

PACIFIC & ORIENT BERHAD
(Company No. 308366-H)

SUMMARY OF KEY MATTERS DISCUSSED AT THE 24TH ANNUAL GENERAL MEETING (“AGM” OR “MEETING”) OF THE COMPANY HELD AT CONCORDE BALLROOM, LOBBY LEVEL, CONCORDE HOTEL KUALA LUMPUR, 2 JALAN SULTAN ISMAIL, 50250 KUALA LUMPUR ON FRIDAY, 23RD FEBRUARY 2018 AT 10.30 A.M.

PRESENT:

Dato’ Dr. Zaha Rina binti Zahari	–	Chairman of the Meeting
Mr. Chan Thye Seng	–	Managing Director & Chief Executive Officer
Tunku Dato’ Mu’tamir bin Tunku Tan Sri Mohamed	–	Director & Shareholder
Mr. Michael Yee Kim Shing	–	Director & Shareholder

ABSENT WITH APOLOGIES: Mr. Chan Hua Eng – Chairman of the Company

SHAREHOLDERS: As per attendance list

PROXIES: As per attendance list

BY INVITATION: As per attendance list

IN ATTENDANCE: Mr. Yong Kim Fatt – Secretary

QUORUM

The Chairman commenced the Meeting as the requisite quorum for the Meeting was present in accordance with the Company’s Constitution.

1. CHAIRMAN'S ADDRESS

The Chairman welcomed the Directors and shareholders attending the Meeting and thereupon briefed the shareholders on the procedures to be followed at the Meeting.

The Chairman informed that she was appointed to chair the Meeting in the absence of Mr. Chan Hua Eng, who sends his apologies for not being able to attend and chair the Meeting.

The Chairman further informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), all resolutions set out in the notice of any general meeting were to be voted upon by poll, and the Company was required to appoint at least 1 scrutineer to validate the votes cast.

The Chairman further informed that in compliance with the Listing Requirements, the Company had appointed Mega Corporate Services Sdn Bhd as the Poll Administrator to conduct the polling process, and Mega Business Consultancy as Scrutineer to verify the poll results. The polling process for the resolutions would be conducted upon completion of deliberation of all items to be transacted at the Meeting.

The Chairman then informed that she would proceed with the agenda proper and deal with the questions from the members, if any, at the end of the each item of the agenda.

2. AGENDA 1 THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017 AND THE REPORTS OF THE DIRECTORS AND AUDITORS

The Chairman declared that the Audited Financial Statements for the financial year ended 30 September 2017 together with the Reports of the Directors and Auditors as set on pages 55 to 181 of the Annual Report 2017 as received and duly tabled at the Meeting.

The Meeting deliberated on this item. In summary, the issues raised by the shareholders/proxies were responded to by the Company as follows:

(i) Question From Shareholder

Can the management explain why the Company's dividend is dwindling?

Also why the Company's share price does not seem to be going up and there is no capital appreciation at all?

Company Response

There is not a great difference in the dividend amount declared/paid in the financial year ended 30 September 2017 compared to the previous year.

As for the share price appreciation, it depends on the market perception of the shares held by the shareholders. Pacific & Orient Berhad has always been a very quietly held company with small shareholders.

(ii) Question From Shareholder

The share price is not appreciating. Is this also due to the performance of the Group ?

Company Response

Yes, these are very tough times in Malaysia. The Company's main insurance subsidiary is facing a lot of competition in the insurance industry in particular, from multinationals in Malaysia. However, steps are being taken to improve the growth of the insurance subsidiary, one of which is the creation of a payment portal for online insurance production.

There being no further queries raised for discussion, the Meeting proceeded to the next item on the agenda.

**3. AGENDA 2
AGGREGATE DIRECTORS' FEES OF AN AMOUNT NOT EXCEEDING
RM300,000 FOR THE PERIOD FROM 1 OCTOBER 2017 TO THE NEXT
ANNUAL GENERAL MEETING OF THE COMPANY**

Pursuant to Section 230 of the Companies Act 2016, the fees of the directors payable to the Directors shall be approved at a general meeting.

The aggregate Directors' Fees of an amount not exceeding RM300,000 for the period from 1 October 2017 to the next AGM of the Company was approved by the shareholders.

No matter was raised by the shareholders of the Company on this agenda.

