

MINUTES OF SECOND ANNUAL GENERAL MEETING

MINUTES OF THE SECOND ANNUAL GENERAL MEETING (“2ND AGM” OR “MEETING”) OF OPPSTAR BERHAD (“OPPSTAR” OR THE “COMPANY”) HELD AT AUDITORIUM, HIVE 5, TAMAN TEKNOLOGI MRANTI, BUKIT JALIL, 57000 KUALA LUMPUR ON MONDAY, 28 AUGUST 2023 AT 2.30 P.M.

PRESENT

Board of Directors (“Board”)

Professor Datuk Ir. Ts. Dr. Siti Hamisah Binti Tapsir	Independent Non-Executive Chairman
Mr. Ng Meng Thai	Executive Director/ Chief Executive Officer (“CEO”)
Mr. Cheah Hun Wah	Executive Director/ Chief Technology Officer (“CTO”)
Mr. Tan Chun Chiat	Executive Director/ Chief Operating Officer (“COO”)
Dato’ Yeo Eng Hong (“Dato’ Margaret Yeo”)	Independent Non-Executive Director
Mr. Foong Pak Chee	Independent Non-Executive Director
Dato’ Dr. Mohd Sofi Bin Osman	Independent Non-Executive Director

In Attendance

Ms. Ooi Yoong Yoong (“Michelle Ooi”)	Company Secretary
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By Invitation

Mr. Chin Fung Wei	Chief Financial Officer (“CFO”)
Ms. Chang Mooi Hwang	Finance Manager
Mr. Kenneth Chua Chee Kheen	Project Manager
Mr. Koay Theam Hock, BDO PLT	External Auditors
Ms. Khoo Chen Siew, BDO PLT	External Auditors
Ms. Yeow Sze Min	Poll Administrator
Securities Services (Holdings) Sdn Bhd	
Cik Nurhayati Ang Abdullah,	Poll Administrator
Securities Services (Holdings) Sdn Bhd	
Ms. Rachel Ou,	Poll Administrator
Securities Services (Holdings) Sdn Bhd	
Ms. Chew Lai Ping, Commercial Quest Sdn. Bhd.	Scrutineers
Encik Johan Hashim, Affin Hwang Investment Bank Berhad	Sponsor
Mr. Andrew Chou, Affin Hwang Investment Bank Berhad	Sponsor
Mr. Kenny Yong, Affin Hwang Investment Bank Berhad	Sponsor
Ms. Ng Siew Ee, Affin Hwang Investment Bank Berhad	Sponsor
Ms. Tan Ai Peng, Affin Hwang Investment Bank Berhad	Sponsor

Shareholders/ Proxies/Corporate Representatives/ Guests

As per attendance list

1.0 CHAIRMAN OF THE MEETING

1.1 Professor Datuk Ir. Ts. Dr. Siti Hamisah Binti Tapsir (“Datuk Chairman”) chaired the Meeting and extended a warm welcome to all present at the 2nd AGM.

2.0 QUORUM

2.1 There being a quorum, the 2nd AGM was duly convened.

3.0 NOTICE OF MEETING

3.1 The notice convening the Meeting was tabled and taken as read.

4.0 PRELIMINARY

4.1 Datuk Chairman introduced each and every member of the Board, Mr. Chin Fung Wei, the CFO as well as Ms. Michelle Ooi, the Company Secretary who were in attendance.

4.2 Datuk Chairman indicated that any visual or audio recording of the Meeting was strictly prohibited.

4.3 Datuk Chairman informed that there were 6 Ordinary Resolutions to be tabled for approval by the shareholders. She also informed that voting of the 2nd AGM would be conducted on a poll in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. For this purpose, Datuk Chairman exercised her right as the Chairman of the Meeting to demand for a poll in accordance with Clause 120 of the Company's Constitution in respect of all resolutions which would be put to vote at the Meeting.

4.4 Datuk Chairman further informed that the Company had appointed Messrs. Securities Services (Holdings) Sdn. Bhd. as Poll Administrator to conduct the polling process and Commercial Quest Sdn. Bhd. as Independent Scrutineers to verify the poll results. The polling process for the resolutions would be conducted upon completion of the deliberation of all items on the Meeting agenda. The voting session had commenced from the start of the Meeting at 2.30 p.m.

4.5 Datuk Chairman briefed the members, corporate representatives and proxies present of their right to speak and vote on the resolutions set out in the Notice of the 2nd AGM dated 28 July 2023.

