

SYARIKAT TAKAFUL MALAYSIA BERHAD
(Company No. 131646-K)

MINUTES OF THE 32ND ANNUAL GENERAL MEETING OF SYARIKAT TAKAFUL MALAYSIA BERHAD HELD AT DEWAN AHMAD MOHAMED IBRAHIM, 5TH FLOOR, ANNEXE BLOCK, MENARA TAKAFUL MALAYSIA, NO. 4, JALAN SULTAN SULAIMAN, 50000 KUALA LUMPUR ON TUESDAY, 25 APRIL 2017 AT 10:00 A.M.

PRESENT:

BOARD OF DIRECTORS

Tan Sri Dato' Ahmad Fuzi Haji Abdul Razak (Chairman)
Dato' Sri Mohamed Hassan Md Kamil (Group Managing Director)
Encik Mahadzir Azizan
Datuk Rozaida Omar
Encik Zakaria Ismail
Dato' Othman Abdullah
Encik Mohd Tarmidzi Ahmad Nordin
Datin Sri Azlin Arshad

COMPANY SECRETARY

Encik Mohamad Asri Yusoff

MEMBERS/CORPORATE REPRESENTATIVES/PROXIES

The attendance of Members/Corporate Representatives/Proxies is as per Attendance Record.

IN ATTENDANCE:

AUDITORS

Messrs KPMG Desa Megat PLT represented by Encik Mok Wan Kong and Encik Ooi Eng Siong

POLL ADMINISTRATOR

Symphony Share Registrars Sdn Bhd

SCRUTINEER

Symphony Corporatehouse Sdn Bhd

1. CHAIRMAN

Tan Sri Dato' Ahmad Fuzi Haji Abdul Razak presided as Chairman of the 32nd Annual General Meeting (AGM) of Syarikat Takaful Malaysia Berhad (Company/Takaful Malaysia). The Chairman welcomed the Members and all those presents to the AGM. The Chairman introduced the Board of Directors, Company Secretary, Auditors, Poll Administrator and Scrutineer who were present at the meeting to the Members.

2. QUORUM

The Company Secretary confirmed that a quorum was present in accordance with Article 44 of the Company's Constitution (Memorandum and Articles of Association of the Company). The Chairman called the meeting to order.

3. NOTICE

The Notice convening this 32nd AGM having been circulated together with the Annual Report 2016 to the Members on 3 April 2017 was taken as read.

4. CHAIRMAN'S ADDRESS

The Chairman briefed the Members present in person, by proxies or by corporate representatives (Member(s)) that for a smooth conduct of the meeting, each Member present was given a wristband to denote their respective identities. The blue wristband denotes a Member, the red wristband denotes proxy (1st and 2nd) and/or corporate representative and the yellow wristband denotes proxy (1st and 2nd) who is also a Member/shareholder.

The Chairman further highlighted to the Members that as stated in Note 1(vii) of the Notice of 32nd AGM, pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all Resolutions set out in the Notice of AGM will be put to vote by poll. Pursuant to Article 51(a)(ii) of the Company's Constitution, on a poll, each Member who is present in person, by proxy or by corporate representative shall have one vote for each share he/she holds. The poll would be carried out via e-polling and the Poll Administrator, Symphony Share Registrars Sdn Bhd would brief the Members on the procedure before the e-polling session commences.

AGENDA 1

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 TOGETHER WITH THE DIRECTORS' AND AUDITORS' REPORTS THEREON

The Chairman presented to the Members the Audited Financial Statements for the financial year ended 31 December 2016, together with the reports of the Directors and Auditors thereon (collectively referred to as Audited Financial Statements).

It was highlighted to the Members that as stated in Note 2(i) of the Notice of 32nd AGM, the Audited Financial Statements under Agenda 1 was meant for discussion only as the approval of the Members was not required pursuant to the provision of Section 251(1)(a) and 340(1)(a) of the Companies Act 2016. Hence, this Agenda was not put forward for voting by the Members of the Company. The Members were informed that the said Audited Financial Statements were duly approved by the Board of Directors of the Company and were made available to the Members throughout the statutory period.

