

MALAYSIA BUILDING SOCIETY BERHAD (9417-K)
(Incorporated in Malaysia)

MINUTES of the 49th Annual General Meeting of Malaysia Building Society Berhad (9417-K) held at Grand Nexus, Level 3A, Connexion@Nexus, Bangsar South City, No 7 Jalan Kerinchi, 59200 Kuala Lumpur on Tuesday, 11 June 2019 at 10.00 a.m.

<i>Present:</i>	Tan Sri Abdul Halim Ali Encik Lim Tian Huat Ir. Moslim bin Othman Puan Lynette Yeow Su-Yin	Chairman Independent Non-Executive Director Independent Non-Executive Director Independent Non-Executive Director
<i>In Attendance:</i>	Datuk Seri Ahmad Zaini Othman	President and Chief Executive Officer
<i>Secretary:</i>	Cik Tina Koh Ai Hoon	Company Secretary
<i>Others</i>	(Guests, shareholders and proxies as per list attached)	

OPENING

Y. Bhg. Tan Sri Abdul Halim bin Ali (“Tan Sri Chairman”) chaired the meeting. Tan Sri Chairman welcomed all present to the 49th Annual General Meeting of the Company and called the Meeting to order at 10.00 a.m.

Tan Sri Chairman also informed that the directors of the subsidiary company, MBSB Bank Berhad were also present in the meeting.

QUORUM

Upon the request by Tan Sri Chairman, the Secretary confirmed that the quorum was met.

PROXIES

The Secretary informed that the following Forms of Proxy have been received:-

- Form of Proxy appointing Muhammad Izham bin Rusli and Shah Rani binti Zakaria, or failing either, Geetha A/P Ravindran to vote for and on behalf of Lembaga Kumpulan Wang Simpanan Pekerja (“KWSP”) who holds 4,074,474,995 shares representing 63.77% of the total shareholdings in the Company.
- A total of 1,391 proxy forms were received from the shareholders.

NOTICE

The Notice convening the Meeting having been circulated within the prescribed period, was with the permission of the Meeting, taken as read.

POLL VOTE

1. Tan Sri Chairman briefed the shareholders, corporate representatives and proxies of their right to speak and vote on resolutions as set out in the notice of AGM dated 30 April 2019.
2. In line with the Para 8.29A of the Main Market Listing Requirements and pursuant to Article 65 of the Company's Constitution, Tan Sri Chairman informed that the voting at the 49th AGM would be conducted on a poll.
3. Tan Sri Chairman informed that the Company had appointed the share registrar Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") to act as poll administrator to conduct the polling process.
4. Tan Sri Chairman further informed that the Company had appointed Coopers Professional Scrutineers Sdn Bhd to act as Scrutineers to verify the poll results. The poll would be conducted when the deliberations on all items to be transacted at this meeting was completed.

PRESENTATION OF COMPANY PERFORMANCE AND REPLY TO MSWG QUERIES

1. Tan Sri Chairman invited the President and Chief Executive Officer ("PCEO") of the company, Datuk Seri Ahmad Zaini bin Othman ("Datuk Seri Zaini") to present the snapshot of the Company's performance for the year 2018.
2. Datuk Seri Zaini then presents the answers to the queries raised by Minority Shareholder Watchdog Group ("MSWG").

ORDINARY BUSINESS

1.0 TO RECEIVE THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY AND OF THE GROUP FOR THE YEAR ENDED 31 DECEMBER 2018 AND REPORTS OF THE DIRECTORS AND AUDITORS THEREON

Tan Sri Chairman informed that Agenda item 1 was meant for discussion only. The provision of Section 340 (1) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. As such, Agenda item 1 was not put forward for voting.

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

1. **Questions from Mr Tony Huang (Shareholder)**
 - i. There are news reports on scam cases related to ANGKASA scheme? Is MBSB adversely affected by the scam?
 - ii. In relation to the impairment in Q1 2019, are these impaired accounts attributable to the financing accounts transferred from Asian Finance Bank (AFB)?

