

**UMS HOLDINGS BERHAD**  
**(74125-V)**  
(Incorporated in Malaysia)

Minutes of the 37<sup>th</sup> Annual General Meeting of the Company held at Level 3, Vistana Hotel, No. 9 Jalan Lumut, Off Jalan Ipoh, 50400 Kuala Lumpur on Monday, 4 March 2019 at 10:00 a.m.

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|---------------|---|--|-----------------------------|
| PRESENT       | : | <u>Directors</u><br>Mr. Ng Siow Hwa @ Ng Kok Hwa (Executive Chairman)<br>Mr. Ng Seng Kong (Acting Chairman for this meeting)<br>Mr. Lee Kok Wei<br>Mr. Ng Seng Huat<br>Mr. Ng Sing Huat<br>Mr. Thing Hua @ Ng Thing Hua<br>Ms. Oon Kim Suan<br>Ms. Kor Yann Ning<br>Mr. Ng Sing Kun @ Ng Seng Kuon |                             |
|               |   | <u>Shareholders</u><br>As per attendance list(s)   |                             |
| IN ATTENDANCE | : | Ms. Adelyn Ho Mun Yee<br>Ms. Karyn Tam Fong Ying<br>Ms. Quinnie Tam Chee Kheng   | } Secretaries               |
| BY INVITATION | : | Ms. Tan Li Lee<br>Ms. Tan Soo Ching<br>Puan Ros Sakila Binti Bahari – representing Tricor Investor & Issuing House Services Sdn Bhd<br>Ms. Tam Kit Wai – representing Messrs Best Corporate and Mgt Services   | } Auditors from<br>PCCO PLT |

Mr. Ng Siow Hwa @ Ng Kok Hwa called upon Mr. Ng Seng Kong to chair this meeting.

Mr. Ng Seng Kong took the Chair and welcomed the Shareholders to the 37<sup>th</sup> Annual General Meeting (“AGM”). He informed the meeting that the Company had received 15 proxy forms and to proceed with the AGM as there was a quorum present.

Mr. Ng Seng Kong informed the meeting that all resolutions set out in the notice of general meeting would be voted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirement. He added that the polling process will be carried out after deliberations of all the items on the agenda. He further informed that Messrs Best Corporate and Mgt Services has been appointed as the Scrutineer to verify and validate the votes to be casted at this meeting.

## NOTICE

The Notice of the meeting was taken as read.

### 1. FINANCIAL STATEMENTS

Mr. Ng Seng Kong proceeded with the first item on the Agenda which was to lay the Audited Financial Statements for the year ended 30 September 2018 and the Reports of the Directors and Auditors, and invited questions from the floor.

A proxy, Mr. Ho Yueh Weng informed the Meeting that he noted from the Company's Annual Report that the Revenue's growth was minimal and enquired on the Company's strategy and direction to increase the revenue. Mr. Ng Seng Kong informed the Meeting that moving forward, the market may be more challenging and the Group remains cautious that the market may be getting worse. Mr. Ng further added that the Group will not venture into the new areas/business but the Group will be looking into distribution of new and/or additional products (such as steam cleaning) for food and beverage industry which is complementary to the Group's existing business/customers. Mr. Ng also added that the Group will move out from the Oil and Gas Industry due to compliance issues such as licensing.

Mr. Ng Seng Kong also informed the Meeting that the new partner of Proton, Geely Holding Group Co. Ltd, asked for lower price for supply of products to Proton and in the Management's opinion this business line may not be sustainable in the long run.

Mr. Ho further enquired on the Company's plan as its subsidiary in Singapore was losing money. Mr. Ng Seng Kong informed the Meeting that Singapore is a high cost country and most of the manufacturing companies have moved to other low cost countries. However, the Management still consider Singapore as a strategic place/base for the Group and the Management is actively looking for new products to market in Singapore.

In reply to the question raised by Mr. Ho Yueh Weng on the huge reserves, Mr. Ng Seng Kong informed the Meeting that the reserves is to provide consistent dividend payout to its shareholders and for future use.

In reply to the question raised by another Shareholder, Mr. Chee Sai Mun, Mr. Ng Seng Kong informed the Meeting that the Group's forex exposures were mainly in USD and SGD and the Group's business is mainly on dealing in industrial products (such as chain, belts, etc) for the plantation sector, cement plant, sugar mill and car industry, and also distribution of hardware items.