The Chairman then invited the Group Managing Director (GMD), Dato' Sri Mohamed Hassan Kamil to brief the Members on the performance of the Company and its Group for the year ended 31 December 2016. The following salient points were highlighted by Dato' Sri Mohamed Hassan Kamil:-

Performance: Financial Dynamics

- a. Takaful Malaysia's market capitalisation increased by 6.8% from RM3,182 million as at 31 December 2015 to RM3,399 million as at 31 December 2016. (Takaful

- Malaysia's share price was RM3.90 as at 31 December 2015 and had increased to RM4.14 as at 31 December 2016, adjusted after the share split exercise of 1 share into 5 shares on 27 May 2015).
- b. BIMB Holdings Berhad's market value increased from RM1,917 million as at 31 December 2015 to RM2,035 million as at 31 December 2016. (BIMB Holdings Berhad's shareholding was approximately 59.88% as at 31 December 2016 and 60.25% as at 31 December 2015).
 - c. Employees Provident Fund Board's (EPF) market value increased from RM344 million as at 31 December 2015 to RM396 million as at 31 December 2016. (EPF's shareholding was approximately 11.65% as at 31 December 2016 and 10.82% as at 31 December 2015).
 - d. Despite the volatility of the equity market in 2016, Takaful Malaysia's share price continued to fair well and had increased compared with 2015.
 - e. Takaful Malaysia's share price had outperformed FBM KLCI by 1,018% since January 2012.
 - f. The Group's Gross Operating Revenue for 2016 stood at RM2,013.3 million comprising RM1,732.6 million Gross Contribution and RM280.7 million Investment Income. For year 2015, the Group's Gross Operating Revenue was RM1,788.6 million comprising RM1,521.0 million Gross Contribution and RM267.6 million Investment Income.
 - g. The Group's Profit Before Zakat and Tax for 2016 increased by 8% from RM204.210 million in 2015 to RM220.978 million in 2016. The Profit After Zakat and Tax increased by 7% from RM163.306 million in 2015 to RM174.464 million in 2016.
 - h. The Group's Earnings per Share ("EPS") increased to 21.52 sen for Year-To-Date (YTD) December 2016 compared with 19.13 sen for YTD December 2015. The Group's Net Assets per share increased to RM0.89 for YTD December 2016 compared with RM0.84 for YTD December 2015. The Return on Equity ("ROE") increased slightly to 24.9% for YTD December 2016 compared with 24.5% for YTD December 2015.
 - i. The Group's Operating Revenue grown steadily over the past five years with Gross Contributions of RM1,374.0 million in 2012 to RM1,732.6 million in 2016 and Investment Income of RM233.6 million in 2012 to RM280.7 million in 2016.
 - j. The Company's Operating Revenue also grown steadily over the past five years with Gross Contributions of RM1,197.8 million in 2012 to RM1,575.2 million in 2016 and Investment Income of RM209.7 million in 2012 to RM264.1 million in 2016.
 - k. The Profit Before Zakat and Tax grown steadily over the past five years with Cumulative Annual Growth Rate ("CAGR") of 15% for the Group from RM125.5 million in 2012 to RM221.0 million in 2016 and CAGR of 16% for the Company from RM127.8 million in 2012 to RM229.7 million in 2016.
 - l. The Profit After Zakat and Tax also grown steadily over the past five years with CAGR of 15% for the Group from RM100.1 million in 2012 to RM174.5 million in 2016 and CAGR of 16% for the Company from RM102.7 million in 2012 to RM182.9 million in 2016.
 - m. The EPS increased steadily over the past five years with CAGR of 15% from 12.44 sen per share in 2012 to 21.52 sen per share in 2016.
 - n. The Dividend Paid for 2016 was RM98.5 million (based on interim dividend of 12% single tier paid on 20 January 2017) compared with RM60.0 million for 2015 (based on interim dividend of 7.35% single tier paid on 17 February 2016). The total Dividend paid from 2012 to 2016 was RM454.9 million.

- o. The Dividend Yield for 2016 was 2.9% compared with 1.9% for 2015, 6.6% for 2014, 8.0% for 2013 and 4.6% for 2012. The Dividend Yield ratio above was calculated using 31 December share price for the respective year.
- p. The Net Asset Per Share as at 31 December 2016 was RM0.89 compared with RM0.84 as at 31 December 2015, RM0.72 as at 31 December 2014, RM0.70 as at 31 December 2013 and RM0.61 as 31 December 2012.
- q. The Total Assets increased steadily over the past five years with CAGR of 5% for the Group from RM6,372 million in 2012 to RM7,758 million in 2016 and CAGR of 5% for the Company from RM5,963 million in 2012 to RM7,221 million in 2016.
- r. The Shareholders' Equity increased steadily over the past five years with CAGR of 10% for the Group from RM499 million in 2012 to RM728.1 million in 2016 and CAGR of 9% for the Company from RM504 million in 2012 to RM721.2 million in 2016.
- s. The ROE for 2016 was 25% compared with 25% for 2015, 24% for 2014, 26% for 2013 and 21% for 2012. Overall, among the Finance Industry and Insurance Industry, Takaful Malaysia's ROE remained the highest except for 2012 whereby Insurance Industry was the highest.
- t. For the year 2016, Takaful Malaysia had maintained its positions in leading the Family Takaful business with market share of 23% and also lead in the Employee Benefits business. Takaful Malaysia had sustained its 1st place in Group Family Takaful business, capturing 25% of the market share and its 2nd place in the General Takaful business with an overall market share of 20%. It had secured the 4th place in the combined Life Insurance and Family Takaful business behind AIA, Great Eastern and Prudential respectively.

