



HO WAH GENTING BERHAD (272923-H)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTY FIFTH ANNUAL GENERAL MEETING HELD AT MANDARIN A, MANDARIN COURT HOTEL, KUALA LUMPUR, NO. 55, JALAN MAHARAJALELA, 50150 KUALA LUMPUR ON WEDNESDAY, 30 MAY 2018 AT 09:30 A.M.

Present	: Datuk William Teo Tiew	-Executive Chairman
	: Dato' Lim Ooi Hong	-Managing Director/CEO
	: Dato' Mohd Shahar Bin Abdul Hamid	-Independent Non-Executive Director
	: Mr. Lim Wee Kiat	-Executive Director
	: Mr. Tee Lay Peng	-Independent Non-Executive Director
	: Mr. Wong Tuck Jeong	-Independent Non-Executive Director
	: Ms. Elaine Tan Ai Lin	-Independent Non-Executive Director
In attendance	: Coral Hong Kim Heong	- Company Secretary
By Invitation	: Symphony Share Registrars Sdn Bhd	-Share Registrars and Poll Administrator
	Malaysian Issuing House Sdn Bhd	-Scrutineers
	Russel Bedford LC & Co	-Auditors
Shareholders	: 23 members present in person and 11 members present by proxies.	

No. Items

AGM 25/1 PRELIMINARY

Datuk William Teo presided as Chairman of the Meeting and he extended a warm welcome to everyone present at the Meeting.

AGM 25/2 QUORUM

The requisite quorum being present in accordance with Article 67 of the Company's Articles of Association, the Chairman declared the Meeting duly convened.

AGM 25/3 NOTICE

The Notice convening the Meeting having been previously circulated to all shareholders and advertised in *New Straits Times* on 30 April 2018 within the prescribed period was taken as read.

No. Items

MEETING PROCEDURES

Prior to proceeding to the agenda of the meeting, the Chairman briefed shareholders on the procedures of the meeting including voting, Chairman's entitlement for casting vote and the rights of shareholder and proxy to vote and speak.

Subsequently, the Chairman informed that Pursuant to requirement in Paragraph 8.29A of Bursa Malaysia Listing Requirements, voting was by Poll. The poll would be conducted electronically on Resolutions 1 to 11 as set out in the Notice of Meeting dated 30 April 2018, and would be taken after tabling all the agendas.

The Chairman highlighted that Resolution 8 on retention of Mr. Wong Tuck Jeong as Independent Director would be voted through a two-tier voting process.

The shareholders were also informed that the Share Registrar of the Company was the Poll administrator to conduct the polling process and Messrs Malaysian Issuing House Sdn Bhd was appointed as Scrutineer to verify the vote cast and compilation of results.

AGM 25/4 AUDITED FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND AUDITORS

The Chairman informed that the Audited Financial Statements for the financial year ended 31 December 2017 were duly audited by the Auditors and approved by the Board of Directors. This agenda was meant for discussion only and does not require shareholders' vote. The Chairman briefed the shareholders on the Group's business operations in the financial year ended 31 December 2017 as follows:

Financial Performance and Review of Operations

In the financial year ended 31 December 2017, the Group recorded revenue was RM156.56 million (2016 was RM148.10 million) and loss before taxation was RM22.86 million (2016 was RM19.54 million).

The higher revenue recorded in financial year 2017 was due to favourable currency conversion effect from USD to RM and the increased sales of USD1.53 million in our core business, the Moulded Power Supply Cord Sets Division in Indonesia. The average exchange rate used in the financial year 2017 was RM4.3175/USD as compared to the preceding year of RM4.1300/USD.

The higher losses before taxation of RM22.86 million recorded in the financial year 2017 was mainly due to impairment losses provided on mine properties, plant and machinery and fixtures and equipment of RM16.69 million as compared to its preceding

No.

Items

year's impairment loss of RM9.53 million for the Tin Mining Division. However, the higher losses were mitigated by profit before taxation of RM5.30 million achieved by the Moulded Power Supply Cord Sets Division as compared to a loss before taxation of RM0.81 million in the previous financial year.

The Group's revenue was mainly derived from the manufacturing of wire and cable and moulded power supply cord sets and cable assemblies for electrical and electronics devices and equipment, which constituted approximately 97% of the Group's total revenue for the financial year 2017, with the US, being the biggest market contributing approximately 91% of the Group's total revenue.

