

**KUCHAI DEVELOPMENT BERHAD (7573-V)**  
(Incorporated in Malaysia)

**MINUTES OF THE FORTY-NINTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT DOUBLETREE BY HILTON HOTEL, BALLROOM 3, MENARA LANDMARK, 12, JALAN NGEE HENG, BANDAR JOHOR BAHRU, 80000 JOHOR BAHRU, JOHOR, MALAYSIA ON TUESDAY, 28 NOVEMBER 2017 AT 9.00 AM.**

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**PRESENT:** Mr. Lee Soo Hoon - Chairman  
and as per attendance list

**Agm2017/1 CHAIRMAN**

Mr. Lee Soo Hoon took the Chair and welcomed all Members present at the Meeting.

**Agm2017/2 QUORUM**

The requisite quorum being present in accordance with Article 63 of the Company's Articles of Association, the Chairman declared the Meeting duly convened.

**Agm2017/3 PROXY**

The Chairman requested the Secretary to read out the proxies received by the Company within the prescribed period. The Secretary informed that she received nine proxy forms representing 65,273,337 ordinary shares or equivalent to 53% in the capital of the Company within the prescribed period.

**Agm2017/4 NOTICE**

The Chairman informed the members present that the Notice convening the Forty-Ninth Annual General Meeting ("AGM") had been previously circulated to all Members within the prescribed period.

He sought the Members' consent to take the Notice convening the Forty-Ninth AGM as read. There being no objection, the Chairman declared that the Notice convening the Forty-Ninth AGM dated 27 October 2017 be taken as read.

**Agm2017/5 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017 TOGETHER WITH THE REPORTS OF DIRECTORS AND AUDITORS THEREON**

The Chairman proceeded with the first item of the agenda, which was "To receive the Audited Financial Statements for the financial year ended 30 June 2017 together with the Reports of the Directors and Auditors thereon."

He informed the members present that the Audited Financial Statements for the financial year ended 30 June 2017 together with the Reports of the Directors and Auditors thereon had been circulated to all members within the prescribed period, a copy of which was tabled at the Meeting. Thereafter, the Chairman invited questions from the floor.

The following questions posed by shareholders to the Board:-

<b>Mr. Loh Kah Wai</b>	
<p>Mr. Loh Kah Wai posted the following questions:</p> <ol style="list-style-type: none"><li>1. Does the Company receive rental income for the electrical lines over its property in Selangor?</li><li>2. Is there any expression interest by TNB to take over the remaining acreage?</li><li>3. Next year is Kuchai Development Berhad's 50<sup>th</sup> anniversary, are there any celebration plans for shareholders?</li></ol>	<p>Mr. Cheong reported that the said land was demarcated and there is regular maintenance of the said land. There are future plans for the said land however it is premature to share with shareholders at the moment. Relevant announcements will be made in due course.</p> <p>Ms. Corinna Foo highlighted that the Company received a compensation of about RM200,000 as wayleave for Electric Supply Line.</p> <p>Mr. Tay commented that it is just an easement.</p> <p>The Chairman said that the Board would keep the 50<sup>th</sup> anniversary in mind.</p>
<b>Mr. Loh Chin Fei</b>	
<p>Mr. Loh Chin Fei requested further clarification on the following notes to the financial statements:</p> <ol style="list-style-type: none"><li>1. Note 12 – impairment loss</li><li>2. Note 13 – investment in precious metal</li></ol>	<p>Ms. Corinna Foo explained that this impairment referred to the losses in associate, namely Sungei Bagan Rubber Company (Malaya) Berhad.</p> <p>Ms. Corinna Foo highlighted that the investment in precious metal under Note 13 referred to investment positions in gold.</p>
<b>Mr. Loh Ah Ti @ Loh Seng Hock</b>	
<p>Mr. Loh Ah Ti @ Loh Seng Hock posted the following questions:</p> <ol style="list-style-type: none"><li>1. What is the bulk of quoted equity mentioned in page 9 and fair value in page 76?</li></ol>	<p>Mr. Cheong reported that as at 30 June 2017, Kuchai Development Berhad had an investment position of 3,032,000 shares in Great Eastern Holdings Limited and an investment position of 53,363 shares in Singapore Press Holdings Limited.</p>