Awards and Accolades

- a. The GMD updated the Members on the awards and accolades achieved by Takaful Malaysia throughout 2016. Takaful Malaysia had clinched the No. 1 spot for delivering the Best Return on Equity (ROE) amongst 45 Government-Linked Companies (GLCs) listed on Bursa Malaysia for the financial year 2016. It was ranked No. 1 amongst the 48 Government-Linked Companies (GLCs) listed on Bursa Malaysia for delivering the best performing stock in the finance sector for the financial year 2015/2016. For the second time, Takaful Malaysia was awarded The Edge-BRC Best Performing Stock Award (Highest Returns to Shareholders Over 3 Years) under the finance sector at the 2016 Edge Billion Ringgit Club Awards. Takaful Malaysia had clinched for the fourth time consecutively the awards for Best Takaful Company in Malaysia at the 10th International Takaful Awards 2016 held in London and Best Takaful Company 2016 at the Global Islamic Finance Awards ceremony held in Jakarta.

Upon completion of the presentation on the performance of the Company and its Group, the GMD further presented the following responses towards the questions raised by the Minority Shareholder Watchdog Group ("MSWG") in their letter dated 12 April 2017. These responses were duly communicated to MWSG via the Company's letter issued on 21 April 2017.

Strategy/Financial Matters

- Q1: The takaful businesses in the Company's Indonesian subsidiaries only contributed less than 1% to its total Profit Before Taxation and Zakat (PBZT). Please share on the Company's plan to improve the operations, revenue and profitability of its Indonesian subsidiaries/business in the next 3 years. What is the greatest challenge in this market?
- A1: *The Company has two subsidiaries, namely PT Asuransi Takaful Keluarga (ATK) that operates Family Takaful Business and PT Asuransi Takaful Umum (ATU) that operates General Takaful Business in Indonesia. ATK has managed to achieve a healthy compounded growth rate for PBZT of about 20% since 2013. The healthy growth in profit was driven by the expansion in business and better claims management. The Company expects further growth in revenue and profitability from ATK by growing the distribution channels. ATU has been facing tremendous challenges in recent years due to the market competition. The Company has proposed for the voluntary liquidation of ATU in view of capital requirement and high operating cost to compete effectively. The greatest challenge in this market is the market competition from conventional players who are operating on takaful window, lack of talents and investments needed to upgrade the IT system.*
- Q2: Please share on the strategy to penetrate the SME market and the results achieved so far. What would be the ideal portfolio mix and the targets the Company would like to achieve within the next 3 years?
- A2: *The Company has launched Takaful mySME partner and mySME BizPartner, which are specially designed for SME market. These products are currently distributed by corporate agents and brokers. The Company is also looking into promoting these products to the SME customers for bank partners. Customized marketing campaign has been designed to support the growth of this market segment. The Company has managed to achieve encouraging sales with more than RM6 million production in 2016. The ideal portfolio mix is about 10% of corporate business market, and the Company is targeting a double-digit growth rate per annum for this market segment.*
- Q3: Going forward into 2017/2018, how does the Company see the growth of both the personal accident takaful and commercial risk takaful business? What is the internal targets and growth figures the Company would like to achieve for these business segments?
- A3: *The Company expects the personal accident takaful product to continue growing in 2017. The growth of commercial risk takaful business would depend on the economic conditions. The Company plans to increase the growth for commercial risk takaful business through closer partnerships with the major brokers. The Company is also working closely with banks to promote general takaful products to their commercial loan customers. Internally, the Company expects to grow these businesses by more than 15% in 2017.*

Q4: Please share on the regulatory challenges facing the industry in the next 3 years and what are the measures that the Group has put in place to address these risks?

