

KYM HOLDINGS BHD.
(84303-A)
(Incorporated in Malaysia)

EXTRACT OF THE MINUTES OF THE THIRTY-SIXTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT THE REGISTERED OFFICE, NO. 12 LORONG MEDAN TUANKU SATU 50300 KUALA LUMPUR ON TUESDAY, 3 JULY 2018 AT 11.00 A.M.

Present: Directors
Dato' Seri Dr. Isahak bin Yeop Mohamad Shar
Dato' Lim Kheng Yew
Datuk Seri Rahadian Mahmud bin Mohammad Khalil
Dato' Mohd Azmi bin Othman
Mr Lim Tze Thean
Mr Lee Ji Jin Darren

Shareholders & Proxies
As per Attendance List

Absent with apology: Dato' Seri Ir. Mohamad Othman bin Zainal Azim

In Attendance: Chee Min Er (Company Secretary)

Chairman: Dato' Seri Dr. Isahak bin Yeop Mohamad Shar

1. RECEIPT OF AUDITED FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 JANUARY 2018

The Chairman invited questions from the floor on the audited financial statements for year ended 31 January 2018.

Encik Ahmad Bin Ibrahim, a shareholder of the Company raised the following questions and comments:

- (a) The Group reported a loss before taxation of RM800,000 as compared to the last year profit of RM635,000, due to the factors as disclosed in the Annual Report. Based on the Five-Years Financial Highlight, the Group reported profits in FY2017 only. He urged the Directors and Management to work hard to bring value to the shareholders.

According to the Segmental Information – Operating Segments on page 103, the Investment Holding, Property and Others segments are not generating revenue for the last two (2) years except the inter-company revenue. He wished the Board look out for any other potential business ventures that can benefit the Group instead of relying on manufacturing of paper packaging products.

The Chairman invited Mr Lim Tze Thean, the Chief Executive Officer to respond to the question. Mr Lim explained that KYM will continue to focus on Manufacturing, as it is the core business of the Group. Management spends more time on Manufacturing, what the Management is best at. The Group continues its efforts to create value by divesting the non-core assets.

- (b) Encik Ahmad referred to the Directors' shareholdings on page 117 of the Annual Report and noted that save for Dato' Lim Kheng Yew and Mr Lim Tze Thean, other Directors do not hold shares in the Company. It seems that other Directors do not have confidence in the Company.

Mr Lim Tze Thean clarified that the interests of other Directors in shares are disclosed in Page 118. As stated in Page 117, only Dato' Lim and himself are substantial shareholders. Other Directors do not hold shares or have minor shareholdings in the Company, especially independent directors to preserve their independence without jeopardizing their independent judgement towards the Company.

The Chairman added that the other Directors show their commitment not by way of shareholding in the Company. The Directors discharge their responsibility by spending time in deliberating and trashing out issues, charting progress of the strategic plans. Each Director brings their own sets of experience for meaningful discussion.

- (c) The Company should provide drinking water for shareholders who make efforts to attend the meeting as a token of appreciation.

The Chairman informed that the Company has prepared light refreshments for the shareholders after the conclusion of the AGM. The Chairman noted the comments and the Company would provide bottled water to the shareholders before the commencement of AGM.

2. RESOLUTION 1- APPROVAL OF DIRECTORS' FEES AND THE PAYMENT OF DIRECTORS' BENEFITS (EXCLUDING DIRECTORS' FEE) TO NON-EXECUTIVE DIRECTOR FROM 3 JULY 2018 UNTIL THE NEXT AGM OF THE COMPANY

The Chairman informed that the next item was to approve payment of Directors' Fees and the payment of Directors' Benefits (excluding directors' fee) to Non-Executive Directors with effect from the date of 36th AGM until the next AGM of the Company.

Resolution 1 was duly proposed by Encik Ahmad Bin Ibrahim and seconded by Mr Tan Peng Aun.

3. RE-ELECTION OF DIRECTORS

Resolution 2 on the re-election of Dato' Seri Ir. Mohamad Othman bin Zainal Azim was duly proposed by Mr Tan Peng Aun and seconded by Puan Shalsabila Tan Binti Abdullah.