**4. AGENDA 3
AGGREGATE DIRECTORS' BENEFITS (EXCLUDING DIRECTORS' FEES)
OF AN AMOUNT NOT EXCEEDING RM50,000 FOR THE PERIOD FROM
1 OCTOBER 2017 TO THE NEXT ANNUAL GENERAL MEETING OF THE
COMPANY**

Pursuant to Section 230 of the Companies Act 2016, any benefits payable to the Directors shall be approved at a general meeting.

The aggregate Directors' benefits (excluding Directors' Fees) of an amount not exceeding RM50,000 for the period from 1 October 2017 to the next AGM of the Company was approved by the shareholders.

No matter was raised by the shareholders of the Company on this agenda.

**5. AGENDA 4
RE-ELECTION OF DATO' DR. ZAHA RINA BINTI ZAHARI WHO RETIRES
IN ACCORDANCE WITH THE COMPANY'S CONSITUTION**

The re-election of Dato' Dr. Zaha Rina Binti Zahari as Director of the Company, who retires pursuant to Article 82 of the Company's Constitution was approved by the shareholders.

No matter was raised by the shareholders of the Company on this agenda.

**6. AGENDA 5
RE-APPOINTMENT OF MR. CHAN HUA ENG AS DIRECTOR OF THE
COMPANY**

The re-appointment of Mr. Chan Hua Eng to continue to act as Director of the Company and his continuation in office subject to retirement by rotation in accordance with the Company's Constitution was approved by the shareholders.

No matter was raised by the shareholders of the Company on this agenda.

**7. AGENDA 6
RE-APPOINTMENT OF TUNKU DATO' MU'TAMIR BIN TUNKU TAN SRI
MOHAMED AS DIRECTOR OF THE COMPANY**

The re-appointment of Tunku Dato' Mu'tamir bin Tunku Tan Sri Mohamed to continue to act as Director of the Company and his continuation in office subject to retirement by rotation in accordance with the Company's Constitution was approved by the shareholders.

No matter was raised by the shareholders of the Company on this agenda.

**8. AGENDA 7
RE-APPOINTMENT OF MR. MICHAEL YEE KIM SHING AS DIRECTOR OF
THE COMPANY**

The re-appointment of Mr. Michael Yee Kim Shing to continue to act as Director of the Company and his continuation in office subject to retirement by rotation in accordance with the Company's Constitution was approved by the shareholders.

No matter was raised by the shareholders of the Company on this agenda.

**9. AGENDA 8
RE-APPOINTMENT OF MESSRS ERNST & YOUNG AS AUDITORS AND TO
AUTHORISE THE BOARD OF DIRECTORS TO FIX THEIR
REMUNERATION**

The re-appointment of Messrs Ernst & Young as Auditors of the Company on a remuneration to be determined by the Board of Directors of the Company was approved by the shareholders of the Company.

No matter was raised by the shareholders of the Company on this agenda.

**10. AGENDA 9
PROPOSED BONUS ISSUE OF 40,992,333 NEW ORDINARY SHARES IN THE
COMPANY ON THE BASIS OF 1 BONUS SHARE FOR EVERY 6 EXISTING
SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED
LATER ("THE PROPOSED BONUS ISSUE")**

The Chairman explained to the shareholders present that the abovementioned resolution, if passed, would allow the Company to issue 40,992,333 new ordinary shares ("Bonus Shares") in the Company to the existing shareholders on the basis of 1 bonus share for every 6 existing shares held on the entitlement date.

The Proposed Bonus Issue entails the issuance of Bonus Shares via the capitalisation of RM0.50 for each bonus share entirely from the share premium of the Company as at 31 January 2017, being the date immediately before the coming into effect of the Companies Act 2016.

(i) Questions from Shareholder

When will the shareholders be allotted with the Bonus Shares?

Company Response

The whole exercise of the Proposed Bonus Issue is expected to be completed within a month's time.

The Proposed Bonus Issue was approved by the shareholders.

There being no further queries raised for discussion, the Meeting proceeded to the next item on the agenda.

**11. AGENDA 10
AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016
TO ALLOT AND ISSUE SHARES**

The Chairman explained to the shareholders present that the abovementioned resolution, if passed, would allow the Company to procure the renewal of the general mandate which would give authority to the Directors of the Company, from the date of the AGM, to issue and allot shares in the Company up to and not exceeding in total ten percent (10%) of the issued shares of the Company for the time being, for such purposes as they considered would be in the interest of the Company. This authority, unless revoked or varied at a general meeting, would expire at the conclusion of the next AGM of the Company. The renewed general mandate would provide flexibility to the Company for any possible fund raising activities, including but not limited to shares placement, funding future investment, working capital and/or acquisition.

