

PRIVATE & CONFIDENTIAL

Minutes of the Forty-Fifth Annual General Meeting of the Company held at Rembau Room, Corus Paradise resort Port Dickson, 3.5km, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan Darul Khusus on Thursday, 8 December 2016 at 4.00 p.m.

Present

- | | | | | |
|---------------|---|--|-----------------|--|
| Directors | : | Tan Sri Dato' Khoo Kay Peng
Tan Sri Dato' Paduka Dr Mazlan bin Ahmad
Dato' Dr Tan Kee Kwong
Dr Wong Hong Meng | - | Chairman and Chief Executive |
| Members | : | As per Attendance List | | |
| By Invitation | : | Ms Kwa Kim Li
Ms Joyce Sit Meng Poh

Mr James Chan Kuan Chee
Ms Tan Ling Chen | -
-

} | Group Advisor
President,
Laura Ashley (Asia) Pte Ltd
Representatives from Messrs
Crowe Horwath |
| In Attendance | : | Mr Wong Nyen Faat
Mr Chin Suan Yong
Mr Lee Chik Siong | -
-
- | Chief Operating Officer
Group Financial Controller
Joint Company Secretary |

1/16

Commencement of Meeting

The Chairman, Tan Sri Dato' Khoo Kay Peng, called the Meeting to order at 4.15 p.m.

2/16

Quorum

The Joint Company Secretary confirmed that a quorum was present.

3/16

Notice of Meeting

The Joint Company Secretary also confirmed that Notice of the Meeting had been sent to all the members of the Company. A certificate from the Joint Company Secretary is attached to these minutes as "Appendix A".

The Notice of the Meeting was taken as read.

4/16

Poll

In accordance with Article 71 of the Company's Articles of Association, the Chairman announced his wish to exercise his right as Chairman to demand for a poll vote on each of the resolutions set out in the Notice of the Meeting.

The Chairman informed the floor that the Company had received a letter dated 1 December 2016 from the Minority Shareholder Watchdog Group ("MSWG"). The Chief Operating Officer, Mr Wong Nyen Faat was invited to read out MSWG's queries and the Company's answers to the queries, a copy of which is attached to these minutes as "Appendix B".

The Chairman then presented all the resolutions to the Meeting.

After receiving and answering queries from the floor pertaining to the respective resolutions, the Chairman proceeded to conduct the poll.

The Chairman informed the members present that Messrs H.H. Fong & Co., had been appointed and will act as scrutineers for conduct of the poll.

Thereafter, the poll was conducted after the poll procedure was read out by the Joint Company Secretary.

At the conclusion of the poll vote, the Chairman announced to the members present that the poll results will be announced by the Company at Bursa Malaysia Securities Berhad's website in due course.

The voting results were thereafter announced by the Company at Bursa Malaysia Berhad's website on 8 December 2016. A copy of the announcement attaching the confirmation by Messrs H.H. Fong & Co. of the poll results is attached to these minutes as "**Appendix C**".

5/16

To receive the audited financial statements and reports for the financial period ended 30 June 2016

After all the questions from the members present had been dealt with, the audited financial statements together with the reports of the Directors and Auditors thereon for the financial period ended 30 June 2016 were received by the Meeting.

6/16

Resolution 1

Approval of Directors' Fees of RM270,000

On a poll, with 1,900,088,975 shares representing 100% voted in favour of the said resolution, it was unanimously resolved:-

THAT the Directors' Fees of RM270,000 for the financial period ended 30 June 2016 be approved.

7/16

Resolution 2

Re-appointment of Tan Sri Dato' Khoo Kay Peng as Director of the Company pursuant to Section 129(6) of the Companies Act, 1965

Tan Sri Dato' Khoo Kay Peng retired in accordance with Section 129(2) of the Companies Act, 1965, and offered himself for re-appointment under Section 129(6) of the said Act.

On a poll, with 1,900,088,975 shares representing 100% voted in favour of the said resolution, it was unanimously resolved:-

THAT pursuant to Section 129(6) of the Companies Act, 1965, Tan Sri Dato' Khoo Kay Peng be re-appointed as Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company.

