

IOI CORPORATION BERHD
(Company Registration No. 9027-W)
(Incorporated in Malaysia)

Minutes of the Forty-Ninth Annual General Meeting (“49th AGM” or the “Meeting”) of IOI Corporation Berhad (the “Company” or “IOI Corp”) held at Millenium Ballroom 1 (Level 1), Le Meridien Putrajaya, Lebuhraya IRC, IOI Resort City, 62502 Putrajaya, Malaysia on Friday, 26 October 2018 at 10.00 a.m.

Present : **Board of Directors (the “Board”)**
Tan Sri Peter Chin Fah Kui
Tan Sri Dr Rahamat Bivi binti Yusoff
Datuk Karunakaran a/l Ramasamy
Dato’ Lee Yeow Chor
Mr Lee Cheng Leang
Mr Lee Yeow Seng
Mr Cheah Tek Kuang
Mr James Lim Tuang Ooi

Shareholders, Corporate Representatives and Proxies
A total of 1,052 shareholders, corporate representatives and proxies registered for the AGM as per the attendance list

Absent with apology : **Tan Sri Dato’ Lee Shin Cheng**
By invitation : **List of invitees is as per attendance list.**

In attendance : **Mr Vincent Tan Choong Khiang (Company Secretary)**

1.0 CHAIRMAN

Apology for absence was received from Tan Sri Dato’ Lee Shin Cheng, who was unwell and unable to attend the meeting. In the absence of the Executive Chairman, the Board agreed that Tan Sri Peter Chin Fah Kui to chair the meeting.

Tan Sri Peter Chin Fah Kui presided over the 49th AGM and welcomed all the shareholders present. The Chairman introduced each and every member of the Board of Directors (“Board”) who were in attendance.

The Chairman advised that pursuant to Article 51 of the Company’s Constitution, the quorum necessary for the transaction of business at a general meeting shall be 2 members present personally or by proxy or by corporate representative entitled to vote. The Chairman also reported that the Company has received 1,654 valid proxy forms and certificates of appointment of corporate representatives, representing approximately 87.92% of the total issued share capital of the Company.

The Chairman then called the Meeting to order after confirming the requisite quorum was present.

The Chairman informed that in accordance with the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), all the resolutions to be tabled at the 49th AGM will be voted on by poll.

The Chairman then requested for a poll to be taken on all the resolutions to be tabled at the Meeting in his capacity as Chairman of the Meeting in accordance with Companies Act 2016 and Paragraph 8.29A of the Listing Requirements of Bursa Malaysia. The Meeting noted that the

Chairman had been appointed as proxy by some shareholders and he would then vote in accordance with the instructions of the respective shareholders.

The Chairman further informed that the polling would be conducted electronically by using a wireless handheld device. The Company had appointed Boardroom Corporate Services (KL) Sdn Bhd (“Boardroom Corporate Services”) as Poll Administrator to conduct the polling process and Boardroom Business Solution Sdn Bhd as Scrutineers to verify the poll results.

Ms Cheryl Leong, the representative from Boardroom Corporate Services was invited to explain to the shareholders present on the process of the poll voting using the wireless handheld device and the house keeping rules as well as to do the testing on the text resolution. The Meeting was informed that voting will be open for 20 seconds on the resolution which will be indicated by a countdown timer on the display screens in the room. Despite the tutorial video on using the wireless handheld device was played prior to the commencement of the Meeting, a trial run of voting by poll was conducted.

2.0 NOTICE

The notice convening the Meeting which has been despatched to the shareholders was taken as read.

3.0 AUDITED FINANCIAL STATEMENTS AND REPORTS

The Chairman tabled the Audited Financial Statements for the financial year ended 30 June 2018 (“FY2018”) and the Reports of the Directors and Auditors. The Chairman then referred the shareholders present to the Group’s summary financial overview and performance highlights for FY2018 set out on pages 12 to 15 of the 2018 Annual Report. It was also highlighted that further details of the Group Financial and Business Review for plantation and resources-based manufacturing were outlined on pages 18 to 35 of the 2018 Annual Report.

The Chairman informed the Meeting that the Company had received a letter from the Minority Shareholders Watch Group (“MSWG”) and for the benefits of the shareholders, the Chairman invited Mr Lee Tuan Meng (“Mr Lee”), the Group Chief Financial Officer (“CFO”) to present the questions and answers to the Meeting, in which it was summarised as follows:-

Strategy / Financial

Q1. The plant utilisation for specialty oils & fats and refinery for the past 5 years ranging around 50% and 60% respectively.