Resolution 3 on the re-election of Mr Lee Ji Jin Darren was duly proposed by Mr Tan Peng Aun and seconded by Puan Shalsabila Tan Binti Abdullah.

4. RESOLUTION 4- RE-APPOINTMENT OF AUDITORS

The Chairman advised that Messrs. Crowe had expressed their willingness to continue in office as Auditors of the Company for the ensuing year.

Resolution 4 was duly proposed by Madam Ang Kuaw Chin and seconded by Encik Ahmad Bin Ibrahim

SPECIAL BUSINESS

5. RESOLUTION 5- AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

Resolution 5 was proposed by Puan Shalsabila Tan Binti Abdullah and seconded by Madam Neo Lay Hoong.

6. RESOLUTION 6- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS AND A NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Chairman announced that Dato' Lim Kheng Yew and Mr Lim Tze Thean, being the interested Directors would abstain from voting on Resolution 6 in respect of their direct and/or indirect shareholdings in KYM. The interested Directors and the interested Major Shareholders as stated in the Circular to Shareholder dated 31 May 2018 had undertaken that persons connected with them would also abstain from voting on Resolution 6.

Resolution 6 was proposed by Mr Tan Peng Aun and seconded by Puan Shalsabila Tan Binti Abdullah.

7. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Resolution 7 in respect of the retention of Datuk Seri Rahadian Mahmud bin Mohammad Khalil was proposed by Encik Ahmad Bin Ibrahim and seconded by Madam Ang Kuaw Chin.

Resolution 8 in respect of the retention of Dato' Seri Ir. Mohamad Othman bin Zainal Azim was proposed by Puan Shalsabila Tan Binti Abdullah and seconded by Mr Tan Peng Aun.

Resolution 9 in respect of the retention of Dato' Mohd Azmi bin Othman was proposed by Encik Ahmad Bin Ibrahim and seconded by Puan Shalsabila Tan Binti Abdullah.

8. RESOLUTION 10- PROPOSED AMENDMENT OF THE CONSTITUTION OF THE COMPANY

The Chairman informed that the proposed new Constitution of the Company was set out in Appendix I and was circulated together with the Notice of AGM dated 31 May 2018.

The Proposed Amendment was to ensure that the Company's Constitution in line with the Companies Act 2016, in compliance with the Main Market Listing Requirements and to enhance administrative efficiency.

Resolution 10 was duly proposed by Mr Tan Peng Aun and seconded by Puan Wan Mastura Binti Wan Din.

9. ANY OTHER BUSINESS

The Company Secretary confirmed that the Company had not received any notice for transaction of any other business at the meeting.

10. POLLING PROCESS

Before the meeting proceeded to conduct the poll for all Resolutions, the Chairman invited the Company Secretary to explain the procedure for the conduct of poll. The shareholders and proxies proceeded to cast their votes.

The poll results were handed to the Scrutineers, Mega Corporate Services Sdn Bhd ("Mega") for verification. While the results of the polls were being verified by the independent Scrutineers, the Chairman requested the shareholders/proxies to remain seated.

11. ANNOUNCEMENT OF POLL RESULTS

At 11.40 a.m., the Chairman called the Meeting back to order for the announcement of results. The Chairman read out the poll results that he received from Mr Alfred John of Mega.

Resolution	Voted in FOR/ Favour		Voted Against		Results
	No. of		No. of		
	Share(s)	%	Share(s)	%	
RESOLUTION 1	52,717,500	100.0000%	-	0.0000%	Carried
RESOLUTION 2	52,827,500	100.0000%	-	0.0000%	Carried
RESOLUTION 3	52,717,500	100.0000%	-	0.0000%	Carried
RESOLUTION 4	52,827,500	100.0000%	-	0.0000%	Carried
RESOLUTION 5	52,827,500	100.0000%	-	0.0000%	Carried
RESOLUTION 6	2,652,500	100.0000%	-	0.0000%	Carried
RESOLUTION 7	52,827,500	100.0000%	-	0.0000%	Carried
RESOLUTION 8	52,827,500	100.0000%	-	0.0000%	Carried
RESOLUTION 9	52,827,500	100.0000%	-	0.0000%	Carried
RESOLUTION 10	52,827,500	100.0000%	-	0.0000%	Carried

Based on the poll results, the Chairman declared the following resolutions be **CARRIED**.

RESOLUTION 1

“That the payment of Directors’ Fees of RM104,000 for financial year ended 31 January 2018 and the payment of Directors’ benefit (excluding Directors’ Fee) to Non-Executive Directors of up to an amount of RM19,550 from the date of 36th Annual General Meeting until the next Annual General Meeting be and are hereby approved.”

RESOLUTION 2

“That Dato’ Seri Ir. Mohamad Othman Bin Zainal Azim who retired in accordance with Article 103 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

RESOLUTION 3

“That Mr Lee Ji Jin Darren who retired in accordance with Article 103 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

RESOLUTION 4

“That Messrs Crowe (formerly known as Crowe Horwath) be and are hereby appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors.”

RESOLUTION 5

Authority to Allot and Issue Shares Pursuant To Sections 75 and 76 of the Companies Act, 2016

“That pursuant to Section 75 and 76 of the Companies Act, 2016, the Directors be and are hereby authorised to allot and issue shares in the Company at any time at such price and upon such terms and conditions and for such purposes and to such person or persons whomever as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company. And that the Directors be and are also

empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.”

RESOLUTION 6

Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions and a New Shareholders’ Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature

“That, subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, the shareholders’ mandate for the recurrent related party transactions of a revenue or trading nature as approved by the shareholders of the Company on 5 July 2017 authorising the Company and its subsidiaries (“KYM Group”) to enter into any of the recurrent transactions of a revenue or trading nature of the Group as set out in Section 2.2 of the Circular to Shareholders dated 31 May 2018 with the related party mentioned therein which are necessary for the day-to-day operations of the KYM Group be and is hereby renewed And That a new shareholders’ mandate be and is hereby granted to the Company and its subsidiaries to enter into additional recurrent related party transactions of a revenue or trading nature as specified in the said Circular to Shareholders provided that the transaction are in the ordinary course of business, at arms’ length basis and are on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders’ Mandate during the financial year.

And that such approval conferred shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the forthcoming AGM at which such Proposed Shareholders’ Mandate passed, at which time it will lapse, unless by a resolution passed at such general meeting whereby the authority is renewed; or
- (ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or
- (iii) revoked or varied by resolution passed by the shareholders in a general meeting.

whichever is earlier,

And that the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company (including executing all such documents as may be required) to give effect to the Proposed Shareholders’ Mandate.”

RESOLUTION 7

Retention of Datuk Seri Rahadian Mahmud Bin Mohammad Khalil as Independent Non-Executive Director

“That Datuk Seri Rahadian Mahmud Bin Mohammad Khalil be and is hereby retained as Independent Non-Executive Director of the Company.”

RESOLUTION 8

Retention of Dato’ Seri Ir. Mohamad Othman Bin Zainal Azim as Independent Non-Executive Director

“That Dato’ Seri Ir. Mohamad Othman Bin Zainal Azim be and is hereby retained as Independent Non-Executive Director of the Company.”

RESOLUTION 9

Retention of Dato’ Mohd Azmi Bin Othman as Independent Non-Executive Director

“That Dato’ Mohd Azmi Bin Othman be and is hereby retained as Independent Non-Executive Director of the Company.”

RESOLUTION 10

Proposed Amendment of the Constitution of the Company

“That approval be and is hereby given for the Company to amend the whole of the existing Constitution of the Company by the replacement thereof with a new Constitution of the Company as set out in Appendix I with immediate effect AND THAT the Board of Directors of the Company be and is hereby authorised to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.”

TERMINATION

There being no further business, the meeting terminated at 11.50 a.m. with a vote of thanks to the Chair.