8/16

Resolution 3

Re-appointment of Tan Sri Dato' Paduka Dr Mazlan bin Ahmad as Director of the Company pursuant to Section 129(6) of the Companies Act, 1965

Tan Sri Dato' Paduka Dr Mazlan bin Ahmad retired in accordance with Section 129(2) of the Companies Act, 1965, and offered himself for re-appointment under Section 129(6) of the said Act.

On a poll, with 1,900,088,975 shares representing 100% voted in favour of the said resolution, it was unanimously resolved:-

THAT pursuant to Section 129(6) of the Companies Act, 1965, Tan Sri Dato' Paduka Dr Mazlan bin Ahmad be re-appointed as Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company.

9/16

Resolution 4

Re-appointment of Dr Wong Hong Meng as Director of the Company pursuant to Section 129(6) of the Companies Act, 1965

Dr Wong Hong Meng retired in accordance with Section 129(2) of the Companies Act, 1965, and offered himself for re-appointment under Section 129(6) of the said Act.

On a poll, with 1,900,088,975 ordinary shares representing 100% voted in favour the said resolution, it was unanimously resolved:-

THAT pursuant to Section 129(6) of the Companies Act, 1965, Dr Wong Hong Meng be re-appointed as Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company.

10/16

Resolution 5

Re-appointment of Messrs Crowe Horwath as auditors of the Company and to authorise the Directors to fix their remuneration

The auditors, Messrs Crowe Horwath, have expressed their willingness to accept re-appointment as auditors of the Company.

On a poll, with 1,900,088,975 ordinary shares representing 100% voted in favour the said resolution, it was unanimously resolved that Messrs Crowe Horwath be and were thereby re-appointed as auditors of the Company for the financial year ending 30 June 2017 and that the Directors be and were thereby authorised to fix their remuneration.

Special Business

11/16

Resolution 6

Ordinary Resolution - Proposed authority for Tan Sri Dato' Paduka Dr Mazlan bin Ahmad to continue in office as Independent Non-Executive Director

On a poll, with 1,900,088,975 shares representing 100% voted in favour of the said resolution, it was unanimously resolved:-

THAT authority be and is hereby given to Tan Sri Dato' Paduka Dr Mazlan bin Ahmad who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company.

12/16

Resolution 7

Ordinary Resolution - Proposed authority for YB Dato' Dr Tan Kee Kwong to continue in office as Independent Non-Executive Director

On a poll, with 1,900,088,975 shares representing 100% voted in favour of the said resolution, it was unanimously resolved:-

THAT authority be and is hereby given to YB Dato' Dr Tan Kee Kwong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company.

13/16

Resolution 8

Ordinary Resolution - Proposed authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares

On a poll, with 1,900,088,975 shares representing 100% voted in favour of the said resolution, it was unanimously resolved:-

THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of the relevant authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting or until the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being.

14/16

Resolution 9

Ordinary Resolution – Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature

Cherubim Investment (HK) Limited, Norcross Limited, Bonham Industries Limited, Pan Malaysian Industries Berhad and KKP Enterprises Sdn Bhd, being the Interested Party as defined in the Circular of Shareholders dated 31 October 2016, have abstained from voting in this resolution.

On a poll, with 502,233,686 ordinary shares representing 100% voted in favour the said resolution, it was unanimously resolved:-

THAT, subject to the provision of the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements, the Company and/or its subsidiary companies ("the Group") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related party as set out in the Circular to Shareholders dated 31 October 2016 ("the Related Party"), provided that such transactions are:-

- (a) necessary for the day to day operations;
- (b) undertaken in the ordinary course of business and are on normal commercial terms which are consistent with the Group's usual business practices and policies, and on terms not more favourable to the Related Party than those generally available to the public; and
- (c) not to the detriment of the minority shareholders.

AND THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution, and will continue to be in force until the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution or the expiry of the period within which the next Annual General Meeting is required by law to be held (unless earlier revoked or varied by ordinary resolution in a general meeting of shareholders of the Company), whichever occurs first and in any event, in accordance with the provisions of Bursa Securities Main Market Listing Requirements and/or any other relevant authorities;

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this ordinary resolution which shall include, without limitation, taking any action which the Directors may, in their absolute discretion deem fit, to recover any sums due to the Company under the said transactions or to settle the same.

