

IPMUDA BERHAD
(22146-T)
(Incorporated in Malaysia)

Summary of Key Matters Discussed at the Forty-First Annual General Meeting (“41st AGM”) of Ipmuda Berhad (“Ipmuda” or “the Company”) held at Symphony 1, 1st Floor, Symphony Suites, No: 41 Lapangan Symphony Business Park, Jalan Lapangan Symphony, 31350 Ipoh, Perak Darul Ridzuan, Malaysia, on Monday 23 May 2016 at 11.00 a.m.

A) All the following 11 Ordinary Resolutions tabled at the 41st AGM were passed by the shareholders on a show of hands:

Agenda No:		As Ordinary Business
1.	Ordinary Resolution 1	Adoption of Audited Financial Statements for the year ended 31 December 2015 and the Directors’ and Auditors’ Reports thereon
2.	Ordinary Resolution 2	Declaration of a First and Final Single Tier dividend of 3.0 sen per ordinary share for the year ended 31 December 2015
3.	Ordinary Resolution 3	Approval of Directors’ Fees of RM181,250.00 for the year ended 31 December 2015
4(a).	Ordinary Resolution 4	Re-appointment of Dato’ Ahmad Bakri bin Shabdin as Director pursuant to Section 129(6) of the Companies Act, 1965
5(a).	Ordinary Resolution 5	Re-election of Dato’ Abu Talib bin Mohamed as Director of the Company who retires under Article 101 of the Company’s Articles of Association
5(b).	Ordinary Resolution 6	Re-election of Dato’ Maarof bin H.A. Rahman as Director of the Company who retires under Article 101 of the Company’s Articles
6(a).	Ordinary Resolution 7	Re-election of Encik Mohd Faiq bin Abu Sahid as Director of the Company who retires under Article 107 of the Company’s Articles of Association
7.	Ordinary Resolution 8	Appointment of Messsrs Crowe Horwath as Auditors
		As Special Business
8(a).	Ordinary Resolution 9	Retention of Dato’ Ahmad Bakri bin Shabdin as Independent Non-Executive Director
8(b).	Ordinary Resolution 10	Retention of Dato’ Maarof bin H.A. Rahman as Independent Non-Executive Director
9.	Ordinary Resolution 11	Authority to the Directors to issue and allot shares pursuant to Section 132D of the Companies Act, 1965

B) **Matters raised by the Badan Pengawas Pemegang Saham Minoriti Berhad (“MSWG”)**

MSWG via their letter dated 20 May 2016 raised some queries, which were replied by the Company via its letter dated 23 May 2016.

Dato’ Abu Talib bin Mohamed, the Deputy Chairman, presided as Chairman for the 41st AGM. He invited Mr David Chua Soon Li, the Chief Executive Officer of the Company, to read out the following questions raised by MSWG in their letter of 23 May 2016 to the Members present at the 41st AGM and the Company’s reply to those questions raised:

Strategic & Financial Matters

Question 1: What is the strategic direction of the Company and the Group amid the Board’s expansion plans of active promotion and distribution of new product lines of recognized brands, namely Villeroy & Boch and Boloni, as well as specialty products for the agricultural sector?

Reply: The promotion of new product lines fall within the strategic direction of the Company’s and Group’s core business as a trading company. These would include adding new brands and also trying out new products across different sectors to fully utilise the company’s distribution strengths across the country.

Question 2: What is the Board’s strategy in respect of strengthening its core competencies across the building sector and its market niche in key business segments in pursuing the Group’s objectives as a building solution provider?

Reply: One of the key strategies that the Board has focused upon is to form close collaboration with suppliers/manufacturers to address the needs of our customers, namely timely delivery and minimal pricing disruption. To get the best support from them, the Board aims to focus on a select few key suppliers across the various product lines. As we reduce the number of brands that we distribute across each product line, we are able to add on more products as a broader solution provider.

Question 3: What are the sustainability measures put in place that would stabilise the Group’s mixed performances of stagnant revenues and unstable earnings?

Reply: Among the sustainability measures being put in place to stabilise the Group’s financial performance include establishing house brands to maintain margins, stronger risk management and credit control on our customers, staff development and retention as well as succession planning.

Question 4: The Chairman’s Statement highlighted the transport and petrochemical segments as the main economic activity sectors of construction and services to remain largely stable and much of major activities such as infrastructure and transport to have the multiplier effect that could likely benefit the Group.

How would the Board enhance the Group’s operating segments and build competitive advantage in these segments, whilst the Group strategically locates its operations and elevates its specialist presence to better serve the broader industry that could improve the Group’s revenue and earnings?

Reply: The Board will continue to tap upon its strong relationships with key customers as a platform to build new ones. Similarly to forming collaboration with suppliers, the Company needs to form partnerships with our customers, such as construction and real estate development companies to provide better service and value enhancements.

Question 5: In Note 50 to the financial statement under Significant Event After the Reporting Period, it was reported that the Company signed a conditional Sale and Purchase Agreement (“SPA”) with Maju Holdings Sdn Bhd (“Maju Holdings”), its substantial shareholder, for the acquisition of 24 units of office lots located on levels 2 to 7 within Tower 3 of Maju Linq currently under development in Bandar Tasik Selatan, Kuala Lumpur for an aggregate purchase consideration of RM25,675,200 (“Proposed Acquisition”).

Question: (a) What was the reason for the termination of the SPA?

Reply: Maju Holdings offered us an option of either cash settlement or the asset upon the completion of the exercise. The Board opted to choose cash as it would improve the liquidity of the Company.

Question: (b) Has the agreed sum of RM6 million due for payment on 29 April 2016 received by the Group?

Reply: As announced by the Company on 29 April 2016, the Group has received the 2nd payment of RM6.0 million from Maju Holdings.

Question 6: The Agenda for the 41st Annual General Meeting contains an Ordinary Resolution 11-the Authority to the Directors to issue and allot shares pursuant to Section 132D of the Companies Act 1965. The Board has proposed this Ordinary Resolution 11 at the 41st AGM after its announcement to make a proposed private placement of up to 7,246,950 Placement Shares of RM1.00 each to third party investors to be identified.

Who are the third party investors identified by the Board and at what price per share will the Placement Shares be issued?

Reply: The Board has yet to finalise the identity of the Investors and the placement price of the shares. The Board will be deliberating on this matter in the next Board Meeting and will announce its status in due course.

Corporate Governance

MSWG is promoting certain standards of corporate governance best practices in PLCs. In this regard, we hope the Board could address the following:-

Question 1: With reference to the recent amendments of the Main Board's Listing Requirements, we hope the Board would publish a summary of the proceedings of the Company's AGM at its website as required under the amendments.

Reply: The Board takes note of the suggestion and will considers them.

Question 2: We noted that 2 Independent Directors of the Company have served more than 15 years. Notwithstanding that the company has put up the resolutions to seek shareholders' approval to retain these Independent Directors, we hope the Board would take into account and address the issue on succession planning.

Reply: The Board notes the recommendation and will consider it when reviewing the Board's membership.

C) Other than the questions raised by MSWG mentioned above, there were no further questions raised by the other Members present at the 41st AGM.

The 41st AGM ended at 11.28 a.m.