Mr. Loh Ah Ti @ Loh Seng Hock	
2. How many shares of Great Eastern Holdings Limited and Singapore Press Holdings Limited does Kuchai Development Berhad have?	Mr. Tay Beng Chai commented that investments in publicly listed entities have a higher degree of disclosure as compared to investments in non-publicly listed entities.
3. Great Eastern Holdings Limited's performance is phenomenon as compared to Singapore Press Holdings Limited, so what is the direction of the Great Eastern Holdings Limited?	The Chairman highlighted that Great Eastern Holdings Limited is one of Kuchai Development Berhad's investments. The Board believes that the Board and management team of Great Eastern Holdings Limited will continue to make the right decisions for its shareholders.

Mr. Ong Sze Wang	
Mr. Ong Sze Wang posted the following questions: 1. Bank Negara Malaysia passed its circular requiring insurance companies to restructure its shareholdings. What is the impact to the Company?  2. For the cash and bank balance of RM65 million in Note 15 of Page 72 of the Annual Report, what is the proportion within and outside of Malaysia?	Mr. Tay said that BNM requires insurance companies in Malaysia to have local partners. Some of the affected insurers may opt to achieve this by public listing and others could seek out local partners or GLCs as their local partners. The Board believes that the Board and management team of Great Eastern Holdings Limited will continue to make the right decisions for its shareholders.  Ms. Corinna Foo reported that the bulk of the cash and bank balances are outside Malaysia and is denominated in Singapore Dollar.

The Chairman brought to the attention of members present in today's annual general meeting to the loss arising from the disposal of investment mentioned in page 9 of Annual Report 2017. This was due to the mandatory unconditional cash offer made to all shareholders of British and Malayan Trustees Limited, a public company listed on the Singapore Exchange. The Board accepted the mandatory unconditional cash offer and this resulted in the loss of RM10.18 million. This was because Company's investment was accounted for as an investment at fair value through profit or loss. The loss of RM10.18 million reported was due to the sales proceeds

being measured against the carrying value of the investment, which included the revalued surplus. However, the actual profit over the original cost of investment of RM127,500 was RM6.13 million. The proceeds from the disposal was RM6.26 million.

There were no further questions raised from the shareholders. The Audited Financial Statements for the year ended 30 June 2017 was received by the shareholders.

The Chairman proceeded to the next item of the agenda.

The Chairman informed shareholders that the remaining agendas would require voting by shareholders by way of poll at the end of all the motions of today's meeting.

**Agm2017/6 FIRST AND FINAL DIVIDEND**

The Chairman proceeded with the second item of the agenda, i.e. "To approve the payment of the First and final tax exempt (single tier) dividend of 0.2% amounting to RM123,747 for the financial year ended 30 June 2017."

Mr. Loh put forth his following request pertaining to dividend:-

- To be indicated in cent rather than percentage
- To be declared frequently (i.e. quarterly and/or semi-annually)

The Chairman said that the Board took note of his first request as the Board is always mindful of loyal shareholders. However, the Chairman was of the opinion that Management has to conserve cash for future opportunities.

The motion was duly proposed by Mr. Loh Chin Fei and seconded by Mr. Loh Kah Wai. The Chairman demanded a poll for this motion in accordance with Article 68 of the Company's Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

**Agm2017/7 BONUS DIVIDEND**

The Chairman proceeded with the third item of the agenda, i.e. "To approve the payment of tax exempt single tier Bonus Dividend of 1.75% amounting to RM1,082,789 for the financial year ended 30 June 2017."

The motion was duly proposed by Mr. Loh Ah Seng, and seconded by Ms. Wong Mui Joan Rina. The Chairman demanded a poll for this motion in accordance with Article 68 of the Company's Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

**Agm2017/8 DIRECTORS' FEES**

The Chairman proceeded with the next item of the agenda, i.e. "To approve the payment of Directors' fees and benefits for the financial year ending 30 June 2018."

