

XINGHE HOLDINGS BERHAD
(643114-X)
(Incorporated in Malaysia)

Minute of the Thirteenth Annual General Meeting held at Balai Tunku Abdul Rahman, The Royal Commonwealth Society, No. 4, Jalan Birah, Damansara Heights, 50490 Kuala Lumpur, Malaysia on 28 May 2018 at 9:30 a.m.

PRESENT

Mr Ng Min Lin (Chairman)
Mr Ma GuoLiang (Managing Director)
Mr Chung Wai Choong
Shareholders and proxies as per attendance list

ABSENT WITH APOLOGIES

Madam Li HuiJun (Vice-Chairperson)
Mr Wang ZhiMin

IN ATTENDANCE

Ms. Lim Chien Joo (Company Secretary)
Mr Law Kian Huat (Messrs BDO) [“BDO”]

BY INVITATION

Ms Lok Pei Ling (BDO)
Mr Leong Weng Choong (BDO)
Mr Stephen Wan (Messrs Moore Stephens Associates PLT) [“Moore Stephens”]
Guests as per attendance list

NOTICE

The Chairman welcomed the shareholders, proxies and guests to the Meeting. He informed the Meeting that he should appreciate if all mobile phones be switched off or put to silent mode during the Meeting.

There being a quorum, he declared the Meeting duly convened.

The Chairman informed the Meeting that both Madam Li Hui Jun and Mr Wang ZhiMin have requested him to extend their apologies to the Meeting for not being able to be present for the Meeting.

The Chairman advised the Meeting that Mr Law Kian Huat, the representative from BDO was present to respond to any questions on their audit process and report, the accounting policies adopted by the Group for the financial year ended 31 December 2017 [“FY2017”] and their independence.

He continued and said that pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements, all resolutions set out in the notice of the Meeting would be put to vote by poll. In this respect, he advised that Securities Services (Holdings) Sdn. Bhd. would be the Poll Administrator for the polling process and Messrs. Chuah & Partners, the Scrutineer, to verify the poll results. He further said that the polling would be conducted upon completion of the deliberation of all items on the Agenda of the Meeting.

The Chairman then informed the Meeting that before he proceeds to item (1) of the Agenda, he wishes to advise that the Company had received a letter dated 23 May 2018 from Minority Shareholder Watchdog Group) ["MSWG"] seeking clarifications on certain strategic and financial matters in relation to the Company's Annual Report 2017 ["AR2017"]. He said that copies of the said letter together with the Company's reply thereon have been distributed to the Meeting and the Board would be pleased to take questions from the Meeting on the same.

Mr. Wong Kin Wing (from MSWG) informed the Board that he has taken note of the Company's reply to their above letter but nevertheless, he would like to further enquired on the following matters:

(a) Progress of the Xinjiang Project as well as the reasons for it being delayed

Mr. Chung Wai Choong said that the project was still under evaluation as the Board wanted to make sure that it was feasible since it involved intensive capital outlay. He then referred Mr. Wong to page 17 of the AR2017 where full details of the project including its expected planned take-off and importance to the Group had been set out. He added that barring unforeseen circumstances, the project is tentatively planned to be commence by the 2nd quarter of the financial year ended 31 December 2018.

(b) Why was the funds received from the private placement not disclosed in the audited financial statements for FY2017?

Mr. Chung replied that the private placement was carried out on 26 January 2018 and 5 February 2018 which was after the end of FY2017. He further added that this fact was stated on page 2 of the reply to query no. 4(i) of the above MSWG's letter

(c) The reasons for Madam Li's and Mr. Wang's absence from the Meeting

The Chairman advised that Madam Li had informed him that she could be present due to her mother's health problems. As for Mr. Wang, he actually booked his flight to come to Kuala Lumpur for the Meeting but had to cancel it due to another last minute engagement. Mr. Wong said that he noted the Chairman's comments but he also wishes to point out that this was the third consecutive Annual General Meeting ["AGM"] that Madam Li did not attend. He added that the AGM was an annual affair and as such, all Directors should make the time to attend it and interact with the shareholders. The Chairman said that Mr. Wong's comments were noted and he shall convey it to Madam Li and Mr. Wang as well as the entire Board.