15/16

Resolution 10

Ordinary Resolution – Proposed renewal of authority for the purchase of own shares by Malayan United Industries Berhad

On a poll, with 1,900,088,975 ordinary shares representing 100% voted in favour the said resolution, it was unanimously resolved:-

THAT, subject to the Companies Act, 1965 and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given to the Company to purchase and/or hold such amount of ordinary shares of RM1.00 each in the Company (“Proposed Share Buy-Back”) as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad (“Bursa Securities”) provided that the aggregate number of ordinary shares which may be purchased and/or held by the Company pursuant to this resolution shall not exceed ten per centum (10%) of the issued and paid-up share capital of the Company at the time of purchase;

AND THAT the maximum funds to be allocated by the Company for the purpose of the Proposed Share Buy-Back shall not exceed the Company’s share premium account. Based on the audited financial statements for the financial period ended 30 June 2016, the Company’s share premium account stood at RM220,305,000;

AND THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution, and will, subject to renewal thereat, expire at the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution or the expiry of the period within which the next Annual General Meeting is required by law to be held (unless earlier revoked or varied by ordinary resolution in a general meeting of shareholders of the Company), whichever occurs first and in any event, in accordance with the provisions of Bursa Securities Main Market Listing Requirements and/or any other relevant authorities;

AND THAT authority be and is hereby given to the Directors of the Company to decide in their absolute discretion to:-

- (a) cancel the shares so purchased; or
- (b) retain the shares so purchased as treasury shares; or
- (c) retain part of the shares so purchased as treasury shares and cancel the remainder; or
- (d) distribute the treasury shares as dividends to shareholders and/or resell on Bursa Securities and/or cancel all or part of them;

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing any relevant documents) as they may consider expedient or necessary to complete and give effect to the aforesaid authorisation with full powers to assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Companies Act, 1965, the provisions of the Company's Memorandum and Articles of Association and the requirements of Bursa Securities and all other governmental/ regulatory authorities.

Conclusion of Meeting

There being no other business of which due notice had been received from members for discussion at the Meeting, the Forty-Fifth Annual General Meeting of the Company was concluded at 5.40 p.m. with a vote of thanks to the Chair.

CHAIRMAN

Dated: 27 February 2017

(Forty-Fifth Annual General Meeting of the Company held on Thursday, 8 December 2016 at 4.00 p.m.)



Malayan United Industries Berhad

Appendix A to minutes of the
forty fifth Annual General
Meeting held on 8 December 2016

Company No : 3809-W

8 December 2016

To the Shareholders present
at the Company's Forty-Fifth
Annual General Meeting
held on 8 December 2016

This is to certify that 38,778 covers containing the notice of the Company's Forty-Fifth Annual General Meeting were properly addressed and delivered to the General Post Office for posting. Acknowledgements of the posting to the respective shareholders by the Postmaster General of the General Post Office are attached herewith.

Yours faithfully
for **MALAYAN UNITED INDUSTRIES BERHAD**

LEE CHIK SIONG
Joint Company Secretary

Encls.



POS MALAYSIA BERHAD (229990-M)

Docket Transaction No: AD00060210237979

SubDocket Transaction No: AD01060210277202

Docket Barcode:



AD00060210237979

Company Name: Maximall (M) Sdn. Bhd.

Imprest Account No: 06020001752

License No: WP0175

WP0051

Ref. No.	Product	Mail Type	Vol.	Zone	Weight / Piece (gm)	Surcharge (RM)	Unit Price (RM)	Amount (RM)	GST (RM)	Price(Include GST)(RM)	Mail Owner	Imprest Account	Permit No	Permit Type	Sorting	Remark
AD02060222442029	Non Standard	Annual Reports	3640	Semenanjung to Semenanjung	124.00	0.00	1.00	3640.00	218.40	3858.40	Maximall (M) Sdn. Bhd.	06020001752			No	MUI - Ar Cd & Cir

02112016 15:22:34
Maximall (M) Sdn. Bhd.
RM 3858.40 06020001752

ARRIVAL TIME:

412

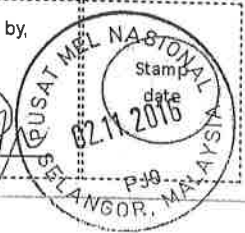
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Please take note:

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- Customers are encouraged to register as licensed customers and use their own imprest account to enable first hand information via online on lodgement acceptance
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Checked by,

Verified by,



1A x 13 x 20 = 3640

CERTIFIED TRUE COPY



POS MALAYSIA BERHAD (229990-M)

Docket Transaction No: AD00060210243375

SubDocket Transaction No: AD01060210282618

Docket Barcode:



AD00060210243375

Company Name: Maxmall (M) Sdn. Bhd.