A4: *Takaful Malaysia is in the progress of complying with the Islamic Financial Services Act 2013 to have separate licenses for the Family and General Takaful businesses. Clear plans and milestones have been put in place to segregate some of the business functions. Takaful Malaysia is currently working closely with the regulator to finalize on the corporate structure post separation of the General and Family Takaful businesses. Liberalisation of the market place due to the de-tariffication of motor and fire insurance presents both opportunities and threats to the Company. Takaful Malaysia has taken proactive steps to build the pricing capability, enhance the systems to support de-tariffication, provide training to the distribution channels and launch new products upon liberalization of the market place. The Company expects the new Life Insurance and Family Takaful Framework to drive the growth of Family Takaful business. The Company has aligned the Company's strategy to focus on the growth of alternative distributions. In line with the BNM initiatives to reach out to retail customers through direct distribution, the Company has implemented a Digital Strategy to develop the online distribution platform by offering competitive products and providing seamless customer journey and experience.*

Q5. On the impact of the on-going de-tariff exercise of the general business segment and the liberalisation of the financial and insurance market, please brief on the preparation taken by the Company to remain competitive in its product offering vis-a-vis the market prices and risks.

A5: *The Company has enhanced the pricing resource, system capability, and developed a flexible and dynamic rating engine to determine future premium rates based on different risk factors of customer and vehicle. These enhancements allow pricing agility and fast product and pricing implementation to response to the dynamics of market competition. The Company has also worked on product enhancements and innovations to introduce product differentiation by offering value-added benefits and more affordable premium options. Better expense management is another key factor for the Company to compete with the market players and enhance profit in the competitive environment. The Company is making use of the technology as a transformation agent to enhance the processes and systems to deliver differentiating customer experience. The Company has also launched the online sales portal in March 2017 for motor takaful customers and the Company has observed very encouraging business volume from online distribution before the Company officially launch marketing and promotional campaign.*

Corporate Governance Matters

Q6: Please provide the detailed breakdown of the amount RM2.5 million (an increase of 87.5%) for Non-Executive Directors' (NED) Remuneration fees and benefits for FY2017 proposed under Resolution 7.

- A6: *The Group NED remuneration for FY2016 of RM1.333 million was for a 12-month period while the RM2.5 million maximum capping requested is for a 16-month period from 1 January 2017 until the next AGM of the Company which is estimated in end of April 2018 with some buffer to ensure that the Company is not in breach of Section 230(1) of the Companies Act 2016. The actual payment of NED fees and benefits will be based on among other things the number of Board and Board Committees' meetings held, number of Board and Board Committees' Members, etc.*
- Q7: Section 334(3) of the Companies Act 2016 stated that in the case of a poll, the instrument appointing a proxy shall be deposited at the registered office of the Company not less than 24 hours before the time appointed for the taking of the poll. However, MWSG noted that the Notes to the Notice of AGM issued by the Company required the instrument appointing a proxy to be deposited at the Registered Office of the Company not less than 48 hours before the time set for the meeting. Please explain on the discrepancy and confirmed whether the proxy instruments lodged less than 48 hours but not less than 24 hours before the time set for the meeting is taken as valid.
- A7: *The requirement for the instrument appointing a proxy to be deposited at the Registered Office of the Company not less than 48 hours before the time set for the meeting is in line with the practice of other listed companies such as Bursa Malaysia Berhad, LPI Capital Berhad, Public Bank Berhad, Petronas Gas Berhad, RHB Bank Berhad, Affin Holdings Berhad and Telekom Malaysia Berhad. The Company noted on MWSG's comment for future Notice of AGM. The Company has informed the Company's Share Registrar via letter dated 18 April 2017 to accept proxy forms which are deposited less than 48 hours but not less than 24 hours before the AGM date.*

The Chairman then invited the Members to raise questions. The followings were the replies to the salient questions raised by the Members of the Company:-

- i. Encik Tiew Tuan Yap congratulated the Company on its satisfactory performance for year 2016 and asked the following questions:-
- Q1: With regards to the payment of dividend, would the Company considers paying dividend above its current policy i.e. 50% of the Company's earning. Would the Company considers paying the dividend twice a year instead of once a year.
- A1: *The GMD informed that the Company would take into consideration the suggestion on the payment of dividend twice a year. These payments of dividend however would still be subjected to the approval of Bank Negara Malaysia (BNM).*
- Q2: Why the Company's second largest shareholder, Employees Provident Fund Board (EPF) buying and then selling the Company's shares on the same day which had happened on a few occasions. This type of trading strategy could affect the price of the Company's shares on the said day.