Company Response

- i. Datuk Seri Zaini informed that MBSB Bank has a strict process in checking the customer information and check with the employer directly to verify

information such as salary etc. Datuk Seri Zaini pointed out that the scam affects certain koperasi and not banks. The management has reminded the business and operation to follow the process in place strictly to prevent scam cases.

- ii. Datuk Seri Zaini informed that the impact of impairment of the accounts originated from AFB was minimal as the financing portfolio was not big and few affected accounts have already been provided for.

2. **Questions from Mr Raymond Chu (Shareholder)**

- i. I want to know if MBSB Bank is fully equipped with facilities to be on par with other banks e.g. ATM? The number of ATM of MBSB Bank is very limited.
- ii. How the company plans to collect the Non-Performing Loan (NPL)/ Non Performing Financing (NPF)?

Company Response

- i. Datuk Seri Zaini informed that MBSB Bank currently has MEPS services and customer can do banking transaction with MBSB Bank by using other Bank's ATM machine with MEPS services.
- ii. Datuk Seri Zaini informed that MBSB Bank has collection team for NPL/ NPF and also engage with collection agency. Datuk Seri Zaini pointed out that collection for retail customer is challenging. For mortgage customer, collection agency can only be appointed after the property is auctioned. For personal financing, collection agency can only be appointed if MBSB Bank is not able to do the tracing. To tackle the issue of NPL/NPF, management has increase the staff during early care phase to contact the customers before they deteriorate to non-performing.

3. **Questions from Ms Mithra (Shareholder)**

- i. Notice that no booth promoting MBSB Bank products at the AGM. Suggest to do it next year.
- ii. How MBSB going to market Islamic banking products to non-Muslim? From observation, there are not many non-Muslim customers in Bank Islam Sri Petaling branch. The marketing of the Bank's products was not strong enough as information about MBSB Bank's products could only be found in website.
- iii. What is the targeted portfolio mix in the future? The current portfolio comprise of 75% retail and 25% corporate. I also notice that government servant are still a major client base for MBSB, what is the targeted client mixture?

Company Response

- i. Datuk Seri Zaini informed that the management will take note on the suggestion.

- ii. Datuk Seri Zaini informed that it is not an issue for non-Muslim to obtain Islamic banking products. MBSB Bank has corporate customer and mortgage customers who were non-muslim. MBSB Bank offers and market product based on the product strength and the Islamic principle is embedded in the product itself. Datuk Seri Zaini agreed that more marketing and promotion need to be done and the website could be enhanced and improved further to push MBSB Bank to be the forefront in giving product solution.
- iii. Datuk Seri Zaini explained that the targeted portfolio balance is 60% retail and 40% corporate. Currently the portfolio mixture is about 65% retail and 35% corporate. Government servant will continue to play key role in MBSB Bank. MBSB Bank is the only bank that has ANGKASA salary deduction capability. MBSB Bank will not lose this opportunity and will continue to use it to strengthen the Bank's position.

Moving forward, the Bank will not just offer personal financing to government servant but will also offer other banking products such as takaful to create more value to the customer. The Bank also looking at the ideas to tackle certain segmentation of government servant and wallet sizing. The management believes that the Bank will be able to do this well with banking platform.

4. **Questions from Mr Muniandy Karishnan (Shareholder)**

- i. Commented that aggressive promotion needed to achieve the key objectives. Suggested to waive annual fees on debit card issuance to attract senior citizens and come up with a promotion to attract senior citizen to place deposit with MBSB Bank.
- iii. Heard there are 2 news about cash call and placement by MBSB. Please clarify.

