

OCB BERHAD

(Incorporated in Malaysia

Company No. 3465-H)

SUMMARY OF KEY MATTERS DISCUSSED AT THE SIXTIETH ANNUAL GENERAL MEETING (“60TH AGM”) OF OCB BERHAD (“OCB” OR “THE COMPANY”) HELD ON MONDAY, 27 MAY 2019 AT 10.00 A.M.

Pursuant to Paragraph 9.21(2)(b) of the Main Market Listing Requirements, a listed issuer must publish a summary of key matter matters discussed at the annual general meeting, as soon as practicable after the conclusion of the annual general meeting.

All the ordinary resolutions and the special resolution that were tabled at the 60th AGM of OCB were duly approved by the shareholders of OCB through poll voting. The shareholders also received the Audited Financial Statements of OCB group of companies and of OCB, along with the Reports of the Directors and Auditors for the financial year ended 31 December 2018.

The following results of the vote by poll at the 60th AGM of OCB were projected on a screen:

| | Voted in favour | | Voted against | | Total votes casted | |
|---|-----------------|--------|---------------|-------|--------------------|---------|
| | No. of shares | % | No. of shares | % | No. of shares | % |
| ORDINARY BUSINESS | | | | | | |
| Ordinary Resolution 1 Re-election of Director, Tan Sri Dato’ Nik Ibrahim Kamil Bin Tan Sri Dato’ Nik Ahmad Kamil who retires pursuant to Article 97 of the Articles of Association of the Company. | 54,628,880 | 99.998 | 1,000 | 0.002 | 54,629,880 | 100.000 |
| Ordinary Resolution 2 Re-election of Director, Mohd Harris Bin Pardi who retires pursuant to Article 97 of the Articles of Association of the Company. | 54,628,880 | 99.998 | 1,000 | 0.002 | 54,629,880 | 100.000 |
| Ordinary Resolution 3 Re-election of Director, Fong Heng Leong who retires pursuant to Article 97 of the Articles of Association of the Company. | 54,628,880 | 99.998 | 1,000 | 0.002 | 54,629,880 | 100.000 |
| Ordinary Resolution 4 Approval of the payment of Directors’ fees amounting to RM518,000 to the Non Executive Directors of the Company and its subsidiaries for the financial year ended 31 December 2018. | 54,627,880 | 99.996 | 2,000 | 0.004 | 54,629,880 | 100.000 |

| | Voted in favour | | Voted against | | Total votes casted | |
|--|-----------------|--------|---------------|-------|--------------------|---------|
| | No. of shares | % | No. of shares | % | No. of shares | % |
| Ordinary Resolution 5 Approval of the payment of benefits of up to RM150,000 to the Non-Executive Directors of the Company and its subsidiaries for the financial year ending 31 December 2019. | 54,627,880 | 99.996 | 2,000 | 0.004 | 54,629,880 | 100.000 |
| Ordinary Resolution 6 Re-appointment of Messrs Grant Thornton Malaysia as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix the Auditors’ remuneration. | 54,628,880 | 99.998 | 1,000 | 0.002 | 54,629,880 | 100.000 |
| Ordinary Resolution 7 Continuation of office of Tan Sri Dato’ Nik Ibrahim Kamil Bin Tan Sri Dato’ Nik Ahmad Kamil as an Independent Non-Executive Director of the Company. | 54,628,880 | 99.998 | 1,000 | 0.002 | 54,629,880 | 100.000 |
| Ordinary Resolution 8 Continuation of office of Zakaria Merican Bin Osman Merican as an Independent Non-Executive Director of the Company. | 54,627,780 | 99.996 | 2,100 | 0.004 | 54,629,880 | 100.000 |
| SPECIAL BUSINESS | | | | | | |
| Ordinary Resolution 9 Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016. | 54,628,880 | 99.998 | 1,000 | 0.002 | 54,629,880 | 100.000 |
| Ordinary Resolution 10 Proposed renewal of authority for the Company to purchase its own shares. | 54,628,880 | 99.998 | 1,000 | 0.002 | 54,629,880 | 100.000 |
| Special Resolution 1 Proposed Adoption of New Constitution of the Company. | 54,628,880 | 99.998 | 1,000 | 0.002 | 54,629,880 | 100.000 |

The following questions received from the floor during the 60th AGM of the Company were duly answered by the Executive Directors and a director of subsidiary companies, Sak Swee Sang:

Q(i) : OCB’s balance sheet as at 31 December 2018 is strong – its borrowings has been reduced and cash flow is good. The Group’s loss before tax has also come down. As seen in page 110 of the Annual Report, under Business Segments, both the building materials and consumer foods segments reported losses. What is the outlook for these 2 segments in 2019 and are steps taken to improve their performance?

A(i) : The outlook of the Group is anticipated to be quite positive for financial year 2019. The bedding products segment is expected to continue to bring in profit and the consumer foods segment had reported a profit for the first quarter of 2019. The building material segment on the other hand continued to suffer losses and its management is actively taking steps to reduce the losses by cutting down operating expenses and pushing for sales in the face of stiff competition.

Q(ii) : The bedding product segment’s revenue are contributed mainly by sale of King Koil brand of products. As I know, Kumpulan Perangsang Selangor Berhad (“KPS”) is holding the King Koil license while OCB is involved in the business of selling King Koil products. If KPS withdraws the King Koil license, would OCB be negatively affected?

A(ii) : Our bedding products segment is a licensee of King Koil brand while KPS is a shareholder having a 60% equity stake in the licensor company, King Koil Licensing Company Limited. The withdrawal of the said license will not arise as we hold a perpetual license to manufacture and sell King Koil brand of products in certain countries including Malaysia, and we pay the licensing fee on an annual basis.

Q(iii) : How does OCB’s major shareholder, Rangkai Kartika Sdn Bhd, monitors the Company given that it has no board representation?

A(iii) : The major shareholder of the Company, Rangkai Kartika Sdn Bhd has full confidence in the Board of Directors and the management of the Company to run the 3 business segments.

Q(iv) : Does OCB has a dividend policy?

A(iv) : The Company has no dividend policy. Based on the last dividend payment made in 2016, the payout ratio was 20% of the profit. This serves as a guide for the Company when declaring dividend.