The recovery in the US economy pushes higher the demand for housing market, improves the employment rate and leads to higher consumer spending. All these factors may have a favourable effect to our Manufacturing Division as the sales to US accounts for majority of the Group's revenue.

However, the Management was of the opinion that business operations in the Manufacturing Division remain challenging in view of the intense competition in the US market, rising inflationary cost in Indonesia, especially the compulsory annual increment of wages and salaries, high volatility of copper price and working capital requirement.

To counter these unfavourable conditions, the Moulded Power Supply Cord Sets Division will continue to focus on lean manufacturing process for better operational productivity, improve efficiencies, and improve product quality in order to be more competitive to attract more customers.

The Tin Mining Division has temporarily halted its mining activities during the financial year due to low grades of tin ore recovered. The higher loss before taxation of RM18.18 million incurred for financial year 2017 was mainly due to the impairment of "mines properties" of RM9.01 million and "plant, machineries, fittings and equipment" at site of RM7.68 million. The Division also wrote off its obsolete consumable inventories of RM0.21 million.

Going forward, the Tin Mining Division is likely to underperform until new area of high tin ore grade is identified and/or tailings operation commenced after obtaining the necessary approvals from relevant authorities.

On the Group's recent diversification into "Travel Retail Business" via our 49% owned

No. Items

associate company, Dufry HWG Shopping Sdn Bhd, the Board is pleased to inform that Dufry HWG Shopping Sdn Bhd had since commenced business in February 2018 under the name of “Plaza A Dufry Store” at SkyAvenue Mall at Genting Highlands. The Board is hopeful that this new venture will provide additional income stream to the Group in the near future.

The Chairman invited questions from the floor and there was no question raised by shareholders present.

AGM 25/5 DIRECTORS’ FEES – Resolution 1

Resolution 1 was to approve the payment of RM157,857 as Directors’ fees and benefits payable for the financial year ended 31 December 2017. The resolution was duly proposed and seconded by shareholder/proxy from the floor. No question was raised by the shareholders.

AGM 25/6 DIRECTORS’ FEES (2018) AND MEETING ALLOWANCE – Resolution 2

Resolution 2 was to approve the payment of Directors’ fees of RM30,000 per annum and meeting allowance of RM500 per day per non-executive director for the financial year ending 31 December 2018. The resolution was duly proposed and seconded by shareholder/proxy from the floor. No question was raised by the shareholders.

AGM 25/7 RE-ELECTION OF DIRECTORS - Resolution 3 – Re-election of Mr. Wong Tuck Jeong

Mr. Wong Tuck Jeong was retiring pursuant to Article 99 of the Company’s Articles of Association and being eligible for re-election, had offered himself to be re-elected to the Board. The resolution was duly proposed and seconded by shareholder/proxy from the floor. No question was raised by the shareholders.

AGM 25/8 RE-ELECTION OF DIRECTORS - Resolution 4 – Re-election of Mr. Tee Lay Peng

Mr. Tee Lay Peng was retiring pursuant to Article 99 of the Company’s Articles of Association and being eligible for re-election, had offered himself to be re-elected to the Board. The resolution was duly proposed and seconded by shareholder/proxy from the floor. No question was raised by the shareholders.

AGM 25/9 RE-ELECTION OF DIRECTORS - Resolution 5 – Re-election of Mr. Lim Wee Kiat

Mr. Lim Wee Kiat was retiring pursuant to Article 99 of the Company’s Articles of Association and being eligible for re-election, had offered himself to be re-elected to the Board. The resolution was duly proposed and seconded by shareholder/proxy from the floor. No question was raised by the shareholders.

No. *Items*
AGM 25/10 RE-APPOINTMENT OF AUDITORS - Resolution 6

Resolution 6 was to re-appoint the retiring auditors, Messrs Russell Bedford LC & Company who had indicated their willingness to continue in office. The resolution was duly proposed and seconded by shareholder/proxy from the floor. No question was raised by the shareholders.