A2: *The GMD informed that the Company is not privy to the EPF's investment strategy and does not have any information on the basis for the said trading decisions made by EPF. As such, the Company is unable to provide any information on the same.*

ii. Encik Azahan Badiuzzaman asked the following questions:-

Q1: Why the Company still continue with its Indonesian's businesses when its subsidiaries were not performing well and only contributed about 1% to the Group's incomes. It is better for the Company to concentrate its business in Malaysia.

A1: *The GMD agreed and informed that the Company had reconsidered its business strategy with regards to its Indonesian's general takaful business under its subsidiary, ATU. The Company had proposed for a voluntary winding up of ATU. As for the family takaful business under the Company's subsidiary, ATK, there is still some potential for the business. The Company would continue to monitor ATK's performance very closely and would make appropriate decision if there is a need to do so in the future.*

Q2: Why there was no correlation between the increase in the Company's income against the payment of dividend which was 12 sen for 2016?

A2: *The GMD agreed that the payment of the dividend should correlate with the profit made by the Company. However, due to the Risk Based Capital requirements, the Company is required to hold more capital as the business grows. The increase in the capital would erode the profit of the Company since a portion of the same is required to be set aside for capital. As a result, the dividend would not grow at the same pace as the growth of the Company's earning.*

Q3: Based on the performance record of the Company, what is the forecast for dividend in 2017?

A3: *The GMD informed that it is difficult to ascertain the amount of dividend payable for 2017. Further, any dividend amount decided by the Company must first be approved by BNM.*

iii. Encik Quah Ban Aik from MSWG recommended for the Company to state clearly in the Annual Report the details on the Directors' fees and benefits i.e. what is the allocated amount paid to the Chairman and the other Directors, what is the amount for meeting allowances, what is the breakdown of the Directors' benefits, etc. It was mentioned that this practice is in line with other GLCs where the information was duly stated in their Annual Reports. The disclosure would be good for the Company's corporate governance practice. The Members would be able to know whether the Directors' fees and benefits recommended for their approval are properly reflect the Company's performance and achievement under the stewardship of the Directors. Being a GLC and top takaful company, this good corporate governance practices could further assist the Company to be the leader in ASEAN's insurance industry.

The Chairman thanked Encik Quah Ban Aik for the recommendations. The Company took note on the same. Going forward, the Company would certainly enhance its corporate governance practices based on the industry's standard and best practices.

With no further queries, the Chairman announced:

“THAT the Audited Financial Statements for the Financial Year Ended 31 December 2016, together with the Reports of the Directors and Auditors thereon, be and are hereby received”.

AGENDA 2

The Chairman informed the Members that Agenda 2 required 4 Resolutions to be passed on matters relating to Re-Election of Directors. As stated in Note 2(ii) of the Notice of 32nd AGM, Article 62 of the Company's Constitution provides that one third (1/3) of the Directors of the Company for the time being shall retire by rotation at the AGM of the Company. Pursuant to Paragraph 7.26(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election.

It was highlighted to the Members that Dato' Sri Mohamed Hassan Kamil, a Non-Independent Executive Director/Group Managing Director, had informed the Board of Directors of the Company at its meeting held on 1 March 2017 that he does not wish to seek for re-election in accordance with Article 63 of the Company's Constitution. Hence, Dato' Sri Mohamed Hassan Kamil would retire at the conclusion of the 32nd AGM. However, the Board had approved for Dato' Sri Mohamed Hassan Kamil to be re-designated as the Group Chief Executive Officer upon his retirement as a Non-Independent Executive Director/Group Managing Director.

1. RESOLUTION NO. 1 – RE-ELECTION OF DATUK ROZAIDA OMAR

In accordance with Article 62 of the Company's Constitution, Datuk Rozaida Omar has retired but being eligible, offered herself for re-election.

Upon the proposal of Encik Tiew Tuan Yap and duly seconded by Encik Syed Ismail bin Syed Noh Al-Habshi, the Chairman put Resolution No. 1 pertaining to the re-election of Datuk Rozaida Omar under Article 62 of the Company's Constitution, to a polling vote at the end of this session.

2. RESOLUTION NO. 2 – RE-ELECTION OF ENCIK MOHD TARMIDZI AHMAD NORDIN

In accordance with Article 66A of the Company's Constitution, Encik Mohd Tarmidzi Ahmad Nordin has retired but being eligible, offered himself for re-election.

Upon the proposal of Encik Tiew Tuan Yap and duly seconded by Encik Syed Ismail bin Syed Noh Al-Habshi, the Chairman put Resolution No. 2 pertaining to the re-election of

Encik Mohd Tarmidzi Ahmad Nordin under Article 66A of the Company's Constitution, to a polling vote at the end of this session.

