY GENERAL MEETING  
HELD ON 10 MARCH 2020**

**Poll Voting**

The Chairman informed all members present that Pursuant to paragraph 8.29A of the Bursa Main Market Listing Requirements, a listed issuer must ensure that any resolution set out in the notice of any general meeting, are voted by poll. The Company had appointed the Company's Share Registrars, Boardroom Share Registrars Sdn. Bhd. (Company No. 378993-D) (*Formerly known as Symphony Share Registrars Sdn. Bhd.*), as Poll Administrator to conduct the polling process and Mr Tan Hock Kim, a practising licensed Public Accountant had been appointed as Scrutineer to verify the poll results.

The polling process for the Resolutions would be conducted upon completion of the deliberation of all items to be transacted at this EGM.

**Quorum**

The Secretary confirmed that a quorum was present and the Chairman called the meeting to order.

**NOTICE OF MEETING**

The Chairman informed the members present that the notice of the meeting had been advertised in the media and had also been printed in the Circular, a copy of which had been sent to all shareholders. With the consent of the members present, the notice of meeting was taken as read.

**Ordinary  
Resolution 1**

**PROPOSED DISPOSAL OF 65% EQUITY INTEREST IN INTEGRATED ETERN LOGISTICS (SUZHOU) CO. LIMITED ("IEL SUZHOU"), BY INTEGRATED LOGISTICS (H.K.) LIMITED ("ILHK"), AN INDIRECT 70%-OWNED SUBSIDIARY OF ILB, TO SWJ CN LOGIPORT PTE. LTD. ("SWJ") FOR A CASH CONSIDERATION OF RMB217.2 MILLION (EQUIVALENT TO APPROXIMATELY RM128.7 MILLION) SUBJECT TO ADJUSTMENT SUM ("PROPOSED DISPOSAL")**

**"THAT**, subject to and conditionals upon the approvals of all relevant authorities being obtained and the satisfaction of the conditions precedent as set out in the sale and purchase agreement dated 19 December 2019 ("**SPA**") entered into between ILHK, Etern Holdings Limited and SWJ, approval be and is hereby given to ILHK to proceed with, carry out and implement the Proposed Disposal in accordance with the terms and conditions of the SPA;

**AND THAT** the Board of Directors of ILB ("**Board**") be and is hereby authorised to sign, execute enter into, deliver or cause to be delivered on behalf of the Company all necessary agreements, instruments, transfers, deeds, confirmations, declarations and documents and to do all acts, and things as may be required for or in connection with and to give full effect to and complete the Proposed Disposal, with full and discretionary power to assent to any conditions, variations, modifications and/or amendments in any manner as may be imposed, required, permitted or deemed necessary by any relevant authorities or the Board and to

deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to and complete the Proposed Disposal.”

Questions raised by members & clarifications given by the Board and Management are as follows:-

- 1.1 Mr. Ho Kwan Cheun, a Shareholder enquired on the basis of the Proposed Disposal Price of RMB217.2 million (equivalent to approximately RM128.7 million) which at a lower value of its indicated market property value of RMB319.0 million (equivalent to approximately RM188.8 million) as stated in the valuation report carried out by Nawawi Tie Leung Property Consultants Sdn Bhd (“NTL”).

**Mr. Eric responded that the total selling price of the properties marked at RMB436.0 million was at a premium of 113% of the market property value of RMB319.0 million.**

**Datuk Chairman further explained that the indicated Proposed Disposal Price of RMB217.2 million ILB only entitled to 65% of the total selling price of the ILHK’s 65% equity interest in IEL Suzhou. The remaining 35% is owned by Etern Holdings Limited, ILHK’s joint venture partner.**

- 1.2 Mr. William Ng (“Mr. William”), a Proxyholder enquired whether there is any further price adjustment or negotiation of the Proposed Disposal due to current uncertain market in China?

**Mr. Eric replied that the Company had consulted its lawyer in The People’s Republic of China (“PRC”) who indicated that there is no material adverse effect on the Proposed Disposal based on the terms of the SPA.**

- 1.3 Mr. William further enquired on the proposed utilization of proceeds that allocated RM50 million for future expansion of Solar Energy which is a challenging market and did not give any returns to shareholders, is there any other business that could improve the profitability of the group?

**Mr. Tee Tuan Sem, Chief Executive Officer (“CEO”) responded that at this juncture, every business is challenging and the Company had invested its CAPEX in Solar Energy. In relation to rewarding to shareholders, the CEO clarified that the Company had incurred losses on the Disposal of INL Dubai and currently the Company has accumulated losses of RM82 million. The CEO added that the Board of Directors had discussed and will try to turnaround the deficit to enable the Company to declare dividend in the near future.**

- 1.4 Madam Tan Mook Lin @ Tan Mook Fah, a Shareholder felt that the return arising from the Proposal Disposal should reward the shareholders.

**Datuk Chairman responded that it is always the intention of the Board to reward the shareholders where the Company recorded a highest dividend**

**payout at RM1.10 per share in the past.**

- 1.5 Mr. Yap Yik Yong, a Proxyholder question on the Working Capital of the Group which indicated an amount of RM18.3 million from its utilization of proceeds and asked the basis of this utilization.

**Mr. Eric explained that the proceeds earmarked for Working Capital is just an estimated which is subject to the Group's operating cost requirements and the amount is subject to refinement.**

### **Results of Poll Voting**

All the resolutions were voted on by way of poll in accordance with Paragraph 8.29A of Bursa Malaysia Listing Requirements & the results of the voting are set out in **Appendix I**

### **TERMINATION**

As no notice had been received to transact any other business, the meeting ended at 11.00 a.m. with a vote of thanks to the chair.

Confirmed as a Correct record

Prepared By

**DATUK R. KARUNAKARAN**  
Chairman

**WONG YOUN KIM**  
Company Secretary  
MAICSA7018778

Date : 10<sup>th</sup> March 2020