- (a) How does the above utilisation rate fare compared to the average utilisation rate of others in the industry in Malaysia?**
- (b) What is the optimum utilisation rate for the Group and what are the initiatives taken or to be taken to help the Group achieve the optimum rate?**

Response from the Company

Specialty Oil & Fats

The specialty oils and fats business are undertaken by Bunge Loders Croklaan Group B.V. (“Bunge Loders”), which is now part of a global agri-food company with differentiated and comprehensive product offerings based on both tropical and

seed oils, and world-class formulation and application capabilities. Bunge Loders will leverage on Bunge Loders's existing plant assets and establish integrated supply chain in regions such as South America and South Asia to sustain its growth and better serve its multinational customers. We foresee utilisation rate of the plants to improve with higher market penetration going forward.

Refinery

The current utilisation rate of approximately 69% is satisfactory given the on-going industry overcapacity situation in the region. We will continue to undertake efficient management practices to optimize utilisation rate going forward.

Q2. Note 25 to the Financial Statements on page 156 of the Annual Report indicates a substantial increase in the amount due from associates of RM147.4 million at the end of FY2018 from RM1.4 million at the end of FY2017. The amount is unsecured, interest-free and payable upon demand in cash.

- (a) To which associates are the increase attributable to and what is the justification for the interest-free advances to the associates involved?**
- (b) As the amount is payable upon demand and be classified as "Current Assets", would the repayment be expected in the next 12 months?**

Response from the Company

The increase is mainly attributable to amount due from Bunge Loders arising from trade transactions which were subject to normal trade terms. These trade transactions are also within the credit period allowed.

The trade transactions with Bunge Loders prior to divestment of Bunge Loders were eliminated upon consolidation as these were intra-group transactions.

Q3. As stated in the Chairman's Statement in page 9 of the Annual Report, approximately 50% of the proceeds from the divestment of the Loders stake was utilised to pare down existing borrowings, giving rise to a healthier net gearing ratio of 0.26 at the end of FY2018 compared to 0.78 at the end of FY2017.

- (a) Is the net gearing ratio of 0.26 in the optimum range to the Group?**

Response from the Company

The net gearing ratio of 0.26 puts the Group in a good position as it provides a comfortable head-room for the Group to leverage further in the event there are good investment opportunities which arises in the near future.

- (b) What is the finance cost expected to be saved in FY2019 from the pare-down exercise?**

Response from the Company

We expect to save approximately RM40 million per annum from the pare-down exercise.

Q4. As disclosed in Note 21.3 to the Financial Statements on page 153 of the Annual Report, an impairment loss on cost of investment in a joint venture amounting to RM18 million has been recognized during the financial year due to the recoverable amount, which is determined based on cash flow projections, being lower than the carrying amount.

(a) To which joint venture is the impairment attributable?

Response from the Company

The impairment is attributable to Adeka Foods (Asia) Sdn Bhd which manufactures high quality margarine and shortening for breads and confectionary using enzymatic interesterification.

(b) What is the main factor that has caused the recoverable amount in the joint venture to be lower than the carrying amount?

Response from the Company

The impairment was due to a lower than expected performance as a result of the challenging operating environment at this juncture. The joint venture has taken longer than initially anticipated to establish its product acceptance and brand presence in South East Asia and other parts of Asia.

Q5. Effective 1 January 2019, the minimum wage will be increased to RM1,050 per month or RM5.05 per hour nationwide.

What will be the impact on the operating cost of the Group with the new minimum wage?

Response from the Company

The impact to operating cost of the Group is negligible as most of our workers are already earning above RM1,050 per month

After responding the questions from MSWG, the Chairman further invited the shareholders to raise questions.

Comments from shareholders and/or proxy and the response from the Company

(a) Shareholder complimented the Group recorded another good financial performance in FY2018 despite unfavourable palm oil and palm kernel prices which, among others, affected by movements of other edible oils that compete in the global vegetable oils market. The shareholder was keen to know whether the Group is able to maintain its FY2018's continuing operating profit after tax of RM1.2 billion and dividend payout quantum in FY2019. The said shareholder also enquired the next growth in the plantation business in terms of fresh fruit bunches ("FFB") yield and FFB production, as well as potential new investment in downstream oleochemical business. In addition, the shareholder requested management to share some insights on its strategic plan in utilizing the sale proceeds following the disposal of 70% equity stake in Loders Croklaan Group BV.

Response from the Company

Dato' Lee Yeow Chor, the Chief Executive Officer ("CEO") responded that the overall CPO and PK prices realized for FY2018 were RM2,549/MT and RM2,252 /MT respectively. The CEO expected that CPO prices to average at about RM2,300 for FY2019 as there was even a downside risk to this forecast due to the slide in prices of late. In the near term, however, he expected CPO prices to continue to trend low by end-2018, given rising stockpiles and production. Although palm oil price, which is the main determinants of profit, will not be as high as it was last year, the Group would still be able to achieve respectable and satisfactory results in FY2019, supported by growth in FFB production and oleochemical profit contribution.

On production levels, the Group has forecast a single digit year-on-year increase in FFB production for FY2019, partly driven by young trees (i.e. age 4 to 5 years) in its Indonesia plantations (including positive contribution from its associate, Bumitama Agri Limited following double digit growth on its recent quarters) and improvement in FFB production yield from Peninsula Malaysia, after a replanting programme.

The CEO further updated that the Oleochemical segment of the Group performed quite well in FY2018 with a profit of RM384 million. The CEO expected FY2019 financial performance of Oleochemical segment will at least to sustain the overall profitability of FY2018. The CEO informed that the Board had recently approved about RM250 million fatty acid plant expansion project in Penang to accommodate for additional 15% increase in the capacity. In Germany, the Oleochemical division's plant focusing on pharmaceutical and cosmetic are getting more traction with the improving sales and profit margins. The CEO expected improvement in the 30%-owned specialty fats associate, due to higher product margins in Europe and the synergies arising from the integration with the larger Bunge set up. As such, the CEO was of the view that the financial performance of the Group in FY2019 at best, it will be the same with that of FY2018. Nevertheless, the CEO said he was confident that the FY2019 financial performance would be better than other pure plantation companies.

According to the Company's latest annual report, its cash and cash equivalents stood at RM2.76 billion as at 30 June 2018. The CEO believes that the Company is well position to maintain the dividend payout of approximately RM500 million. The CEO also informed that the Group is on the lookout for acquisitions in light of lower CPO prices, particularly for established plantations in Indonesia and Malaysia.

- (b) The representative of MSWG enquired the reason of the questions and answers ("Q&A") for MSWG were not displayed on screen in the Meeting room. The CEO replied that his original intention was to have an interactive session with shareholders instead of flashing the Q&A by reading the text.
- (c) Another shareholder enquired what was the reason of paying a relative high salary of approximately RM68 million and RM38 million to the Executive Chairman and CEO respectively. In response, the Chairman of the Meeting clarified that the annual salary of the Executive Chairman and CEO were RM5.16 million and RM3 million respectively. The Chairman of the Meeting explained that the figures mentioned by the shareholders were inclusive of salary, variable bonus and other remuneration like meeting allowances, benefit in-kinds and employer's provident fund contribution. The Chairman further added that he would explain more details shortly later because Employee Provident Fund ("EPF") has raised few questions on the remuneration too.

The Chairman who is also the Chairman of the Governance, Nominating and Remuneration Committee ("GNRC") responded to the EPF's questions, in which was summarised as follows:-

- Q1. Remuneration for the Executive Chairman and the CEO that was disclosed in the annual report. EPF hope the Remuneration Committee could explain the basis and rationale for the amount. EPF also like to know how the amount can be compared against other listed plantation companies and their financial performance.**

Response from the Company

Based on the disclosure of yearly salary of the Executive Chairman (i.e. RM5.16 million) and CEO (i.e. RM3 million) on page 78 of the Corporate Governance Overview Statement in 2018 Annual Report, salary and bonus are the primary components of our Executive Chairman and CEO's remuneration packages. The GNRC wish to clarify that the total remuneration packages of Executive Chairman and CEO of approximately RM68 million (FY2017: RM23 million) and RM39 million (FY2017: RM11.8 million) respectively were mainly attributable to their salaries and variable bonuses. The higher bonus payout in FY2018 was mainly due to one-off gain of RM1.68 billion on the disposal of 70% equity interest in LC Group in FY2018.

The quantum of bonus payable is determined based on:-

- a) 2% of IOI Corp's consolidated net profit after tax and minority interest ("PATAMI") for the Executive Chairman; and
- b) 1% of PATAMI of IOI Corp for CEO,

and such remuneration structure, which has been maintained in the similar quantum since it was adopted by the Board, is published in our website under our Remuneration Policy and Procedures for Directors and Senior Management.

Given that bonus represents a variable or an "at-risk" portion of remuneration, it is only instructive to analyse the quantum of bonus payment as a proportion of a pertinent performance indicator of the company (e.g. PATAMI). Based on the benchmarking analysis, we note that the closest comparable plantation company would be Golden Agri-Resources Limited ("GAR") in terms of proportion of bonus remunerated to its Chairman and CEO at 3.78% of GAR's PATAMI.

- Q2. Further to (1) above, EPF understand that the remuneration amount was based on the 2% and 1% of the group's PATAMI for FY2018, respectively. However, the group's FY2018 PATAMI was inclusive of the extraordinary items i.e. the disposal proceeds from Lodgers to Bunge. EPF are of the view that this is not in the ordinary course of business and hence should be excluded from the calculation.**

Response from the Company

The bonus of both Executive Chairman and CEO typically outweighs salary in terms of its proportion vis-à-vis the overall remuneration package. The case for variable bonus in the Executive Chairman and CEO's remuneration package is clear and compelling as it helps to drive "pay for performance". It is important to note that the bonus serves to reward top two executives for the increased success fostered by greater risk taking, effort, and ability and in turn, drives value creation for shareholders. As a corollary, bonus also acts as penalty. For instance, in FY2015, the total bonus paid to the Executive Chairman and CEO was RM3.48 million and RM1.74 million respectively based on the Group's PATAMI of RM168.1 million, which was mainly attributed to foreign currency translation loss on foreign currency denominated borrowings.

Having considered the foregoing, the Board acknowledges that following the acquisition of the entire business of LC Group from Unilever Plc and Unilever NV for RM814 million in 2002, both Executive Chairman and CEO with their active and value-add approach had helped to create strategically valuable LC Group over the years that ultimately deliver desirable partial exits for IOI Corp at an attractive consideration for shareholders. Therefore, it is justifiable that the performance indicator of PATAMI is inclusive of this extraordinary item.

		2015	2016	2017	2018
Reported profit attributable to owners	RM million	165.1	629.7	743.2	3,060.5
Bonus		3.48	13.03	15.38	63.18
Chairman		1.74	6.52	7.69	31.59
CEO		5.22	19.55	23.07	94.77
EPF		0.62	12.35	0.92	3.79
Bonus plus EPF		5.84	21.90	23.99	98.56

- Q3. Whether or not the GNRC has considered a cap or a ceiling on the remuneration formula in item (2) above, and if so, to explain the rationale why the committee has decided not to put any cap on the formula.**

Response from the Company

The review of current remuneration quantum and composition of its Directors was carried in FY2018 by an independent consulting company with a view of providing recommendations as to how the remuneration framework for the Directors of IOI Corp can be better structured. To this end, the benchmarking analysis performed in the report was presented to the Board in September 2018. The report would serve as a useful starting point for IOI Corp to discuss and reach a consensus amongst the Board members in determining the remuneration of the top two executives because setting the remuneration framework for the top executives of a company is an intricate and a multi-faceted task which demands a mastery of the intersection between rules and incentives, market competitiveness, risk horizon and stakeholders' expectation.

- Q4. The request to disclosure top 5 highest paid salary of senior management**

Response from the Company

As EPF are aware, the Board is responsible for managing and supervising the information provided to shareholders, institutional investors and the markets in general. In this sense, the Board is, amongst others, obliged to ensure the protection of all shareholders' legitimate rights and interests, and will ensure equal treatment as regards to the recognition and exercise of the rights of all shareholders who are in the same position. We believe that

fair and equal treatment of all shareholders is one of the key principles of effective corporate governance, wherein any information that could be of interest to shareholders, institutional investors and the market in general is disclosed on the basis of transparency, equality and in accordance with the Listing Requirements, legal provisions in the Companies Act 2016 and Malaysian Code of Corporate Governance (“CG Code”).

In spite of the requirement under practice 7.2 of the CG Code, the Company has given its explanation and alternative aggregate disclosure set out on page 36 of the CG Report, and based on the principle of equality on shareholders’ communication, the Company was unable to provide the detailed top 5 highest paid senior management personnel (“KMP”) remuneration at this juncture. Nevertheless, the GNRC will be reviewing the detailed KMP remuneration disclosure for FY2019.

After responding the questions from EPF, the Chairman further invited the shareholders to raise questions.

Comments from shareholders and/or proxy and the response from the Company

- (a) One of the shareholders enquired the meaning of PATAMI and whether the company concerned is an investment company. Mr Lee Yeow Seng explained that PATAMI referred to net profit after tax and minority interest of IOI Group. The said shareholder has voiced his unhappiness with the explanation given by the Chairman on the excessive bonuses of Executive Chairman and CEO.

To a question raised by shareholders whether extraordinary gain from monetisation of assets could be taken into consideration in determining the performance bonus of Directors or should performance bonus be solely based on profit from the ordinary business activities of a company, the Board was of the view that the Executive Chairman and CEO, who have been working hard in growing the value of the assets and who have successfully monetised the assets for a handsome gain, should be rewarded for their role. However, some shareholders disagree with the view of the Board. There were some shareholders of the view that extraordinary gain from monetisation of assets should not be taken into consideration in determining the performance bonus of Directors. One of the shareholders felt that Directors may be tempted to monetise assets belonging to the company and to reward themselves with exorbitant remuneration from gains derived from the monetisation exercise, which will be detrimental to the interest of the minority shareholders in the long run. The said shareholder commented that gains from extraordinary transactions are normally one-off and are short term in nature. Taking into consideration such extraordinary gains in determining the remuneration of Directors may result in Directors focusing on disposing assets to realise short term, one-off extraordinary gains instead of focusing on long-term efforts to enhance shareholders’ value. Another shareholder commented that it would be more appropriate for the Company to have a cap on the PATAMI with regard to the bonus payment.

The shareholder requested the Board to clarify which company has paid its bonuses to Directors based on extraordinary gain. The Chairman responded that currently the Board did not have an answer to the question and it was agreed that the response would be published in the Company’s website.

When asked to comment on the bonus payment, the CEO informed the Meeting that since he is interested in the subject matter and he said he would not comment since the Board has deliberated the issue at length. Nevertheless, the CEO hoped that the Meeting would be able to carry out in a harmonious way.

The Chairman responded that the Board had recently carried out an assessment on the remuneration of the Directors and the GNRC and the Board will revisit the bonus payment mechanism to ensure that the payments are fair and balanced.

- (b) Shareholder informed the Meeting that he was puzzled as to why the shares of substantial shareholder, Vertical Capacity Sdn Bhd was not aggregated into a combined account for the disclosure purpose of top 30 substantial shareholders in the Annual Report. The said shareholder also sought clarification on the reason of Progressive Holdings Sdn Bhd (“PHSB”)’s name was not appeared as substantial shareholder. The shareholder further commented that the total shareholdings of Vertical Capacity Sdn Bhd was not tally with the percentage set out on page 236 of the Annual Report.

Response from the Company

The Company Secretary explained that the disclosure of the top substantial shareholders of the Company was based on each individual securities account of the substantial shareholder extracted from the record of Record of Depositors instead of combined account, under the Listing Requirements of Bursa Malaysia. The Company Secretary added that PHSB was not a registered substantial shareholder but PHSB is deemed interested by virtue of its interest in VCSB, the wholly-owned subsidiary pursuant to Section 8 of the Companies Act 2016. The CEO added that the discrepancy in the percentage of VCSB was due to some of the shares were personally held by the family members of Executive Chairman.

- (c) Shareholder noted the Group’s footprint in terms of planted areas in Sarawak and Indonesia was negligible currently and the shareholder enquired the reason.

Response from the Company

The CEO replied that there was lack of opportunity in Sarawak as the state land in Sarawak mostly is classified as native customary rights land. The continued use by the government and private companies of large tracts of indigenous customary land for oil palm plantations and other development projects continues to be a highly charged area of controversy. As a result, the Company was not expected to expand the plantation estates in Sarawak. On the other hand, the total planted area in Indonesia is approximately 16,000 hectares and the Group was planning to plant additional 6,000 hectares or 7,000 hectares. The CEO further added that the Group was mindful and careful in expanding plantation estate land in Indonesia due to various factors relating to social environmental issues and local government regulatory compliance.

- (d) Shareholder cautioned the Directors not to selectively display the Q&A from the shareholders (i.e. MSWG and EPF) on the screen. The shareholder enquired whether the significant drop in inventories was due to divestment of Loders Croklaan Group and whether the unrealised gain in respect of recognition of fair value of put and call options of the remaining 30% equity interest in Loders Croklaan Group has been included in the PATAMI for the purpose of determining the bonus payment.

Response from the Company

The CFO responded that significant drop in inventories was attributed to the divestment of Loders Croklaan Group. With regard to the question on PATAMI for fair value gain of put and call options of the remaining 30% equity interest in Loders Croklaan Group, the CFO answered in the affirmative.

- (e) Another shareholder enquired what are the implications of the proposed European Countries ban on palm oil-based biofuel to the Group.

Response from the Company

The CEO reported that the decisions made by the Members of European Parliament (“MEPs”) in January 2018 sent a very strong signal to all palm oil producers especially Malaysia and Indonesia. Since then, both countries, either jointly or separately, lobbied the EU not to proceed with the proposed ban. Some of these actions were consultative, but some were more aggressive and confrontational. Contrary to the MEPs, some governments of EU member states differ in their views on the proposed amendments to ban palm oil. But one thing is for sure; the situation is very dynamic and will impact the trading landscape between EU member states and the two major producers of palm oil, Malaysia and Indonesia.

The Chairman thanked the floor for the questions raised.

At this juncture, the Chairman informed that the Group has published the Sustainability Report and the same has been made available on the Company’s website for the benefit of the shareholders who are keen to read more about the sustainability matters.

The Chairman also informed that the Audited Financial Statements for FY2018 and the Directors’ and Auditors’ Reports thereon, were tabled at the Meeting for discussion only and were not required to be put forward for voting.

The Audited Financial Statements for FY2018 and the Directors’ and Auditors’ Reports thereon laid before the Meeting in compliance with Section 340(1) of the Companies Act 2016 were duly received.

4.0 RE-ELECTION OF DIRECTORS RETIRING PURSUANT TO ARTICLE 101 OF THE COMPANY’S CONSTITUTION

- 4.1 The Chairman informed that two Directors shall retire by rotation in accordance with Article 101 of the Company’s Constitution and be eligible for re-election. The retiring Directors who being eligible, offered themselves for re-election under Ordinary Resolutions 1, 2 and 3, respectively were as follows:-

- (a) Dato’ Lee Yeo Chor (Ordinary Resolution 1)
- (b) Datuk Karownikaran @ Karunikaran a/l Ramasamy (Ordinary Resolution 2)
- (c) Mr Cheah Tek Kuang (Ordinary Resolution 3)

- 4.2 The Chairman sought for proposer and seconder in respect of the re-election of each Director under the following resolutions, which were proposed to be voted on individually, in a separate motion, in accordance with Article 101 of the Company’s Constitution:-

(a) Ordinary Resolution 1 – Re-election of Dato’ Lee Yeow Chor

The Ordinary Resolution 1 was voted on by poll and the results were summarised, as follows:-

Ordinary Resolution 1	For		Against		Total Voting Shares
	No. of Ordinary Shares	%	No. of Ordinary Shares	%	
Re-election of Dato' Lee Yeow Chor	5,470,573,262	99.6252	20,581,678	0.3748	5,491,154,940

As more than 50% of the votes were cast in favour, the Ordinary Resolution 1 was carried and it was resolved:-

“THAT Dato' Lee Yeow Chor, the Director retiring by rotation pursuant to Article 101 of the Company's Constitution and being eligible, be hereby re-elected as a Director of the Company.”

(b) Ordinary Resolution 2 – Re-election of Datuk Karownikaran @ Karunikaran a/l Ramasamy

The Ordinary Resolution 2 was voted on by poll and the results were summarised, as follows:-

Ordinary Resolution 2	For		Against		Total Voting Shares
	No. of Ordinary Shares	%	No. of Ordinary Shares	%	
Re-election of Datuk Karownikaran @ Karunikaran a/l Ramasamy	5,487,090,075	99.9492	2,790,353	0.0508	5,489,880,428

As more than 50% of the votes were cast in favour, the Ordinary Resolution 2 was carried and it was resolved:-

“THAT Datuk Karownikaran @ Karunikaran a/l Ramasamy, the Director retiring by rotation pursuant to Article 101 of the Company's Constitution and being eligible, be hereby re-elected as a Director of the Company.”

(c) Ordinary Resolution 3 – Re-election of Mr Cheah Tek Kuang

The Ordinary Resolution 3 was voted on by poll and the results were summarised, as follows:-

Ordinary Resolution 3	For		Against		Total Voting Shares
	No. of Ordinary Shares	%	No. of Ordinary Shares	%	
Re-election of Mr Cheah Tek Kuang	5,484,649,852	99.9038	5,283,801	0.0962	5,489,993,653

As more than 50% of the votes were cast in favour, the Ordinary Resolution 3 was carried and it was resolved:-

“THAT Mr Cheah Tek Kuang, the Director retiring by rotation pursuant to Article 101 of the Company’s Constitution and being eligible, be hereby re-elected as a Director of the Company.”

5.0 DIRECTORS’ FEES FOR FINANCIAL YEAR ENDING 30 JUNE 2019

The third item on the agenda was to seek approval from the shareholders on the payment of Directors’ fees of RM1,170,000 for the financial year ending 30 June 2019, Audit & Risk Management Committee (“ARMC”) fees comprising RM50,000 payable to the ARMC Chairman and RM35,000 payable to each ARMC member and Governance, Nominating & Remuneration Committee (“GNRC”) fees comprising RM30,000 payable to the GNRC Chairman and RM20,000 payable to each GNRC member, with payment of all the fees to be made quarterly in arrears at the end of each calendar quarter.

The Ordinary Resolution 4 was voted on by poll and the results were summarised, as follows:-

Ordinary Resolution 4	For		Against		Total Voting Shares
	No. of Ordinary Shares	%	No. of Ordinary Shares	%	
Directors’ fees for the financial year ending 30 June 2019	4,619,498,477	84.0955	873,661,625	15.9045	5,493,160,102

As more than 50% of the votes were cast in favour, the Ordinary Resolution 4 was carried and it was resolved:-

“THAT the payment of Directors’ fees of RM1,170,000 for the financial year ending 30 June 2019, ARMC fees comprising RM50,000 payable to the ARMC Chairman and RM35,000 payable to each ARMC member and GNRC fees comprising RM30,000 payable to the GNRC Chairman and RM20,000 payable to each GNRC member, with payment of all the fees to be made quarterly in arrears at the end of each calendar quarter, to be divided among the Directors in such manner as the Directors may determine, be hereby approved.”

6.0 DIRECTORS' BENEFITS FOR THE PERIOD FROM 26 OCTOBER 2018 UNTIL THE NEXT ANNUAL GENERAL MEETING

The next item on the agenda was to seek approval from the shareholders on the payment of Directors' Benefits for the period from 26 October 2018 until the next AGM.

The Ordinary Resolution 5 was voted on by poll and the results were summarised, as follows:-

Ordinary Resolution 5	For		Against		Total Voting Shares
	No. of Ordinary Shares	%	No. of Ordinary Shares	%	
Directors' benefits for the period from 26 October 2018 until the next AGM	5,492,388,467	99.9872	702,968	0.0128	5,493,091,435

As more than 50% of the votes were cast in favour, the Ordinary Resolution 5 was carried and it was resolved:-

"THAT the payment of Directors' benefits for the period from 26 October 2018 until the next AGM, to be divided among the Directors in such manner as the Directors may determine, be hereby approved."

7.0 RE-APPOINTMENT OF AUDITORS

The Chairman informed the Meeting that this item on the agenda was to seek approval from the shareholders on the re-appointment of Messrs BDO as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the ARMC to fix their remuneration.

The Ordinary Resolution 6 was voted on by poll and the results were summarised, as follows:-

Ordinary Resolution 6	For		Against		Total Voting Shares
	No. of Ordinary Shares	%	No. of Ordinary Shares	%	
Re-appointment of Messrs BDO as Auditors	5,487,133,460	99.9441	3,067,109	0.0559	5,490,200,569

As more than 50% of the votes were cast in favour, the Ordinary Resolution 6 was carried and it was resolved:-

"THAT Messrs BDO be hereby appointed as the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that the ARMC be authorised to determined their remuneration."

8.0 AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 76 OF THE COMPANIES ACT 2016

The Chairman informed the Meeting that the proposed ordinary resolution under item 6.1 of the agenda as special business was to seek renewal of a general mandate, which if passed, will empower the Directors to allot and issue shares pursuant to Section 76 of the Companies Act 2016.

The Ordinary Resolution 7 was voted on by poll and the results were summarised, as follows:-

Ordinary Resolution 7	For		Against		Total Voting Shares
	No. of Ordinary Shares	%	No. of Ordinary Shares	%	
Authority to Directors to allot and issue shares pursuant to Section 76 of the Companies Act 2016	4,813,967,541	87.6378	679,058,107	12.3622	5,493,025,648

As more than 50% of the votes were cast in favour, the Ordinary Resolution 7 was carried and it was resolved:-

“THAT pursuant to Section 76 of the Companies Act 2016, the Directors be hereby authorised with full powers to allot and issue shares in the Company from time to time and upon such terms and conditions and for such purposes as they may deem fit subject always to the approval of the relevant authorities being obtained for such issue and provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the issued share capital for the time being of the Company and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued.”

9.0 PROPOSED RENEWAL OF EXISTING SHARE BUY-BACK AUTHORITY

The Chairman informed the Meeting that the proposed ordinary resolution under item 6.2 of the agenda as special business was to seek renewal of the authority to purchase up to ten percent (10%) of the issued share capital of the Company. The details of the Proposed Renewal of Existing Share Buy-Back Authority were stated in Part A of the Circular to shareholders dated 27 September 2018.

One of the shareholders has enquired how much of the shares being purchase FY2018. The Company Secretary clarified that Company did not purchase any shares in FY2018 and the treasury shares had been cancelled in 30 June 2017.

The Ordinary Resolution 8 was voted on by poll and the results were summarised, as follows:-

Ordinary Resolution 8	For		Against		Total Voting Shares
	No. of Ordinary Shares	%	No. of Ordinary Shares	%	
Proposed Renewal of Existing Share Buy-Back Authority	5,492,637,748	99.9994	32,967	0.0006	5,492,670,715

As more than 50% of the votes were cast in favour, the Ordinary Resolution 8 was carried and it was resolved:-

“THAT subject to compliance with applicable laws, regulations and the approval of all relevant authorities, approval be hereby given to the Company to utilise up to the aggregate of the Company’s latest audited retained earnings, to purchase, from time to time during the validity of the approval and authority under this resolution, such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad (“**Bursa Securities**”) upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and/or held by the Company pursuant to this resolution does not exceed ten percent (10%) of the issued share capital of the Company at the time of purchase (“**Proposed Purchase**”);

THAT at the discretion of the Directors of the Company, the shares of the Company to be purchased are to be cancelled and/or retained as treasury shares and distributed as dividends or resold on Bursa Securities;

THAT the Directors of the Company be hereby empowered generally to do all acts and things to give effect to the Proposed Purchase with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities and/or do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company;

AND THAT such authority shall commence immediately upon passing of this resolution until:

- (i) the conclusion of the next Annual General Meeting of the Company at which time the authority shall lapse unless by ordinary resolution passed at a general meeting, the authority is renewed either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting,

whichever is the earlier but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities or any other relevant authorities.”

10.0 PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Chairman informed the Meeting that item 6.3 on the agenda, as special business, was to renew the existing Shareholders' Mandate for the Recurrent Related Party Transactions of a revenue or trading nature which are necessary for day-to-day operations involving the interests of Directors, Major Shareholders or persons connected to the Directors and/or Major Shareholders of the Company and its subsidiaries ("Proposed Renewal Shareholders' Mandate").

The Chairman informed the Meeting that the details with regards to the Proposed Renewal Shareholders' Mandate was set out in Part B of the Circular dated 27 September 2018.

The Chairman highlighted that Tan Sri Dato' Lee Shin Cheng, Dato' Lee Yeow Chor, Mr Lee Yeow Seng, Mr Lee Cheng Leang, Vertical Capacity Sdn Bhd and the persons connected to them were interested in the Proposed Renewal Shareholders' Mandate. Hence, they would abstain from voting on Ordinary Resolution 9 in respect of their direct and indirect shareholdings in the Company.

The Ordinary Resolution 9 was voted on by poll and the results were summarised, as follows:-

Ordinary Resolution 9	For		Against		Total Voting Shares
	No. of Ordinary Shares	%	No. of Ordinary Shares	%	
Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature	2,431,266,754	99.9706	714,581	0.0294	2,431,981,335

As more than 50% of the votes were cast in favour, the Ordinary Resolution 9 was carried and it was resolved:-

"THAT subject always to the provisions of the Companies Act 2016 ("**the Act**"), the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad or other regulatory authorities, approval be hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations involving the interests of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries ("**Related Parties**"), as detailed in Part B, Section 4 of the Circular to Shareholders of the Company dated 27 September 2018 ("**Shareholders' Mandate**") subject to the following:

- (i) the transactions are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and
- (ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year.

THAT authority conferred by this resolution will commence immediately upon the passing of this resolution and shall continue to be in force until:

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- (i) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless renewed by a resolution passed by the shareholders of the Company in a general meeting;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date it is required to be held pursuant to Section 340(2) of the Act (*but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act*); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier,

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Shareholders' Mandate."

11.0 CLOSURE

The Chairman informed the Meeting that there were no notices received for any other business to be conducted at the Meeting.

The Chairman concluded the Meeting and thanked all present.

The Chairman declared the Meeting closed at 12.15 p.m.

Confirmed

Tan Sri Peter Chin Fah Kui
Chairman

Date: 26 October 2018