Company Response

- i. Datuk Seri Zaini informed that about RM12-13 million was allocated last year for promotion and rebranding of MBSB Bank and its products and services. More aggressive promotion and marketing will be done in the future.
- ii. Encik Tang Yow Sai ("Encik Tang") informed that the news reports may refer to issuance of Sukuk by MBSB Bank and not a cash call. The details of the Sukuk issuance will be announced later this year.

5. **Questions from Mr Lim Gee Tiong (Shareholder)**

- i. What is the particular sector the Bank currently pursuing or focusing? Any target ratio for next 3 years?
- ii. What is the target on NPL rate?
- iii. What are the details on the sectorial performance?

Company Response

- i. Datuk Seri Zaini informed that MBSB's strategy is to ensure the existing core businesses such as personal financing, corporate financing and mortgage be retained. MBSB have technical teams to support these core businesses.

For personal financing, the management will strengthen the business by focus on certain segmentation e.g income criteria and improve the credit scoring methodology. MBSB will still continue to provide personal financing.

In 2019, the management will look on how to enhance new banking products e.g. trade finance, treasury products and services which were not available previously and grow more new income stream. The income from new business was only about 3% in 2018. MBSB targets to achieve more income from new business in 2019. For the past year, the management has been focusing on building new capabilities. The management hopes to capitalize these new capabilities over the next 12 months and present a better position next year.

- ii. Datuk Seri Zaini informed that there is no meaningful sectorial performance could be given under the new banking platform as the income derived from the new banking products is still small. Will show some breakdown on sectorial performance next year.

6. **Questions from Mr Choo Yeong Seang (Shareholder)**

- i. Noted that 16 technology and digital initiatives have been delivered. What are the 3 most impactful digital initiatives that contribute positively to the business?

Company Response

- i. Datuk Seri Zaini informed that 3 most impactful technology and digital initiatives are internet banking, cash management solution (important for transactional banking trade finance capabilities and improve CASA position) and IT security and data protection to safeguard Banks' credibility.

7. **Questions from Encik Rein Hashim (Shareholder)**

- i. Noted that the reason of impairment for personal financing due to staff resignation. At what point the account considered impaired? Any legal measure to recover the outstanding of impaired accounts? What is the impairment amount for retail in 1QFY2019?
- ii. When instant transfer services will be available for MBSB Bank?
- iii. Why MBSB share is not considered as Shariah compliant counter in Bursa?

Company Response

- i. Datuk Seri Zaini informed that impairment and provision will be made based on accounting standards. MBSB Bank will proceed with recovery action including legal action on those impaired accounts. For mortgage accounts, MBSB will proceed with foreclosure. As for personal financing, MBSB will proceed with all legal means to recover the outstanding. The expected credit loss under retail was about RM30 – RM35 million in 1QFY2019.

- ii. Datuk Seri Zaini informed that instant transfer services is already available in MBSB Bank.
- iii. Datuk Seri Zaini informed that MBSB still has conventional loan in the books and hence is not qualify to be shariah compliant counter yet. Conventional loan income is about 20% of total revenue of MBSB Group. The management will do the necessary conversion to Islamic financing for the remaining conventional loan and restructuring to ensure that MBSB is qualify to be shariah compliant counter in the future.

8. **Questions from Ms Wendy (Shareholder)**

- i. Commented that it will be challenging for MBSB Bank to achieve the 300,000 target on the debit card issuance as current debit card customer is 2,700 and MBSB Bank currently has 250,000 CASA. Does MBSB Bank offers product bundling such as CASA to personal financing customer?
- ii. How high is the risk in expanding more on treasury activities? Are the bank is exposed too much on forex risk and would it have big impact on the financials?

Company Response

- i. Datuk Seri Zaini informed that MBSB Bank offers CASA to personal financing customer. The low number of debit card issuance is due to the product was launched last month.
- iii. Datuk Seri Zaini informed that for proprietary trading, the management has set limit on the currency and traders and put in place proper control and safeguard features to mitigate the risk.

