

MERCURY INDUSTRIES BERHAD (105550-K)
(Incorporated in Malaysia)

Minutes of the Thirty-Sixth Annual General Meeting of the Company held at Lot No. T3.11, 3rd Floor, South City Plaza, Persiaran Serdang Perdana, Seksyen 1, 43300 Seri Kembangan, Selangor Darul Ehsan on Tuesday, 28 May 2019 at 10.00 a.m.

Present: Encik Fazrin Azwar Bin Dato' Md. Nor
(Chairman/Senior Independent Non-Executive Director)
Dato' Tiong Kwing Hee (Managing Director)
Mr Koo Hoong Kwan (Independent Non-Executive Director)
Dato' Ting Heng Peng (Independent Non-Executive Director)

Others as per attendance list

In Attendance: Ms Tan Fong Shian (Company Secretary)
Mr Desmond Tan (Grant Thornton Malaysia)
Ms Lui Lee Ping (Grant Thornton Malaysia)
Mr Lim Yi Jin (Grant Thornton Malaysia)

1. **INTRODUCTION AND QUORUM**

Encik Fazrin Azwar Bin Dato' Md. Nor, the Chairman of the Board of Directors of the Company, extended a warm welcome to everyone present at the Company's Thirty-Sixth Annual General Meeting ("Meeting" or "AGM") convened and held for the purpose of considering the business of the Company as set out in the Notice of AGM to shareholders dated 29 April 2019.

The Chairman of the Meeting also introduced the Directors present at the Meeting and the Company Secretary.

Upon confirming the presence of a quorum with the Company Secretary, the Chairman duly called the Meeting to order.

2. **SHAREHOLDERS' RIGHTS AS TO VOTING**

The Chairman explained to the floor on how the shareholders present in person or by proxy or representative, may exercise their voting rights at the Meeting. In line with the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the voting at the AGM would be conducted on a poll.

The Chairman informed that the polling process for all the resolutions would be conducted upon the completion of the deliberation of all items to be transacted at the AGM. The Company had appointed Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars Sdn Bhd) as the Poll Administrator to conduct the polling process and Archer Consulting Group Sdn Bhd as the Scrutineers to verify the poll results.

3. **NOTICE**

There being no objection, the Notice convening the Meeting, having been circulated earlier to all the shareholders of the Company within the prescribed notice period, was taken as read.

4. **AUDITED FINANCIAL STATEMENTS AND REPORTS**

The Audited Financial Statements (“AFS”) for the year ended 31 December 2018 (“FYE2018”) together with the Directors’ and Auditors’ Reports, having been circulated to all the members of the Company within the statutory period, were laid before the Meeting.

The Chairman thereupon invited questions from the floor.

There being no question raised, the AFS of the Company for FYE2018 together with the Directors’ and Auditors’ Reports thereon as laid before the Meeting were declared duly received by the members.

5. **DIRECTORS’ FEES**

Ms Lio Lee Mien proposed and Ms Chew Wan Seen seconded the following motion:-

“THAT the payment of Directors’ Fees amounting to RM60,000.00 for FYE2018 be and is hereby approved.”

The Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting and there was no question raised from the floor.

6. **DIRECTORS’ ALLOWANCES AND BENEFITS**

Ms Hor Sue Hua proposed and Mr Lim Man Choy seconded the following motion:-

“THAT the payment of Directors’ allowances and benefits up to RM30,000.00 for the period from 29 May 2019 until the conclusion of the next of AGM of the Company be and is hereby approved.”

The Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting and there was no question raised from the floor.

7. **RE-ELECTION OF DATO’ TIONG KWING HEE**

The Chairman proposed and seconded by Ms Chew Wan Seen the following motion:-

“THAT Dato’ Tiong Kwing Hee, the Director who is retiring by rotation pursuant to Article 81 of the Company’s Constitution and being eligible, be and is hereby re-elected to the Board.”

The Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting and there was no question raised from the floor.

8. **RE-APPOINTMENT OF AUDITORS**

Mr Lim Man Choy proposed and Ms Chew Wan Seen seconded the following motion:-

“THAT Messrs Grant Thornton Malaysia be and are hereby re-appointed as the Company’s Auditors and to hold office until the conclusion of the next AGM AND THAT the Directors be and are hereby authorised to determine their remuneration.”

There being no questions raised from the floor, the Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting.

9. **SPECIAL BUSINESS**
RETENTION OF INDEPENDENT DIRECTORS

The Chairman passed the chair to Dato’ Tiong Kwing Hee (“Dato’ Tiong”) to proceed with the next two (2) items on the agenda on the Retention of Independent Directors.

Dato’ Tiong informed that Encik Fazrin Azwar Bin Dato’ Md. Nor (“Encik Fazrin Azwar”) and Mr Koo Hoong Kwan, had exceeded the cumulative nine (9) years term limit as prescribed by the Malaysian Code on Corporate Governance.

He further informed that the Board of Directors of the Company had assessed their respective independence and considered them to be independent based on the justifications as contained in the Annual Report 2018.

The Board had recommended that Encik Fazrin Azwar and Mr Koo Hoong Kwan be retained as Independent Non-Executive Directors of the Company and to hold office until the conclusion of the next AGM.

9.1 **Retention of Encik Fazrin Azwar**

The following motion was proposed by Mr Cheang Kok Fook and seconded by Ms Lio Lee Mien:-

“THAT, Encik Fazrin Azwar Bin Dato’ Md. Nor be and is hereby retained as Independent Non-Executive Director of the Company and be designated as such until the conclusion of the next Annual General Meeting, subject to the provisions of the relevant regulatory authorities.”