5.0 PRESENTATION BY CFO

5.1 Mr. Chin Fung Wei made a presentation which covered the Company's overview, business updates, financial information, competitive strengths and, outlook and prospects.

5.2 Key highlights presented were as follows:

Company's overview

(a) Oppstar was listed on Bursa Malaysia Securities Berhad on 15 March 2023. This is our first AGM as a public listed company. Our group was founded in 2014 by three individuals who started with a small team of engineers and today, we have grown to more than 250 employees. We are a complete IC design turnkey service provider and the first IC design company listed on Bursa Malaysia Securities Berhad. Next year, we will mark our tenth anniversary and we hope to reach more goals with the shareholders' support.

(b) Our Group started with providing back-end design services back in 2014. We expanded our capabilities to include front-end design services in 2017 and we started offering turnkey design services i.e. IP design turnkey and full IC design turnkey in 2019. We also provide other related services such as post-silicon

validation services. Today, we are collaborating with various companies to co-develop and co-own the IP for their chips.

- (c) Our customers mainly comprise IDMs, fabless companies, fab-lite companies, electronic system providers and other IC design houses. The ICs that we design can be used for end products in the telecommunications, industrial electronics, automotive and consumer electronics industries.
- (d) Majority of our revenue derived from overseas market - China, Singapore, Japan and USA. These countries have high standards and expectations and we have established a solid customer base in these markets that value our expertise and quality.

Business Update

Expansion of workforce

- (e) Our headcount increased from 180 [Financial year (“FY”) ended 31 March 2022 (“FY 2022”)] to 254 as at todate, representing a 39% increase.
- (f) We had a successful internship program with 56 participants in FY 2023, feeding our talent pipeline.
- (g) We have attracted some key experienced talent to join our Group since the IPO.

Expansion of geographical footprint

- (h) We are still working on the expansion plans in the 3 countries (Taiwan, India and Singapore) and Malaysia. We are exploring with a potential partner in India given that we may need a local partner.
- (i) We take note of the domestic potentials in Japan and may consider setting up office there.
- (j) In addition to our existing locations, we are exploring other potential locations in China

Business expansion through investment and acquisitions

- (k) We acquired the remaining shares of Oppstar Microelectronics Sdn Bhd (formerly known as Alpha Core Sdn Bhd) and AIRIS Labs Sdn Bhd, and they are now our wholly-owned subsidiaries.
- (l) We also invested in Meta Core Sdn Bhd, where we now hold a 70% stake.
- (m) We entered a MOU with Chen Junhua and Shenzhen City Yixin Investment (Limited Partnership) in July 2023 and founded an investment holding company namely Shanghai Longhuixin Integrated Circuit Group Co. Ltd., an integrated circuit-related product company based in Shanghai, China., where we hold a 45% stake.

Financial information

- (n) Oppstar Group reported its highest ever revenue and net profit for the FY 2023, hitting RM57.9m and RM20.4m respectively. This reflected a growth of 14.52%

in revenue, with 11.21% growth in GP and 22.40% growth in PAT compared to FY 2022. The main factors attributed to this success were:

- Increase in revenue of 27.00% and 10.60% contributed from specific and turnkey design, respectively;
 - Increase in revenue of 63.65% and 5.64% from Southeast Asia and Northeast Asia, respectively;
 - Higher other operating income; and
 - Lower effective tax rate.
- (o) The majority of our income, 75%, comes from the turnkey design services.
- (p) Our Company achieved significant growth in our total assets, which rose from RM20.6 million in FY 2022 to RM141.4 million in FY 2023. The main factor behind this increase was the surge in cash and bank balances by RM103.5 million, largely driven by our IPO proceeds. Our net assets also increased accordingly, from RM14.0 million in FY 2022 to RM136.3 million in FY 2023. Our current ratio, which measures our liquidity, improved from 3.2 times in FY 2022 to 31.6 times in FY 2023.
- (q) Our Company declared and paid its first interim dividend of 0.80 sen per ordinary share in July 2023, representing a dividend payout ratio of 25.10%.
- (r) Our Company raised RM104m in March 2023, which will enable the Group to execute its growth plans for the next three years. The Group plans to expand further, diversify its revenue source, sustain its income and grow its talent base in the FY 2024.

Competitive strengths

- (s) Our competitive strengths included the following:
- Capabilities in providing turnkey design services for various types of ICs.
 - Capabilities in designing ICs fabricated using advanced process node technology.
 - Experience in working on ICs fabricated by various foundries.
 - Ability to secure and retain global customers.
 - Experienced management and technical team.