3. RESOLUTION NO. 3 – RE-ELECTION OF TAN SRI DATO' AHMAD FUZI HAJI ABDUL RAZAK

The Chairman declared his interest in the Resolution No. 3 and thereafter passed the chair of the Meeting to Dato' Othman Abdullah to carry through Agenda 2.

In accordance with Article 66A of the Company's Constitution, Tan Sri Dato' Ahmad Fuzi Haji Abdul Razak has retired but being eligible, offered himself for re-election.

Upon the proposal of Encik Tiew Tuan Yap and duly seconded by Encik Syed Ismail bin Syed Noh Al-Habshi, Dato' Othman Abdullah put Resolution No. 3 pertaining to the re-election of Tan Sri Dato' Ahmad Fuzi Haji Abdul Razak under Article 66A of the Company's Constitution, to a polling vote at the end of t this session.

Dato' Othman Abdullah passed the chair of the Meeting back to Tan Sri Dato' Ahmad Fuzi Haji Abdul Razak to carry through the rest of the Agenda.

4. RESOLUTION NO. 4 – RE-ELECTION OF DATIN SRI AZLIN ARSHAD

In accordance with Article 66A of the Company's Constitution, Datin Sri Azlin Arshad has retired but being eligible, offered herself for re-election.

Upon the proposal of Encik Malkit Singh Maan and duly seconded by Encik Tiew Tuan Yap, the Chairman put Resolution No. 4 pertaining to the re-election of Datin Sri Azlin Arshad under Article 66A of the Company's Constitution, to a polling vote at the end of this session.

AGENDA 3

RESOLUTION NO. 5 - PAYMENT OF THE DIRECTORS' FEES OF RM704,000.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (RM752,000.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015).

Upon the proposal of Encik Malkit Singh Maan and duly seconded by Che Ibrahim bin Che Idris, the Chairman put Resolution No. 5 pertaining to the approval of the payment of the Directors' fees of RM704,000.00 for the financial year ended 31 December 2016, to a polling vote at the end of this session.

AGENDA 4

RESOLUTION NO. 6 - PAYMENT OF THE SHARIAH ADVISORY BODY MEMBERS' FEES OF RM203,000.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (RM183,000.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015).

Upon the proposal of Encik Malkit Singh Maan and duly seconded by Cik On Ying Pey, the Chairman put Resolution No. 6 pertaining to the approval of the payment of the

Shariah Advisory Body Members' fees of RM203,000.00 for the financial year ended 31 December 2016, to a polling vote at the end of this session.

AGENDA 5

RESOLUTION NO. 7 - PAYMENT OF NON-EXECUTIVE DIRECTORS' FEES AND BENEFITS IN ACCORDANCE WITH SECTION 230(1) OF THE COMPANIES ACT 2016, OF UP TO RM2,500,000.00 WITH EFFECT FROM 1 JANUARY 2017 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY.

Upon the proposal of Encik Malkit Singh Maan and duly seconded by Che Ibrahim bin Che Idris, the Chairman put Resolution No.7 pertaining to the approval of payment of Non-Executive Directors' fees and benefits in accordance with Section 230(1) of the Companies Act 2016, of up to RM2,500,000.00 with effect from 1 January 2017 until the next Annual General Meeting of the Company, to a polling vote at the end of this session.

AGENDA 6

RESOLUTION NO. 8 - RE-APPOINTMENT OF MESSRS KPMG DESA MEGAT PLT AS THE AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION.

The Chairman informed that the retiring auditors, Messrs KPMG Desa Megat PLT has expressed their willingness to continue serving as the Auditors of the Company.

Upon the proposal of Cik On Ying Pey and duly seconded by Encik Malkit Singh Maan, the Chairman put Resolution No. 8 pertaining to the re-appointment of Messrs KPMG Desa Megat PLT as the Auditors of the Company and to authorise the Directors to fix their remuneration, to a polling vote at the end of this session.

AGENDA 7

SPECIAL BUSINESS - ORDINARY RESOLUTION

RESOLUTION NO. 9 - PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH BIMB HOLDINGS BERHAD AND ITS SUBSIDIARIES ("BHB GROUP").

The Chairman advised the Members that Resolution No. 9 was an ordinary resolution pertaining to the Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with BIMB Holdings Berhad and its Subsidiaries ("BHB Group"), full details as set out in the Circular to Shareholders dated 3 April 2017.