Datuk Seri Zaini then informed that most of the forex dealing was linked to trade finance. Before obtain the banking license, our customer requires to obtain forex line from other banks. MBSB Bank now can establish Foreign Exchange Contract (“FEC”) line to customer to meet customer’s requirement and used for genuine transaction. The FEC limit is normally capped at 10% of the total facility limit.

The risk for proprietary trading the risk is higher. As for forex, the risk is much lower. All transactions have its own risk parameters and will be monitored by management on daily basis.

9. **Questions from Mr EY Lim (Shareholder)**

- i. Will MBSB Bank offers services such as FPX, eIPO and eRights?
- ii. For personal financing portfolio, how many percentage is given to government servant? What is the repayment method? How about after resignation?
- iii. Can MBSB Bank take hold of the customer’s asset if the customer fails to pay?
- iv. Referring to page 105 in annual report, there was a huge reduction in cash and short term funds from RM7.7 billion to RM3.4 billion. Most of it was

- due to reduction in money at call and deposit placement maturing within one month. Please explain on the reduction?
- v. Referring to page 107 in annual report, what is the reason for substantial reduction in interest income?
 - vi. Referring to page 177 in annual report, there was a substantial reduction in sundry income from RM51 million to RM11 million. What is sundry income?
 - vii. Referring to page 181 in annual report, the write off of impaired financing was about RM32.9 million. What is the probability of recovery?

Company Response

- i. Datuk Seri Zaini informed that MBSB Bank will not offer eIPO and eRights services as both services are not related to the existing business of MBSB Bank.

Encik Risham Akashah informed that FPX will not be offered as FPX is an old technology. FPX will be replaced by Real Time Payment Processing soon. MBSB Bank has subscribed for Real Time Payment Processing services.
- ii. Datuk Seri Zaini informed that about 80% personal financing portfolio is given to government servant and GLC employees. The payment will be based on direct salary deduction. If the customer resigns, MBSB Bank will not be able to collect the payment via salary deduction. The customer needs to make the payment via other methods e.g. bank-in, over the counter etc.
- iii. Datuk Seri Zaini informed that MBSB Bank will pursue all legal actions to recover the outstanding including filing for bankruptcy and confiscation of unencumbered assets, if necessary. The procedure for recovery is already in place.
- iv. Encik Asrul Hazli Salleh (“Encik Asrul”) informed that the high amount of cash and short term funds in 2017 was to meet prudential measures imposed by BNM on MBSB. MBSB is no longer subject to these prudential measures after acquiring the banking license in April 2018. The management decided to reduce the cash and short term funds in 2018 as the cash and short term funds is causing negative carry for MBSB.
- v. Encik Asrul explained that the reduction in interest income was due to huge conversion of conventional loan to Islamic Financing. In Islamic Financing, profit income will be recognized instead of interest income.
- vi. Encik Tang informed that the sundry income in 2017 was mainly derived from penalty interest. MBSB Bank is not allowed to impose penalty interest under Islamic financing, hence the reduction in penalty interest in 2018. MBSB Bank can only charge ta’widh which was calculated based on actual cost.
- vii. Datuk Seri Zaini informed that MBSB Bank will still pursue all recovery actions even after the account was written off. The probability of recovery is hard to ascertain. The management will assess the accounts and restructure

the accounts if necessary. The recovery effort will always be there until all actions are exhausted. For written off individual accounts, the management will dispose it to asset recovery company after a period of time.

10. **Questions from Encik Rein Hashim (Shareholder)**

- i. Referring to page 111 in annual report, what is the reason of massive reduction in cash generated from operating activities from inflow of RM3.1 billion to outflow of RM2.8 billion?
- ii. Is becoming a bank brings benefits to MBSB and create value to shareholder in view of the high compliance cost incurred?
- iii. Where are the details of directors' remuneration?