Outlook and prospects

- (t) There are still a lot of growth opportunities in this business where we operate. We do receive requests as well as potential business collaborations from Northeast Asia customers / partners.
- (u) Continuously, we observe companies considering Penang as a potential talent hub. Oppstar being a company with a larger presence in Malaysia will be able to attract talent from in and out of Penang. Smaller companies may not have the appeal to attract that many talent and some of their operations may not be sustainable.
- (v) The long-term demand for IC design services remain strong, driven by the advent of the upcoming wave of technologies. In the shorter term, the global IC design sales is estimated to increase by 2.50% from NTD5.60 trillion (RM827.13 billion) in 2022 to NTD5.74 trillion (RM847.81 billion) in 2023.
- (w) Being a newly public listed company, we do benefit in terms of company's exposure.

(x) We are optimistic about securing more projects in the future.

5.3 Mr. Chin concluded his presentation by thanking the shareholders and passed the proceedings back to the Chairman.

5.4 Datuk Chairman thanked Mr. Chin for the comprehensive presentations and proceeded to the first agenda of the Meeting.

6.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

6.1 Datuk Chairman tabled the Audited Financial Statements for the financial year ended 31 March 2023 together with the Reports of the Directors and Auditors thereon to the members.

6.2 Datuk Chairman invited questions from the floor.

6.3 The comments and questions raised by the shareholder were duly answered and clarified by the management, which was listed out in the Appendix A attached to this Minutes.

6.4 Datuk Chairman declared that the Audited Financial Statements for the financial year ended 31 March 2023 together with the Reports of the Directors and Auditors thereon were received and duly tabled at the 2nd AGM.

**7.0 ORDINARY RESOLUTION NO. 1
TO APPROVE THE PAYMENT OF DIRECTORS' FEES OF RM259,623 AND BENEFITS OF RM8,000 TO THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023.**

7.1 Datuk Chairman informed that the next agenda in the notice of the 2nd AGM was to approve the payment of Directors' fees of RM259,623 and benefits of RM8,000 to the Independent Non-Executive Directors for the financial year ended 31 March 2023.

7.2 Datuk Chairman advised all the Independent Non-Executive Directors who are shareholders of the Company to abstain from voting on this resolution.

7.3 There were no questions raised on this agenda.

**8.0 ORDINARY RESOLUTION NO. 2
TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS OF UP TO RM400,000 TO THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 1 APRIL 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY TO BE HELD IN 2024**

8.1 Datuk Chairman informed that the next agenda in the notice of the 2nd AGM was to approve the payment of Directors' fees and benefits of up to RM400,000 to the Independent Non-Executive Directors for the period from 1 April 2023 until the next AGM of the Company to be held in 2024.

8.2 Datuk Chairman advised all the Independent Non-Executive Directors who are shareholders of the Company to abstain from voting on this resolution.

8.3 The question raised was duly answered and clarified by the management, which was listed out in the Appendix A attached to this Minutes.

**9.0 ORDINARY RESOLUTIONS NO. 3 AND 4
RE-ELECTION OF DIRECTORS OF THE COMPANY PURSUANT TO
CLAUSE 165.1 OF THE COMPANY'S CONSTITUTION**

9.1 Datuk Chairman informed that the Directors who retired by rotation in accordance with Clause 164.1 of the Company's Constitution and who, being eligible, offered themselves for re-election as Directors of the Company were as follows: -

Mr. Ng Meng Thai under Ordinary Resolution 3; and
Mr. Foong Pak Chee under Ordinary Resolution 4.

9.2 Datuk Chairman then informed that the profiles of the Directors were provided in page 19 and 22 of the 2023 Annual Report.

9.3 There were no questions raised on this agenda.

**10.0 ORDINARY RESOLUTION NO. 5
RE-APPOINTMENT OF MESSRS. BDO PLT AS AUDITORS OF THE
COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR
REMUNERATION**

10.1 Datuk Chairman informed that Ordinary Resolution 5 was to re-appoint Messrs. BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

10.2 There were no questions raised on this agenda.

**11.0 ORDINARY RESOLUTION NO. 6
AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT,
2016 FOR THE DIRECTORS TO ISSUE SHARES**

11.1 Datuk Chairman moved on to the special business on the morning's agenda. She informed that the Ordinary Resolution 6 was to obtain shareholders' mandate for the Directors to allot and issue up to a maximum of ten per centum (10%) of the total number of issued shares of the Company at any time in their absolute discretion.