In reply to another question raised by Mr. Chee Sai Mun, Mr. Ng Seng Kong replied that other income of RM2.26 million was mainly derived from dividend received from wholesale fund, profits from disposal of property, plant and equipment and rental income. Mr. Ng further informed that other expense of RM12.49 million mainly consist of staff cost, depreciation and upkeep of motor vehicles.

In reply to the question raised by Mr. Chee Sai Mun on the Property, Plant and Equipment ("PPE") and Investment Properties ("IP"), Mr. Ng Seng Kong informed the Meeting that there is no requirement to revalue for the own use of PPE, while there is a need to revalue for IP. Ms. Tan Li Lee, the Auditors informed the Meeting that the disclosure of PPE and IP are made in accordance with the approved accounting standards.

There being no further question from the floor, the Acting Chairman proceeded with the next item on the agenda.

## **2. DIRECTORS' FEES**

The Acting Chairman informed that the Company proposed to pay Directors' fees amounting to RM288,000.00 in respect of the financial year ended 30 September 2018.

The Acting Chairman informed that the Directors who are Shareholders and persons connected with them will abstain from voting on this Resolution. He invited questions from the floor.

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**3. DIRECTORS' BENEFITS**

The Acting Chairman informed that the payment of Directors' benefits (excluding Directors' Fees) up to an amount of RM100,000 for the period from 1 October 2018 until the next Annual General Meeting of the Company to be held in the year 2020.

The Acting Chairman also informed that the Directors who are Shareholders and persons connected with them will abstain from voting on the this Resolution.

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**4. TO DECLARE A FINAL DIVIDEND OF 6 SEN (SINGLE-TIER)**

The Acting Chairman informed that a Final Dividend of 6 sen (Single-Tier) has been recommended by the Board.

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**5. TO DECLARE A SPECIAL DIVIDEND OF 4 SEN (SINGLE-TIER)**

The Acting Chairman further informed that a Special Dividend of 4 sen (Single-Tier) has been recommended by the Board.

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**6. TO RE-ELECT DIRECTORS WHO RETIRE IN ACCORDANCE WITH ARTICLE 101(1)**

The Acting Chairman informed the shareholders that the following Resolutions Nos. 5 to 7 were to re-elect the following Directors who were due to retire by rotation in accordance with Article 101(1) of the Company's Constitution. The retiring Directors have offered themselves for re-election.

- 6.1 Mr. Ng Sing Kun @ Ng Seng Kuon
- 6.2 Mr. Ng Sing Huat
- 6.3 Mr. Kor Yann Ning

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**7. TO RE-APPOINT MESSRS PCCO PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Acting Chairman advised that the Auditors, Messrs PCCO PLT, have signified their willingness to continue in office.

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**8. ORDINARY RESOLUTION – PROPOSED SHAREHOLDER MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WHICH ARE IN THE ORDINARY COURSE OF BUSINESS (RRPT)**

The Meeting was informed that the details of the RRPT were as set out in the Circular To Shareholders dated 31 January 2019. The interested parties (as set out in Part A, Section 6 of the said Circular) would abstain from voting on this resolution.

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**9. ORDINARY RESOLUTION - PROPOSED SHARE BUY-BACK**

The Acting Chairman informed the shareholders that this resolution was to consider the proposed renewal of authority to buy-back shares of the Company up to a limit of 10% of the existing issued and paid-up share capital.

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**10. ORDINARY RESOLUTION – RETENTION OF INDEPENDENT DIRECTOR**

The Acting Chairman informed the shareholders that this resolution was in relation to the retention of Independent Director who has served the Board for more than 12 years. He added that justification for his recommendation to continue to act as Independent Non-Executive Director was set out on page 6 of the Annual Report.

The Acting Chairman further informed that this Resolution 11 will be voted through a 2-tier voting process.

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**11. SPECIAL RESOLUTION – PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY**

The Acting Chairman informed that the proposed adoption of a new Constitution of the Company is to streamline the existing Constitution with the Companies Act 2016 and to align with the Listing Requirements so as to provide clarity to certain provisions and to render consistency throughout in order to facilitate and further enhance administrative efficiency. The details on the Special Resolution 1 which was set out in Part C of the Circular to Shareholders.

There being no question raised from the floor, the Acting Chairman proceeded with the next item on the agenda.

**12. ANY OTHER MATTERS**

The Acting Chairman informed that no notice had been received to transact any other business at this Meeting.

### **13. CONDUCT OF POLL**

The Acting Chairman invited the representative of Tricor Investor & Issuing House Services Sdn Bhd ("Tricor"), the Polling Administrator and Share Registrar of the Company, to brief the shareholders on the polling process.