Company Response

- i. Encik Asrul explained that the substantial cash used in 2018 was partly due to MBSB Bank is required to place statutory reserve of RM1.0 billion with BNM. The statutory reserve is a requirement by BNM imposed to bank.

The other major reason was due to MBSB is no longer subject to the prudential measures imposed by BNM after acquiring bank license and hence the management decided to reduce the cash and short term funds in 2018 which have high carrying cost. The reduction was not mainly due to actual cash outflow or expenses and was part of the strategy to improve the group's income. Hence, there will be no requirement for cash call.

- ii. Datuk Seri Zaini pointed out that MBSB was previously required to comply with banking regulation environment even without the banking license. Obtaining banking license and comply with the banking regulation environment will be more beneficial to MBSB Group in long term as MBSB will have opportunity to offer complete banking solutions to the customers and new income revenue stream.
- iii. The details of directors' remuneration is stated in Note 38, page 178 – page 180 in annual report

Tan Sri Chairman further informed that the Audited Financial Statements of the Company and of the Group for the year ended 31 December 2018 and Reports of the Directors and Auditors thereon were received.

2.0 TO DECLARE A SINGLE-TIER FINAL DIVIDEND OF 5.0 SEN PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Tan Sri Chairman informed that the Ordinary Resolution No. 1 was to declare a single-tier final dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2018.

Resolution 1 was proposed by Ms. Ng Wing Yee and seconded by Encik Rein Hashim, Tan Sri Chairman informed that the poll vote would be conducted upon completion of the remaining business of the meeting.

3.0 TO APPROVE PAYMENT OF DIRECTORS' FEES AMOUNTING TO RM1,877,013.52 (MBSB : RM839,999.00 AND MBSB BANK : RM1,037,014.52) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Tan Sri Chairman informed that the Ordinary Resolution No. 2 was to approve payment of Directors' Fees amounting to RM1,877,013.52 (MBSB : RM839,999.00 and MBSB Bank : RM1,037,014.52) for the financial year ended 31 December 2018 to be paid to the Directors of MBSB and MBSB Bank.

Resolution 2 was proposed by Encik Tan Ken Tiong and seconded by Ms See Kim Moi, Tan Sri Chairman informed that the poll vote would be conducted upon completion of the remaining business of the meeting.

4.0 TO APPROVE PAYMENT OF BENEFITS (EXCLUDING DIRECTORS' FEES) PAYABLE TO DIRECTORS FROM THE DATE OF THIS AGM UNTIL THE NEXT AGM OF THE COMPANY IN 2020

Tan Sri Chairman informed that the Ordinary Resolution 3 was to approve the payment of benefits (excluding Directors' Fees) payable to Directors from the date of this AGM until the next AGM of the Company in 2020.

Upon the proposal by Encik Lim Choon Wah and seconded by Encik Tan Ken Tiong, Tan Sri Chairman informed that the poll vote would be conducted upon completion of the remaining business of the meeting.

5.0 TO RE-ELECT IR. MOSLIM BIN OTHMAN WHO RETIRE IN ACCORDANCE WITH ARTICLE 86 OF THE COMPAN'S CONSTITUTION AND WHO BEING ELIGIBLE OFFER HIMSELF FOR RE-ELECTION

Tan Sri Chairman informed that the Ordinary Resolution 4 was to re-elect Ir. Moslim bin Othman who retired pursuant to Article 86 of the Company's Constitution.

Upon the proposal by Encik Tan Ken Tiong and seconded by Ms See Su Ang, Tan Sri Chairman informed that the poll vote would be conducted upon completion of the remaining business of the meeting.

6.0 TO APPOINT MESSRS. KPMG PLT AS AUDITORS OF THE COMPANY IN PLACE OF THE RETIRING AUDITORS, MESSRS. ERNST & YOUNG AND TO AUTHORISE THE DIRECTORS TO DETERMINE THEIR REMUNERATION.