Imprest Account No: 06020001752

License No: WP0175

Ref. No.	Product	Mail Type	Vol	Zone	Weight / Piece (gm)	Surcharge (RM)	Unit Price (RM)	Amount (RM)	GST (RM)	Price(Include GST)(RM)	Mail Owner	Imprest Account	Permit No	Permit Type	Sorting	Remark
AD02060222453403	Non Standard	Annual Reports	7780	Semenanjung to Semenanjung	124.00	0.00	1.00	7780.00	466.80	8246.80	Maxmall (M) Sdn. Bhd.	06020001752			No	MUI - Ar Cd & Cir

03112016 15:47:08
Maxmall (M) Sdn. Bhd.
RM 8246.80 06020001752

ARRIVAL TIME:

03/11/16

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Verified by,

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14 x 22 x 20 = 6160

5 x 16 + 1 x 20 = 1620

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POS MALAYSIA BERHAD (229990-M)

Docket Management

Docket Transaction No: AD00060210246283

SubDocket Transaction No: AD01060210285538

Docket Barcode:



AD00060210246283

Company Name: Maximall (M) Sdn. Bhd.

Imprest Account No: 06020001752

License No: WP0175

wp 0059

Ref. No.	Product	Mail Type	Vol.	Zone	Weight / Piece (gm)	Surcharge (RM)	Unit Price (RM)	Amount (RM)	GST (RM)	Price(Include GST)(RM)	Mail Owner	Imprest Account	Permit No	Permit Type	Sorting	Remark
AD02060222460473	Non Standard	Annual Reports	8960	Semenanjung to Semenanjung	124.00	0.00	1.00	8960.00	537.60	9497.60	Maximall (M) Sdn. Bhd.	06020001752			No	MUI - Ar Cd & Clr

04112016 11:01:48
Maximall (M) Sdn. Bhd.
RM 9497.60 06020001752

ARRIVAL TIME: 11-22

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1A x 16 x 20 x 2 = 8960

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POS MALAYSIA BERHAD (229990-M)

Docket Management

Docket Transaction No: AD00060210248287

SubDocket Transaction No: AD01060210287533

Docket Barcode:



AD00060210248287

Company Name: Maximall (M) Sdn. Bhd.

Imprest Account No: 06020001752

License No: WP0175

Ref. No.	Product	Mail Type	Vol.	Zone	Weight / Piece (gm)	Surcharge (RM)	Unit Price (RM)	Amount (RM)	GST (RM)	Price(Include GST)(RM)	Mail Owner	Imprest Account	Permit No	Permit Type	Sorting	Remark
AD02060222464876	Non Standard	Annual Reports	9600	Semenanjung to Semenanjung	126.00	0.00	1.00	9600.00	576.00	10176.00	Maximall (M) Sdn. Bhd.	06020001752			No	MUI - Ar Cd & Cir

wp 0059

04112016 15:37:47
Maximall (M) Sdn. Bhd.
RM 10176.00 06020001752

ARRIVAL TIME: 4.10

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Verified by,

Stamp date



1A x 16 x 20 = 4480

16 x 16 x 20 = 5120

9600

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POS MALAYSIA BERHAD (229990-M)

Docket Transaction No: AD00060210252044 SubDocket Transaction No: AD01060210291291

Docket Barcode:



AD00060210252044

Company Name: Maximall (M) Sdn. Bhd.

