

QL RESOURCES BERHAD (428915-X)

Minutes of the 19th Annual General Meeting held on 25 August 2016

Minutes of the Company's 19th Annual General Meeting held at Saujana Ballroom, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 25 August 2016 at 10.00 a.m.

- Chairman : Mr Chieng Ing Huong, Eddy (Chairman)
- Present : Dr Chia Song Kun (Group Managing Director)
Mr Chia Seong Pow
Mr Chia Song Swa
Mr Chia Song Kooi
Mr Chia Seong Fatt
Mr Chia Mak Hooi, Mark
Mr Cheah Juw Teck, Eric
Mr Tan Bun Poo, Robert
Prof. Datin Paduka Dr Aini Binti Ideris
Ms Ng Geok Ping, Yvonne (Company Secretary)
- Absent with : Tengku Dato' Zainal Rashid Bin Tengku Mahmood
apologies
- In attendance : The attendance of shareholders, proxies, corporate representatives, press and invitees are set out as per the attendance list.

1) CALLING OF MEETING TO ORDER

The Chairman informed that Tengku Dato Zainal Rashid has conveyed his apologies for not able to attend the meeting as he was unwell and he welcomed the shareholders and attendees to QL's 19th Annual General Meeting and called the meeting to order.

2) QUORUM AND NOTICE OF MEETING

There being a quorum present, the Chairman declared the 19th AGM ("Meeting") duly convened.

With the notice taken as read, the Chairman proceeded to the Agenda proper.

3) REGISTER

The Company Secretary informed that the share register and statutory books were in order and available for inspection at the Meeting.

4) PROXIES

The Company Secretary reported that there were 134 proxy forms including certificates of representatives representing approximately 68.76% of the total voting rights received for the Meeting.

5) VOTING PROCEDURES

The Chairman informed the shareholders that pursuant to the Main Listing Requirements, all resolutions are voted by poll.

Thus, the Chairman demanded for a poll pursuant to Article 71(1)(a) of the Company's Articles of Association in respect of all resolutions which would be put to vote at the Meeting.

The Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. as Poll Administrator to conduct the polling voting via electronic devices, and Deloitte Enterprise Risk Services Sdn. Bhd. as Independent Scrutineer to verify the poll results.

The polling process for all resolutions would be conducted upon completion of the deliberation of all items to be transacted at the Meeting.

6) AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016 TOGETHER WITH THE DIRECTORS' AND AUDITORS' REPORT ("AFS")

The Chairman informed the Meeting that the AFS is meant for discussion only and the Board and/or Management will be pleased to address any questions pertaining to the same after a presentation and review of performance, significant operational highlights, prospect, challenges and outlook of QL Group.

The Chairman invited Dr Chia Song Kun, the Group Managing Director ("GMD") to give the said presentation as per "Appendix A" enclosed herewith. The GMD presentation covered the following areas:-

- a) Performance Review (FY2016 vs FY2015);
- b) Past 10 years Financial Trend;
- c) 5 Years Summarised Financial Ratios;
- d) Performance Review (Q1FY2017 vs Q1FY2016);
- e) Significant operational highlights, prospects and challenges for MPM, ILF and POA divisions;
- f) Investment in Family Mart Convenience Stores;
- g) Outlook for FY2017

After the presentation from the GMD, the Chairman invited questions and comments from the floor. The questions were responded by the respective directors in charge and key management, which were summarised in "Appendix B".

The audited financial statements for the financial year ended 31 March 2016 together with the Directors' and Auditors' Report thereon were received, following the completion of the clarification to the members in connection with the financial statements.

7) **PAYMENT OF A FINAL SINGLE TIER DIVIDEND OF 4.25 SEN PER ORDINARY SHARE OF RM0.25 EACH (“FINAL DIVIDEND”) (RESOLUTION 1)**

It was resolved that the final single tier dividend of 4.25 sen per ordinary share of RM0.25 each in respect of the financial year ended 31 March 2016 be approved.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	874,112,931	100.00
Voted AGAINST	0	0
	<u>874,112,931</u>	<u>100.00</u>

8) **RE-ELECTION OF MR CHIA SONG KOOI (RESOLUTION 2)**

It was resolved that Mr Chia Song Kooi who retired be duly re-elected as Director of the Company.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	803,704,061	99.99
Voted AGAINST	94,600	0.01
	<u>803,798,661</u>	<u>100.00</u>

9) **RE-ELECTION OF MR CHIA SONG SWA (RESOLUTION 3)**

It was resolved that Mr Chia Song Swa who retired be duly re-elected as Director of the Company.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	803,440,036	99.96
Voted AGAINST	358,625	0.04
	<u>803,798,661</u>	<u>100.00</u>

