

MINUTES OF THE TWENTY-SECOND ANNUAL GENERAL MEETING (“22nd AGM”) OF BMB HOLDINGS BERHAD (“BHB”) HELD ON WEDNESDAY, 15 MAY 2019 AT 10.00 A.M AT BALLROOM 3, SIME DARBY CONVENTION CENTER, 1A, JALAN BUKIT KIARA 1, 60000 KUALA LUMPUR

Present :	Tan Sri Ambrin Buang	- Chairman
	Encik Mohd Muazzam Mohamed	- Chief Executive Officer (“CEO”)
	Tan Sri Ismail Adam	- Director
	Encik Mohd Tarmidzi Ahmad Nordin	- Director
	Puan Noraini Che Dan	- Director
	Encik Nik Mohd Hasyudeen Yusoff	- Director
In Attendance :	Datuk Zamani Abdul Ghani	- Chairman, Bank Islam Malaysia Berhad
	Encik Rashid Ismail	- Executive Director, BMB Securities Sdn Bhd
	Dato’ Sri Mohamed Hassan Kamil	- Group Chief Executive Officer, Syarikat Takaful Malaysia Keluarga Berhad
	Encik Mohamed Sabri Ramli	- Chief Executive Officer, Syarikat Takaful Malaysia Am Berhad
	Encik Najmuddin Mohd Lufti	- Chief Executive Officer, BMB Investment Management Berhad
	Mr. Adrian Lee Lye Wang	- Representatives of KPMG
	Encik Muadz Abdul Jalil	Desa Megat PLT
	Dato’ Mohamad Faiz Azmi	- Representatives of
	Mr. Ong Ching Chuan	PricewaterhouseCoopers
	Encik Zharif Agil	PLT
	Encik Mohd Faez Amaran	
	Puan Maria Mat Said	- Company Secretary

The 22nd AGM of BHB was called to order with the recitation of doa’ by Ustaz Mohd Juzaili Juhan, the Assistant Manager, Shariah Centre of Excellent of Bank Islam.

Pursuant to Article 44 of the Company’s Constitution, Tan Sri Ambrin Buang, the Chairman of the Board took the chair.

Quorum

The Chairman welcomed the members to the meeting. Upon confirmation by the Secretary on the presence of the requisite quorum pursuant to Article 44 of the Company’s Constitution, the Chairman called the meeting to order.

Notice of Meeting

The Chairman informed that the notice of the 22nd AGM enclosed in the Integrated Annual Report 2018 (page 372 to 375) was sent out to all members on 19 April 2019. In accordance with the Company's Constitution, the notice was also advertised in the New Straits Times and Utusan Malaysia on the same day.

The Chairman proposed that the Notice of the 22nd AGM be taken as read.

Mr. Siew Ah Meng seconded the motion.

The Chairman continued to explain that colored stickers were provided to all members present in person and by proxies to denote their identities. For the members' information:

- Blue wristband denotes members/shareholders;
- Red wristband denotes proxy (1st and 2nd) and/or corporate representative;
- Yellow wristband denotes member/shareholder who would be also a proxy (1st and 2nd) to another member/shareholder; and
- Those without any wristband were either invitees, external auditors, independent professionals, share registrar or staff.

The Chairman also explained that as stated in Note 4(vii) of the Notice of the 22nd AGM, pursuant to Paragraph 8.29A(1) of Bursa Malaysia's Main Market Listing Requirements, all resolutions set out in the Notice of AGM would be put to vote by poll.

Pursuant to Article 51 (a) (ii) of the Company's Constitution, on a poll, each member who was present in person or by proxy or by corporate representative shall have one vote for each share he/she holds.

The poll would be carried out via e-polling and the Registrar would briefed on the e-polling procedures later.

AGENDA 1:

TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

With regard to the said agenda, the Chairman highlighted that it was meant for discussion only as the approval of Shareholders was not required pursuant to Section 251(1)(a) and 340(1)(a) of the Companies Act 2016. Hence the Agenda was not put forward for voting.

The Chairman further informed that the Audited Financial Statements of BHB as set out on pages 164 to 349 were prepared in accordance with the Financial

Reporting Standards and the Companies Act 2016 as well as Bank Negara Malaysia Guidelines.