Imprest Account No: 06020001752 License No: WP0175

Ref. No.	Product	Mail Type	Vol.	Zone	Weight / Piece (gm)	Surcharge (RM)	Unit Price (RM)	Amount (RM)	GST (RM)	Price(Include GST)(RM)	Mail Owner	Imprest Account	Permit No	Permit Type	Sorting	Remark
AD02060222474752	Non Standard	Annual Reports	7665	Semenanjung to Semenanjung	124.00	0.00	1.00	7665.00	459.90	8124.90	Maximall (M) Sdn. Bhd.	06020001752			No	MUI - Ar Cd & Cir

07112016 08:24:09
Maximall (M) Sdn. Bhd.
RM 8124.90 06020001752

ARRIVAL TIME: 10:32

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1A x 16 x 20 = 4480

9 x 16 + 15 x 20 + 5 = 3185

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POS MALAYSIA BERHAD (229990-M)

Docket Management

Docket Transaction No: AD00060210254696

SubDocket Transaction No: AD01060210293942

Docket Barcode:



AD00060210254696

Company Name: Maximail (M) Sdn. Bhd.

Imprest Account No: 06020001752

License No: WP0175

Ref. No.	Product	Mail Type	Vol.	Zone	Weight / Piece (gm)	Surcharge (RM)	Unit Price (RM)	Amount (RM)	GST (RM)	Price(Include GST)(RM)	Mail Owner	Imprest Account	Permit No	Permit Type	Sorting	Remark
AD02060222480475	International Mail (Airmail)	Annual Reports	57	ZON 1	52.00	0.00	2.80	159.60	0.00	159.60	Maximail (M) Sdn. Bhd.	06020001752			No	PMH - Ar Cd & Notice
AD02060222480549	International Mail (Airmail)	Annual Reports	23	ZON 3	126.00	0.00	10.80	248.40	0.00	248.40	Maximail (M) Sdn. Bhd.	06020001752			No	MUI - Ar Cd & Cir
AD02060222480487	International Mail (Airmail)	Annual Reports	1	ZON 1	52.00	0.00	2.80	2.80	0.00	2.80	Maximail (M) Sdn. Bhd.	06020001752			No	PMH - Ar Cd & Notice
AD02060222480501	International Mail (Airmail)	Annual Reports	1	ZON 3	52.00	0.00	5.20	5.20	0.00	5.20	Maximail (M) Sdn. Bhd.	06020001752			No	PMH - Ar Cd & Notice
AD02060222480513	International Mail (Airmail)	Annual Reports	10	ZON 1	126.00	0.00	5.60	56.00	0.00	56.00	Maximail (M) Sdn. Bhd.	06020001752			No	MUI - Ar Cd & Cir
AD02060222480525	International Mail (Airmail)	Annual Reports	1054	ZON 1	126.00	0.00	5.60	5902.40	0.00	5902.40	Maximail (M) Sdn. Bhd.	06020001752			No	MUI - Ar Cd & Cir
AD02060222480499	International Mail (Airmail)	Annual Reports	9	ZON 2	52.00	0.00	3.80	34.20	0.00	34.20	Maximail (M) Sdn. Bhd.	06020001752			No	PMH - Ar Cd & Notice
AD02060222480537	International Mail (Airmail)	Annual Reports	46	ZON 2	126.00	0.00	8.00	368.00	0.00	368.00	Maximail (M) Sdn. Bhd.	06020001752			No	MUI - Ar Cd & Cir

07112016 14:37:52
Maximail (M) Sdn. Bhd.
RM 6776.60 06020001752

ARRIVAL TIME: 5:00

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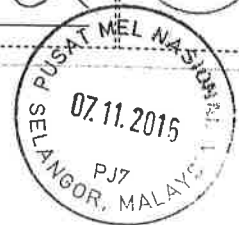
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Checked by, ay

Verified by, [Signature]

Stamp date



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MINORITY SHAREHOLDER WATCHDOG GROUP
Shareholder Activism and Protection of Minority Interest

1 December 2016

BY FAX / HAND

(Fax No.: 603-21445209)

The Chairman and
Board of Directors
Malayan United Industries Berhad
Unit 3, 191, Jalan Ampang,
50450 Kuala Lumpur

Attention: Lee Chik Siong & Chin Suan Yong
Company Secretaries

Dear Sir,

Twelfth Annual General Meeting ("AGM") of Malayan United Industries Berhad

MSWG received the Notice that Malayan United Industries Berhad's upcoming AGM would be held at 4.00 p.m. on Thursday, 8 December 2016.

