

# **SAM ENGINEERING & EQUIPMENT (M) BERHAD**

(Company No. 298188-A)

(Incorporated in Malaysia)

Summary of key matters discussed at the Twenty-Fourth (24th) Annual General Meeting ("AGM") of the Company held at First Floor, SAM Meerkat (M) Sdn. Bhd., Plot 103, Hilir Sungai Keluang Lima, Taman Perindustrian Bayan Lepas 4, 11900 Penang on Tuesday, 14 August 2018 at 10.00 a.m.

## **Attendees:**

- 1) All members of the Board of Directors
- 2) Company Secretary
- 3) Representatives from Messrs. KPMG PLT, the external auditors
- 4) Shareholders / Proxies / Authorised Representatives / Invitees and others as per attendance list

## **AGENDA 1**

### **AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Company's Audited Financial Statements for the year ended 31 March 2018 together with the Reports of Directors and Auditors were tabled to the meeting.

The below were the matters raised by the shareholders, alongside responses from the Board / Management:-

	<b>Key matter raised by the shareholders</b>	<b>Response from the Board / Management</b>
1)	What constitute the Group's Other Operating Income?	The other operating income was mainly derived from the sales of recyclable items and the foreign exchange gain.
2)	What were the source of funding for the Group's Capital Expenditure?	The capital expenditure was partially funded by the internal generated cash from the Group's operating activities.
3)	What is the dividend payout for the financial year ending 31 March 2019?	The Company did not adopt any formal dividend policy relating to the dividend payout to its shareholders. The Board would generally review the proposed dividend after taking into account the financial needs of the Company to sustain its business growth and provision of equitable returns to shareholders.
4)	To clarify on the Group's foreign currency translation differences for foreign operations.	As the foreign subsidiaries' results were recorded in USD and hence, the foreign currency translation differences were derived from the translation of the foreign subsidiaries' results from USD to MYR, when the same was booked into the accounts in Malaysia.
5)	Did the Company have any plans to utilise its share premium or to offer rights issue to the shareholders?	The Company did not have any such plans for the immediate future.
6)	Did the Group have any plans to invest in the Maintenance, Repair and Overhaul ("MRO") Sector?	The Group had no intention to venture into the MRO sector.

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	<b>Key matter raised by the shareholders</b>	<b>Response from the Board / Management</b>
7)	To clarify on the backlog orders of the Company	The backlog orders referred to the orders for aerospace parts.
8)	To clarify on the decline of certain mature products as explained under the Economic Performance on Page 30 of the Annual Report 2018.	The decrease in demand of products from the A380 and Boeing B777 was mainly due to the sales of the said aircraft models not being as expected.

The Meeting accepted the audited financial statements for the financial year ended 31 March 2018, together with the Reports of the Directors and Auditors thereon as presented.

## **AGENDA 2**

### **RE-ELECTION OF DATO' SRI LEE TUCK FOOK, DATO' SERI WONG SIEW HAI AND MR. LEE HOCK CHYE, WHO ARE RETIRING IN ACCORDANCE WITH ARTICLE 91 OF THE COMPANY'S CONSTITUTION**

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There were three (3) Directors, who were subject to retirement under Article 91 of the Company's Constitution at the AGM, namely:

- i) Dato' Sri Lee Tuck Fook;
- ii) Dato' Seri Wong Siew Hai; and
- iii) Mr. Lee Hock Chye.

#### **a) ORDINARY RESOLUTION NO. 1 - TO RE-ELECT DATO' SRI LEE TUCK FOOK**

The re-election of Dato' Sri Lee Tuck Fook as Director of the Company pursuant to Article 91 of the Company's Constitution was approved by the shareholders.

#### **b) ORDINARY RESOLUTION NO. 2 - TO RE-ELECT DATO' SERI WONG SIEW HAI**

The re-election of Dato' Seri Wong Siew Hai as Director of the Company pursuant to Article 114 of the Company's Constitution was approved by the shareholders.

#### **c) ORDINARY RESOLUTION NO. 3 - TO RE-ELECT MR. LEE HOCK CHYE**

The re-election of Mr. Lee Hock Chye as Director of the Company pursuant to Article 91 of the Company's Constitution was approved by the shareholders.

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## **AGENDA 3**

### **ORDINARY RESOLUTION NO. 4 - RE-APPOINTMENT OF MESSRS KPMG PLT AS AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT AGM AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

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In response to the shareholder's enquiry as to why Messrs. KPMG PLT was not the appointed auditors for the subsidiaries in Singapore i.e. Avitron Private Limited and Meerkat Technology Pte. Ltd., the Management explained that these companies were historically audited by Ernst & Young ("EY") which was also recognised as one of the top four audit firms. Hence, both companies have decided to continue to appoint EY as their auditors.

The re-appointment of Messrs. KPMG PLT as Auditors of the Company on a remuneration to be determined by the Directors was approved by the shareholders.

## **AGENDA 4**

### **ORDINARY RESOLUTION NO. 5 - PAYMENT OF DIRECTORS' FEE UNDER SECTION 230(1)(b) OF THE COMPANIES ACT, 2016**

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The payment of Directors' Fee for the period from 15 August 2018 until the next AGM was approved by the shareholders.

## **AGENDA 5**

### **ORDINARY RESOLUTION NO. 6 - PAYMENT OF BENEFITS PAYABLE TO DIRECTORS UNDER SECTION 230(1)(b) OF THE COMPANIES ACT, 2016**

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The payment of benefits payable to the Directors for the period from 15 August 2018 until the next AGM was approved by the shareholders.

## **AGENDA 6**

### **ORDINARY RESOLUTION NO. 7 - PROPOSED AUTHORITY TO ISSUE AND ALLOT SHARES**

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The authority to issue and allot shares was approved by the shareholders.

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## **AGENDA 7**

### **ORDINARY RESOLUTION NO. 8 – PROPOSED NEW AND RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”)**

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The new and renewal of existing shareholder’s mandate for RRPT was approved by the shareholders.

## **AGENDA 8**

### **ORDINARY RESOLUTION NO. 9**

**– MANDATE TO RETAIN DATO’ MOHAMED SALLEH BIN BAJURI AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

### **ORDINARY RESOLUTION NO. 10**

**– MANDATE TO RETAIN DATO’ SERI WONG SIEW HAI AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

### **ORDINARY RESOLUTION NO. 11**

**– MANDATE TO RETAIN DATO’ SRI LEE TUCK FOOK AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

### **ORDINARY RESOLUTION NO. 12**

**– MANDATE TO RETAIN MR. LEE HOCK CHYE AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

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The mandates to retain Dato’ Mohamed Salleh Bin Bajuri, Dato’ Seri Wong Siew Hai, Dato’ Sri Lee Tuck Fook and Mr. Lee Hock Chye as Independent Non-Executive Directors of the Company were approved by the shareholders.

The meeting concluded at 11.20 a.m.