

**OMESTI BERHAD**  
(Company No. 530701-T)

**SUMMARY OF KEY MATTERS DISCUSSED AT THE 16<sup>TH</sup> ANNUAL GENERAL MEETING (“16<sup>TH</sup> AGM”) OF OMESTI BERHAD (“the Company”) HELD ON 8 SEPTEMBER 2016 AT BANQUET HALL, THE ROYAL SELANGOR GOLF CLUB, JALAN KELAB GOLF, OFF JALAN TUN RAZAK, 55000 KUALA LUMPUR**

Tan Sri Dato’ Seri Megat Najmuddin bin Datuk Seri Dr. Hj. Megat Khas (“the Chairman”) chaired the 16<sup>th</sup> AGM of the Company. The Chairman called the meeting to order at 2.30 pm after confirmation of the requisite quorum being present pursuant to Article 54 of the Company’s Articles of Association.

The Chairman informed that all the resolutions to be considered at the Meeting would be put to vote by poll in line with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Poll voting on the resolutions would be conducted concurrently by Inuri Management Sdn Bhd, the appointed Independent Scrutineers.

**AGENDA 1**  
**AUDITED FINANCIAL STATEMENTS AND REPORTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

The Audited Financial Statements for the financial year ended (“FYE”) 31 March 2016 together with the Reports of the Directors and Auditors thereon were received and duly tabled at the meeting.

The key matters raised by the shareholders as well as the responses from the Board/Management were as follows :

Mr Ng Kok Kiong enquired on the following:-

- (i) what is the future plan of the Company in view of its huge losses recorded in FYE 2016 and also with the recent classification of its listed subsidiary, Diversified Gateway Solutions Berhad (“DGSB”) as a Guidance Note 3 company under the ACE Market Listing Requirements (“GN3”);
- (ii) the reason leading to a sharp increase in unquoted shares from RM4.68 million in FYE 2015 to RM27.86 million in FYE 2016;
- (iii) would the increase in trade receivables from FYE 2015 to FYE 2016 result in more impairment losses in the current FYE 2017 and would this amount be further increased; and
- (iv) would the impairment losses on goodwill, trade receivables and other receivables continue to rise for the FYE 2017.

To address query no. (i) above, the Chairman commented that the Company had established plans and business strategies to improve the financial performance of the Group. With regard to the GN3 status of DGSB, he informed that the Management of DGSB was currently in the midst of formulating a suitable regularisation plan to address its GN3 status.

## **SUMMARY OF KEY MATTERS DISCUSSED AT THE 16<sup>TH</sup> AGM OF OMESTI BERHAD**

Mr Voon Siew Moon, the Chief Financial Officer of the Company then explained on queries no. (ii) to (iv) as follows:-

- (a) the increase in unquoted shares was due to the reclassification of the investment in an associate, Bancore A/S as an other investment during the FYE 2016;
- (b) the increase in trade receivables was mainly due to the various trade credit terms granted by the Group. He added that the Management would be vigilant in managing the trade receivables and to mitigate the risk through risk management, risk assessment and internal control; and
- (c) the increase in the impairment losses on goodwill was mainly contributed by a subsidiary in Singapore as its recoverable amount was unable to support the carrying amount. As for increase in trade receivables and other receivables, the reasons were as explained in (b) above.

### **AGENDA 2**

#### **PAYMENT OF DIRECTORS' FEES AMOUNTING TO RM492,000 FOR THE FYE 31 MARCH 2016**

The payment of Directors' fees amounting to RM492,000 for the FYE 31 March 2016 was approved by the shareholders.

No matter was raised by the shareholders.

### **AGENDA 3 (a)**

#### **RE-ELECTION OF DIRECTOR – DATO' MAH SIEW KWOK**

The re-election of Dato' Mah Siew Kwok as Director of the Company in accordance with Article 74 of the Company's Articles of Association was approved by the shareholders.

No matter was raised by the shareholders.

### **AGENDA 3 (b)**

#### **RE-ELECTION OF DIRECTOR – MAH YONG SUN**

The re-election of Mah Yong Sun as Director of the Company in accordance with Article 74 of the Company's Articles of Association was approved by the shareholders.

No matter was raised by the shareholders.

### **AGENDA 3 (c)**

#### **RE-ELECTION OF DIRECTOR – HJ. AHMAD BIN KHALID**

The re-election of Hj. Ahmad bin Khalid as Director of the Company in accordance with Article 74 of the Company's Articles of Association was approved by the shareholders.

No matter was raised by the shareholders.

## **SUMMARY OF KEY MATTERS DISCUSSED AT THE 16<sup>TH</sup> AGM OF OMESTI BERHAD**

### **AGENDA 4**

#### **RE-APPOINTMENT OF AUDITORS**

The re-appointment of Messrs BDO as Auditors of the Company for the ensuing year to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors was approved by the shareholders.

No matter was raised by the shareholders.

### **AGENDA 5**

#### **RE-APPOINTMENT OF DIRECTOR PURSUANT TO SECTION 129(6) OF THE COMPANIES ACT, 1965**

The re-appointment of Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Hj. Megat Khas as Director of the Company pursuant to Section 129(6) of the Companies Act, 1965 was approved by the shareholders.

No matter was raised by the shareholders.

### **AGENDA 6**

#### **RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR (“INED”)**

Mr Ng Kok Kiong enquired on the Company's policy on retention of INED. The Chairman informed that the Nominating Committee (“NC”) of the Company had been entrusted to evaluate those directors who had served on the Board for more than nine (9) years. In this regard, the NC and the Board had determined at the assessment carried out that Hj. Ahmad Bin Khalid, who had served on the Board for more than nine (9) years cumulatively, was able to continue to act as an INED based on the following justifications:

- He has fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements, and thus, he would be able to remain objective and independent in expressing his views and in participating in deliberations and decision-making of the Board and Board Committees.
- He has vast experience in a diverse range of businesses and therefore would be able to provide constructive opinion;
- He exercises independent judgement and has the ability to act in the best interest of the Company;
- He has devoted sufficient time and attention to his professional obligations for informed and balanced decision making;
- He has continued to exercise his independence and due care during his tenure as an INED of the Company and carried out his professional duties in the best interest of the Company and shareholders; and
- The length of his service on the Board does not in any way interfere with his exercise of independent judgment and ability to act in the best interests of the Company.

The retention of Hj. Ahmad bin Khalid as INED of the Company was approved by the shareholders.

## **SUMMARY OF KEY MATTERS DISCUSSED AT THE 16<sup>TH</sup> AGM OF OMESTI BERHAD**

### **AGENDA 7**

#### **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

The authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965 was approved by the shareholders.

No matter was raised by the shareholders.

### **AGENDA 8**

#### **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED MANDATE")**

The Proposed Mandate was approved by the shareholders.

No matter was raised by the shareholders.

### **AGENDA 9**

#### **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL")**

Mr Lee Tuck Veong enquired on any dividends in the form of cash or shares to be declared and distributed to the shareholders in the near future. Mr Monteiro Gerard Clair commented that the Board of Directors of the Company noted the enquiry and informed that the Company's ability to pay dividends would depend upon factors such as business prospects, capital requirements, cash reserves, and growth expansion strategy.

The Proposed Renewal was approved by the shareholders.

### **AGENDA 10**

#### **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

The Proposed Amendments to the Articles of Association was approved by the shareholders.

No matter was raised by the shareholders.