In the interest of minority shareholders and all other stakeholders of the Group, we would like to raise the following:

Strategy and Financials

1. As shown on Page 102 of the Annual Report, we noted that other receivables owing by related parties which are unsecured as stated in para (d) and (e) where impairment losses were made totalling RM8,692,000 and RM8,720,000 respectively. What steps have been taken to recover the bad debts? Would there be further impairments for FY2017? Please explain note 18(i) and measures taken to address the impairment position.
2. As shown on Page 41 of the Annual Report, for the 18 month financial period ended 30 June 2016, Group's gearing ratio had increased significantly to 1.32 times in FY2016 from 1.15 times in FY2014. What is the Group's optimal gearing ratio and are there concerns and plans to reduce the ratio in the near term?

Retailing Division

3. As reported in the Chairman Statement, Laura Ashley had performed well in UK and Asia through licensing, international franchise and e-commerce. However, Metrojaya has not been performing compared with previous year.
 - (i) What measure can the Group take to be competitive against other players in the same segments and markets?
 - (ii) Please also brief shareholders on the outlook and prospect of this division in FY2017.

Hotel Division

4. As mentioned in the Chairman's Statement, the Group's hotel division in UK and Malaysia decreased due to lower occupancy and lower average room rate. What measures and strategies have been taken to promote and attract tourists and when does the Board expect the Group's hotel division to turn profitable?
5. Laura Ashley Hotel the Bellfield located in the famous Lake District, UK recorded higher revenue on prorated basis following a successful refurbishment and rebranding program completed in 2014. What is the total capital expense for enhancement through refurbishment?

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia • Company No: 524989-M)
Tingkat 11, Bangunan KWSR, No: 3, Changkat Raja Chulan, Off Jalan Raja Chulan, 50200 KUALA LUMPUR.
Tel: (603) 2070 9090 Fax: (603) 2070 9107
E-Mail: watchdog@mswg.org.my Website: www.mswg.org.my

Corporate Governance

1. Under Chapter 15 Section 15.08A Part (3) of the Main Market Listing Requirements, the Company must provide, in its Annual Report, a statement about the activities of the Nominating Committee in discharging its duties for the financial year which should include a policy on board composition having regard to the mix of skills, independence and diversity (including gender diversity). In this respect, we noted that the Board has addressed the board composition in the areas of mix of skills and independence. However, we noted that there is no woman director on Board and there was no disclosure on the policy on gender diversity.

Could the Board explain what measures and actions have been taken to address the issue on gender diversity?

2. Publish the Company's Memorandum and Articles of Association on the Company's website.

We would appreciate if the Board could present the points raised here, and their related answers for the shareholders present at the AGM. At the same time, we await a written reply as soon as possible for our records and for posting on our website for the benefit of all stakeholders.

Thank you.

Yours sincerely



Quan Ban Aik
Head
Corporate Monitoring
RBB/QBA/nkk



Malayan United Industries Berhad

Company No :3809-W

8 December 2016

Badan Pengawas Pemegang Saham Minoriti Berhad
Tingkat 11, Bangunan KWSP, No. 3, Changkat Raja Chulan,
Off Jalan Raja Chulan,
50200 Kuala Lumpur.

Attention: Mr Quah Ban Aik, Head, Corporate Monitoring

Dear Sirs,

Forty-Fifth (45th) Annual General Meeting) ("AGM") of Malayan United Industries Berhad (the Group or the Company)

We refer to your letter to the Company dated 1 December 2016 and wish to point out that the current AGM is the Forty-Fifth AGM of the Company, not the Twelfth AGM as stated in your letter. We refer to the said letter and would like to respond as follows:

Strategy/Financials

1. As shown on Page 102 of the Annual Report, we noted that other receivables owing by related parties which are unsecured as stated in para (d) and (e) where impairment losses were made totalling RM8,692,000 and RM8,720,000 respectively. What steps have been taken to recover the bad debts? Would there be further impairments for FY2017?

Our response:

The owing party is in the process of rationalising its assets and liabilities. The Group will continue discussion with the owing party to recover the debts. Whether or not there will be further impairment depends on the outcome of the owing party's rationalisation which we are unable to determine at this stage.

Please explain note 18(i) and measures taken to address the impairment position.

Our response:

The impairments were recognised on amounts owing by subsidiaries to the Company (i.e. Malayan United Industries Berhad at Company level) as a result of decline in asset value of the subsidiaries' investments. Such impairments had no financial impact on Malayan United Industries Berhad at Group level because they were intercompany items/transactions eliminated on consolidation. Such impairment is carried out on a yearly review basis.