Tan Sri Chairman informed that the Ordinary Resolution No. 5 was to appoint Messrs. KPMG PLT as Auditors of the Company in place of the retiring auditors, Messrs. Ernst & Young and to authorise the Directors to determine their remuneration.

Tan Sri Chairman informed that Messrs. KPMG PLT has given their consent to act as statutory auditors of the Company.

Tan Sri Chairman informed that the representatives of Messrs. Ernst & Young were present as required under Section 285 of the Companies Act 2016.

Upon the proposal by Encik Tan Ken Tiong and seconded by Encik Rein Hashim, Tan Sri Chairman informed that the poll vote would be conducted upon completion of the remaining business of the meeting.

7.0 TO AUTHORISE THE DIRECTORS TO ISSUE SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT, 2016

Tan Sri Chairman informed that the Ordinary Resolution No. 6 was to grant authority to the Directors to issue shares pursuant to Section 75 of the Companies Act, 2016, at any time until the conclusion of the next Annual General Meeting, provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being.

Upon the proposal by Encik Ng Wing Yew and seconded by Encik Rein Hashim, Tan Sri Chairman informed that the poll vote would be conducted upon completion of the remaining business of the meeting.

8.0 TO CONSIDER AND APPROVE THE ALLOTMENT AND ISSUANCE OF NEW ORDINARY SHARES IN MBSB (“MBSB SHARES”) IN RELATION TO THE DIVIDEND REINVESTMENT PLAN THAT ALLOWS SHAREHOLDERS OF MBSB (“SHAREHOLDERS”) TO REINVEST THEIR DIVIDEND TO WHICH THE DIVIDEND REINVESTMENT PLAN APPLIES, IN NEW MBSB SHARES (“DIVIDEND REINVESTMENT PLAN”).

Tan Sri Chairman informed that the Ordinary Resolution No. 7 was consider and to approve the allotment and issuance of new MBSB Shares pursuant to the Dividend Reinvestment Plan until the conclusion of the next Annual General Meeting.

Upon the proposal by Cik Siti Asilah and seconded by Encik Tan Ken Tiong, Tan Sri Chairman informed that the poll vote would be conducted upon completion of the remaining business of the meeting.

SPECIAL BUSINESS

9.0 TO CONSIDER AND APPROVE THE PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY.

Tan Sri Chairman informed that the Special Resolution No. 1 was consider and to approve the Proposed Adoption of a New Constitution of the Company.

Tan Sri Chairman informed that proposed adoption is to streamline the Constitution with the Companies Act, 2016 and other relevant regulatory provisions.

Upon the proposal by Encik Tan Ken Tiong and seconded by Cik Siti Asilah, Tan Sri Chairman informed that the poll vote would be conducted upon completion of the remaining business of the meeting.

10.0 POLL PROCESS

There being no notice received for any other business, Tan Sri Chairman invited representative from Tricor to explain the procedure of the poll vote to the Members of the meeting.

Puan Suzana Abd Rahim (“Puan Suzana”) of Tricor explained the procedure for the conduct of poll vote at the meeting.

Tan Sri Chairman declared that the meeting adjourned at 12.45 p.m. for the poll vote count and shall resume at 1.15 p.m. for declaration of poll results.

11.0 ANNOUNCEMENT OF POLL RESULTS

Tan Sri Chairman called the meeting to order for declaration of results. The details of the results received from Tricor were as follows:-

11.1 **ORDINARY RESOLUTION 1** **TO DECLARE A SINGLE-TIER FINAL DIVIDEND OF 5.0 SEN PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

The poll results in respect of Ordinary Resolution 1 was as follows:-

Resolution	Votes For		Vote Against		Total Votes Present & Voted	
	Share/Unit	%	Share/Unit	%	Share/Unit	%
Ordinary Resolution 1	4,312,637,269	99.963	1,586,074	0.037	4,314,223,343	100.00

Tan Sri Chairman declared that Ordinary Resolution 1 was duly passed as follows:-

“That the payment of Single-Tier Final Dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2018 be approved.”