Puan Ros Sakila Binti Bahari explained the procedures for the conduct of poll whereby shareholders/proxies/corporate representatives were advised to cast their votes on the polling slips that were distributed earlier upon registration, and thereafter to put the said slip into the ballot box handled by the representative of Tricor. The Scrutineer appointed for the meeting will then verify the votes casted.

The polling process commenced at 11:06 a.m. and the meeting was adjourned. The shareholders were also invited for light refreshment that has been arranged by the Company, while waiting for the poll results.

### **14. ANNOUNCEMENT OF POLL RESULTS**

The Meeting resumed at 11:30 a.m. for the declaration of poll results as the Acting Chairman had received the said results from the Scrutineer.

The poll results were read out by the Acting Chairman to the shareholders and proxies present, as follows:-

#### **14.1 *Payment of Directors' Fees***

|                       | FOR             |     | AGAINST         |   |
|-----------------------|-----------------|-----|-----------------|---|
|                       | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 1 | 8,715,799       | 100 | 0               | 0 |

The Acting Chairman declared that the following Ordinary Resolution 1 was duly passed as follows:-

"That the payment of Directors' Fees amounting to RM288,000.00 for the financial year ended 30 September 2018 be and is hereby approved."

#### **14.2 *Payment of Directors' Benefits***

|                       | FOR             |     | AGAINST         |   |
|-----------------------|-----------------|-----|-----------------|---|
|                       | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 2 | 8,715,799       | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 2 was duly passed as follows:-

"That the payment of Directors' benefits (excluding Directors' Fees) up to an amount of RM100,000 for the period from 1 October 2018 until the next Annual General Meeting of the Company to be held in the year 2020 be and is hereby approved."

14.3 *Final Dividend of 6 sen (Single-Tier)*

|                       | FOR             |     | AGAINST         |   |
|-----------------------|-----------------|-----|-----------------|---|
|                       | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 3 | 22,036,849      | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 3 was duly passed as follows:-

“That a Final dividend of 6 sen (Single-Tier) per share in respect of the financial year ended 30 September 2018 be and is hereby approved.”

14.4 *Special Dividend of 4 sen (Single-Tier)*

|                       | FOR             |     | AGAINST         |   |
|-----------------------|-----------------|-----|-----------------|---|
|                       | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 4 | 22,036,849      | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 4 was duly passed as follows:-

“That a Special dividend of 4 sen (Single-Tier) per share in respect of the financial year ended 30 September 2018 be and is hereby approved.”

14.5 *Re-election of Directors retiring pursuant to Article 101(1) of the Company's Constitution*

14.5.1 *Mr. Ng Sing Kun @ Ng Seng Kuon*

|                       | FOR             |     | AGAINST         |   |
|-----------------------|-----------------|-----|-----------------|---|
|                       | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 5 | 22,036,849      | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 5 was duly passed as follows:-

“That Mr. Ng Sing Kun @ Ng Seng Kuon who retires under Article 101(1) of the Company's Constitution be and is hereby re-elected as a Director of the Company.”

14.5.2 *Mr. Ng Sing Huat*

|                       | FOR             |     | AGAINST         |   |
|-----------------------|-----------------|-----|-----------------|---|
|                       | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 6 | 22,036,849      | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 6 was duly passed as follows:-

“That Mr. Ng Sing Huat who retires under Article 101(1) of the Company's Constitution be and is hereby re-elected as a Director of the Company.”

14.5.3 *Ms. Kor Yann Ning*

|                       | FOR             |     | AGAINST         |   |
|-----------------------|-----------------|-----|-----------------|---|
|                       | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 7 | 22,036,849      | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 7 was duly passed as follows:-

“That Ms. Kor Yann Ning who retires under Article 101(1) of the Company’s Constitution be and is hereby re-elected as a Director of the Company.”

14.6 *Re-appointment of Auditors*

|                       | FOR             |     | AGAINST         |   |
|-----------------------|-----------------|-----|-----------------|---|
|                       | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 8 | 22,036,849      | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 8 was duly passed as follows:-

“That Messrs PCCO PLT, Chartered Accountants, be and are hereby re-appointed as Auditors of the Company for the financial year ending 30 September 2019 and that the Directors be and are hereby authorised to fix their remuneration.”