2. As shown on page 41 of the Annual Report, for the 18 month financial period ended 30 June 2016, Group's gearing ratio had increased significantly to 1.32 times in FY2016 from 1.15 times in FY2014. What is the Group's optimal gearing ratio and are there concerns and plans to reduce the ratio in the near term?

.../2-

Our response:

Based on the current level of operations and investment, it will be more comfortable if the Group's gearing ratio could be reduced to around 0.9 times. To achieve a lower gearing ratio, the Group has over the years disposed of certain assets to reduce its borrowings, and will continue to do so when disposal opportunities arise.

Retailing Division

3. As reported in the Chairman Statement, Laura Ashley had performed well in UK and Asia through licensing, international franchise and e-commerce. However, Metrojaya has not been performing compared with previous year.
- i. What measure can the Group take to be competitive against other players in the same segments and markets?
 - ii. Please also brief shareholders on the outlook and prospect of this division in FY2017.

Our response:

- i. Some key measures which are being or will be undertaken by Metrojaya include (a) introducing new brands in Home, Children and Beauty categories in its department stores, (b) focusing more on its higher margin in-house brands than the lower margin concessionaires' brands, (c) revamping and refurbishment of certain Metrojaya department stores to be lifestyle department stores, and (d) entry into online shopping by collaborating with some e-commerce platforms.
- ii. With a slower Malaysian economy and the continued cautious consumer sentiments, the outlook and prospect of the retailing division in Malaysia remain challenging for FY2017. Nevertheless, the Group expects Metrojaya to improve its overall performance for FY2017 compared with the previous year.

Hotel Division

4. As mentioned in Chairman's statement, the Group's hotel division in UK and Malaysia decreased due to lower occupancy and lower average room rate. What measures and strategies have been taken to promote and attract tourists and when does the Board expect the Group's hotel division to turn profitable?

Our response:

Despite lower occupancy and lower average room rate, the Group's hotel business in Malaysia and the UK respectively was profitable for the previous financial period ended 30 June 2016. To improve the profitability, Corus Hotels in Malaysia is diversifying its corporate customer base to depend less on the government clientele and Oil & Gas customers and to focus more on the Meetings, Incentives, Conference and Exhibition (M.I.C.E) segment as well as on the international tourists especially from China and the Middle Eastern countries. In the UK, continued expenditure for certain hotels and more aggressive marketing will further enhance the profitability for FY2017.

5. Laura Ashley Hotel the Belfield located in the famous Lake District, UK recorded higher revenue on prorated basis following a successful refurbishment and rebranding program completed in 2014. What is the total capital expenses for enhancement through refurbishment?

Our response:

The total refurbishment cost for this hotel was about GBP3.3 million.

Corporate Governance

1. Under Chapter 15 Section 15.08A Part (3) of the Main Market Listing Requirements, the Company must provide, in its Annual Report, a statement about activities of the Nominating Committee in discharging its duties for the financial year which should include a policy on board composition having regard to the mix of skills, independence and diversity (including gender diversity). In this respect, we noted that the Board has addressed the board composition in the areas of mix of skills and independence. However, we noted that there is no woman director on Board and there was no disclosure on the policy on gender diversity.

Could the Board explain what measures and actions have been taken to address the issue on gender diversity?

Our response:

The Board has noted the recommendation in the Code and will consider the establishment of board gender diversity policy.

2. Publish the Company's Memorandum and Articles of Association on the Company's website.

Our response:

The Company's Memorandum and Articles of Association are kept by the Company at the Company's registered office and open to inspection by any member without charge. The Board of Directors is of the view that this provides adequate access by any member to the Company's Memorandum and Articles of Association.

Thank you.

Yours faithfully,

For and on behalf of MALAYAN UNITED INDUSTRIES BERHAD

A handwritten signature in black ink, appearing to read 'Wong Nyen Faat', written over a circular stamp or mark.