The authority under Sections 75 and 76 of the Companies Act 2016 to issue shares was approved by the shareholders.

No matter was raised by the shareholders of the Company on this agenda.

**12. AGENDA 11
PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY THE
COMPANY OF ITS OWN SHARES**

The Chairman explained to the Meeting the purpose of the resolutions. The resolution, if passed, would empower the Directors of the Company to purchase the Company's shares up to ten percent (10%) of the issued shares of the Company by utilising the funds allocated which should not exceed the total retained earnings and share premium of the Company. This authority, unless revoked or varied at a general meeting, would expire at the conclusion of the next AGM of the Company.

The proposed renewal of authority for the purchase by the Company of its own shares was approved by the shareholders.

No matter was raised by the shareholders of the Company on this agenda.

**13. AGENDA 12
 RETENTION OF TUNKU DATO' MU'TAMIR BIN TUNKU TAN SRI
 MOHAMED AS INDEPENDENT DIRECTOR**

The retention of the following Directors as Independent Directors of the Company were approved by the shareholders:

- (i) Tunku Dato' Mu'tamir bin Tunku Tan Sri Mohamed
- (ii) Mr. Michael Yee Kim Shing

No matter was raised by the shareholders of the Company on this agenda.

14. POLL RESULTS

The following resolutions tabled at the Meeting which were noted upon by poll, were duly passed by the shareholders:

Resolutions	Vote in Favour		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<u>Resolution 1</u> To approve Directors' fees	87,211,398	99.9973	2,368	0.0027	Carried
<u>Resolution 2</u> To approve Directors' benefits	87,211,398	99.9973	2,368	0.0027	Carried
<u>Resolution 3</u> To re-elect Dato' Dr. Zaha Rina Binti Zahari as Director	87,611,398	99.9973	2,368	0.0027	Carried
<u>Resolution 4</u> To re-elect Mr. Chan Hua Eng as Director	87,697,666	99.9788	18,638	0.0212	Carried
<u>Resolution 5</u> To re-elect Tunku Dato' Mu'tamir bin Tunku Tan Sri Mohamed as Director	87,499,098	99.9832	14,668	0.0168	Carried

Resolutions	Vote in Favour		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<p><u>Resolution 6</u></p> <p>To re-elect Mr. Michael Yee Kim Shing as Director</p>	87,501,466	99.9859	12,300	0.0141	Carried
<p><u>Resolution 7</u></p> <p>To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration</p>	87,713,766	100	0	0.00	Carried
<p><u>Resolution 8</u></p> <p>Proposed Bonus Issue of 40,992,333 new ordinary shares on the basis of 1 Bonus Share for every 6 existing shares held on an entitlement date to be determined later</p>	87,707,666	99.9930	6,100	0.0070	Carried
<p><u>Resolution 9</u></p> <p>Authority under Sections 75 and 76 of the Companies Act 2016 to allot and issue shares</p>	87,713,666	99.9970	2,638	0.0030	Carried
<p><u>Resolution 10</u></p> <p>Proposed Renewal of authority for the purchase by the Company of its own shares</p>	87,698,766	99.9800	17,538	0.0200	Carried

Resolutions	Two-Tier Voting	Vote in Favour		Vote Against		Results
		No. of Shares	%	No. of Shares	%	
<u>Resolution 11</u> To retain Tunku Dato' Mu'tamir bin Tunku Tan Sri Mohamed as Independent Director	Tier 1 – Large Shareholders	83,232,436	100	0	0.00	} Carried
	Tier 2 – Other Shareholders	4,266,662	99.6574	14,668	0.3426	
<u>Resolution 12</u> To retain Mr. Michael Yee Kim Shing as Independent Director	Tier 1 – Large Shareholders	83,232,436	100	0	0.00	} Carried
	Tier 2 – Other Shareholders	4,265,030	99.6193	16,300	0.3807	

15. **CONCLUSION**

There being no further queries from the shareholders, the Meeting concluded at 12.00 noon with a vote of thanks to the Chair.