11.2 By voting in favour, the shareholders of the Company will waive their statutory pre-emptive right and thus will allow the Directors to issue new shares to any person without first offering them to existing shareholders in proportion to their holdings pursuant to the General Mandate.

11.3 The rationale for obtaining this mandate is to provide flexibility to the Company for any possible fund-raising activities, including but not limited to placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions as well as to avoid any delay and cost in convening general meeting to specifically approve such an issuance of shares.

11.4 The comment/question raised was duly answered and clarified by the management, which was listed out in the Appendix A attached to this Minutes.

12.0 ANY OTHER BUSINESS

12.1 Datuk Chairman informed that the Company Secretary had confirmed that the Company had not received any notice for transaction of any other business at the Meeting.

13.0. POLLING PROCESS

- 13.1 Datuk Chairman invited the poll administrator to explain the procedures for the conduct of poll at the Meeting.
- 13.2 Ms. Rachel Ou briefed the Meeting that voting slips for the 2nd AGM were pre-printed with name, identity card number/ company number, and number of shares held. The shareholders were requested to indicate their votes by marking an “X” in the appropriate box for all the Resolutions, and sign on the voting slip for the 2nd AGM which was given upon registration. All the voting slips should be placed in the ballot box. The poll vote count would commence after the adjournment of the Meeting and the results of the poll would be verified by the Scrutineers, Commercial Quest Sdn. Bhd.
- 13.3 Datuk Chairman then declared that the Meeting be adjourned for 20 minutes for the poll vote count and would resume later for the declaration of poll results in respect of all the Resolutions.
- 13.4 The Meeting had no objection to the adjournment.

14.0 ANNOUNCEMENT OF POLL RESULTS

- 14.1 Datuk Chairman reconvened the Meeting at 4.18 p.m. She informed that she had received the poll results from the Scrutineers and the same was shown on the screen for Members’ information. The results announced were as follows:

Ordinary Resolution	For			Against		
	Number of Shares	No. of Voters	%	Number of Shares	No. of Voters	%
Resolution 1	478,037,850	84	99.9979	10,000	1	0.0021
Resolution 2	478,037,850	84	99.9979	10,000	1	0.0021
Resolution 3	480,201,150	89	99.9988	6,000	1	0.0012
Resolution 4	472,893,850	86	98.4771	7,313,300	4	1.5229
Resolution 5	480,207,150	90	100.0000	0	0	0.0000
Resolution 6	448,285,890	70	93.3544	31,911,960	19	6.6456

- 14.2 Datuk Chairman then declared that Ordinary Resolutions 1 to 6 were carried and duly passed as follows: -
- a) Ordinary Resolution 1
 “That the payment of Directors’ fees of RM259,623 and benefits of RM8,000 to the Independent Non-Executive Directors for the financial year ended 31 March 2023 be approved.”
- b) Ordinary Resolution 2
 “That the payment of Directors’ fees and benefits of up to RM400,000 to the Independent Non-Executive Directors for the period from 1 April 2023 until the next AGM of the Company to be held in 2024 be approved.”
- c) Ordinary Resolution 3
 “That Mr. Ng Meng Thai who retired in accordance with the Clause 164.1 of the Company’s Constitution, be re-elected as Director of the Company.”
- d) Ordinary Resolution 4
 “That Mr. Foong Pak Chee who retired in accordance with the Clause 164.1 of the Company’s Constitution, be re-elected as Director of the Company.”

e) Ordinary Resolution 5

“That the re-appointment of Messrs. BDO PLT as Auditor of the Company and authorization to the Directors to fix their remuneration be approved.”

f) Ordinary Resolution 6

“THAT, subject always to the Companies Act, 2016 (“the Act”), the Company’s Constitution, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“ACE LR”) and the approvals of the relevant government and/or regulatory authorities, the Directors of the Company be and are hereby authorised, pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company at any time until the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deemed fit provided that the aggregate number of the shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and that the Directors are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares to be issued.

THAT pursuant to Section 85 of the Act, read together with Clause 30 of the Company’s Constitution, approval be and is hereby given to waive the statutory preemptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this mandate.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new share.”

15.0 CONCLUSION

- 15.1 There being no further business, Datuk Chairman thanked the members present for their support and attendance; and declared the Meeting closed at 4.23 p.m.

READ AND CONFIRMED BY,

CHAIRMAN