The Chairman invited Encik Mohd Muazzam Mohamed, the Chief Executive Officer (“CEO”) to brief the members on the Group’s financial performance for the financial year ended 31 December 2018. Thereafter, the CEO to present the questions from the Malaysian Shareholder Watchdog Group (“MSWG”) and Employees Provident Funds (“EPF”). The Company’s responses were appended as Appendix 1.

After the presentation by the CEO on the financial performance of the Group and the responses to the questions from MSWG, the members were invited to raise questions in relation to the Audited Financial Statements for the financial year ended 31 December 2018 and on the Directors’ Report.

The questions raised and the response by the Company were as follows:-

1)	<u>Mr Lim Gee Hiong - Shareholder</u>	
	(a)	<u>Question 1:</u> Mr Lim Gee Hiong enquired what would be the biggest risk Bank Islam would face in the next twelve (12) months coming from China and America.
		<u>Answer</u> The CEO informed that in term of the current risk that BHB faced were (i) the current economic environment; (ii) government response especially in terms of new commodity, policy and action taken to cut the OPR and spur the state of the economy. With the recent cut in OPR, the cost of funding and borrowing would be lower. These factors would spur the economic growth. Business could afford to grow their companies at lower cost of funding or existing individual customers being able to pay lower installment based on the reduction of the OPR. Thus, the consumer segment would remain strong; and (iii) digitalization for Bank Islam and Takaful Malaysia but at the same time we were also preparing and taking into cognizant that it would give great impact to the operation of both Bank Islam and Takaful Malaysia in the near future.
2)	<u>Mr Wah - Shareholder</u>	
	(a)	<u>Question 1:</u> Mr Wah enquired if BHB has a dividend policy.
		<u>Answer</u> The CEO informed that Bank Islam as well as Takaful Malaysia both have a dividend payout policy of 50% pay out of profit to be distributed as dividend. It was further informed that BHB as

	<p>well has a dividend policy. The distribution of dividend for BHB and its major subsidiaries, i.e., Bank Islam and Takaful Malaysia would be subjected to Bank Negara Malaysia's approval. Even with the dividend policy in place it would be subjected to Bank Negara Malaysia's approval.</p> <p>Based on the BHB's five (5) years dividend payout trend, it was informed that BHB had a track record of distributing more than 50% of the profit as dividend.</p> <p>The Company would aim to do better in year 2019 and with the support of the shareholder it would be possible for BHB Group to achieve a better performance for FYE 31 December 2019.</p>
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The Chairman thanked Encik Mohd Muazzam Mohamed and expressed gratitude to the Board of Directors and Management of the entities within BHB Group for the respectable performance for the financial year ended 31 December 2018.

There being no question from the floor, the Chairman proceeded to Agenda 2, Ordinary Resolution 1.

ORDINARY BUSINESS

AGENDA 2:

ORDINARY RESOLUTION 1: TO RE-ELECT TAN SRI AMBRIN BUANG AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY WHO IS RETIRING BY ROTATION IN ACCORDANCE WITH ARTICLE 61 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE HAD OFFERED HIMSELF FOR RE-ELECTION

The Chairman informed the members that since he was an interested director, he passed over the chairmanship of the meeting to Tan Sri Ismail Adam, the Senior Independent Non-Executive Director of the Company to proceed with Ordinary Resolution 1.

Tan Sri Ismail Adam took over the chairmanship of the meeting and informed the members that in accordance with Article 61 of the Company's Constitution, Tan Sri Ambrin Buang would retire by rotation, but being eligible, had accordingly offered himself for re-election.

Tan Sri Ismail Adam further informed the members, Bank Negara Malaysia had approved the re-appointment of Tan Sri Ambrin Buang as an Independent Non-Executive Director of the Company for a period of three (3) years until 1 February 2021.

Tan Sri Ismail Adam further highlighted that Paragraph 10.13 of Bank Negara Malaysia's CG Policy stipulates that any removal of an Independent Non-Executive Director would require Bank Negara Malaysia's approval.

There being no question from the floor, Tan Sri Ismail Adam put forward the motion on Agenda 2/Ordinary Resolution 1.

Proposed by: Puan Norhidayati Mohamat Salim

Seconded by: Mr Sang Eng Soon

Tan Sri Ismail Adam informed the members that the resolution would be by way of poll at the end of the meeting.

