

PAOS HOLDINGS BERHAD

(Company No. 452536-W)

(Incorporated in Malaysia)

EXTRACT of the Minutes of Nineteenth Annual General Meeting of PAOS HOLDINGS BERHAD held at BEST WESTERN i-City Shah Alam, A-GF-01, No. 6, Persiaran Multimedia, CityPark, i-City, 40000 Shah Alam, Selangor Darul Ehsan on 25 November 2016, Friday at 10.00 a.m.

PRESENT : **Members**

As per Attendance List

Directors

Ms. Lim Chang Ching - Chairperson

Mr. Lim Zhen Qi

Ms. Alice Boo Miao Li

Mr. Wang Hak Tham @ Wong Hak Tham

Mr. Lim Poh Seong

Mr. Yap Min Lee

Ms. Cheah Yee Leng

BY INVITATION : As per Attendance List

IN ATTENDANCE : Mr. Ho Meng Chan) Joint-Secretaries
Ms. Wu Siew Hong)

PRELIMINARY

The Chairman, Ms. Lim Chang Ching (“the Chairman”) called the meeting to order at 10.00 a.m. upon the confirmation of the presence of a quorum by the Company Secretary. She extended a warm welcome to everyone present at the meeting and introduced to the members the Board members and the Auditors from KPMG.

The Chairman further informed that in accordance with the Bursa Malaysia Securities Berhad Main Market Listing Requirements, resolutions set out in the notice of any general meetings are to be voted upon by way of a poll. As such, all resolutions tabled at the Meeting should be voted by way of a poll and the poll results would be verified by the scrutineers, Symphony Corporatehouse Sdn. Bhd. The polling process for the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the Meeting.

1. NOTICE OF MEETING

The notice convening the meeting, having been circulated, was taken as read with the consent from the shareholders.

2. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MAY, 2016

The audited financial statements of the Company and of the Group for the year ended 31st May, 2016 together with the Directors’ and Auditors’ Reports were tabled at the meeting.

There being no question raised, the audited financial statements of the Company and of the Group for the year ended 31st May, 2016 together with the Directors’ and Auditors’ Reports thereon were received by the meeting.

3. RESOLUTIONS OF THE MEETING

The following resolutions were tabled for consideration :-

i) **Resolution 1 - Directors' Fee**

‘THAT the payment of Directors’ Fees of RM179,000 in respect of the financial year ended 31st May, 2016 be and is hereby approved.’

ii) **Resolution 2- Re-election of Ms. Lim Chang Ching as Director**

‘THAT Ms. Lim Chang Ching, the Director retiring under Article 103 of the Company’s Articles of Association, be and is hereby re-elected as Director of the Company.’

iii) **Resolution 3- Re-election of Mr. Lim Poh Seong as Director**

‘THAT Mr. Lim Poh Seong, the Director retiring under Article 103 of the Company’s Articles of Association, be and is hereby re-elected as Director of the Company.

iv) **Resolution 4 – Reappointment of Mr. Wang Hak Tham & Wong Hak Tham pursuant to Section 129 of the Companies Act, 1965**

‘THAT Mr. Wang Hak Tham @ Wong Hak Tham, the Director retiring in compliance with Section 129 of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company to hold office until the conclusion of the next Annual General Meeting.’

v) **Resolution 5 – Reappointment of Mr. Yap Min Lee pursuant to Section 129 of the Companies Act, 1965**

‘THAT Mr. Yap Min Lee, the Director retiring in compliance with Section 129 of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company to hold office until the conclusion of the next Annual General Meeting.’

vi) **Resolution 6 – Re-appointment of Auditor**

‘THAT Messrs KPMG, be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a fee to be determined by the Directors.’

vii) **Resolution 7 – Authority to Directors To Issue Shares**

‘THAT pursuant to Section 132D of the Companies Act, 1965, 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 in any one financial year 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 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.’

viii) **Resolution 8 – Continuing in Office As Independent Non-Executive Director**

‘THAT subject to the passing of Resolution 4, authority be and is hereby given to Mr. Wang Hak Tham @ Wong Hak Tham, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company.’

The Chairman informed the meeting that Resolution 7, if passed, will give authority to the Directors of the Company, from the date of the Annual General Meeting, to issue and allot shares in the Company up to and not exceeding 10% of the issued share capital of the Company for the time being, for such

purposes as they consider would be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

She also informed that Mr. Wang Hak Tham @ Wong Hak Tham was appointed as Independent Non-Executive Director of the Company on 2nd June, 2000, and has, therefore served for more than nine (9) years. Mr. Wong had met the independence guidelines as set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. He did not have any conflict of interest with the Company and had not been entering/was not expected to enter into contract with the Company and/or its subsidiary companies. As such, the Board considered him to be independent. She further put on record the appreciation for Mr. Wong's dedication and contribution towards the Company for the past years. The Company had benefited tremendously from Mr. Wong's vast experiences both in the field of business and finance. She recommended that Mr. Wong be retained as an Independent Non-Executive Director as his services and experiences have been invaluable to the Company.