11.2 **ORDINARY RESOLUTION 2** **TO APPROVE PAYMENT OF DIRECTORS’ FEES AMOUNTING TO RM1,877,013.52 (MBSB : RM839,999.00 AND MBSB BANK : RM1,037,014.52) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

The poll results in respect of Ordinary Resolution 2 was as follows:-

Resolution	Votes For		Vote Against		Total Votes Present & Voted	
	Share/Unit	%	Share/Unit	%	Share/Unit	%
Ordinary Resolution 2	4,311,970,856	99.954	2,002,121	0.046	4,313,972,977	100.00

Tan Sri Chairman declared that Ordinary Resolution 2 was duly passed as follows:-

“That the payment of Directors’ Fees amounting to RM1,877,013.52 (MBSB : RM839,999.00 and MBSB Bank : RM1,037,014.52) for the financial year ended 31 December 2018 be approved.”

11.3 **ORDINARY RESOLUTION 3** **TO APPROVE PAYMENT OF BENEFITS (EXCLUDING DIRECTORS’ FEES) PAYABLE TO DIRECTORS FROM THE DATE OF THIS AGM UNTIL THE NEXT AGM OF THE COMPANY IN 2020**

The poll results in respect of Ordinary Resolution 3 was as follows:-

Resolution	Votes For		Vote Against		Total Votes Present & Voted	
	Share/Unit	%	Share/Unit	%	Share/Unit	%

Ordinary Resolution 3	4,311,788,455	99.949	2,184,522	0.051	4,313,972,977	100.00
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Tan Sri Chairman declared that Ordinary Resolution 3 was duly passed as follows:-

“That the payment of benefits (excluding Directors’ Fees) payable to Directors from the date of this AGM until the next AGM of the company in 2020 be approved.”

11.4 **ORDINARY RESOLUTION 4**
TO RE-ELECT IR. MOSLIM BIN OTHMAN WHO RETIRE IN ACCORDANCE WITH ARTICLE 86 OF THE COMPAN’S CONSTITUTION AND WHO BEING ELIGIBLE OFFER HIMSELF FOR RE-ELECTION

The poll results in respect of Ordinary Resolution 4 was as follows:-

Resolution	Votes For		Vote Against		Total Votes Present & Voted	
	Share/Unit	%	Share/Unit	%	Share/Unit	%
Ordinary Resolution 4	4,295,358,880	99.563	18,864,463	0.437	4,314,223,343	100.00

Tan Sri Chairman declared that Ordinary Resolution 4 was duly passed as follows:-

“That Ir. Moslim Bin Othman who retired in accordance with Article 86 of the Company’s Constitution be re-elected as Independent Non-Executive Director of the Company.”

11.5 **ORDINARY RESOLUTION 5**
TO APPOINT MESSRS. KPMG PLT AS AUDITORS OF THE COMPANY IN PLACE OF THE RETIRING AUDITORS, MESSRS. ERNST & YOUNG AND TO AUTHORISE THE DIRECTORS TO DETERMINE THEIR REMUNERATION.

The poll results in respect of Ordinary Resolution 5 was as follows:-

Resolution	Votes For		Vote Against		Total Votes Present & Voted	
	Share/Unit	%	Share/Unit	%	Share/Unit	%
Ordinary Resolution 5	4,310,721,198	99.919	3,497,145	0.081	4,314,218,343	100.00

Tan Sri Chairman declared that Ordinary Resolution 5 was duly passed as follows:-

“That Messrs. KPMG PLT be appointed as Auditors of the Company in place of the retiring auditors, Messrs Ernst & Young and to authorise the Directors to determine their remuneration.”