The Chairmanship of the Meeting was then handed back to Tan Sri Ambrin Buang.

AGENDA 3:

ORDINARY RESOLUTION 2: TO RE-ELECT TAN SRI ISMAIL ADAM , AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY WHO IS RETIRING BY ROTATION IN ACCORDANCE WITH ARTICLE 61 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE HAD OFFERED HIMSELF FOR RE-ELECTION

The Chairman informed the members that in accordance with Article 61 of the Company's Constitution, Tan Sri Ismail Adam would retire by rotation, but being eligible, had accordingly offered himself for re-election.

The Chairman further informed the members, Bank Negara Malaysia had approved the re-appointment of Tan Sri Ismail Adam as an Independent Non-Executive Director of the Company for a period of three (3) years until 2 January 2020.

The Chairman further highlighted that Paragraph 10.13 of Bank Negara Malaysia's CG Policy stipulates that any removal of an Independent Non-Executive Director would require Bank Negara Malaysia's approval.

There being no question from the floor, the Chairman put forward the motion on Agenda 3/Ordinary Resolution 2.

Proposed by: Puan Norhidayati Mohamat Salim

Seconded by: Madam Wong Cheen Hzi

The Chairman informed the members that the resolution would be by way of poll at the end of the meeting.

AGENDA 4:

ORDINARY RESOLUTION 3: TO RE-ELECT ENCIK NIK MOHD HASYUDEEN YUSOFF , A DIRECTOR WHO IS RETIRING IN ACCORDANCE WITH ARTICLE 66 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAD OFFERED HIMSELF FOR RE-ELECTION

The Chairman informed the members that in accordance with Article 66 of the Company's Constitution, Encik Nik Mohd Hasyudeen Yusoff would retire, but being eligible, had accordingly offered himself for re-election.

The Chairman further informed the members, Bank Negara Malaysia had approved the re-appointment of Encik Nik Mohd Hasyudeen Yusoff as an Independent Non-Executive Director of the Company for a period of three (3) years until 31 May 2021.

There being no question from the floor, Tan Sri Ambrin Buang proceeded to put forward the motion on Agenda 4/Ordinary Resolution 3.

Proposed by : Mr. Sang Eng Soon

Seconded by : Puan Norhidayati Mohamat Salim

Tan Sri Ambrin Buang informed the members that the resolution would be by way of poll at the end of the meeting.

AGENDA 5:

ORDINARY RESOLUTION 4: TO APPROVE THE DIRECTORS' FEES AND BENEFITS OF UP TO RM2,776,500 PAYABLE TO THE NON-EXECUTIVE DIRECTORS FROM THIS 22ND ANNUAL GENERAL MEETING UNTIL THE NEXT 23RD ANNUAL GENERAL MEETING OF THE COMPANY

The Chairman informed that Section 230(1) of the Companies Act 2016 stipulates that fees and benefits received from the Company as well as its subsidiaries would require Shareholders' approval.

Hence, the proposal was to seek the shareholders' approval for the payment of Non-Executive Directors' fees and benefits of up to RM2,776,500 payable to the Non-Executive Directors from this 22nd Annual General Meeting until the next 23rd Annual General Meeting of the Company.

There being no question from the floor, the Chairman put forward the motion on Agenda 5/Ordinary Resolution 4.

Proposed by: Puan Norhidayati Mohamat Salim

Seconded by: Mr. Sang Eng Soon

The Chairman informed the members that the resolution would be by way of poll at the end of the meeting.

AGENDA 6:

ORDINARY RESOLUTION 5: TO APPOINT MESSRS PRICEWATERHOUSECOOPERS PLT AS THE EXTERNAL AUDITORS IN PLACE OF THE RETIRING AUDITORS, MESSRS KPMG DESA MEGAT PLT OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2019 AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Chairman informed that the proposed change was in line with good corporate governance practice of reviewing the appointment of the Company's auditors from time to time.

The Company's existing auditors, Messrs KPMG Desa Megat PLT, was re-appointed as the auditors of the Company at the 21st Annual General Meeting of the Company held on 15 May 2018 to hold office until the conclusion of the 22nd Annual General Meeting of the Company. Messrs KPMG Desa Megat PLT have been the auditors of the Company since November 2002.