WONG NYEN FAAT
Chief Operating Officer

Note : To be signed by Mr Wong Nyen Faat after Annual General Meeting of Malayan United
Industries Berhad



MEMBER FIRM OF
MALAYSIAN INSTITUTE OF ACCOUNTANTS



**H. H. FONG
& CO.**

Chartered Accountants (M)

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The Board of Directors
MALAYAN UNITED INDUSTRIES BERHAD
Unit 3, 191, Jalan Ampang,
50450 Kuala Lumpur.

Appendix C to Minutes of the
Forty-Fifth Annual General Meeting
held on 8 December 2016

Date : 8 December 2016

Our Ref : HHF/MUIB/2016

Dear Sir,

**MALAYAN UNITED INDUSTRIES BERHAD
POLLING RESULTS FOR THE ANNUAL GENERAL MEETING ("AGM") HELD ON
8 DECEMBER 2016 @ 4.00PM AT REMBAU ROOM, CORUS PARADISE RESORT PORT
DICKSON.**

In accordance with the Terms of Engagement dated 23 November 2016, we have attended the AGM of **Malayan United Industries Berhad** held on 8 December 2016 and are pleased to set out the polling results for the following resolutions:

Resolution 1 :

To approve Directors' fees of RM270,000.

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	1,900,088,975	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<hr/>	<hr/>
		100%
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	-	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<hr/> <hr/>	
	1,901,103,087	



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Resolution 2 :

To re-appoint Tan Sri Dato' Khoo Kay Peng as Director of the Company pursuant to Section 129 (6) of the Companies Act, 1965.

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	1,900,088,975	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<u>1,900,088,975</u>	<u>100%</u>
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	-	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<u>1,901,103,087</u>	

Resolution 3 :

To re-appoint Tan Sri Dato' Paduka Dr Mazlan bin Ahmad as Director of the Company pursuant to Section 129 (6) of the Companies Act, 1965.

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	1,900,088,975	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<u>1,900,088,975</u>	<u>100%</u>
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	-	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<u>1,901,103,087</u>	



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Resolution 4 :

To re-appoint Dr Wong Hong Meng as Director of the Company pursuant to Section 129 (6) of the Companies Act, 1965.

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	1,900,088,975	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<hr/>	<hr/>
		100%
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	-	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<hr/> <u>1,901,103,087</u>	

Resolution 5:

To re-appoint Messrs Crowe Horwath as auditors of the Company and to authorise the Directors to fix their remuneration.

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	1,900,088,975	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<hr/>	<hr/>
		100%
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	-	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<hr/> <u>1,901,103,087</u>	



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Resolution 6:

Proposed authority for Tan Sri Dato' Paduka Dr Mazlan bin Ahmad to continue in office as Independent Non-Executive Director.

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	1,900,088,975	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<hr/>	<hr/>
		100%
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	-	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<hr/> <u>1,901,103,087</u>	

Resolution 7:

Proposed authority for YB Dato' Dr Tan Kee Kwong to continue in office as Independent Non-Executive Director.

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	1,900,088,975	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<hr/>	<hr/>
		100%
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	-	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<hr/> <u>1,901,103,087</u>	



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Resolution 8:

Proposed authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares.

"THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of the relevant authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting or until the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being."

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	1,900,088,975	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<hr/>	<hr/>
		100%
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	-	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<hr/> 1,901,103,087 <hr/>	

Resolution 9:

Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	502,233,686	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<hr/>	<hr/>
		100%
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	1,397,855,289	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<hr/> 1,901,103,087 <hr/>	



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Resolution 10:

Proposed renewal of authority for the purchase of own shares by Malayan United Industries Berhad.

	Number of share of RM1.00 each	%
Shareholders and proxies who voted for the said Resolution	1,900,088,975	100%
Shareholders and proxies who voted against the said Resolution	-	-
	<hr/>	<hr/>
		100%
Shareholders and proxies who did not vote on the said Resolution	1,014,112	
Abstain	-	
Spoiled	-	
Shareholders and proxies who are present and eligible for voting	<hr/> <u>1,901,103,087</u>	

This letter had been prepared solely for the purpose stated in our Terms of Engagement in connection with the AGM of Malayan United Industries Berhad held on 8 December 2016. This letter is not to be reproduced, referred to in any other document, or used for any other purposes without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any whatsoever to any party in respect of the letter contrary to the aforesaid purpose.

Your faithfully,

H. H. FONG & CO. (AF 0724)
Chartered Accountants (M)