(d) Key matters arising during the AGM

Mr. Wong advised that the absence of Directors at the AGM is considered as key matter arising during the AGM and as such, the matter should be uploaded onto the Company's website. The Chairman said the Board would take note of Mr. Wong's advice going forward.

1. Audited Financial Statements together with the Reports of the Directors and Auditors thereon

The Chairman then proceeded with the first item of the Agenda and tabled the Audited Financial Statements of the Group and the Company for FY2017 together with the Reports of the Directors and Auditors thereon.

He reminded the Meeting that there would be no voting on this matter as Section 340(1)(a) of the Companies Act 2016 does not require the Audited Financial Statements to be formally approved.

He informed the Meeting that nevertheless, the Board and BDO would be pleased to answer any questions on the Audited Financial Statements.

There being no queries, the Chairman proceeded to the Agenda 2.

2. Ordinary Resolution 1 - Payment of Directors' Fees to the Non-Executive Directors from the conclusion of the 13th AGM until the conclusion of the 14th AGM

The Chairman informed the Meeting that the wordings of this proposed resolution were quite lengthy and unless the Meeting had any objections, he would deem the said resolution as read.

Mr Stephen Lye Tuck Meng proposed and Mr Chan Hei Lam seconded the above resolution.

3. Ordinary Resolution 2 – Payment of attendance allowances to the Non-Executive Directors from the conclusion of the 13th AGM until the conclusion of the 14th AGM

The Chairman informed the Meeting that the wordings of this proposed resolution were also quite lengthy and unless the Meeting had any objections, he would also deem the said resolution as read.

Mr Lye proposed and Mr Chan seconded the above resolution.

4. Resolution 3 - Re-election of Mr Wang ZhiMin as Director pursuant to Article 105 of the Company's Constitution

Mr Lye proposed and Mr Chan seconded the proposed re-election of Mr Wang.

5. Resolution 4 - Re-election of Mr Chung Wai Choong as Director pursuant to Article 105 of the Company's Constitution

Mr Lye proposed and Mr Chan seconded the proposed re-election of Mr Chung.

6. Resolution 5 – Appointment of Messrs. Moore Stephens Associates PLT as Auditors of the Company

The Chairman informed the Meeting that Mr Law from BDO (the outgoing Auditors) and Mr Stephen Wan from Moore Stephens were present to deal with any queries that the Meeting may have on this Agenda.

There being no queries, Mr Lye proposed and Mr Chan seconded the appointment of Moore Stephens as Auditors of the Company in place of BDO, to hold office until the conclusion of the 14th AGM and to authorise the Directors to fix their remuneration.

The Chairman then advised the Meeting that the Company Secretary had informed him that there was no notice lodged in relation to any other business and as such, he shall invite the Poll Administrator to brief the Meeting on the polling process.

The Poll Administrator briefed the Meeting on the polling process and the Chairman then adjourned the Meeting at 10:00 a.m. for polling on the resolutions for the day. He invited the Meeting to partake the refreshments which have been arranged.

The Meeting resumed at 10:15 a.m. and the Chairman announced the results of the poll as follows:

	Vote For		Vote Against	
	No. of shares	%	No. of shares	%
Resolution 1	1,207,160,931	100%#	100	*
Resolution 2	1,207,150,931	100%#	10,100	*
Resolution 3	1,207,160,831	100%#	200	*
Resolution 4	1,207,160,931	100%#	100	*
Resolution 5	1,207,160,931	100%#	100	*

Rounded-up

* *Negligible*

The Chairman then declared the above resolutions carried.

The Meeting adjourned at 10:25 a.m. with a vote of thanks to the Chair.

CHAIRMAN

28 May 2018