The Members noted that Dato' Sri Mohamed Hassan Kamil, Datuk Rozaida Omar and Encik Mohd Tarmidzi Ahmad Nordin ("Interested Directors"), being the Interested Directors of Takaful Malaysia had accordingly abstained from all deliberations and voting on the Proposed Shareholders' Mandate at the relevant Board of Directors' meetings. The Interested Directors had further abstained from voting in respect of their

direct and indirect shareholdings in Takaful Malaysia (if any) on the resolution approving the Proposed Shareholders' Mandate to be tabled at this AGM.

The Members further noted that BIMB Holdings Berhad being the interested major shareholder had abstained from voting on this resolution approving the Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with BHB Group.

Upon the proposal of Encik Tiew Tuan Yap and duly seconded by Che Ibrahim bin Che Idris, the Chairman put Resolution No. 9 pertaining to the Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with BHB Group (its full details as set out in the Circular to Shareholders dated 3 April 2017), to a polling vote at the end of this session.

POLLING PROCESS

Puan Rozleen Monzali, the representative from Symphony Share Registrars Sdn Bhd (Poll Administrator) briefed the Members on the e-polling procedure. It was informed that the counting of the poll votes would commenced after the adjournment of the Meeting and the results of the poll votes would be verified by the Scrutineers, Symphony Corporatehouse Sdn Bhd.

The Chairman invited all the Members present to proceed casting their vote via e-polling.

The Chairman declared that the Meeting was adjourned at 11.00 a.m. for the counting of the poll votes and should resume at about 11.30 a.m. for the declaration of poll results in respect of Resolutions 1 to 9.

ANNOUNCEMENT OF POLL RESULTS

At 11.55 a.m, the Chairman called the Meeting to order for the declaration of the poll results. The Chairman apologised for the slight delay in the declaration of the poll results due to the delay in receiving poll results from the Poll Administrator. It was informed that the poll results received from the Poll Administrator were duly verified by the Scrutineers. The following poll results were announced to the Members:-

1. RESOLUTION NO. 1 – RE-ELECTION OF DATUK ROZAIDA OMAR

RESOLUTION	FOR		AGAINST		TOTAL	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Ordinary Resolution	633,122,709	96.6288%	22,088,545	3.3712%	655,211,254	100%

The Chairman declared that Resolution No. 1 was duly passed as follows:-

“THAT Datuk Rozaida Omar who retired in accordance with Article 62 of the Company's Constitution, be re-elected as Director of Syarikat Takaful Malaysia Berhad.”

2. RESOLUTION NO. 2 – RE-ELECTION OF ENCIK MOHD TARMIDZI AHMAD NORDIN

RESOLUTION	FOR		AGAINST		TOTAL	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Ordinary Resolution	655,208,204	99.9995%	3,050	0.0005%	655,211,254	100%

The Chairman declared that Resolution No. 2 was duly passed as follows:-

“THAT Encik Mohd Tarmidzi Ahmad Nordin who retired in accordance with Article 66A of the Company’s Constitution, be re-elected as Director of Syarikat Takaful Malaysia Berhad.”

3. RESOLUTION NO. 3 – RE-ELECTION OF TAN SRI DATO’ AHMAD FUZI HAJI ABDUL RAZAK

RESOLUTION	FOR		AGAINST		TOTAL	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Ordinary Resolution	655,201,004	99.9998%	1,250	0.0002%	655,202,254	100%

It was declared that Resolution No. 3 was duly passed as follows:-

“THAT Tan Sri Dato’ Ahmad Fuzi Haji Abdul Razak who retired in accordance with Article 66A of the Company’s Constitution, be re-elected as Director of Syarikat Takaful Malaysia Berhad.”

4. RESOLUTION NO. 4 – RE-ELECTION OF DATIN SRI AZLIN ARSHAD

RESOLUTION	FOR		AGAINST		TOTAL	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Ordinary Resolution	655,201,004	99.9998%	1,250	0.0002%	655,202,254	100%

The Chairman declared that Resolution No. 4 was duly passed as follows:-

“THAT Datin Sri Azlin Arshad who retired in accordance with Article 66A of the Company’s Constitution, be re-elected as Director of Syarikat Takaful Malaysia Berhad.”

5. RESOLUTION NO. 5 - PAYMENT OF THE DIRECTORS’ FEES OF RM704,000.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016.