14.7 *Proposed Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature*

|                       | FOR             |     | AGAINST         |   |
|-----------------------|-----------------|-----|-----------------|---|
|                       | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 9 | 9,215,799       | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 9 was duly passed as follows:-

“THAT, subject to the Companies Act, 2016 (“Act”), the Constitution of the Company and the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), approval be and is hereby given to UMS and/or its subsidiaries to enter into any of the category of recurrent related party transactions of a revenue or trading nature as set out in Part A, Section 2.3 of the Circular to Shareholders of the Company dated 31 January 2019 (“the Circular”) with the related parties mentioned therein which are necessary for UMS Group’s day-to-day operations subject further to the following:-

- a) the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public; and
- b) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Proposed Shareholder Mandate during the financial year;

AND THAT such approval shall continue to be in force until :-

- a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following this AGM, at which time it will lapse, unless by a resolution passed at the said AGM, such authority is renewed;
- b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND THAT authority be and is hereby given to the Board of Directors (“Board”) to take all such steps as necessary to implement, finalise and give full effect to and to implement the Proposed Shareholder Mandate for Recurrent Related Party Transactions 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 Board may deem fit and expedient in the best interest of the Company.”

14.8 *Proposed Share Buy-Back*

|                        | FOR             |     | AGAINST         |   |
|------------------------|-----------------|-----|-----------------|---|
|                        | Number of votes | %   | Number of votes | % |
| Ordinary Resolution 10 | 22,036,849      | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 11 was duly passed as follows:-

“THAT, subject to the Companies Act, 2016, the Constitution of the Company, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of such relevant government and/or regulatory authorities where necessary, the Company be and is hereby authorized to purchase its own ordinary shares (“Shares”) on Bursa Securities (“Proposed Share Buy-Back”) at any time, upon such terms and conditions as the Board of Directors (“Board”) shall in their discretion deem fit and expedient in the best interest of the Company provided that:-

- (a) The aggregate number of Shares in the Company which may be purchased and/or held by the Company shall not exceed ten percent (10%) of the prevailing total number of issued shares of the Company at the time of purchase and the compliance with the public shareholding spread requirements as stipulated in Paragraph 8.02(1) of the Listing Requirements or such other requirements as may be determined by Bursa Securities from time to time;
- (b) The maximum funds to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the Company’s latest audited retained profits of RM4,984,411 as at 30 September 2017;
- (c) The authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:-
  - (i) the conclusion of the next Annual General Meeting (“AGM”) at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or



- (ii) the expiration of the period within which the next AGM after that date 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; and

- (d) Upon the purchase by the Company of its own Shares, the Board be and is hereby authorized to:-
  - (i) cancel all or part of the Shares purchased pursuant to the Proposed Share Buy-Back ("Purchased Shares"); and/or
  - (ii) retain all or part of the Purchased Shares as Treasury Shares; and/or
  - (iii) distribute the treasury shares as share dividends to the Company's shareholders for the time being; and/or
  - (iv) resell all or part of the treasury shares on Bursa Securities; and/or
  - (v) transfer all or part of the treasury shares for the purpose of or under an employees' share scheme; and/or
  - (vi) transfer all or part of the treasury shares as purchase consideration; and/or
  - (vii) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister may by order prescribe.

AND that authority be and is hereby given to the Board to take all such steps as necessary 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 Board may deem fit and expedient in the best interest of the Company."

14.9 *Retention of Independent Director*

| Ordinary Resolution 11 | FOR             |     | AGAINST         |   |
|------------------------|-----------------|-----|-----------------|---|
|                        | Number of votes | %   | Number of votes | % |
| Tier 1                 | 7,900,000       | 100 | 0               | 0 |
| Tier 2                 | 14,136,849      | 100 | 0               | 0 |

The Acting Chairman declared that Ordinary Resolution 11 was duly passed as follows:-

"That Mr. Lee Kok Wei who have served the Board for more than twelve years be retained as Independent Non-Executive Director of the Company."

14.10 *Proposed Adoption of a new Constitution of the Company*

|                      | FOR             |        | AGAINST         |   |
|----------------------|-----------------|--------|-----------------|---|
|                      | Number of votes | %      | Number of votes | % |
| Special Resolution 1 | 22,036,849      | 100.00 | 0               | 0 |

The Acting Chairman declared that the following Special Resolution 1 was duly passed as follows :-

“THAT approval be and is hereby given to revoke the existing Constitution of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company, as set out in Appendix III of the Circular to Shareholders dated 31 January 2019, be and is hereby adopted as the Constitution of the Company.

AND THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as are necessary and/or expedient in order to give full effect to the Proposed Adoption with full powers to assent to any conditions, modifications and/or amendments as may be required by any relevant.”

**TERMINATION**

There being no other business, the meeting terminated at 12:00 noon with a vote of thanks to the Chair.

SIGNED

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CHAIRMAN