Pursuant to Section 230 of Companies Act 2016 which came into force on 31 January 2017, any fees and benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The fees and benefits payable to the Directors for the financial year ending 30 June 2018 is up to the maximum amount of RM400,000.00.

The Chairman subsequently invited a proposer and seconder for the following motion:

“**THAT** the payment of Directors’ fees and benefits up to the maximum amount of RM400,000 for the financial year ending 30 June 2018 be hereby approved.”

The motion was duly proposed by Mr. Samuel F. Colflesh and seconded by Ms. Wong Mui Joan, Rina. The Chairman demanded a poll for this motion in accordance with Article 68 of the Company’s Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

**Agm2017/9 RE-ELECTION OF DIRECTORS**

The Chairman informed the Members present that the next item on agenda was to re-elect Directors in accordance with the Company’s Articles of Association.

In accordance with the Company’s Articles of Association, Mr. Lee Chung-Shih Justin shall retire from the Board at the Meeting pursuant to Article 84 and being eligible, has offered himself for re-election to the Board.

The Chairman proceeded with the Meeting for the motion to re-elect Mr. Lee Chung-Shih Justin to the Board. The motion was duly proposed by Mr. Samuel F. Colflesh, and seconded by Ms. Ramany A/P Vanoogopal. The Chairman demanded a poll for this motion in accordance with Article 68 of the Company’s Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

**Agm2017/10 RE-APPOINTMENT OF AUDITORS**

The Chairman informed the Members present that the retiring auditors, Messrs Ernst & Young have indicated their willingness to continue in office.

The motion was duly proposed by Mr. Samuel F. Colflesh, and seconded by Ms. Ramany A/P Vanoogopal. The Chairman demanded a poll for this motion in accordance with Article 68 of the Company’s Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

**Agm2017/11 SPECIAL BUSINESS  
ORDINARY RESOLUTION 1  
RE-APPOINTMENT OF DIRECTOR**

The Chairman informed the Members present that the next item involving his re-appointment. As he is interested party, the Chairman proposed to the floor in passing the Chair to Mr. Tay Beng Chai to proceed with Resolutions 6 and 7 which was duly seconded by Mr. Loh Chin Fei.

Mr. Tay Beng Chai, the Chairman for Resolutions 6 and 7 proceeded with the next item of the agenda which is “To re-appoint Mr. Lee Soo Hoon as the Director of the Company.”

The motion was duly proposed by Mr. Loh Chin Fei, and seconded by Mr. Loh Kah Wah. The Chairman demanded a poll for this motion in accordance with Article 68 of the Company’s Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

**Agm2017/12 ORDINARY RESOLUTION 2  
CONTINUATION OF TERMS OF OFFICE AS INDEPENDENT  
DIRECTOR**

Mr. Tay Beng Chai subsequently that Resolution 7 was tabled in compliance with the Malaysian Code on Corporate Governance 2017 as Mr. Lee Soo Hoon has served the Company for more than nine years. Justification to retain his service had been included in the Annual Report 2017 and relevant procedures had been adhered to accordingly. The Chairman for Resolution 7 invited shareholders to raise any questions on the motion.

Since there were no questions raised, the Chairman invited a proposer and seconder for Resolution 7. Mr. Chin proposed and Mr. Samuel F. Colflesh seconded the motion. The Chairman proceeded to demand a voting by poll for this motion in accordance with Article 68 of the Company’s Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

Mr. Tay Beng Chai, the Chairman for Resolution 7, then passed the Chair back to Mr. Lee Soo Hoon to continue the meeting.