10) **RE-ELECTION OF MR CHIA MAK HOOI (RESOLUTION 4)**

It was resolved that Mr Chia Mak Hooi who retired be duly re-elected as Director of the Company.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	803,440,036	99.96
Voted AGAINST	358,625	0.04
	<u>803,798,661</u>	<u>100.00</u>

11) RE-ELECTION OF PROFESSOR DATIN PADUKA DR AINI BINTI IDERIS (RESOLUTION 5)

It was resolved that Professor Datin Paduka Dr Aini Binti Ideris who retired be duly re-elected as Director of the Company.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	803,704,061	99.99
Voted AGAINST	94,600	0.01
	<u>803,798,661</u>	<u>100.00</u>

12) DIRECTORS' FEES FOR FY2015 (RESOLUTION 6)

It was resolved that the Directors' fees of RM853,500 for the financial year ended 31 March 2016 be approved.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	874,112,931	100.00
Voted AGAINST	0	0
	<u>874,112,931</u>	<u>100.00</u>

13) RE-APPOINTMENT OF MESSRS. KPMG AS AUDITORS (RESOLUTION 7)

It was resolved that Messrs KPMG be duly re-appointed as Auditors of the Company for the current year and that the Directors be authorised to fix their remuneration.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	874,105,931	99.99
Voted AGAINST	7,000	Negligible
	<u>874,112,931</u>	<u>100.00</u>

14) RE-APPOINTMENT OF DIRECTOR OVER 70 YEARS OF AGE PURSUANT TO SECTION 129(6) OF THE COMPANIES ACT, 1965 (RESOLUTION 8)

It was resolved that Yang Mulia Tengku Dato' Zainal Bin Tengku Mahmood who retired be duly re-appointed as Director of the Company and to hold office until the next annual general meeting.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	774,269,242	92.59
Voted AGAINST	59,529,419	7.41
	<u>803,798,661</u>	<u>100.00</u>

15) RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS WHO SERVED MORE THAN 9 YEARS (RESOLUTION 9)

The Chairman informed the Meeting that Yang Mulia Tengku Dato Zainal Rashid Bin Tengku Mahmood (“YM Tengku”) has served the Company for more than 16 years as Independent Non-Executive Director (“INED”) of the Company.

He added that YM Tengku met the criteria of an independent director as defined in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. YM Tengku has performed his duty diligently and in the best interest of the Company as well as provided independent judgement and broader views and balanced assessments to the proposals from the Management with their diverse experience and expertise.

Therefore, the Board recommended that YM Tengku should be retained as Independent Non-Executive Director.

It was resolved that approval be and is hereby given to Yang Mulia Tengku Dato’ Zainal Rashid Bin Tengku Mahmood who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than sixteen (16) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	796,138,561	99.05
Voted AGAINST	7,660,100	0.95
	<u>803,798,661</u>	<u>100.00</u>

16) RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS WHO SERVED MORE THAN 9 YEARS (RESOLUTION 10)

As the Chairman is an interested party to the resolution, he handed over the chair of the meeting to Dr Chia.

Dr Chia informed the Meeting that Mr Chieng Ing Huong, Eddy (“Eddy”) has served the Company for more than 14 years as Independent Non-Executive Director (“INED”) of the Company.

He added that Eddy met the criteria of an independent director as defined in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Eddy has performed his duty diligently and in the best interest of the Company as well as provided independent judgement and broader views and balanced assessments to the proposals from the Management with their diverse experience and expertise.

Therefore, the Board recommended that Eddy should be retained as Independent Non-Executive Director.

It was resolved that approval be and is hereby given to Chieng Ing Huong, Eddy who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than fourteen (14) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012.

Dr Chia handed over the chairmanship to Mr Eddy Chieng for the next agenda.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	796,138,561	99.05
Voted AGAINST	7,660,100	0.95
	<u>803,798,661</u>	<u>100.00</u>

17) **AUTHORITY TO ALLOT AND ISSUE SHARES (RESOLUTION 11)**

The Chairman mentioned that the Board sought shareholders' consent for the renewal of the general authority for the Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965. This will give the Board certain level of flexibility to allot and issue shares, as and when the need arises.

Therefore, shareholders' approval on the abovementioned general authority will be appreciated as this will reduce the time and cost that would be involved in calling for a general meeting.