Messrs PricewaterhouseCoopers had, on 10 April 2019, given their consent to act as the auditors. The proposed appointment, if approved, Messrs PricewaterhouseCoopers shall hold office until the conclusion of the 23rd Annual General Meeting of the Company.

There being no question from the floor, the Chairman put forward the motion on Agenda 6/Ordinary Resolution 5.

Proposed by: Mr Lim Gee Hiong

Seconded by: Mr Siew Ah Meng

The Chairman informed the members that the resolution would be by way of poll at the end of the meeting.

AGENDA 7:

ORDINARY RESOLUTION 6: TO APPROVE THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Chairman highlighted the following information in relation to the above resolution:-

- (a) that Encik Nik Mohd Hasyudeen Yusoff, Puan Noraini Che Dan and Encik Mohd Tarmidzi Ahmad Nordin being interested directors of BHB had abstained and would abstain from voting on the resolution approving the Proposed Shareholders' Mandate;

- (b) that Lembaga Tabung Haji being the interested major shareholder of BHB would also abstain from voting on the resolution approving the Proposed Shareholders' Mandate; and
- (c) that Encik Mohd Muazzam Mohamed being the interested principal officer of the Company would also abstain from voting on the resolution approving the Proposed Shareholders' Mandate.

There being no question from the floor, the Chairman put forward the motion on Agenda 7/Ordinary Resolution 6.

Proposed by: Mr. Lim Gee Hiong

Seconded By: Puan Norhidayati Mohamat Salim

The Chairman informed the members that the resolution would be by way of poll at the end of the meeting.

AGENDA 8:

ORDINARY RESOLUTION 7: TO PROPOSE RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES IN BHB IN THE EVENT THE COMPANY DECIDES TO IMPLEMENT A DIVIDEND REINVESTMENT PLAN THAT WOULD PROVIDE THE SHAREHOLDERS THE OPTION TO ELECT THEIR CASH DIVIDEND IN NEW BHB SHARES

The Chairman informed the members that the resolution was to seek the shareholders' approval to renew the shareholders' authorization for the directors to allot and issue new ordinary shares pursuant to the Dividend Reinvestment Plan.

There being no question from the floor, the Chairman put forward the motion on Agenda 8/Ordinary Resolution 7.

Proposed by: Mr Sang Eng Soon

Seconded by: Puan Norhidayati Mohamad Salim

The Chairman informed the members that the resolution would be by way of poll at the end of the meeting.

AGENDA 9:

SPECIAL RESOLUTION 1: TO PROPOSE ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY, THE DETAILS WERE SET OUT IN PART B AND APPENDIX II OF THE CIRCULAR TO SHAREHOLDERS DATED 19 APRIL 2019

The Chairman invited the Company Secretary to brief on the key amendments to the Constitutions of the Company.

The Company Secretary highlighted that the new Companies Act 2016 which was gazetted on 15 September 2016 has been implemented in stages. The first phase came into force on 31 January 2017. Subsequently, Bursa Malaysia Securities Berhad had on 27 November 2017 issued a letter to listed issuer on the amendments to the Main Market Listing Requirements, requiring all listed issuers to streamline with the Companies Act 2016. The said letter highlighted that a listed issuer was required to amend their constitutions by 31 December 2019.

Hence, the Company proposed the adoption of the new Constitution in substitution for, and the exclusion of the existing Memorandum and Articles of Association of the Company. The Proposed Adoption of the New Constitution was primarily to streamline and be aligned with the Companies Act 2016. It was also to provide clarity to certain provisions of the new Constitution, ensure consistency in cross reference as well as to enhance administrative efficiency. The key amendments, amongst others, were:-

No.	Clause	Remarks
1.	96	the provisions to facilitate communication with securities holders via electronic means
2.	97	the need to obtain shareholders' approval on Directors' fees and benefits payable to Directors
3.	126	the provision allowing for electronic filing of proxy forms
4.	149	the circumstances where the office of the Director shall vacate which include bribery, fraud or dishonesty whether in or outside Malaysia
5.	185	the provisions to facilitate business transactions of the Board by electronic means
6.	199	the circulation of audited financial statements may include publication in website
7.	207	the payment of dividends whereby the Company must be solvent immediately after the distribution was made

There being no question from the floor, the Chairman put forward the motion on Agenda 9/Ordinary Resolution 8.