**Agm2017/13 ORDINARY RESOLUTION 3  
AUTHORITY TO ALLOT SHARES – SECTION 76**

The Chairman proceeded to the following Resolution 8 in relation to the authority to issue and allot shares pursuant to Section 76 of the Companies Act, 2016 for shareholders’ approval:-

“**THAT** pursuant to Section 76 of the Companies Act, 2016 and subject to the approval of relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issue pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”

The motion was duly proposed by Mr. Samuel F. Colflesh, and seconded by Ms. Ramany A/P Vanoogopal. The Chairman demanded a poll for this motion in accordance with Article 68 of the Company’s Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

**Agm2017/14 ORDINARY RESOLUTION 4**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR KUCHAI DEVELOPMENT BERHAD AND GROUP'S DAY-TO-DAY OPERATIONS ENTERED INTO WITH ICE COLD BEER PTE. LTD. PURSUANT TO PARAGRAPH 10.09 OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

The Chairman, Mr. Lee Soo Hoon proceeded with the Resolutions 9 in respect of the proposed renewal of shareholders' mandate for recurrent related party transactions ("Proposed Renewal of Shareholders' Mandate").

The Chairman reminded the Interested Director, Major Shareholder and person connected to them to abstain from deliberations on the Proposed Renewal of Shareholders' Mandate and from voting in respect of their direct/or indirect shareholdings in the Company on Resolutions 9.

Mr. Loh Chin Fei enquired on the nature of the transaction involved, to which the Chairman referred him to the Circular to Shareholders in respect of day-to-day operation. Mr. Tay Beng Chai added that it is rental income received from Ice Cold Beer Pte. Ltd. and Mr. Loh Chin Fei remarked that it is a good rental, though.

The motion was duly proposed by Mr. Loh Chin Fei and seconded by Ms. Ramany A/P Vanoogopal. The Chairman demanded a poll for Resolution 9 in accordance with Article 68 of the Company's Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

The Chairman demanded a poll for this motion in accordance with Article 68 of the Company's Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

**ORDINARY RESOLUTION 5**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR KUCHAI DEVELOPMENT BERHAD AND GROUP'S DAY-TO-DAY OPERATIONS ENTERED INTO WITH THE NYALAS RUBBER ESTATES LIMITED, PURSUANT TO PARAGRAPH 10.09 OF THE BURSA MALAYSIA MAIN MARKET LISTING REQUIREMENTS**

The Chairman subsequently invited a proposer and seconder for Resolution 10 in respect of the proposed renewal of shareholders' mandate for recurrent related party transactions ("Proposed Renewal of Shareholders' Mandate").

The motion was duly proposed by Ms. Wong Mui Joan Rina, and seconded by Mr. Loh Chin Fei. The Chairman demanded a poll for Resolution 10 in accordance with Article 68 of the Company's Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

**Agm2017/15 PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY**

The Chairman proceeded to the following Resolution 11 in relation to the proposed adoption of the new constitution of the Company.

The motion was duly proposed by Mr. Loh Chin Fei and seconded by Mr. Loh Ah Ti @ Loh Seng Hock. The Chairman demanded a poll for this motion in accordance with Article 68 of the Company's Articles of Association, which would be conducted upon completion of the remaining business of the Meeting.

With regards to all of the day's agenda, the Chairman informed all members present that the polling would be conducted simultaneously. He also made known that the representatives of Symphony Share Registrar Sdn. Bhd. were appointed by the Company as the Poll Administrator for the polling and Messrs Deloitte was appointed as Independent Scrutineers. Members were informed of the relevant procedures to complete the polling papers.

After a short break, the results of the polling were handed to the Chairman. The meeting resumed, and the results of the polling were as follows:-

Resolution No.	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
1.	65,014,937	100.00	0	0.00
2.	65,014,937	100.00	0	0.00
3.	65,014,937	100.00	0	0.00
4.	65,014,937	100.00	0	0.00
5.	65,014,937	100.00	0	0.00
6.	65,014,937	100.00	0	0.00
7.	65,014,937	100.00	0	0.00
8.	65,014,937	100.00	0	0.00
9.	1,101,778	100.00	0	0.00
10.	1,101,778	100.00	0	0.00
11.	65,014,937	100.00	0	0.00

The Chairman of the meeting, Mr. Lee Soo Hoon, declared that Resolutions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 as set out in today's agendas were carried.

**Agm2017/16 TERMINATION**

There being no further business, the Meeting terminated at 10.05 a.m. with a vote of thanks to the Chair.

**Confirmed as correct records,**

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**Chairman**  
Johor Bahru