11.6 **ORDINARY RESOLUTION 6**
TO AUTHORISE THE DIRECTORS TO ISSUE SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT, 2016

The poll results in respect of Ordinary Resolution 6 was as follows:-

Resolution	Votes For		Vote Against		Total Votes Present & Voted	
	Share/Unit	%	Share/Unit	%	Share/Unit	%
Ordinary Resolution 6	4,311,401,919	99.935	2,795,462	0.065	4,314,197,381	100.00

Tan Sri Chairman declared that Ordinary Resolution 6 was duly passed as follows:-

Authority to allot and issue shares

“THAT subject always to the Companies Act, 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant government/regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Section 75 of the Act, to allot and issue shares in the Company to such persons, 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 to be issued does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be also empowered to obtain the approval from the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next AGM of the Company”.

11.7 **ORDINARY RESOLUTION 7**

TO CONSIDER AND APPROVE THE ALLOTMENT AND ISSUANCE OF NEW ORDINARY SHARES IN MBSB (“MBSB SHARES”) IN RELATION TO THE DIVIDEND REINVESTMENT PLAN THAT ALLOWS SHAREHOLDERS OF MBSB (“SHAREHOLDERS”) TO REINVEST THEIR DIVIDEND TO WHICH THE DIVIDEND REINVESTMENT PLAN APPLIES, IN NEW MBSB SHARES (“DIVIDEND REINVESTMENT PLAN”)

The poll results in respect of Ordinary Resolution 7 was as follows:-

Resolution	Votes For		Vote Against		Total Votes Present & Voted	
	Share/Unit	%	Share/Unit	%	Share/Unit	%
Ordinary Resolution 7	4,308,507,162	99.868	5,690,319	0.132	4,314,197,481	100.00

Tan Sri Chairman declared that Ordinary Resolution 7 was duly passed as follows:-

Allotment and issuance of new Ordinary Shares in MBSB (“MBSB Shares”) in relation to the Dividend Reinvestment Plan that allows shareholders of MBSB (“Shareholders”) to reinvest their dividend to which the dividend reinvestment plan applies, in new MBSB Shares (“Dividend Reinvestment Plan”).

“THAT pursuant to the Dividend Reinvestment Plan as approved by the Shareholders at the Extraordinary General Meeting held on 10 December 2013, approval be and is hereby given to the Company to allot and issue such number of new MBSB Shares from time to time as may be required to be allotted and issued pursuant to the Dividend Reinvestment Plan until the conclusion of the next Annual General Meeting upon such terms and conditions and to

such persons as the Directors, may in their absolute discretion, deem fit and in the interest of the Company PROVIDED:-

- i. THAT the issue price of the said new MBSB Shares shall be fixed by the Directors at a discount of not more than ten percent (10%) to the five (5)-day volume weighted average price (“VWAP”) of MBSB Shares immediately prior to the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price.

AND THAT the Directors of the Company be and are hereby authorized to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give effect to the Dividend Reinvestment Plan with full power to assent to any conditions, modifications, variations and/or amendments to the terms of the Dividend Reinvestment Plan as the Directors may deem fit, necessary and/or expedient in the best interest of the Company or as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments and to take all steps as it considers necessary in connection with the Dividend Reinvestment Plan.”

11.8 **SPECIAL RESOLUTION 1**
TO CONSIDER AND APPROVE THE PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY (PROPOSED ADOPTION)

The poll results in respect of Special Resolution 1 was as follows:-

Resolution	Votes For		Vote Against		Total Votes Present & Voted	
	Share/Unit	%	Share/Unit	%	Share/Unit	%
Ordinary Resolution 7	4,312,531,770	99.962	1,626,762	0.038	4,314,158,532	100.00

Tan Sri Chairman declared that 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 II of the Circular to Shareholders dated 30 April 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 authorities.”

CLOSE OF MEETING

There being no notice received for any other business, the Chairman concluded the Meeting at 1.30 p.m. and thanked all present for their attendance.

SIGNED AS A CORRECT RECORD

 CHAIRMAN