AGM 25/11 ORDINARY RESOLUTION – Resolution 7

- **Authority To Allot Shares Pursuant To Section 76 Of The Companies Act, 2016 (“The Act”)**

Resolution 7 was to approve an Ordinary Resolution to authorize the Directors to issue new shares pursuant to Section 76 of the Companies Act, 2016. This authority, unless revoked or varied at a general meeting, would expire at the next Annual General Meeting of the Company. The resolution was duly proposed and seconded by shareholder/proxy from the floor. No question was raised by the shareholders.

AGM 25/12 ORDINARY RESOLUTION – Resolutions 8 to 10

- **Retention Of Independent Non-Executive Directors**

Resolutions 8 to 10 were to retain Mr. Wong Tuck Jeong, Mr. Tee Lay Peng and Dato’ Mohd Shahar Bin Abdul Hamid as Independent Non-Executive Directors of the Company pursuant to Recommendation 4.3 in the Malaysian Code of Corporate Governance 2017.

The Chairman explained that Mr. Wong has been in office for more than 12 years whilst Mr. Tee and Dato’ Mohd Shahar have been in office for more than 9 years. The Board had assessed the status of independence of Mr. Wong, Mr. Tee and Dato’ Mohd Shahar and was satisfied that they have been and could continue to bring independent and objective judgment to Board deliberations and decisions.

AGM 25/13 ORDINARY RESOLUTION – Resolution 11

- **Renewal of and New Shareholder Mandate for Recurrent Related Party Transaction**

Resolution 11 was to obtain mandate from the shareholders for the Company and its subsidiaries to enter into recurrent related party transaction in the normal course of business of the Group with specified related parties which are transacted from time to time, provided that the transaction is carried out on normal commercial terms and are not prejudicial to the shareholders on terms not more favourable to the related parties than those generally available to the public and is not detrimental to the minority shareholders

No.
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of the Company. A circular on the aforesaid recurrent related party transactions was sent to shareholders on 30 April 2018.

Details of the estimated transactions are in page 4 of the said Circular to shareholders dated 30 April 2018. The Chairman invited questions from the floor, but there were no questions raised by the shareholders. The resolution was duly proposed and seconded by shareholder/proxy from the floor.

COMMENCEMENT OF POLLING

The Chairman then explained to the shareholders the procedures for the electronic polling process and the polling began with Scrutineers present monitoring the process.

Upon completion of the voting, the Share Registrar and the Scrutineers proceeded with the counting and verification of votes casted.

ANNOUNCEMENT OF POLLING RESULTS

At 10:12 a.m. the Chairman called the Meeting to order for declaration of the poll results. The results verified by the Scrutineers was announced by the Chairman as follows:

Resolution	FOR			AGAINST			TOTAL			ABSTAIN		Results
	Received	No. of Shares	%	Received	No. of Shares	%	Received	No. of Shares	%	Received	No. of Shares	
1	28	71,425,898	99.98	2	12,500	0.018	30	71,438,398	100	0	0	Carried
2	26	70,173,398	98.23	4	1,265,000	1.770	30	71,438,398	100	0	0	Carried
3	26	70,173,398	98.23	3	1,262,500	1.767	29	71,435,898	100	1	2,500	Carried
4	26	70,173,398	98.23	3	1,262,500	1.767	29	71,435,898	100	1	2,500	Carried
5	28	71,425,898	99.98	2	12,500	0.018	30	71,438,398	100	0	0	Carried
6	28	71,425,898	99.98	2	12,500	0.018	30	71,438,398	100	0	0	Carried
7	27	71,423,398	99.98	3	15,000	0.02	30	71,438,398	100	0	0	Carried
8-1 st Tier	2	62,876,700	100	0	0	0	2	62,876,700	100	0	0	Carried
8-2 nd Tier	24	7,296,698	85.23	4	1,265,000	14.78	28	8,561,698	100	0	0	Carried
9	26	70,173,398	98.23	4	1,265,000	1.771	30	71,438,398	100	0	0	Carried
10	27	70,175,898	98.23	3	1,262,500	1.767	30	71,438,398	100	0	0	Carried
11	23	7,858,598	99.84	2	12,500	0.159	25	7,871,098	100	5	63,567,300	Carried

A copy of the above results was display on the screen in the meeting room.

Based on the poll results verified by the Scrutineers, the Chairman declared that Resolutions number 1 to 11 were carried.

AGM 25/14 TERMINATION

There being no further business, the meeting terminated at 10:18 a.m. with a vote of thanks to the Chair.