RESOLUTION	FOR		AGAINST		TOTAL	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage

Ordinary Resolution	659,818,204	99.9998%	1,250	0.0002%	659,819,454	100%
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The Chairman declared that Resolution No. 5 was duly passed as follows:-

“THAT the payment of Directors’ fees of RM704,000.00 (Ringgit Malaysia: Seven Hundred and Four Thousand Only) for the financial year ended 31 December 2016 be and is hereby approved for payment to the Directors of Syarikat Takaful Malaysia Berhad.”

6. RESOLUTION NO. 6 - PAYMENT OF THE SHARIAH ADVISORY BODY MEMBERS’ FEES OF RM203,000.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016.

RESOLUTION	FOR		AGAINST		TOTAL	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Ordinary Resolution	659,818,204	99.9998%	1,250	0.0002%	659,819,454	100%

The Chairman declared that Resolution No. 6 was duly passed as follows:-

“THAT the payment of the Shariah Advisory Body Members’ fees of RM203,000.00 (Ringgit Malaysia: Two Hundred and Three Thousand Only) for the financial year ended 31 December 2016, be and is hereby approved for payment to the Shariah Advisory Body Members of Syarikat Takaful Malaysia Berhad.”

7. RESOLUTION NO. 7 - PAYMENT OF NON-EXECUTIVE DIRECTORS’ FEES AND BENEFITS IN ACCORDANCE WITH SECTION 230(1) OF THE COMPANIES ACT 2016, OF UP TO RM2,500,000.00 WITH EFFECT FROM 1 JANUARY 2017 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY.

RESOLUTION	FOR		AGAINST		TOTAL	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Ordinary Resolution	564,258,404	85.5171%	95,561,050	14.4829%	659,819,454	100%

The Chairman declared that Resolution No. 7 was duly passed as follows:-

“THAT the payment for Non-Executive Directors’ fees and benefits in accordance with Section 230(1) of the Companies Act 2016, of up to RM2,500,000.00 (Ringgit Malaysia Two Million and Five Hundred Thousand only), be and is hereby approved for payment to the Non-Executive Directors of Syarikat Takaful Malaysia Berhad with effect from 1 January 2017 until the next Annual General Meeting.”

8. RESOLUTION NO. 8 - RE-APPOINTMENT MESSRS KPMG DESA MEGAT PLT AS THE AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION.

RESOLUTION	FOR		AGAINST		TOTAL	
	Number of	Percentage	Number of	Percentage	Number of	Percentage

	Shares		Shares		Shares	
Ordinary Resolution	659,809,204	99.9998%	1,250	0.0002%	659,810,454	100%

The Chairman declared that Resolution No. 8 was duly passed as follows:-

“THAT Messrs KPMG Desa Megat PLT be and are hereby re-appointed as the Auditors of Syarikat Takaful Malaysia Berhad for the ensuing year and the Directors are hereby duly authorized to fix their remuneration.”

9. RESOLUTION NO. 9 - PROPOSED SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH BIMB HOLDINGS BERHAD AND ITS SUBSIDIARIES (“BHB GROUP”).

RESOLUTION	FOR		AGAINST		TOTAL	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Ordinary Resolution	166,969,784	99.9993%	1,250	0.0007%	166,971,034	100%

The Chairman declared that Resolution No 9. was duly passed as follows:-

“THAT subject to compliance with the Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016, Constitution of the Company and all other applicable laws, rules, regulations and guidelines, approval be and is hereby given to the Company and its subsidiaries (“Takaful Malaysia Group”) to enter into the Recurrent Related Party Transactions of a revenue or trading nature with BIMB Holdings Berhad and its Subsidiaries (“BHB Group”) which are necessary for the day to day operations of the Takaful Malaysia Group as set out in Section 2.3 of the Circular to Shareholders dated 3 April 2017 (“Circular”), provided that :

- (a) the transactions are in the ordinary course of business and are on terms which are not more favourable to the related parties than those generally available to the public and on terms not to the detriment of minority shareholders of the Company;***
- (b) the transactions are made at arm’s length and on normal commercial terms; and***
- (c) the disclosure will be made in the annual report with the breakdown of the aggregate value of the transactions conducted pursuant to the mandate during the financial year.***

AND THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next annual general meeting of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;***
- (b) the expiration of the period within which the next annual general meeting after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“CA”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the CA); or***

(c) *revoked or varied by resolution passed by the shareholders in a general meeting;*

whichever is the earlier”.

CLOSE OF MEETING

There being no other matters to be transacted, the AGM was called to a close by the Chairman at 12.10 p.m.

SIGNED AS A CORRECT RECORD

SIGNED

CHAIRMAN