Proposed by: Mr Sang Eng Soon

Seconded by: Mr Yap Kuo Teng

The Chairman informed the members that the resolution would be by way of poll at the end of the meeting.

AGENDA 10:

OTHER BUSINESS

The Secretary informed that the Company did not receive any notice of other business to be transacted at the 22nd Annual General Meeting of the Company.

The Chairman then called upon Puan Haresha the representative from Boardroom Share Registrars Sdn Bhd ("*formerly known as Symphony Share Registers Sdn Bhd*") to brief on the polling procedures and on the steps to cast a vote through e-polling.

After the briefing, the Chairman invited the members to cast their votes on all the above Resolutions by e-polling.

The meeting resumed after about 30 minutes upon completion of the e-polling and obtaining the results.

RESULTS OF THE POLL OF THE 22ND ANNUAL GENERAL MEETING

Upon completion of the vote count, Malaysian Issuing House Sdn Bhd, the appointed scrutineer, gave a certified declaration of the results and handed over the results to the Chairman.

Ordinary Resolution 1:

Tan Sri Ismail Adam took over the chairmanship and declared the results as follows:

The votes on the Resolution to re-elect Tan Sri Ambrin Buang who retired by rotation in accordance with Article 61 of the Company's Constitution were as follows:-

FOR	99.95 %	votes
AGAINST	0.04 %	votes

It was declared that Ordinary Resolution No. 1 was carried.

The Chairmanship was then handed back to Tan Sri Ambrin Buang.

Ordinary Resolution 2:

The votes on the Resolution to re-elect Tan Sri Ismail Adam who retired by rotation in accordance with Article 61 of the Company's Constitution were as follows:-

FOR	99.91 %	votes
AGAINST	0.08 %	votes

It was declared that Ordinary Resolution No. 2 was carried.

Ordinary Resolution 3:

The votes on the Resolution to re-elect Encik Nik Mohd Hasyudeen Yusoff who retired in accordance with Article 66 of the Company's Constitution were as follows:-

FOR	100 %	votes
AGAINST	0 %	votes

It was declared that Ordinary Resolution No. 3 was carried.

Ordinary Resolution 4:

The votes on the Resolution to approve the Directors' fee and benefits of up to RM2,776,500 payable to the Non-Executive Directors from this 22nd Annual General Meeting until the next 23rd Annual General Meeting of the Company were as follows:-

FOR	99.13 %	votes
AGAINST	0.87 %	votes

It was declared that Ordinary Resolution No. 4 was carried.

Ordinary Resolution 5:

The votes on the Resolution to appoint Messrs. PricewaterhouseCoopers PLT as the External Auditors of the Company in place of the retiring External Auditors, Messrs. KPMG Desa Megat PLT for the financial year ending 31 December 2019 and to authorise the Directors to fix their remuneration were as follows:-

FOR	99.98 %	votes
AGAINST	0.01 %	votes

It was declared that Ordinary Resolution No. 5 was carried.

Ordinary Resolution 6:

The votes on the Resolution on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature were as follows:-

FOR	100 %	votes
AGAINST	0.00 %	votes

It was declared that Ordinary Resolution No. 6 was carried.

Ordinary Resolution 7:

The votes on the Resolution on the Proposed Renewal of the authority for Directors to allot and issue new ordinary shares of BHB, for the purpose of the Company's Dividend Reinvestment Plan ("DRP") that provides the shareholders of BHB option to elect to reinvest their cash dividend in new BHB Shares were as follows:-

FOR	99.96 %	votes
AGAINST	0.35 %	votes

It was declared that Ordinary Resolution No. 7 was carried.

Special Resolution 1:

The votes on the Resolution on the Proposed Adoption of the new Constitution of the Company were as follows:-

FOR	100 %	votes
AGAINST	0.00 %	votes

It was declared that Special Resolution No. 1 was carried.

CONCLUSION

There being no other matters to be transacted, the Chairman thanked everyone for attending the 22nd Annual General Meeting of the Company and declared the meeting closed at 11.45 a.m.

Date : 31 May 2019

Confirmed as Correct

- Signed-

**CHAIRMAN
BIMB HOLDINGS BERHAD**