9.2 **Retention of Mr Koo Hoong Kwan**

Ms Chew Wan Seen proposed and Mr Teo Song Ren seconded the following motion:-

“THAT Mr Koo Hoong Kwan be and is hereby retained as Independent Non-Executive Director of the Company and be designated as such until the conclusion of the next Annual General Meeting, subject to the provisions of the relevant regulatory authorities.”

Dato’ Tiong passed the chair back to the Chairman to continue with the remaining items on the agenda of the AGM.

10. **SPECIAL BUSINESS**
AUTHORITY FOR DIRECTORS TO ISSUE SHARES

The Chairman informed that the next item on the agenda was to seek shareholders' approval for the authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016. Mr Derrick Tiong Chee Wen proposed and seconded by Ms Hor Sue Hua the following motion:-

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental and/or regulatory authorities (if any), the Directors be and are hereby authorised to issue and allot shares in the Company at any time, upon such terms and conditions, for such purposes and to such person or persons as the Directors may deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company at the time of issue AND THAT the Directors be also empowered to obtain the approval of Bursa Securities for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

There being no question raised from the floor, the Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting.

11. **SPECIAL BUSINESS**
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR
TRADING NATURE (“Proposed Shareholders' Mandate”)

The Chairman informed the Meeting that Dato' Tiong, being the interested Director had abstained and would continue to abstain from voting on the Proposed Shareholders' Mandate. Dato' Tiong had also undertaken to ensure that persons connected to him would abstain from voting on the same.

There being no query raised from the floor, the following motion was proposed by Ms Lio Lee Mien and seconded by Mr Lim Man Choy:-

“THAT subject always to the provisions of the Companies Act, 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad or other relevant regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into related party transactions with such related parties, details and particulars of which as set out in Section 2.5 of Part A of the Circular to Shareholders dated 29 April 2019, provided that such transactions are:-

- (a) recurrent transactions of a revenue or trading nature;
- (b) necessary for the day-to-day operations of the Company and/or its subsidiaries;
- (c) carried out in the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms in line with those generally available to the public; and
- (d) not detrimental to the interests of the minority shareholders of the Company;

AND THAT such authority, once renewed, shall continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following this AGM where the Proposed Renewal of Shareholders' Mandate is passed, at which time the authority will lapse unless by a resolution passed at that AGM, such authority is renewed; or
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company at a general meeting;

whichever is earlier;

AND THAT the Directors of the Company be authorised to do, carry out and complete all such acts, things and arrangements (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions as contemplated/authorised by the Proposed Shareholders' Mandate."

There being no question raised from the floor, the Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting.

12. **SPECIAL BUSINESS**
SPECIAL RESOLUTION
PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY
("Proposed New Constitution")

The Chairman informed that the final item on the agenda was to seek shareholders' approval for the adoption of the Company's new Constitution. The relevant rationale and details of the Proposed New Constitution was set out in Part B of the Circular to Shareholders dated 29 April 2019.

The following motion was proposed by Mr Derrick Tiong Chee Wen and duly seconded by Mr Teo Song Ren:-

"THAT the Company's existing Memorandum and Articles of Association be hereby deleted in its entirety and that the new Constitution as set out in Part B of the Circular to Shareholders dated 29 April 2019 be and is hereby adopted as the new Constitution of the Company.

AND THAT the Directors be and are 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 New Constitution with full powers to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities."

There being no questions raised from the floor, the Chairman informed that the voting on all the Resolutions by poll would be conducted.

13. **POLLING**

At the Chairman's request, the Secretary explained the procedures for polling to the Meeting.

The computation of votes then took place immediately after all the shareholders had cast their votes and the Meeting was adjourned for 10 minutes for this purpose.

14. **RESULTS OF THE POLL**

The Chairman called the Meeting back to order for the declaration of results. He informed that he had received the poll results and the said results were verified by the Scrutineers.

The Chairman then announced the poll results in respect of the Ordinary Resolutions 1, 2, 3, 4, 5, 6, 7, 8 and Special Resolution as set out in Appendix I and declared that all the Ordinary Resolutions and Special Resolution were duly carried.

15. **CLOSURE**

There being no further business to be transacted, the Meeting closed at 10.30 a.m. with a vote of thanks to the Chair.

CONFIRMED AS A CORRECT RECORD

CHAIRMAN

Date: 3 June 2019

APPENDIX I

Resolution	Vote For		Vote Against		Abstain
	No. of Shares	%	No. of Shares	%	No. of Shares
Ordinary Resolution 1 Payment of Directors' Fees for the financial year ended 31 December 2018	15,502,443	100.00	0	0	-
Ordinary Resolution 2 Payment of Directors' allowances and benefits for the period from 29 May 2019 until the conclusion of the next AGM	15,502,443	100.00	0	0	-
Ordinary Resolution 3 Re-election of Dato' Tiong Kwing Hee	15,502,443	100.00	0	0	-
Ordinary Resolution 4 Re-appointment of Messrs Grant Thornton Malaysia	15,502,443	100.00	0	0	-
Ordinary Resolution 5 Retention of Encik Fazrin Azwar Bin Dato' Md. Nor as Independent Director	15,502,443	100.00	0	0	-
Ordinary Resolution 6 Retention of Mr Koo Hoong Kwan as Independent Director	15,502,443	100.00	0	0	-
Ordinary Resolution 7 Authority for Directors to issue shares	15,502,443	100.00	0	0	-
Ordinary Resolution 8 Proposed Shareholders' Mandate	8,724,343	100.00	0	0	6,778,100
Special Resolution Proposed New Constitution	15,502,443	100.00	0	0	-