The following queries/comments were raised and the related answers were duly noted as follows :-

- i) Mr. William Ng posted a question to Mr. Chan Chee Keong from Messrs KPMG, the auditors of the Company on the accounting systems adopted by the Group and was there under/over statement of profits. He would like to know whether changes in accounting standards have any impact on the Group's results.

Mr. Chan Chee Keong informed that the accounts of the Group have been prepared in accordance to the Malaysian Financial Reporting Standards (MFRS) and other statutory requirements and the results of the Group are consistent and fairly stated with proper supporting documents.

- ii) Mr Charlie Shak Kum Choy, the shareholder of the Company commented that the execution of e-polling system is not cost effective and does not serve the purpose as most of the shareholders/ proxies would not exercise the voting after the registration.

The Chairman informed the execution of e-polling system was to encourage shareholders' participation and promote the transparency of the voting results.

All resolutions tabled for consideration were proposed and seconded by the shareholders/proxies.

Upon confirmation that no notice has been received to transact any other business from the shareholders, the Chairman declared that the registration for attendance at the meeting close for proper and orderly conduct of the poll. Mr. Ho Meng Chan, the Secretary then briefed the meeting on the procedures with respect to the e-polling.

The proceedings of the poll were administered by the representatives from the Registrars, Symphony Share Registrars Sdn. Bhd. and the poll took place at 10.20 a.m.. The representatives of Symphony Corporatehouse Sdn. Bhd., the scrutineers were present to monitor the e-polling process. The results of the poll for the Proposed Resolutions as per "Attachment A" were announced by the Chairman at 10.40 a.m. after verification by the scrutineers.

The Chairman then declared that the following resolutions carried :-

- i) **Resolution 1 - Directors' Fee**

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- ii) **Resolution 2- Re-election of Ms. Lim Chang Ching as Director**

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“THAT Mr. Wang Hak Tham @ Wong Hak Tham, the Director retiring in compliance with Section 129 of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company to hold office until the conclusion of the next Annual General Meeting.”

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“THAT pursuant to Section 132D of the Companies Act, 1965, 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 in any one financial year 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 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.”

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“THAT subject to the passing of Resolution 4, authority be and is hereby given to Mr. Wang Hak Tham @ Wong Hak Tham, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company.”

4. CLOSE OF MEETING

There being no other business, the Chairman declared the meeting closed after a vote of thanks had been accorded to her.

Polling Results

PAOS HOLDINGS BERHAD

(COMPANY NO. 452536-W)

NINETEENTH ANNUAL GENERAL MEETING
 BEST WESTERN I-CITY SHAH ALAM, A-GF-01, NO. 6, PERSIARAN MULTIMEDIA, CITYPARK, I-CITY, 40000 SHAH ALAM, SELANGOR
 FRIDAY, 25 NOVEMBER 2016 AT 10.00 A.M.

	FOR			AGAINST			TOTAL			ABSTAINS	
	REC	SHARES	%	REC	SHARES	%	REC	SHARES	%	REC	SHARES
Ordinary Resolution TO APPROVE THE PAYMENT OF DIRECTORS' FEES OF RM179,000.00.	74	98,561,563	99.9967	2	3,210	0.0033	76	98,564,773	100.00	0	0
TO RE-ELECT MS. LIM CHANG CHING AS DIRECTOR.	74	98,561,563	99.9967	2	3,210	0.0033	76	98,564,773	100.00	0	0
TO RE-ELECT MR. LIM POH SEONG AS DIRECTOR.	74	98,561,563	99.9967	2	3,210	0.0033	76	98,564,773	100.00	0	0
TO RE-APPOINT MR. WANG HAK THAM @ WONG HAK THAM AS DIRECTOR IN COMPLIANCE WITH SECTION 129 OF	74	98,561,563	99.9967	2	3,210	0.0033	76	98,564,773	100.00	0	0
TO RE-APPOINT MR. YAP MIN LEE AS DIRECTOR IN COMPLIANCE WITH SECTION 129 OF THE COMPANIES ACT,	74	98,561,563	99.9967	2	3,210	0.0033	76	98,564,773	100.00	0	0
TO RE-APPOINT MESSRS KPMG AS AUDITORS AND TO AUTHORIZE THE DIRECTORS TO FIX THEIR	74	98,561,563	99.9967	2	3,210	0.0033	76	98,564,773	100.00	0	0
TO EMPOWER THE DIRECTORS OF THE COMPANY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES	74	98,561,563	99.9967	2	3,210	0.0033	76	98,564,773	100.00	0	0
TO RETAIN MR. WANG HAK THAM @ WONG HAK THAM AS INDEPENDENT NONEXECUTIVE DIRECTOR OF THE	74	98,561,563	99.9967	2	3,210	0.0033	76	98,564,773	100.00	0	0