It was resolved that pursuant to Section 132D of the Companies Act, 1965, and subject to the approval of all relevant authorities being obtained, the Directors be and are hereby empowered to issue shares in the Company at any 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 issued pursuant to this resolution does not exceed 10% of the issued capital of the Company for the time being and that the Directors be and are also empowered to obtain the 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 poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	778,803,302	89.10
Voted AGAINST	95,309,629	10.90
	<u>874,112,931</u>	<u>100.00</u>

18) **PROPOSED RENEWAL OF SHARE BUY BACK AUTHORITY (RESOLUTION 12)**

The Chairman commented that this resolution will allow the Company to purchase up to 10% of QL's issued and paid-up share capital at the point of purchase on Bursa Securities through the Company's appointed stockbroker(s).

It was resolved that approval be and is hereby given to the Company to, from time to time, purchase through Bursa Securities such number of ordinary shares of RM0.25 each in the Company ("Shares") and/or retain such Shares so purchased as treasury shares ("Treasury Shares") as may be determined by the Directors of the Company upon such terms and conditions as the Directors may deem fit and expedient in the best interests of the Company provided that the aggregate number of Shares purchased and/or retained as Treasury Shares shall not exceed ten percent (10%) of the issued and paid-up share capital of the Company at the time of purchase ("Proposed Share Buy Back").

It was resolved that the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy Back shall not exceed the Company's aggregate retained profits and share premium account.

It was resolved that upon the purchase by the Company of its own Shares, the Directors of the Company be and are hereby authorised to:-

- (a) cancel all or part of the Shares so purchased; and/or
- (b) retain all or part of the Shares so purchased as Treasury Shares; and/or
- (c) distribute the Treasury Shares as share dividends to the Company's shareholders for the time being and/or to resell the Treasury Shares on Bursa Securities.

It was resolved that such authority from shareholders of the Company will be effective immediately upon passing of this ordinary resolution and will continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority shall lapse unless by ordinary resolution passed at that meeting the authority is renewed either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities or any other relevant authority

and that authority be and is hereby given to the Directors of the Company to take all such steps as are necessary, including the opening and maintaining of a central depositories account(s) and entering into all other agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to and to implement the Proposed Share Buy Back with full powers to assent to any conditions, modifications, revaluations, variations and/ or amendments (if any) as may be required or imposed by the relevant authorities from time to time and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	874,101,931	99.99
Voted AGAINST	11,000	Negligible
	<u>874,112,931</u>	<u>100.00</u>

19) **PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (RESOLUTION 13)**

The Chairman advised that the interested Directors, interested major shareholders or interested persons connected with them must not vote on this resolution.

It was resolved that approval be and is hereby given to the Company and its subsidiaries to renew the shareholders' mandate for the recurrent related party transactions of a revenue or trading nature as set out in Section 2.2.4 of the Circular to Shareholders dated 31 July 2016 with the related parties described therein which are necessary for the Group's day to day operations, carried out in the normal course of business, at arm's length, on normal commercial terms, not more favourable to the related parties than those generally available to the public and are not detriment of the minority shareholders.

It was resolved that such approval shall continue to be in force until:-

- (i) the conclusion of the next annual general meeting of the Company following the general meeting at which the mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next annual general meeting after the date it is required to be held pursuant to section 143(1) of the Companies Act, 1965 ("CA") (but shall not extend to such extension as may be allowed pursuant to section 143(2) of the CA); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier

and that the Directors of the Company be authorised to complete and do all such acts and things (including all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of and New RRPT Mandate.

The poll results was noted as follows:-

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	176,015,229	99.99
Voted AGAINST	4,500	Negligible
	<u>176,019,729</u>	<u>100.00</u>

20) ANY OTHER BUSINESS

Upon confirmation from the Company Secretary that the Company had not received any notice for transaction of any other business for this meeting, the Chairman declared the meeting be adjourned for poll voting.

21) POLLING PROCEDURES AND CONDUCT FOR ALL RESOLUTIONS

The shareholders/proxies proceeded to cast their vote by way of poll for all resolutions. The Poll Administrator, TRICOR and Independent Scrutineer, Deloitte conducted the poll and the tabulation of votes.

At 11.40 a.m., the meeting was reconvened by the Chairman. The Chairman invited Mr Anthony Tai of Messrs. Deloitte, to read out the poll results to the Meeting.

With the results, the Chairman declared that all resolutions tabled were carried.

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22) **CLOSE OF MEETING**

There being no other business to be transacted, the Meeting was closed at 11.45 a.m. with a vote of thanks to the Chair.

Confirmed as a correct record

CHIENG ING HUONG, EDDY
Chairman

Dated: