

**TASCO BERHAD (20218-T)**  
(Incorporated in Malaysia)

Minutes of the Forty-Second Annual General Meeting of the Company held at Lot No. 1A, Persiaran Jubli Perak, Jalan 22/1, Seksyen 22, 40300 Shah Alam, Selangor Darul Ehsan on Thursday, 7 September 2017 at 3.00 p.m.

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**PRESENT**

Mr. Lee Check Poh (Chairman)	Non-Independent Executive Chairman
Mr. Lim Jew Kiat	Non-Independent Managing Director
Mr. Tan Kim Yong	Non-Independent Deputy Managing Director
Mr. Masaki Ogane	Non-Independent Executive Director
Mr. Yasushi Ooka	Non-Independent Non-Executive Director
Mr. Lee Wan Kai	Non-Independent Executive Director
Mr. Kwong Hoi Meng	Independent Non-Executive Director
Mr. Raymond Cha Kar Siang	Independent Non-Executive Director
Mr. Raippan s/o Yagappan @ Raiappan Peter	Independent Non-Executive Director
Members and Proxies as per Attendance List	

**IN ATTENDANCE**

Seow Fei San	(Secretary)
Loh Lai Ling	(Secretary)

**QUORUM**

The requisite quorum being present, the Chairman called the meeting to order.

**NOTICE**

The notice convening the meeting was tabled and taken as read.

The Meeting was informed that as required by the listing requirements, all proposed resolutions set out in the Notice of today's meeting would be put into consideration through poll voting.

The members present noted the requirements and the voting process for all proposed resolutions that would be carried out after the discussion of each of the resolution tabled to the shareholders.

The Chairman then invited Mr. Tan Kim Yong ("Mr. Tan") to present a short briefing/presentation of the Company's background, financial performance and achievements to the members.

After Mr. Tan's presentation, Mr. Tan informed that the Company received a letter from the Minority Shareholder Watchdog Group ("MSWG") dated 6 September 2017 this morning. In view of the short timeframe given by the MSWG for the reply, the Company was not able to provide a written reply to MSWG at this juncture but would read out the questions and reply to the meeting.

After the questions and replies of MSWG had been read out, Mr. Tan ended his presentation and invited Mr. Andy Lee Wan Kai, the Operation Director in charge of Supply Chain Solutions Function to present some snapshots of the Cold Chain business of the Company and new project in KLIA.

After which, the Chairman proceeded to the agenda item of the meeting.

The Meeting was informed that the voting would be by way of e-poll voting and the Company had appointed Mr. Leonard Lim Weng Leong as the Scrutineer for the voting process and Votesapp Sdn. Bhd. ("Votesapp") as the Poll Administrator.

The representative of Votesapp was then invited to brief the meeting on how to cast their vote via the electronic device provided by Votesapp to them during the registration.

After the briefing by Votesapp, the Meeting proceeded with the first agenda item today.

#### **1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

The Audited Financial Statements and Reports of the Directors and Auditors for the financial year ended 31 March 2017 having been circulated to all the members of the Company within the prescribed period were tabled to the meeting.

The Chairman invited members to put forth questions on the financial statements and reports.

After the questions raised by the members were answered, the Chairman concluded that the Audited Financial Statements for the financial year ended 31 March 2017 and the Report of Directors and Auditors thereon submitted to the meeting were received and noted.

#### **2. PAYMENT OF DIRECTORS FEE FOR FINANCIAL YEAR ENDED 31 MARCH 2017**

The Meeting proceeded to consider the proposed Ordinary Resolution 1 on the payment of Directors' fees of RM96,000 for the financial year ended 31 March 2017 for their services as directors of the Company.

There being no question asked, the Chairman put the following resolution to the shareholders for consideration:

*"THAT approval be and is hereby given for the payment of directors' fees of RM96,000 for the financial year ended 31 March 2017 for their services as directors of the Company."*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 1 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,664,381	100	2	0

The Chairman declared the Ordinary Resolution 1, *carried*.

### 3. PAYMENT OF DIRECTORS' BENEFITS FOR FINANCIAL YEAR ENDED 31 MARCH 2017

The Meeting proceeded to consider the proposed Ordinary Resolution 2 on payment of Directors' benefits (excluding Directors' fees) of RM30,000 from 1 February 2017 until the next AGM of the Company.

There being no question asked, the Chairman put the following resolution to the shareholders for consideration:

*"THAT authority be and is hereby given for the payment of Directors' benefits (excluding Directors' fees) of up to RM30,000 to Non-Executive Directors of the Company with effect from 1 February 2017 until the next annual general meeting of the Company."*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 2 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,570,177	99.9934	10,202	0.0066

The Chairman declared the Ordinary Resolution 2, *carried*.

### 4. RE-ELECTION OF DIRECTORS

The Meeting was informed that the following Directors were retiring in accordance with Article 77 of the Company's Constitution and being eligible, had accordingly offered themselves for re-election:-

- a. Mr. Raymond Cha Kar Siang;
- b. Mr. Yasushi Ooka; and
- c. Mr. Masaki Ogane.

There being no questions asked for the resolutions tabled, the following motions were then put to the shareholders for a vote:

#### **Ordinary Resolution 3**

#### **Re-election of Mr. Raymond Cha Kar Siang**

*"THAT Mr. Raymond Cha Kar Siang retiring pursuant to the Article 77 of the Company's Constitution, be and is hereby re-elected as director of the Company"*.

**Ordinary Resolution 4**  
**Re-election of Mr. Yasushi Ooka**

*"THAT Mr. Yasushi Ooka retiring pursuant to Article 77 of the Company's Constitution, be and is hereby re-elected as director of the Company".*

**Ordinary Resolution 5**  
**Re-election of Mr. Masaki Ogane**

*"THAT Mr. Masaki Ogane retiring pursuant to Article 77 of the Company's Constitution, be and is hereby re-elected as director of the Company".*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 3 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,581,181	99.9785	33,202	0.0215

The Chairman declared the Ordinary Resolution 3, **carried**.

The Meeting then proceeded with the poll voting for Ordinary Resolution 4.

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 4 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,567,279	99.9785	33,202	0.0215

The Chairman declared the Ordinary Resolution 4, **carried**.

The Meeting then proceeded with the poll voting for Ordinary Resolution 5.

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 5 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,641,281	99.9785	33,202	0.0215

The Chairman declared the Ordinary Resolution 5, **carried**.

**5. RE-APPOINTMENT OF DIRECTOR**

The Meeting then proceeded to deal with Ordinary Resolution 6 on the appointment of Mr. Raippan s/o Yagappan @ Raiappan Peter ("Mr. Raippan") as Director of the Company. He, being eligible, had offered himself for re-appointment.

The Meeting was informed that Mr. Raippan who was above the age of 70, was re-appointed pursuant to Section 129 of the Companies Act 1965 as Director of the Company at the last annual general meeting ("AGM") held on 28 September 2016, to hold office until the conclusion of Forty-second AGM. Under the new Companies Act 2016, there was no age limit for directors and therefore, Mr. Raippan would no longer need to be subject to re-appointment on yearly basis.

However, as Mr. Raippan's re-appointment at the last AGM was for a term until the conclusion of this AGM, shareholders' approval was now sought to enable Mr. Raippan to continue in office as director of the Company. Going forward, Mr. Raippan would be subject to retirement by rotation.

There being no question asked, the following motion pertaining to the re-appointment of director was then tabled to the shareholders for a vote:

*"THAT Mr. Raippan s/o Yagappan @ Raiappan Peter be and is hereby appointed as director of the Company."*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 6 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,606,481	99.9948	8,002	0.0052

The Chairman declared the Ordinary Resolution 6, **carried**.

**6. RE-APPOINTMENT OF AUDITORS**

The following Ordinary Resolution 7 on re-appointment of auditors was put to the Meeting for consideration and vote:

*"THAT Messrs Mazars PLT be and are hereby re-appointed as auditors of the Company to hold office until the conclusion of the next annual general meeting and that the directors be and are hereby authorised to determine their remuneration."*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 7 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,614,479	100	2	0

The Chairman declared the Ordinary Resolution 7, *carried*.

**7. RETENTION OF INDEPENDENT DIRECTORS**

The Meeting was informed that the Board would like to recommend Mr. Raymond Cha Kar Siang, Mr. Raippan and Mr. Kwong Hoi Meng who had served the Board as Independent Directors ("ID") of the Company for a cumulative term of more than nine years to continue to act as IDs.

The Meeting was informed that an assessment of the independence of all ID had been undertaken as part of the Board's annual assessment process and the Board was satisfied that they met the guidelines for independence and their ability to exercise independent judgement despite they had served for a cumulative tenure of more than nine years.

Accordingly the following motions were put to the Meeting for consideration and vote:

**Ordinary Resolution 8**

*"THAT pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012 and subject to the passing of Resolution 3, approval be and is hereby given to Mr. Raymond Cha Kar Siang, who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director until the conclusion of the next Annual General Meeting."*

**Ordinary Resolution 9**

*"THAT pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012 and subject to the passing of Resolution 3, approval be and is hereby given to Mr. Raippan s/o Yagappan @ Raiappan Peter, who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director until the conclusion of the next Annual General Meeting."*

**Ordinary Resolution 10**

*"THAT pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012, approval be and is hereby given to Mr. Kwong Hoi Meng, who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director until the conclusion of the next Annual General Meeting."*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 8 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,614,271	99.9999	207	0.0001

The Chairman declared the Ordinary Resolution 8, *carried*.

The Meeting then proceeded with the poll voting for Ordinary Resolution 9.

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 9 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,606,269	99.9947	8,207	0.0053

The Chairman declared the Ordinary Resolution 9, *carried*.

The Meeting then proceeded with the poll voting for Ordinary Resolution 10.

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 10 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,614,269	99.9999	207	0.0001

The Chairman declared the Ordinary Resolution 10, *carried*.

#### 8. RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Meeting proceeded to consider the following Ordinary Resolution 11 on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as set out in Section 2.3.2 of the Circular to Shareholders dated 28 July 2017 which was despatched together with the Company's Annual Report 2017:-

*"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the Company and its subsidiaries be and are hereby authorised to enter into and give effect to the Recurrent Transactions with the Related Party as detailed in Section 2.3.2 of the Circular to Shareholders dated 28 July 2017 which are necessary for the Company's and its subsidiaries' day-to-day operations in the ordinary course of business on terms not more favourable to the said Related Party than those generally available to the public and not detrimental to minority shareholders of the Company.*

*AND THAT such approval shall continue to be in force until:-*

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the AGM whereby the authority is renewed; or*
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(1) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(2) of the Act); or*
- (c) revoked or varied by a resolution passed by the shareholders in a general meeting;*

*whichever is earlier;*

*AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature."*

The Chairman also informed that the Interested Directors and persons connected to the Interested Director would abstain from voting on Ordinary Resolution 11.

There was no question raised by shareholders on the aforesaid resolution and the proposed resolution was put to shareholders for a vote.

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 11 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
20,671,150	99.999	202	0.001

The Chairman declared the Ordinary Resolution 11, **carried**.

#### **9. AUTHORITY TO ALLOT SHARES**

The Meeting proceeded to consider Ordinary Resolution 12 on authority to the Directors to allot shares.

The following Ordinary Resolution would be put to the Meeting for a vote after the Meeting had gone through the last agenda item of this meeting:

*"THAT subject always to the Companies Act 2016 ("Act") and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Act to allot shares in the Company at any time until the conclusion of the next Annual General Meeting upon such terms and conditions and for such purposes that the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed 10% of the issued share capital of the Company for the time being."*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 12 was shown instantaneously on screen as follows:-

Vote For		Vote Against	
No. of Shares	%	No. of Shares	%
154,632,379	99.9728	42,002	0.0272

The Chairman declared the Ordinary Resolution 12, **carried**.

The Meeting then proceeded with the final agenda item of the meeting.



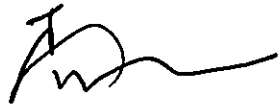
**10. ANY OTHER BUSINESS**

The last item on the agenda for the meeting was to transact any other business of which due notices shall have been received in accordance with the Companies Act 2016. The Meeting noted that no notice of any other business for transacting at the meeting was received.

**CLOSURE**

There being no further business, the meeting closed at 4.20 p.m. with a vote of thanks to the Chairman.

**CONFIRMED CORRECT**



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**CHAIRMAN**

Dated: 16 November 2017

**TASCO BERHAD**  
(Company No. 20218-T)  
(Incorporated in Malaysia)

**LIST OF QUESTIONS RAISED AND RESPONSE PROVIDED DURING THE FORTY-SECOND ANNUAL GENERAL MEETING**

**Is the Renesas distribution centre in KLIA cater only for Renesas' businesses or open to other company as well?**

The distribution centre is only catered for the business of Renesas.

**Currently, the Company has been expanding its business quite aggressively, is there any policy to guide the Management on their investment decision?**

There is no formal guide on investment, however, the Company has been very prudent and due care in their choice of new business venture. The new business has to complement well with the business of the Company and also provide synergy to the growth of the Company.

**What was the reason causing the segmental performance in year 2017 not as good as year 2016?**

The performance in every segment was unique and has its high and low session due to internal and external factors. Overall, the performance of the Company was doing quite well despite the current deteriorating market environment.

Under Contract Logistics segment, the investment in West Port acquisition had yet to be materialised. While the demand for warehousing, container haulage business saw overflow in Northern, Centre and Southern regions. Future trend in the down south would see that Singapore might use Johor Bahru as a warehousing hub due to its close proximity to Singapore.

Overall, the performance is affected by the Company's spending in various project such as Renesas distribution centre in KLIA and Sony Repair Part Centre.

**Would the Company expect better performance after the integration of the Cold Chain business?**

The Company expected organic growth of the cold chain business after the bought over as it started to see business opportunities with the cold chain customers in other business segments. Hence, the Company expected better performance and contribution from cold chain business.

**Please elaborate the reason causes the fall in the profit before tax of Air Freight Forwarding ("AFF") division from RM8.6 million to RM3.6 million?**

The reduction in profits was mainly due to the actual freight costs was being higher than the contract bid price for major customers. The drop in profits was also due to the investment in the Renesas project for the past five (5) months whereby operating cost, staff cost and rental cost were unable to be capitalised as the business has yet to start, hence, affected the profits.

For AFF business, we needed volume in order to stay competitive with other airlines and also shipping lines. Currently, the Company is looking into ad-hoc cargo business opportunities.

**Any intention to go e-commerce for cold chain business?**

The Company was contemplating of venturing into B2B e-commerce then only B2C e-commerce.

**Do the Company foresee any difficulty in collecting debts from its debtors? If yes, any provision for doubtful debts or bad debts written off?**

Normally, customers are given a credit term of 30 to 60 days. However, for long-standing customers and related parties, the credit terms might be extended to 90 days based on the Management's discretion.

To be prudent, the Management would usually make provision for bad debts which were more than 12 months old. However, at the Management's discretion, bad debts exceeding 6 months could be written off.